



COMMITTEE ON RULES

I Mina'trentai Tres na Liheslaturan Guåhan • The 33rd Guam Legislature
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March 17, 2016

Memorandum

To: Rennae Meno
Clerk of the Legislature

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

Subject: Fiscal Notes and Fiscal Note Waiver

Hafa Adai!

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.

FISCAL NOTES:

Bill No. 272-33(COR)
Bill No. 273-33(COR)

FISCAL NOTE WAIVER:

Bill No. 274-33(COR)

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 MAR 17 PM 4:20
Rory-DA

**Bureau of Budget & Management Research
Fiscal Note of Bill Nos. 273-33 (COR)**

AN ACT TO AMEND PUBLIC LAW 28-101 RELATIVE TO THE DEPARTMENT OF CORRECTIONS PROTECTIVE ZONE AND THE OWNER OF LOT 5400-R6, MUNICIPALITY OF MANGILAO.

Department/Agency Appropriation Information

Dept./Agency Affected: Chamorro Land Trust Commission	Dept./Agency Head: Michael J. B. Borja, Director
Department's General Fund (GF) appropriation(s) to date:	-
Department's Other Fund (Specify) appropriation(s) to date: Chamorro Land Trust Operations Fund	1,424,311
Total Department/Agency Appropriation(s) to date:	\$1,424,311

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 _____)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$0	\$0	\$0

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
Chamorro Land Trust Operations Fund	\$4,000	\$0	\$0	\$0	\$0	\$0
Total	\$4,000	\$0	\$0	\$0	\$0	\$0

- 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? /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>Jason Baza</u> Jason Baza, BMA II	Date: <u>3/15/16</u>	Director: <u>Jose S. Calvo</u> Jose S. Calvo, Director	Date: <u>MAR 17 2016</u>
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Notes:
See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 273-33 (COR)

The proposed legislation intends to amend P.L. 28-101 relative to the Department of Corrections (DOC) protective zone and the owner of Lot 5400-R6 in the municipality of Mangilao. P.L. 17-54 created a protective zone surrounding the perimeter of the DOC facility that authorized the Governor of Guam to exchange property on an area-to-area basis for homes that are too close to the DOC facility, in which the subject property was included. P.L. 28-101 specifically authorized the transfer of the subject property on a value-for-value basis with government owned property in the municipality of Dededo, specifically Tract 11405.

The land exchange process has taken a lengthy time to complete, in which the original landowners of Lot 5400-R6 have since passed away. Prior to their passing, the original landowners transferred their asset to their children. The proposed legislation intends to amend P.L. 28-101 to include the surviving heirs of Lot 5400-R6.

In addition, the proposed legislation seeks to amend Section 3 of P.L. 28-101 relative to the facilitation of the land exchange. The amendment cites that the regulations of the land exchange shall adhere to §2107, Chapter 2, Title 2, Guam Code Annotated. §2107(b) states that “no such bill authorizing the transfer of land or leasing of land may be considered by the Legislature on third reading unless accompanied by two (2) appraisals on all land concerned, appraised for highest and best use regardless of zoning, from two separate licensed real estate appraisers, one (1) of which appraisals is not more than twelve (12) months old, and which appraisals are paid for by the transferee”.

The subject properties proposed for exchange are based on a value-for-value basis. This means that both the Government of Guam and the heirs of Lot 5400-R6 are required to cover the cost of the two appraisals for the subject properties. Initially, P.L. 28-101 placed a spending authorization for the Department of Land Management (DLM) to expend up to four thousand dollars (\$4,000) to pay for appraisals conducted on the government-owned properties. Per the DLM Director, the estimated cost to conduct the appraisal for the government-owned property is still approximately \$4,000.

There are no anticipated revenues to be received with the subject legislation. However, there is still the obligation to cover the cost of the appraisals on the government-owned property in the amount of \$4,000. Per the DLM Director, funding should be appropriated to the Chamorro Land Trust Commission to cover the cost of the appraisals.