



COMMITTEE ON RULES

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

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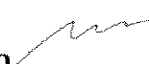
V. Anthony Ada
MINORITY LEADER

Mary C. Torres
MINORITY MEMBER

April 28, 2015

Memorandum

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

From: **Senator Rory J. Respicio** 
Majority Leader & Rules Chair

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. 64-33(COR)
Bill No. 73-33(COR)
Bill No. 77-33(COR)

FISCAL NOTE WAIVERS:

Bill No. 63-33(LS)
Bill No. 76-33(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'!

2015 APR 28 PM 4:51

**BUREAU OF BUDGET & MANAGEMENT RESEARCH**

OFFICE OF THE GOVERNOR
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EDDIE BAZA CALVO
GOVERNOR

RAY TENORIO
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JOSE S. CALVO
ACTING DIRECTOR

LESTER L. CARLSON, JR.
DEPUTY DIRECTOR

APR 24 2015

The Bureau requests that Bill No. 63-33 (LS) be granted a waiver pursuant to Public Law 12-229 as amended for the following reason(s):

The proposed legislation seeks to add and amend Chapters 1 and 26 of Title 16 GCA by adding limousines to definitions and exemptions relative to the Vehicle Code and Passenger Restraint Devices.

The intent of the Bill is administrative in nature, as submitted for legislative consideration.


LESTER L. CARLSON, JR.
Deputy Director

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 64-33 (COR)**

AN ACT TO ADD A NEW ARTICLE 3 TO CHAPTER 40 OF 5 GCA RELATIVE TO PROVIDING PUBLIC BROADBAND INTERNET SERVICES IN VILLAGE COMMUNITY CENTERS.

Department/Agency Appropriation Information	
Dept./Agency Affected: Mayor's Council of Guam	Dept./Agency Head: Angel Sablan, Executive Director
Department's General Fund (GF) appropriation(s) to date:	5,962,533
Department's Other Fund (Specify) appropriation(s) to date: Guam Highway Fund, Tourist Attraction	4,108,679
Total Department/Agency Appropriation(s) to date:	\$10,071,212

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2014 Unreserved Fund Balance		\$0	\$0
FY 2015 Adopted Revenues	\$0	\$0	\$0
FY 2015 Appro. (P.L. 32-181 thru 32-204)	\$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 Year	Fiscal	For Remainder of FY 2015 (if applicable)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund		\$68,400	\$18,000	\$70,452	\$72,566	\$74,743	\$76,985
(Specify Special Fund)		\$0	\$0	\$0	\$0	\$0	\$0
Total		\$0	\$18,000	\$70,452	\$72,566	\$74,743	\$76,985

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? \$ _____ // N/A
3. Does the Bill establish a new program/agency? // Yes /x/ 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
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: // Yes /x/ No
// Requested agency comments not received by due date // Other:

Analyst: <u>Matthew Quintana</u>	Date: <u>4/24/15</u>	Director: <u>Jose S. Galvo, Acting Director</u>	Date: <u>4-23-15</u>
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Footnotes:
1/ See attachment to the fiscal note.

Bureau of Budget & Management Research
Attachment to Fiscal Note No. 64-33 (COR)

Comments

Bill Number 64-33 is to add a new Article 3 to Chapter 40, 5GCA. The intent of the bill is to provide public broadband internet services in the village community centers. There are a total of nineteen (19) Mayors for the island of Guam. A majority of the villages have their community center. The average cost of providing internet services and for the rental of equipment required to provide these services is approximately \$250- \$300 a month for each community center. Utilizing the number of mayors to provide an estimate, costs of providing internet services for nineteen (19) community centers will be approximately between \$3,000-\$3,600 per month or \$57,000-\$68,500 per year. Estimates for each subsequent fiscal year includes a three percent (3%) increase, respectively. Bill 64-33 also will allow each mayoral office to solicit and accept donations for this purpose. Per the Mayors Council of Guam, currently, there are a total of thirteen (13) community centers, seven (7) gymnasiums, and four (4) youth centers under the administration of the village mayoral offices.

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 73-33 (COR)**

AN ACT TO STRENGTHEN PUBLIC SAFETY EFFORTS THROUGH THE INTEGRATION OF SURVEILLANCE CAMERAS WITHIN GUAM'S EMERGENCY REPORTING SYSTEM, BY AMENDING SECTION 12304 OF ARTICLE 3, CHAPTER 12, TITLE 12, GUAM CODE ANNOTATED.

