

*I Mina'Trentai Tres Na Liheslaturan Received*  
**Bill Log Sheet**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES
228-33 (COR)	Michael F.Q. San Nicolas	AN ACT TO AUTHORIZE REVENUE IN EXCESS OF ADOPTED REVENUES FOR FISCAL YEAR 2016 TO BE USED TO EXPEDITE THE PAYMENT OF TAX REFUNDS OWING TO TAXPAYERS AND/OR TO PAY ACCOUNTS PAYABLE OVER THIRTY (30) DAYS PAST DUE AND RESTRICT APPROPRIATIONS OF SUCH REVENUES.	01/04/16 8:07 a.m.	01/04/16	Committee on Appropriations and Adjudication			Fiscal Note Request 01/14/16 Fiscal Note 01/27/16



# COMMITTEE ON RULES

*I Mina'trentai Tres na Liheslaturan Guåhan* • The 33rd Guam Legislature

155 Hesler Place, Hagåtña, Guam 96910 • [www.guamlegislature.com](http://www.guamlegislature.com)

E-mail: [roryforguam@gmail.com](mailto:roryforguam@gmail.com) • Tel: (671)472-7679 • Fax: (671)472-3547

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Thomas C. Ada  
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MINORITY LEADER

Mary C. Torres  
MINORITY MEMBER

January 27, 2016

## Memorandum

**To:** Rennae Meno  
*Clerk of the Legislature*

**From:** Senator Rory J. Respicio   
*Majority Leader & Rules Chair*

**Subject:** Fiscal Note and Fiscal Note Waivers

*Hafa Adai!*

Attached please find the fiscal note and fiscal note waivers for the bill numbers listed below. Please note that the fiscal note and fiscal note waivers are issued on the bills as introduced.

### FISCAL NOTE:

Bill No. 228-33 (COR)

### FISCAL NOTE WAIVERS:

Bill No. 235-33(LS)

Bill No. 236-33(LS)

Please forward the same to MIS for posting on our website. Please contact our office should you have any questions regarding this matter.

*Si Yu'os ma'åse'!*

2016 JAN 27 AM 11:20

**Bureau of Budget & Management Research  
Fiscal Note of Bill No. 228-33 (COR)**

**AN ACT TO AUTHORIZE REVENUE IN EXCESS OF ADOPTED REVENUES FOR FISCAL YEAR 2016 TO BE USED TO EXPEDITE THE PAYMENT OF TAX REFUNDS OWING TO TAXPAYERS AND/OR TO PAY ACCOUNTS PAYABLE OVER THIRTY (30) DAYS PAST DUE AND RESTRICT APPROPRIATIONS OF SUCH REVENUES.**

**Department/Agency Appropriation Information**

Dept./Agency Affected: Department of Revenue and Taxation	Dept./Agency Head: John P. Camacho
Department's General Fund (GF) appropriation(s) to date:	8,889,485
Department's Other Fund (Specify) appropriation(s) to date: Tax Collection Enhancement Fund (\$886,091); and Better Public Service Fund (\$2,206,210)	3,092,301
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$11,981,786</b>

**Fund Source Information of Proposed Appropriation**

	General Fund:	(Specify Special Fund):	Total:
FY 2015 Unreserved Fund Balance		\$0	\$0
FY 2016 Adopted Revenues	\$0	\$0	\$0
FY 2016 Appro. (P.L. 33-66 thru 100)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
<b>Total:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Estimated Fiscal Impact of Bill**

	One Full Fiscal Year	For Remainder of FY 2016 (if applicable)	FY 2017	FY 2018	FY 2019	FY 2020
General Fund	1/	1/	1/	1/	1/	1/
(Specify Special Fund)	1/	1/	1/	1/	1/	1/
<b>Total</b>	<b>1/</b>	<b>1/</b>	<b>1/</b>	<b>1/</b>	<b>1/</b>	<b>1/</b>

- Does the bill contain "revenue generating" provisions? / / Yes /X/ No  
If Yes, see attachment
- Is amount appropriated adequate to fund the intent of the appropriation? /X/ N/A / / Yes / / No  
If no, what is the additional amount required? \$ \_\_\_\_\_ /X/ N/A
- Does the Bill establish a new program/agency? / / Yes /X/ No  
If yes, will the program duplicate existing programs/agencies? / / N/A / / Yes /X/ No  
Is there a federal mandate to establish the program/agency? / / Yes /X/ No
- Will the enactment of this Bill require new physical facilities? / / Yes /X/ No
- Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: /X/ Yes / / No  
/X/ Requested agency comments not received by due date / / Other:

Analyst: Angela S. Flores, BMA IV Date: 1/25/16 Director: Jose S. Calvo, Director Date: **JAN 27 2016**

**Footnotes: 1/**  
The intent of Bill 228 is to authorize revenues in excess of adopted FY 2016 levels to address timely payments of income tax refunds and/or the payment of vendor payables over thirty (30) days past due. However, revenues received in excess of FY 2016 adopted levels should first be used to retire the existing deficit, comprised of personnel and operational costs, prior to addressing such payments.



