



COMMITTEE ON RULES

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

155 Hesler Place, Hagåtña, Guam 96910 • www.guamlegislature.com

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

Senator
Rory J. Respicio
CHAIRPERSON
MAJORITY LEADER

February 25, 2016

Senator
Thomas C. Ada
VICE CHAIRPERSON
ASSISTANT MAJORITY LEADER

Memorandum

Speaker
Judith T.P. Won Pat, Ed.D.
Member

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

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

Vice-Speaker
Benjamin J.F. Cruz
Member

Subject: **Fiscal Notes and Fiscal Note Waiver**

Legislative Secretary
Tina Rose Muna Barnes
Member

Hafa Adai!

Senator
Dennis G. Rodriguez, Jr.
Member

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

Senator
Frank Blas Aguon, Jr.
Member

FISCAL NOTES:
Bill No. 234-33(LS)
Bill No. 241-33(COR)

Senator
Michael E.Q. San Nicolas
Member

FISCAL NOTE WAIVER:
Bill No. 231-33 (LS)

Senator
Nerissa Bretania Underwood
Member

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

V. Anthony Ada
MINORITY LEADER

Mary C. Torres
MINORITY MEMBER

Si Yu'os ma'åse'!

2016 FEB 25 01:31:48

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 241-33 (COR)**

AN ACT TO ADD A NEW §51308.9 AND TO AMEND §51303(a) TO ARTICLE 3, CHAPTER 51, TITLE 10 OF THE GUAM CODE ANNOTATED TO ESTABLISH A RECYCLING INDUSTRY ECONOMIC STIMULUS PROGRAM AND TO PROVIDE A CONTINUING APPROPRIATION FOR THIS PURPOSE FROM THE RECYCLING REVOLVING FUND REVENUES.

Department/Agency Appropriation Information	
Dept./Agency Affected: Guam Environmental Protection Agency	Dept./Agency Head: Eric Palacios, Administrator
Department's General Fund (GF) appropriation(s) to date:	-
Department's Other Fund (Specify) appropriation(s) to date:	1,065,925
Total Department/Agency Appropriation(s) to date:	\$1,065,925

Fund Source Information of Proposed Appropriation			
	General Fund:	Recycling Revolving Fund	Total:
FY 2016 Unreserved Fund Balance (as of 2/22/16, Unaudited Balance Sheet)		\$777,829	\$777,829
FY 2016 Adopted Revenues	\$0	\$0	\$0
FY 2016 Appro. (P.L. 33-66 thru P.L. 33-106)	\$0	\$0	\$0
Sub-total:	\$0	\$777,829	\$777,829
Less appropriation in Bill	\$0	(\$1,721,180)	(\$1,721,180)
Total:	\$0	(\$943,351)	(\$943,351)

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	\$0	\$0	\$0	\$0	\$0	\$0
Recycling Revolving Fund	\$1,721,180	\$1,004,022	\$1,721,180	\$1,721,180	\$1,721,180	\$1,721,180
Total	\$1,721,180	\$1,004,022	\$1,721,180	\$1,721,180	\$1,721,180	\$1,721,180

- Does the bill contain "revenue generating" provisions? /x/ Yes / / No
If Yes, see attachment
- Is amount appropriated adequate to fund the intent of the appropriation? / / N/A /x/ 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? /x/ N/A / / Yes / / 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
/ / Requested agency comments not received by due date / / Other:

Analyst: <u>Don P. Rivera</u> Don P. Rivera	Date: <u>2-23/16</u>	Director: <u>Joe S. Calvo</u> Joe S. Calvo, Director	Date: FEB 24 2016
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Footnotes:
See comments attached.

COMMENTS to Bill No. 241-33 (COR):

The Bill is proposing to establish a Recycling Industry Economic Stimulus program that will provide recycling companies who qualify Thirty Dollars (\$30.00) for each ton of solid waste recycled. Per the Bill, current private recycling companies licensed by GEPA recycle about an estimated 42,000 tons of recyclable material each year. If this level of recyclable materials is maintained, the annual estimated payout will be \$1,260,000.

In addition, the Bill adds to the Continuing Appropriation provisions under the Recycling Revolving Fund to include the following items to be continually funded:

- (i) Recycling Industry Economic Stimulus Program - \$1,260,000 (as noted above)
- (ii) One (1) FTE to administer the program - Position currently filled by a Special Projects Coordinator (Salary and Benefits) - \$61,180
- (iii) Contract to promote recycling in the community - \$100,000
- (iv) Contract to implement a Zero Waste Tolerance program - \$300,000

Per information received from a discussion with a GEPA staff, the fund averages about \$250,000 a month (from monthly vehicle registration fees) equating to an estimated revenue collections of \$3,000,000 annually. Please note that the amount reported of \$777,829 on the "Unreserved Balance" of the "Fund Source Information" of the Fiscal Note form is based on an updated Balance Sheet for the Fund provided by the Department of Administration for the period up until 2/22/16 (unaudited). If revenue collections track for the remaining seven (7) months, it would be sufficient to support the Bill's proposal for the remaining FY2016 estimated at \$1,004,022.