

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

<b>BILL NO.</b>	<b>SPONSOR</b>	<b>TITLE</b>	<b>DATE INTRODUCED</b>	<b>DATE REFERRED</b>	<b>CMTE REFERRED</b>	<b>PUBLIC HEARING DATE</b>	<b>DATE COMMITTEE REPORT FILED</b>	<b>FISCAL NOTES</b>
<b>391-33 (COR)</b>	B. J.F. Cruz	AN ACT TO ADD A NEW SECTION 20 TO PART I, CHAPTER II, SECTIONS 15 AND 16 TO PART II, CHAPTER III, SECTIONS 4 AND 5 TO PART III, CHAPTER III, AND SECTIONS 1(M)(7), 1(N)(7), AND 1(AA)(5) TO CHAPTER V ALL OF PUBLIC LAW 33-185 RELATIVE TO PRIORITIZING AND MAINTAINING THE FUNDING LEVELS APPROPRIATED TOWARD SAFETY, HEALTH, AND EDUCATION AGENCIES IN FISCAL YEAR 2017.	10/21/16 4:37 p.m.	10/24/16	Committee on Appropriations and Adjudication			<b>Fiscal Note Request</b> 10/24/16 <b>Fiscal Note</b> 11/23/16



# 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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November 23, 2016

## Memorandum

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

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

**Subject:** **Fiscal Notes**

*Hafa Adai!*

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

### FISCAL NOTES:

Bill No. 391-33(COR)

Bill No. 392-33(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 NOV 23 16:12:03

**Bureau of Budget & Management Research  
Fiscal Note of Bill No. 391-33 (COR)**

**AN ACT TO ADD A NEW SECTION 20 TO PART I, CHAPTER II, SECTIONS 15 AND 16 TO PART II, CHAPTER III, SECTIONS 4 AND 5 TO PART III, CHAPTER III, AND SECTIONS 1(m)(7), 1(n)(7), AND 1(aa)(5) TO CHAPTER V ALL OF PUBLIC LAW 33-185 RELATIVE TO PRIORITIZING AND MAINTAINING THE FUNDING LEVELS APPROPRIATED TOWARD SAFETY, HEALTH, AND EDUCATION AGENCIES IN FISCAL YEAR 2017.**

<b>Dept./Agency Affected: Department of Administration</b>		<b>Dept./Agency Head: Christine Baletto, Director</b>	
<b>Department's General Fund (GF) appropriation(s) to date:</b>		<b>10,653,059</b>	
<b>Department's Other Fund appropriation(s) to date: Indirect Cost Fund (\$1,006,894) and Limited Gaming Fund (\$100,095)</b>		<b>1,106,989</b>	
<b>Total Department/Agency Appropriation(s) to date:</b>		<b>\$11,760,048</b>	

<b>Fund Source Information of Proposed Appropriation</b>			
	<b>General Fund:</b>	<b>Special Fund:</b>	<b>Total:</b>
<b>FY 2016 Unreserved Fund Balance</b>		\$0	\$0
<b>FY 2017 Adopted Revenues</b>	\$0	\$0	\$0
<b>FY 2017 Appro. (P.L. 33-185 thru _____)</b>	\$0	\$0	\$0
<b>Sub-total:</b>	\$0	\$0	\$0
<b>Less appropriation in Bill</b>	\$0	\$0	\$0
<b>Total:</b>	\$0	\$0	\$0

<b>Estimated Fiscal Impact of Bill</b>						
	<b>One Full Fiscal Year</b>	<b>For Remainder of FY 2017 (if applicable)</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>General Fund</b>	1/	\$0	\$0	\$0	\$0	\$0
<b>Special Fund</b>	1/	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	1/	\$0	\$0	\$0	\$0	\$0

- |   |           |           |            |
|---|-----------|-----------|------------|
| 1. Does the bill contain "revenue generating" provisions?                             |           | / / Yes   | / X / No   |
| If Yes, see attachment  |           |           |            |
| 2. 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 |           |            |
| 3. 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   |
| 4. Will the enactment of this Bill require new physical facilities?                   |           | / / Yes   | / X / No   |
| 5. 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: |

<b>Analyst:</b> <u>Jason Baza</u> Jason Baza, BMA II	<b>Date:</b> <u>11/01/16</u>	<b>Director:</b> <u>[Signature]</u> Jose S. Calvo, Director	<b>Date:</b> <u>NOV 22 2016</u>
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**Notes:**  
1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH  
COMMENTS ON BILL NO. 391-33 (COR)

The intent of the proposed legislation is to prioritize and maintain the funding levels appropriated in FY 2017 for the Guam Department of Education (GDOE), Department of Public Health & Social Services (DPHSS), Guam Behavioral Health and Wellness Center (GBHWC), Guam Police Department (GPD), Department of Corrections (DOC), and the Guam Fire Department (GFD).

Section 1 of the proposed legislation essentially directs the Department of Administration (DOA) Director to make deposits into the GDOE Operations Fund bank account in accordance to the drawdown schedule submitted by the GDOE per Section 19, Part I, Chapter II, P.L. 33-185. This will likely have an adverse impact on DOA's ability to manage cash resources especially during months of low cash collections.

In so far as BBMR's authority to control allotments through appropriation reserves is restricted or eliminated, as is the case with P.L.33-185 (FY 2017 Budget Act) and Sections 2 and 3 of the subject legislation, it not only impedes on the Bureau's duties mandated in Chapter 4, Title 5 GCA, but it also impacts on the Governor's ability to manage appropriations made for executive branch operations.

Relative to transfer authority restrictions in Sections 2 to 6 of the proposed bill, the Bureau estimates that it effectively reduces the amount that the Governor can transfer in FY 2017 by approximately \$25.7M (General Fund and Special Funds). While it is unlikely that he would exercise such authority if it would adversely impact the affected departments / agencies (DPHSS, GBHWC, GPD, etc.), such provisions, again, impedes on the Governor's ability to effectively manage financial resources appropriated for executive branch operations. Case in point, in FY 2016, the Governor utilized his transfer authority per P.L. 33-66 to reprogram \$872K of lapsed funds from the GBHWC to cover shortfalls in the Residential Treatment Fund. This would not have been possible if transfer restrictions in the proposed legislation were in effect in FY 2016.