I Mina'trentai Tres na Liheslaturan Guåhan • The 33rd Guam Legislature 155 Hesler Place, Hagåtña, Guam 96910 • www.guamlegislature.com

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Senator

Rory J. Respicio Chairperson Majority Leader

July 1, 2016

Senator

Speaker

Member

Thomas C. Ada Vice Ghairperson Assistant Majority Leader

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

Memorandum

To:

Rennae Meno

waiver are issued on the bills as introduced.

Clerk of the Legislature

From:

Senator Rory J. Respicio

Chairperson of the Committee on Rules

Vice-Speaker

Benjamin J.F. Cruz

Member

Subject:

Hafa Adai!

Fiscal Note and Fiscal Note Waiver

Attached please find the fiscal note and fiscal note waiver for the bill

numbers listed below. Please note that the fiscal note and fiscal note

Legislative Secretary Tina Rose Muna Barnes Member

Senator

Dennis G. Rodriguez, Jr.

Member

Senator

Frank Blas Aguon, Jr.

Member

Senator

Michael F.Q. San Nicolas

Member

Senator

Nerissa Bretania Underwood

Member

V. Anthony Ada MINORITY LEADER

Mary C. Torres MINORITY MEMBER FISCAL NOTE:

Bill No. 327-33(COR)

## **FISCAL NOTE WAIVER:**

Bill No. 297-33(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'!



## BUREAU OF BUDGET & MANAGEMENT RESEARCH

OFFICE OF THE GOVERNOR
Post Office Box 2950, Hagåtña Guam 96932

EDDIE BAZA CALVO GOVERNOR

RAY TENORIO LIEUTENANT GOVERNOR JUN 3 02016

JOSE S. CALVO DIRECTOR

LESTER L. CARLSON, JR. DEPUTY DIRECTOR

The Bureau requests that Bill No(s). 297-33 (COR) be granted a waiver pursuant to Public Law 12-229 as amended for the following reason(s):

The proposed legislation is authorizing the Bureau of Health and Nursing Services (BHNS) of the Department of Public Health and Social Services (DPHSS), which oversees the Family Planning Program, to promulgate health and medical fees for services provided by the Family Planning Program. Such fees must be initiated in accordance with the Administrative Adjudication Act (AAA). However during the interim period prior to the promulgation of these service fees, this proposed bill is authorizing the adoption of the promulgated fee schedule used by the Northern and Southern Regional Community Health Centers for such purpose, notwithstanding any other provision of law.

By adopting such fee schedule, BHNS should then be able to charge health and medical fees for medical and services rendered at the Family Planning Program at the earliest period, assuming that the intake and outtake of the billing process have been completed.

Given the time needed to develop and complete the intake and outtake process of a billing system, any potential revenues generated from the adopted fee schedule will probably occur after this current fiscal year. Although revenues will be generated, such revenues will not contribute to the General Fund or any other local fund because they are considered Program Income Revenues; therefore, are identified as federal funds. These revenues are derived from public infrastructures that were built with federal grant funding. As a federal grant condition, such program income must be utilized back to those same federal grants, which helped built those same infrastructures. Applying this reasoning to the program income that will be generated by BHNS, revenues earned must be used to help fund the health and medical services provided by the Family Planning Program.

This proposed legislation does not contribute to the adopted FY 2016 Revenues; nor does it add to the FY 2016 Appropriation. It only administratively authorizes DPHSS to tentatively adopt the promulgated fee schedules of the Regional Health Centers of DPHSS for BHNS, until at such time the health and medical fee schedule of the Family Planning Program has been promulgated.

JOSE S. CALVO