



BUREAU OF BUDGET & MANAGEMENT RESEARCH

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NOV 29 2022

Honorable Joe S. San Agustin
Chairman
Committee on General Government Operations, Appropriations and Housing
I Mina' trentai Sais na Liheslaturan Guåhan
Thirty-Sixth Guam Legislature
238 Archbishop Flores St.
DNA Building, Suite 906
Hagatna, Guam 96910

Re: Testimony on Bills 357-36, 358-36 and 359-36

Hafa Adai! Senator San Agustin and Members of the Committee on General Government Operations, Appropriations and Housing.

Thank you for allowing me, on behalf of the Bureau of Budget and Management Research (BBMR), to provide written comments in **SUPPORT** of Bills 357-36, 358-36 and 359-36.

While I am in support of all three measures I do have the following comments:

- 1 The GPA relief sought in Bills 357-36 and 359-36 should come from FY 2022 General Fund Revenues collected in excess of adopted levels. This better identifies the funding source and allows BBMR to be in a position to assist with loading funds to effectuate this continued and meaningful relief.
- 2 GPA should provide a detailed summary every month on what the relief for that month is based upon. In prior statements GPA mentioned that, on average, 200 new accounts are recorded every month. BBMR would like to rely on a report showing the amount of new accounts reflected in the billing for that month as opposed to simply dividing the \$26,381,000 into five equal payments without information on the amount of customers actually benefitting from the relief.

With respect to Bill 358-36, BBMR is also in support of the measure and suggests tapping the same fund source, FY 2022 General Fund Revenues collected in excess of adopted levels.

Si Yu'os Ma'ase

Lester L. Carlson, Jr.

OFFICE OF FINANCE AND BUDGET

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COMMITTEE ON GENERAL GOVERNMENT OPERATIONS,
APPROPRIATIONS AND HOUSING

I Mina'trentai Sais Na Liheslaturan Guahan

SENATOR JOE S. SAN AGUSTIN

Tel: (671) 989-5445 / Fax: (671) 989-6737

Email: senatorjoessanagustin@gmail.com

November 29, 2022

MEMORANDUM

To: Senator Joe S. San Agustin
Chairman, Committee on General Government Operations, Appropriations and Housing

From: Stephen J. Guerrero
Director, Office of Finance and Budget

Re: Funding Availability Note: Bill No. 357-36 (COR)

Hafa A dai Senator San Agustin!

Pursuant to the Standing Rules of the 36th Guam Legislature, the Committee on Appropriations and/or the Office of Finance and Budget (OFB) shall determine in writing if the funding source cited in Appropriation or Authorization for Appropriations bills are sufficient.

The Office has received Bill No. 357-36 (COR), AN ACT TO APPROPRIATE TWENTY-SIX MILLION THREE HUNDRED EIGHT-ONE THOUSAND DOLLARS (\$26,381,000) FROM FISCAL YEAR 2022 UNAPPROPRIATED GENERAL FUND REVENUES COLLECTED IN EXCESS OF THE ADOPTED REVENUE LEVELS ENUMERATED IN PUBLIC LAW 36-54 AS AMENDED, TO THE GUAM POWER AUTHORITY FOR A FIVE-MONTH EXTENSION TO THE PRUGRAMAN AYUDA PARA I TAOTAO-TA ENERGY CREDIT PROGRAM, RELATIVE TO PROVIDING CUSTOMERS WITH ANOTHER FIVE HUNDRED DOLLARS (\$500) CREDIT TOWARD THEIR ACCOUNT.

The proposed Bill No. 357-36 (COR) appropriates Twenty-six Million Three Hundred Eighty-one Thousand Dollars (\$26,381,000) from Fiscal Year 2022 unappropriated General Fund revenues collected in excess of the adopted revenue levels in Public Law 36-54 as amended to the Guam Power Authority for a five-month extension to the *Prugraman Ayuda Para I Taotao-ta* Energy Credit Program. It is to provide Guam Power Authority's 52,762 customers with another \$500 credit towards their account in \$100 monthly disbursements from December 2022 to April 2023.

Based on Bureau of Budget and Management Research's Consolidated Revenue/Expenditure Report as of September 30, 2022, the General Fund collected \$103,589,999 above the adopted revenue levels in Public Law 36-54 as amended. However, various public laws have passed using this source of funding resulting in its new balance of \$47,526,990. There is also a \$6,311,480 shortfall in Special Funds for FY 2022 and the General Fund covers such shortfall at the end of the year. It should be noted that the excess revenue cannot be certified and possibly be adjusted pending the FY 2022 Government of Guam Financial Audit, which is anticipated to be release in May or June 2023.

Respectfully,


Stephen J. Guerrero

OFFICE OF FINANCE AND BUDGET
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COMMITTEE ON GENERAL GOVERNMENT OPERATIONS,
APPROPRIATIONS AND HOUSING
I Mina'trentai Sais Na Liheslaturan Guahan
SENATOR JOE S. SAN AGUSTIN
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November 30, 2022

MEMORANDUM

To: Senator Joe S. San Agustin
Chairman, Committee on General Government Operations, Appropriations and Housing

From: Stephen J. Guerrero
Director, Office of Finance and Budget

Re: Funding Availability Note: Bill No. 359-36 (COR)

Hafa Adai Senator San Agustin!


Pursuant to the Standing Rules of the 36th Guam Legislature, the Committee on Appropriations and/or the Office of Finance and Budget (OFB) shall determine in writing if the funding source cited in Appropriation or Authorization for Appropriations bills are sufficient.

The Office has received Bill No. 359-36 (COR), AN ACT TO AUTHORIZED THE EXTENSION OF PRUGRĀMAN AYUDA PARA I TAOTAO-TA ENERGY CREDIT PROGRAM FOR ANOTHER FIVE (5) MONTHS; AND TO AUTHORIZE I MAGA'HĀGAN GUĀHAN TO SPEND UP TO TWENTY-SIX MILLION THREE HUNDRED EIGHTY-ONE DOLLARS (\$26,381,000) FROM ANY FUNDING SOURCE AVAILABLE FOR PRUGRĀMAN AYUDA PARA I TAOTAO-TA ENERGY CREDIT PROGRAM.

The proposed Bill No. 359-36 (COR) allows a five-month extension of the *PrugrĀman Ayuda Para I Taotao-ta* Energy Credit Program. It authorizes the Governor of Guam to spend up to Twenty-six Million Three Hundred Eighty-one Thousand Dollars (\$26,381,000) from any available funding source. This is to provide Guam Power Authority's 52,762 customers with another \$500 credit towards their account in \$100 monthly disbursements from December 2022 to April 2023.

Since the proposed bill did not specify a fund source, a possible fund source could be the Fiscal Year 2022 unappropriated General Fund revenues collected in excess of the adopted revenue levels in Public Law 36-54 as amended. Based on Bureau of Budget and Management Research's Consolidated Revenue/Expenditure Report as of September 30, 2022, the General Fund collected \$103,589,999 above the adopted revenue levels in Public Law 36-54 as amended. However, various public laws have been passed using this source of funding resulting in its new balance of \$47,526,990. There is also a \$6,311,480 shortfall in Special Funds for FY 2022 which historically the General Fund covers such shortfalls. It should be noted that several bills have been introduced tapping the Fiscal Year 2022 unappropriated General Fund revenues collected in excess of the adopted revenue levels. However, such excess revenue has yet to be certified and possibly be adjusted pending the FY 2022 Government of Guam Financial Audit, which is anticipated to be released in May or June 2023.

Respectfully,


Stephen J. Guerrero