



## 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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June 18, 2015

### 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 waiver are issued on the bills as introduced.

#### FISCAL NOTES:

Bill No. 8-33(COR)  
Bill No. 67-33(COR) Revised  
Bill No. 75-33(COR)  
Bill No. 78-33(COR)  
Bill No. 87-33(LS)  
Bill No. 88-33(LS)  
Bill No. 93-33(LS)

#### FISCAL NOTE WAIVERS:

Bill No. 72-33(COR)  
Bill No. 102-33(COR)  
Bill No. 119-33(COR)  
Bill No. 123-33(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 JUN 18 PM 3:41

**Bureau of Budget & Management Research  
Fiscal Note for Bill No. 78-33 (COR)**

**AN ACT TO ADD A NEW §77113.1 TO CHAPTER 77, TITLE 10 OF THE GUAM CODE ANNOTATED RELATIVE TO ESTABLISHING AN ANNUAL POLICE RECRUITMENT CYCLE, STARTING IN FISCAL YEAR 2016 FOR A FIVE YEAR PERIOD.**

**Department/Agency Appropriation Information**

|   |   |
|---|---|
| Dept./Agency Affected: Guam Police Department   | Dept./Agency Head: Fred Bordallo, Chief |
| Department's General Fund (GF) appropriation(s) to date:  | 33,765,128                              |
| Department's Other Fund (Specify) appropriation(s) to date: Police Service Fund & Tourist Attraction Fund | 972,652                                 |
| <b>Total Department/Agency Appropriation(s) to date:</b>  | <b>\$34,737,780</b>                     |

**Fund Source Information of Proposed Appropriation**

|                                 | General Fund: | (Specify Special Fund): | Total:     |
|---------------------------------|---------------|-------------------------|------------|
| FY 2014 Unreserved Fund Balance |               |                         |            |
| FY 2015 Adopted Revenues        | \$0           | \$0                     | \$0        |
| FY 2015 Appro. (P.L. 32-181)    | \$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 2015 (if applicable) | FY 2015    | FY 2016            | FY 2017            | FY 2018            |
|------------------------|----------------------|--|------------|--------------------|--------------------|--------------------|
| General Fund           | \$0                  | \$0                                      | \$0        | \$2,213,720        | \$4,074,240        | \$6,034,040        |
| (Specify Special Fund) | \$0                  | \$0                                      | \$0        | \$0                | \$0                | \$0                |
| <b>Total</b>           | <b>\$0</b>           | <b>\$0</b>                               | <b>\$0</b> | <b>\$2,213,720</b> | <b>\$4,074,240</b> | <b>\$6,034,040</b> |

- Does the bill contain "revenue generating" provisions? // Yes // No  
If Yes, see attachment
- Is amount appropriated adequate to fund the intent of the appropriation? // Yes // No  
If no, what is the additional amount required? \$ \_\_\_\_\_ // N/A
- Does the Bill establish a new program/agency? // Yes // No  
If yes, will the program duplicate existing programs/agencies? // Yes // No  
Is there a federal mandate to establish the program/agency? // Yes // No
- Will the enactment of this Bill require new physical facilities? // Yes // No
- Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: // Yes // No  
// Requested agency comments not received by due date // Other: \_\_\_\_\_

Analyst: Matt Quinata Date: 5/11/15 Director: Jesse S. Calvo Date: JUN 18 2015

Footnotes:  
See attachment to fiscal note.

**Bureau of Budget & Management Research**  
**Attachment to Fiscal Note No. 78-33 (COR)**

**Comments**

Bill 78-33 is being proposed to establish an annual police recruitment cycle for five (5) fiscal years beginning in Fiscal Year 2016. The FY2016 Guam Police Department's (GPD) budget request includes a total of \$991,000 to begin a Police Cycle. In its analysis, GPD estimated the cost of hiring a Police Officer Trainee (POT) is approximately \$39,623. Utilizing GPD's estimates, the cost of training forty (40) POTs in an annual Police Cycle is approximately \$2.2M dollars for personnel, supplies and training costs. The bill proposes to conduct police cycle training for at least 40 candidates each year. After a five (5) year period, total personnel will increase by 200 individuals.

The calculations attached are based on the following assumptions:

- 1) An annual recruitment cycle of forty (40) POTs will take place each year for five years.
- 2) Police Officer Trainee personnel cost is \$39,623 (inclusive of fringe benefits)
- 3) Personnel cost will remain the same for the next five (5) years for Police Officer Trainees and Police Officer I.

Based on these assumptions, the estimated annual fiscal impact for such a proposal is \$10.4 million dollars by the end of the 5th cycle with the first cycle scheduled in FY2016.

