



# COMMITTEE ON RULES

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

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August 4, 2016

## Memorandum

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

**From:** Senator Thomas C. Ada   
*Acting Chairperson of the Committee on Rules*

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

*Hafa Adai!*

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

### FISCAL NOTES:

Bill No. 349-33(COR)

Bill No. 352-33(LS)

### FISCAL NOTE WAIVERS:

Bill No. 356-33(COR)

Bill No. 357-33(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 AUG -4 PM 4: 12

**Bureau of Budget & Management Research**  
**Fiscal Note of Bill No. 349-33 (COR)**

AN ACT TO REZONE LOT NO. 1-RINew-2, BLOCK NO. 2, TRACT 1442, IN THE MUNICIPALITY OF BARRIGADA, (ESTATE NO. 64254 UNDER BASIC LOT NO. 1-1, BLOCK NO. 2, TRACT 1442) SUBURBAN FROM RESIDENTIAL (R1) ZONE (A) TO COMMERCIAL ZONE (C) CONSISTENT WITH THE ZONING OF THE NEIGHBORING LOTS.

**Department/Agency Appropriation Information**

Dept./Agency Affected: Department of Land Management	Dept./Agency Head: Michael J. B. Borja, Director
Department's General Fund (GF) appropriation(s) to date:	413,674
Department's Other Fund (Specify) appropriation(s) to date: Land Survey Revolving Fund	3,111,311
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$3,524,985</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 _____)	\$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	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- 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? / X / N/A / / Yes / / No  
If no, what is the additional amount required? \$ \_\_\_\_\_ / X / N/A
- Does the Bill establish a new program/agency? / X / Yes / / 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: / / Yes / X / No  
/ / Requested agency comments not received by due date / X / Other: Time Constraints

Analyst: Jason Baza Date: 7/22/16 Director: Jose S. Calvo Date: AUG 02 2016  
 Jason Baza, BMA II Jose S. Calvo, Director

Notes:  
See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH  
COMMENTS ON BILL NO. 349-33 (COR)

The intent of the proposed legislation is to rezone Lot No. 1-RINEW-2, Block No. 2, Tract 1442 in the municipality of Barrigada (specifically Estate No. 64254 under Basic Lot No. 1-1, Block No. 2, Tract 1442) from a Residential Zone (R1) to a Commercial Zone (C). Per the legislation, the subject property, owned by Kishore B. Hemlani, is being rezoned in order to keep consistent with the zoning of the neighboring lots.

Should this proposed legislation become law, Lot No. 1-RINEW-2, Block No. 2, Tract 1442 would have a higher appraisal value, which in effect raises the real property tax value of the property. Per the Department of Revenue & Taxation (DRT), the tax rate for buildings (0.35008%) and land (0.0875033%) applies to all properties regardless of the property's zone. Because the appraisal value rises with the rezoning from a Residential Zone to a Commercial Zone, the DRT can expect a slight increase in revenues received in the form of increased property tax.

Although the rezoning would increase the property's appraised value, the Bureau is unable to project such increase due to lack of sufficient information pertaining to how the appraisal formula is calculated. However, the Bureau determines that revenues in the form of increased property taxes will be received by the DRT.