Department/Agency Appropriation Information	
Dept./Agency Affected: Guam Fire Department	Dept./Agency Head: Joey C. San Nicolas
Department's General Fund (GF) appropriation(s) to date (inclusive Vacancy Pool Funds):	33,546,443
Department's Other Fund (Specify) appropriation(s) to date: \$1,741,827 (Enhanced 911 Emergency Reporting System Fund inclusive Vacancy Pool) / \$787,377 (FLAME Fund)	2,529,204
Total Department/Agency Appropriation(s) to date:	\$36,075,647

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2014 Unreserved Fund Balance		\$0	\$0
FY 2015 Adopted Revenues	\$0	\$0	\$0
FY 2015 Appro. (P.L. 32-181 thru 33-07)	\$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 2015 (if applicable)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Enhanced 911 Emergency Reporting System Fund	1/	\$0	\$0	\$0	\$0	\$0
Total	1/	\$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/ Reference Footnotes / / Yes / / No
If no, what is the additional amount required? \$ _____ /x/ Reference Footnotes
- Does the Bill establish a new program/agency? / / Yes /x/ 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: /x/ Yes / / No
/x/ Requested agency comments not received by due date / / Other:

Analyst: <u>Michael M. Aflague, B&M Analyst IV</u>	Date: <u>4/22/15</u>	Director: <u>Jose S. Celvo, Acting Director</u>	Date: <u>4-24-15</u>
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Footnotes: According to internet sources, state governments spent approximately \$25K on average per surveillance camera. Annual cost are subject to variables including but not limited to, the number of man hours required to monitor systems, public/private partnerships, to include maintenance and replacement costs. Unaudited financial statements for the *Enhanced 911 Emergency Reporting System Fund* between FY 2011 and FY 2014 reflects an annual average of \$462K net proceeds (Revenue Over Expenditures) and an average ending fund balance of roughly \$1.2M (reference attachments).

**Bureau of Budget & Management Research
Attachment 1 to Fiscal Note No. 73-33 (COR)**

Surveillance Camera Implementation Cost by Municipality

<u>Location</u>	<u>Cost</u>	<u># of Camera's</u>	<u>Avg cost per camera</u>	<u>Note(s)</u>
Virginia Beach, Virginia	240,000	5	48,000	Includes operations and maintenance
Memphis, Tennessee	450,000	10	45,000	Includes volunteers and police staff (public/private partnership)
Dover, New Jersey	30,000	4	7,500	24-hr monitoring by the police department
South Orange, New Jersey	10,000	7	1,429	Monitored 6-hrs per day by police staff
Tacoma, Washington	125,000	3	41,657	Monitored by police staff
Hollywood, California	25,000	3	8,333	Monitored by police staff
<i>Projected Cost per Camera (average operations/maintenance)</i>			<u>25,321</u>	

Reference: Marcus Nieto. (1997 June). Public Video Surveillance: Is It An Effective Crime Prevention Tool? Retrieve from <http://www.library.ca.gov/CRR/9705/>

Bureau of Budget & Management Research
Attachment 2 to Fiscal Note No. 73-33 (COR)

Enhanced 911 Emergency Reporting System
Balance Sheet

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u> as of 03/10/2015
	Fund 281 Enhanced 911 Emergency Reporting System	Fund 281 Enhanced 911 Emergency Reporting System	Fund 281 Enhanced 911 Emergency Reporting System	Fund 281 Enhanced 911 Emergency Reporting System	Fund 281 Enhanced 911 Emergency Reporting System
Assets	(audited)	(audited)	(audited)	(unaudited)	(unaudited)
Current Assets					
Cash & equivalents	\$0	\$0	\$0	\$0	\$0
Investments	0	0	0	0	0
Tax receivables, net	0	0	0	0	0
Interfund receivables	601,140	848,506	1,500,025	1,868,345	2,203,588
A/R federal agencies	0	0	0	0	0
Other receivables, net	0	0	0	0	0
Inventories	0	0	0	0	0
Prepayments	0	0	0	0	0
Deposits & other assets	0	0	0	0	0
Total Current Assets	601,140	848,506	1,500,025	1,868,345	2,203,588
Amount to be provided for retirement of debt	0	0	0	0	0
Amount available in debt service funds	0	0	0	0	0
Restricted Assets	0	0	0	0	0
Long-Term Assets					
Support assets	0	0	0	0	0
Capital leases	0	0	0	0	0
Buildings & improvements	0	0	0	0	0
Plant in service	0	0	0	0	0
Gross long-term assets	0	0	0	0	0
Less accumulated depreciation	0	0	0	0	0
Long-term assets, net of depreciation	0	0	0	0	0
Construction in progress	0	0	0	0	0
Land	0	0	0	0	0
Other	0	0	0	0	0
Total Long-Term Assets	0	0	0	0	0
Total Assets	\$601,140	\$848,506	\$1,500,025	\$1,868,345	\$2,203,588