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January 4, 2016

### MEMORANDUM

**To:** **Rennae Meno**  
*Clerk of the Legislature*

**Attorney Therese M. Terlaje**  
*Legislative Legal Counsel*

**From:** **Senator Rory J. Respicio**  
*Chairperson of the Committee on Rules*

**Subject:** **Referral of Bill No. 228-33(COR)**

As the Chairperson of the Committee on Rules, I am forwarding my referral of **Bill No. 228-33(COR)**.

Please ensure that the subject bill is referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Tres Na Liheslaturan Guåhan*.

Should you have any questions, please feel free to contact our office at 472-7679.

*Si Yu'os Ma'åse!*

Attachment

I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN  
2015 (FIRST) Regular Session

Bill No. 228-33 (COR)

Introduced by:

Michael F.Q. San Nicolas 

AN ACT TO AUTHORIZE REVENUE IN EXCESS  
OF ADOPTED REVENUES FOR FISCAL YEAR 2016  
TO BE USED TO EXPEDITE THE PAYMENT OF  
TAX REFUNDS OWING TO TAXPAYERS AND/OR  
TO PAY ACCOUNTS PAYABLE OVER THIRTY (30)  
DAYS PAST DUE AND RESTRICT  
APPROPRIATIONS OF SUCH REVENUES.

2016 JAN -11 AM 8:07

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Short Title. This Act *shall* be cited as the “Responsible Tax  
3 Refunds and Vendor Payment Act.”

4 Section 2. Legislative Findings and Intent. *I Liheslaturan Guåhan*  
5 finds that since 2011, the government of Guam has faced a federal  
6 injunction requiring that taxpayers receive their tax refunds within six (6)  
7 months of when error-free returns are filed.

8 *I Liheslatura* further finds that since 2002, Guam law has required that  
9 a certain proportion of income tax revenue be set aside from collections  
10 and deposited into the Income Tax Refund Efficient Payment Trust Fund.  
11 This measure is intended to ensure that sufficient amounts are set aside to  
12 pay tax refunds in each fiscal year. The mandatory deposits should be

1 made, but this may not be enough to assure that tax refunds within weeks  
2 of error-free filing.

3 *I Liheslaturan Guåhan* finds that the government of Guam has  
4 historically faced serious issues with past due payables to vendors, with  
5 many being paid over thirty (30), sixty (60), or even ninety (90) days after  
6 such payments were due.

7 *I Liheslatura* further finds that when agencies of the government of  
8 Guam are chronically behind on payments to private vendors, it places  
9 smaller, less liquid businesses at a disadvantage when they bid for  
10 government contracts. Simply put, many small businesses can not wait for  
11 months before they get paid for the goods and services they provide. Those  
12 that continue to offer goods and services to the government will require an  
13 additional mark-up because such delays are expected. Agencies of the  
14 government of Guam should stop the counter-productive practice of  
15 paying vendors late.

16 It is therefore the intent of *I Liheslaturan Guåhan* that anticipated  
17 revenue in excess of the estimated revenues in Fiscal Year 2016 shall be  
18 authorized to be used exclusively to deposit into the Income Tax Refund  
19 Efficient Payment Trust Fund to facilitate expedited payment of tax  
20 refunds owed to taxpayers and/or to pay vendors for payables over thirty  
21 (30) days past due.

22 **Section 3. Revenue in Excess of Adopted Revenues Authorized to**  
23 **Expedite the Payment of Tax Refunds Owing to Taxpayers and/or to Pay**

1 **Accounts Payable Over Thirty (30) Days Past Due.** Notwithstanding any  
2 other provision of law to the contrary, any anticipated revenue in Fiscal  
3 Year 2016 in excess of the estimated revenues for Fiscal Year 2016 adopted  
4 in Section 2 of Chapter I of Public Law 33-66 for such revenue sources are  
5 hereby authorized exclusively for the following:

6 (1) to deposit into the Income Tax Refund Efficient Payment  
7 Trust Fund to facilitate the expedited payment of tax refunds owing  
8 to taxpayers; and/or

9 (2) to pay accounts payable owing to a vendor that are over  
10 thirty (30) days past due from an agency of the government of Guam  
11 to which funds are appropriated by Public Law 33-66.

12 **Section 4. Appropriation Restriction.** Notwithstanding any other  
13 provision of law to the contrary, unless a state of emergency is declared by  
14 *I Maga'låhen Guåhan*, no appropriation shall be made from any anticipated  
15 revenue in Fiscal Year 2016 in excess of the estimated revenues for Fiscal  
16 Year 2016 adopted in Section 2 of Chapter I of Public Law 33-66 for such  
17 revenue sources, except pursuant to the authorizations in §3 of this Act.

18 **Section 5. Severability.** *If* any provision of this Act or its application  
19 to any person or circumstance is found to be invalid or contrary to law,  
20 such invalidity *shall* not affect other provisions or applications of this Act  
21 which can be given effect without the invalid provisions or application,  
22 and to this end the provisions of this Act are severable.