**Calculations:**

**Assumptions:**

Annual Police Cycles for 5 years with recruitment of 40 Police Officer Trainees(POT) per fiscal year

Entry level POT cost is \$39,623 (inclusive of fringe benefits)

Personnel costs remain same for the next five years.

| Positions                 | Pay Scale | Salary    | Benefits | Total     |
|---------------------------|-----------|-----------|----------|-----------|
| Police Officer Trainee    | FL-04/01  | \$ 24,689 | 14,934   | \$ 39,623 |
| Police Officer I (Step 1) | IL-04/01  | \$ 29,945 | 16,168   | \$ 46,113 |
| Police Officer I (Step 2) | IL-04/02  | \$ 31,816 | 17,179   | \$ 48,995 |
| Police Officer I (Step 3) | IL-04/03  | \$ 33,687 | 18,188   | \$ 51,875 |
| Police Officer I (Step 4) | IL-04/04  | \$ 35,559 | 19,199   | \$ 54,758 |

| Police Cycle Training  | 2016             | 2017             | 2018             | 2019             | 2020             |
|--|------------------|------------------|------------------|------------------|------------------|
|  | First Year       | Second Year      | Third Year       | Fourth Year      | Fifth Year       |
| <b>POLICE OFFICER TRAINEE</b> (includes salaries & benefits) | 39,623           | 39,623           | 39,623           | 39,623           | 39,623           |
| <i>Number of Police Officer Trainees</i>                     | 40               | 40               | 40               | 40               | 40               |
|  | <b>1,584,920</b> | <b>1,584,920</b> | <b>1,584,920</b> | <b>1,584,920</b> | <b>1,584,920</b> |

| Promotion/Annual Increments after Certification | Pay Grade/Pay | I-1                   | I-2                   | I-3                   | I-4                   |
|---|---------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   |               | Police Officer I (Y1) | Police Officer I (Y1) | Police Officer I (Y1) | Police Officer I (Y1) |
| <b>POLICE OFFICER I</b>                         |               | 46,113                | 48,995                | 51,875                | 54,758                |
|   |               | 40                    | 40                    | 40                    | 40                    |
|   |               | <b>1,844,520</b>      | <b>1,959,800</b>      | <b>2,075,000</b>      | <b>2,190,320</b>      |

| Pay Grade/Pay | I-1                   | I-2                   | I-3                   |
|---------------|-----------------------|-----------------------|-----------------------|
|               | Police Officer I (Y2) | Police Officer I (Y2) | Police Officer I (Y2) |
|               | 46,113                | 48,995                | 51,875                |
|               | 40                    | 40                    | 40                    |
|               | <b>1,844,520</b>      | <b>1,959,800</b>      | <b>2,075,000</b>      |

| Pay Grade/Pay | I-1                   | I-2                   |
|---------------|-----------------------|-----------------------|
|               | Police Officer I (Y3) | Police Officer I (Y3) |
|               | 46,113                | 48,995                |
|               | 40                    | 40                    |
|               | <b>1,844,520</b>      | <b>1,959,800</b>      |

| Pay Grade/Pay | I-1                   |
|---------------|-----------------------|
|               | Police Officer I (Y4) |
|               | 48,995                |
|               | 40                    |
|               | <b>1,959,800</b>      |

|  |                  |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|------------------|
| <b>SUBTOTAL- PERSONNEL SALARIES &amp; BENEFITS</b> | <b>1,584,920</b> | <b>3,429,440</b> | <b>5,389,240</b> | <b>7,464,240</b> | <b>9,769,840</b> |
|--|------------------|------------------|------------------|------------------|------------------|

**ASSOCIATED COSTS**

|  |                |                |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|
| Psychological Evaluation (\$575 per person)      | 23,000         | 23,000         | 23,000         | 23,000         | 23,000         |
| Drug Testing (\$45 per person)                   | 1,800          | 1,800          | 1,800          | 1,800          | 1,800          |
| Uniform Requirements for POT (\$870 per person)  | 34,800         | 34,800         | 34,800         | 34,800         | 34,800         |
| Essential Gear (\$1,380 per person)              | 55,200         | 55,200         | 55,200         | 55,200         | 55,200         |
| Radio (\$7,000 per person)                       | 280,000        | 280,000        | 280,000        | 280,000        | 280,000        |
| Gun (\$550 per person)                           | 22,000         | 22,000         | 22,000         | 22,000         | 22,000         |
| Ammunition for Cycle Training (\$800 per person) | 32,000         | 32,000         | 32,000         | 32,000         | 32,000         |
| Criminal Justice Academy (\$4,500 per person)/1  | 180,000        | 180,000        | 180,000        | 180,000        | 180,000        |
| Annual Clothing Allowance (\$400 per person)     | -              | 16,000         | 16,000         | 16,000         | 16,000         |
| <b>SUB-TOTAL -ASSOCIATED COSTS</b>               | <b>628,800</b> | <b>644,800</b> | <b>644,800</b> | <b>644,800</b> | <b>644,800</b> |

|                    |                  |                  |                  |                  |                   |
|--------------------|------------------|------------------|------------------|------------------|-------------------|
| <b>GRAND TOTAL</b> | <b>2,213,720</b> | <b>4,074,240</b> | <b>6,034,040</b> | <b>8,109,040</b> | <b>10,414,640</b> |
|--------------------|------------------|------------------|------------------|------------------|-------------------|

/1- Per a MOA between the Guam Community College (GCC) and GPD, GCC provides for an Apprenticeship Program for the Guam Police Department. If at any point the MOA expires or is canceled, GPD will have to conduct the Police Cycle Training with the Criminal Justice Academy which will be an additional cost.

Note: Police Officer Trainees go through the Police Cycle Training which is approximately six (6) months. After the training, Police Officer Trainee is on the job training (OJT) for an additional six (6) months or until receipt of the ir certification of completion. An automatic promotion to the position of a Police Officer I is effectuated at the date of certification.