Balance Sheet**Special Revenue Funds**

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u> as of 03/10/2015
	Fund 281 Enhanced 911 Emergency Reporting System (unaudited)	Fund 281 Enhanced 911 Emergency Reporting System (unaudited)	Fund 281 Enhanced 911 Emergency Reporting System (unaudited)	Fund 281 Enhanced 911 Emergency Reporting System (unaudited)	Fund 281 Enhanced 911 Emergency Reporting System (unaudited)
Liabilities					
Current Liabilities					
Cash overdraft	50	\$0	\$0	\$0	\$0
Current portion of debt & related interest	0	0	0	0	0
Accounts payable	0	0	0	0	0
Accrued payroll & other	12,155	16,399	21,725	28,492	28,492
Interfund payables	0	0	0	0	0
A/P federal agencies	0	0	0	0	0
Deferred revenue	0	0	0	0	0
Estimated tax refunds	0	0	0	0	0
Deposits & liabilities	0	0	0	0	0
Total Current Liabilities	12,155	16,399	21,725	28,492	28,492
Deferred Liabilities					
Vacation leave accrual	0	0	0	0	0
Contracts & Leases	0	0	0	0	0
Notes payable & bonds payable	0	0	0	0	0
Accrued unfunded retirement costs	0	0	0	0	0
Total Deferred Liabilities	0	0	0	0	0
Total Liabilities	12,155	16,399	21,725	28,492	28,492
Fund Equity (Deficit)					
Contributed capital:					
Government of Guam	0	0	0	0	0
Federal Government	0	0	0	0	0
Other	0	0	0	0	0
Retained earnings:					
Restricted	0	0	0	0	0
Unrestricted	0	0	0	0	0
Fund Balance:					
Reserved for:					
Non-spendable	0	0	0	0	0
Restricted	0	0	0	0	0
Committed	533,530	807,780	1,329,855	1,734,717	2,028,354
Assigned	55,455	24,327	148,445	105,137	146,744
Unassigned	0	0	(0)	0	0
Total Fund Equity (Deficit)	588,985	832,107	1,478,300	1,839,854	2,175,098
Total Liabilities and Fund Equity	\$601,140	\$848,506	\$1,500,025	\$1,868,345	\$2,203,588

**Statement of Revenues, Expenditures
and Changes in Fund Balance
Special Revenue Funds**

	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u> as of 03/10/2015
	Fund 281 Enhanced 911 Emergency Reporting System (unaudited)	Fund 281 Enhanced 911 Emergency Reporting System (unaudited)	Fund 281 Enhanced 911 Emergency Reporting System (unaudited)	Fund 281 Enhanced 911 Emergency Reporting System (unaudited)	Fund 281 Enhanced 911 Emergency Reporting System (unaudited)
Revenues					
Taxes	\$0	\$0	\$0	\$0	\$0
Licenses, fees & permits	1,667,793	1,869,276	1,850,775	2,056,144	881,482
Use of money & property	0	0	0	0	0
Federal contributions	0	0	0	0	0
Other	(17,739)	0	0	0	0
Total Revenues	1,650,054	1,869,276	1,850,775	2,056,144	881,482
Expenditures					
General government	73,351	4,300	0	730	0
Protection of life & property	969,629	1,621,854	1,204,582	1,693,860	546,238
Public health	0	0	0	0	0
Community services	0	0	0	0	0
Recreation	0	0	0	0	0
Individual & collective rights	0	0	0	0	0
Transportation	0	0	0	0	0
Education	0	0	0	0	0
Protection of environment & resources	0	0	0	0	0
Economic development	0	0	0	0	0
Miscellaneous	8,740	0	0	0	0
Interest	0	0	0	0	0
Principal	0	0	0	0	0
Total Expenditures	1,051,720	1,626,154	1,204,582	1,694,590	546,238
Total Revenue Over (Under) Expenditures	598,334	243,122	646,193	361,554	335,244
Other Sources (Uses)					
Addition to long-term debt	0	0	0	0	0
Transfers in	0	0	0	0	0
Transfers out	0	0	0	0	0
Other sources	0	0	0	0	0
Other uses	0	0	0	0	0
Other financing uses- early extinguishment of debt	0	0	0	0	0
Total Sources (Uses)	0	0	0	0	0
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	598,334	243,122	646,193	361,554	335,244
Beginning Fund Balance (Deficit)	(9,349)	588,985	832,107	1,478,300	1,839,854
Adjustment due to GASB33					
Adjusted Beginning Fund Balance					
Equity Transfers In	0	0	0	0	0
Equity Transfers Out	0	0	0	0	0
Ending Fund Balance (Deficit)	\$588,985	\$832,107	\$1,478,300	\$1,839,854	\$2,175,098

**BUREAU OF BUDGET & MANAGEMENT RESEARCH**

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ACTING DIRECTOR

LESTER L. CARLSON, JR.
DEPUTY DIRECTOR

APR 22 2015

The Bureau requests that Bill No(s). 76-33 (COR) be granted a waiver pursuant to Public Law 12-229 as amended for the following reason(s):

The proposed measure seeks to amend §3201.1(a) of Chapter 3, Division 1 of Title 10 of the Guam Code Annotated relative to providing for the qualifications of the Territorial Epidemiologist of the Department of Public Health and Social Services. The Epidemiologist shall be a graduate from an American Medical Association with a M.D. degree and certified by the American Board of Prevention Medicine or a graduate from a recognized school of public health with a M.P.H. degree (epidemiology major) and 1-2 years of experience in the field of epidemiology.

The intent of the proposed measure is administrative in nature and, as such, poses no fiscal impact to any funds of the government of Guam.


JOSE S. CALVO

**Bureau of Budget & Management Research
Fiscal Note of Bill No. 77-33 (COR)**

AN ACT TO AMEND ITEM (a) OF §90.90 OF CHAPTER 90, 9 GCA RELATIVE TO PARTICIPATION IN PRISON INDUSTRIES, AND TO AMEND ITEM (b)(1) OF §90.91, CHAPTER 90, 9 GCA, RELATIVE TO THE USE OF FUNDS DEPOSITED INTO THE PRISON INDUSTRIES REVOLVING FUND.

Department/Agency Appropriation Information

Dept./Agency Affected: Department of Corrections	Dept./Agency Head: Jose A. San Agustin, Director
Department's General Fund (GF) appropriation(s) to date:	24,704,502
Department's Other Fund (Specify) appropriation(s) to date: Corrections Revolving Fund, Safe Streets Fund	1,248,896
Total Department/Agency Appropriation(s) to date:	\$25,953,398

Fund Source Information of Proposed Appropriation

	General Fund:	(Specify Special Fund):	Total:
FY 2014 Unreserved Fund Balance		\$0	\$0
FY 2015 Adopted Revenues	\$0	\$0	\$0
FY 2015 Appro. (P.L. 32-181 thru 32-233)	\$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 2015 (if applicable)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Prison Industries Revolving Fund	1/	\$0	\$0	\$0	\$0	\$0
Total	1/	\$0	\$0	\$0	\$0	\$0

- 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? / / 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: / / Yes / X / No
/ X / Requested agency comments not received by due date / / Other:

Analyst: Jason Baza Date: 4/22/15 Director: [Signature] Date: 4-24-15
Jason W. Baza, BMA I Jose S. Calvo, Acting Director

Footnote:
1/ See attached comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 77-33 (COR)

The intent of the proposed legislation is to amend the following: Item (a) of §90.90 of Chapter 90, Title 9 GCA relative to participation in prison industries; Item (b)(1) of §90.91, Chapter 90, Title 9 GCA relative to the use of funds deposited into the Prison Industries Revolving Fund.

The amendment to Item (a) of §90.90 of Chapter 90, Title 9 GCA authorizes detainees to be eligible for the Department of Correction's Prison Industries Program. The amendment to Item (b)(1) of §90.91, Chapter 90, Title 9 GCA authorizes the Department of Corrections to use its Prison Industries Revolving Fund to cover costs for training of Department of Corrections personnel.

The Bureau recognizes that the Prison Industries Program was established through P.L. 29-94 for two distinct reasons, the first being the need for the Department of Corrections to provide opportunities for its inmates to learn job skills and earn wages applicable to a variety of outstanding debts owed. The second reason was to authorize the Department of Corrections to enter into agreements with other government of Guam entities to receive in-kind contributions and/or credit for services rendered in lieu of cash payments.

The Bureau has determined that the authorization of detainee eligibility to the Prison Industries Program will increase the amount of participants available to provide the program's services. The increase will provide the Department of Corrections more opportunities to provide in-kind contributions and/or credit for services rendered in lieu of cash payments with other government entities, thus lowering the operating expenses for these government entities.

Subsequently, the additional amount of participants to the Prison Industries Program translates to an increase of potential revenues to be received in the Prison Industries Revolving Fund. Item (c) of §90.90, Chapter 90, Title 9 GCA outlines the earnings breakdown for each inmate that receives wages as a participant of the Program. This breakdown indicates that 25% of an inmate's wages earned shall be contributed to the Prison Industries Revolving Fund. As of April 20, 2015, there are Four Hundred Twenty-Five (425) detainees held in the Department of Corrections. Working under the assumption that One Hundred Fifty (150) detainees participate and earn minimum wages (\$8.25) for one (1) full working day as part of the Program, the Bureau estimates that approximately \$2,475 of additional revenues will be received by the Prison Industries Revolving Fund. This assumption is based on the fact that the length of time a detainee can be held ranges from days to months based on the severity of the charges placed on the detainee.

The second amendment listed in the proposed legislation authorizes the Prison Industries Revolving Fund to cover costs for training of Department of Corrections personnel. The amendment provides for an additional allowable expenditure to be covered by the Prison Industries Fund.