

I Mina'trentai Ocho Na Liheslaturan Guåhan
BILL STATUS

| BILL NO. | SPONSOR | TITLE | DATE INTRODUCED | DATE REFERRED | CMTE REFERRED | FISCAL NOTES | PUBLIC HEARING DATE | DATE COMMITTEE REPORT FILED | NOTES |
|-------------|--|--|---|---------------|---|--------------------------------|---------------------|-----------------------------|-------|
| 263-38 (LS) | Telo T. Taitague V. Anthony Ada Joe S. San Agustin | AN ACT TO <i>AMEND</i> SECTIONS 8137(b)(1), 8143, 8146, 8154, AND 8157, ARTICLE 1, CHAPTER 8, TITLE 4 OF THE GUAM CODE ANNOTATED RELATIVE TO THE DEFINED BENEFIT PLAN. | 1/27/26 11:57 a.m. ^2/5/26 2:06 p.m. | 2/5/26 | Committee on Economic Investment, Military Buildup, Regional Relations, Technology, Regulatory Affairs, Justice, Elections, and Retirement. | Request: 2/5/26 2/16/26 | | | |



COMMITTEE ON RULES

Vice Speaker V. Anthony Ada, Chairperson
I Mina'trentai Ocho Na Liheslaturan Guåhan
38th Guam Legislature

February 16, 2026

To: **Rennae V. C. Meno**
Clerk of the Legislature

From: **Senator Christopher M. Dueñas** 
Acting Chairperson, Committee on Rules

Subject: **Fiscal Note for Bill No. 263-38 (LS)**

Håfa Adai!

Find the attached, Fiscal Note for the following bill:

Bill No. 263-38 (LS).

I also request that the same be sent to the respective Chairperson of the Standing Committee, to which this bill has been referred. Kindly copy the same to Management Information Services (MIS) for posting on our website.



Bureau of Budget & Management Research
Fiscal Note of Bill No. 263-38 (LS)

AN ACT TO AMEND SECTIONS 8137(b)(1), 8143, 8146, 8154 AND 8157, ARTICLE 1, CHAPTER 8, TITLE 4 OF THE GUAM CODE ANNOTATED RELATIVE TO THE DEFINED BENEFIT PLAN.

Department/Agency Appropriation Information

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|--|---|
| Dept./Agency Affected: Government of Guam Retirement Fund (GGRF) | Dept./Agency Head: Paula M. Blas, Director |
| Department's General Fund (GF) appropriation(s) to date: Medicare premiums (\$6,262,835); Governor/Lt. Governor Pensions (\$321,643); Superior Court Judges/Supreme Justices Annuities (\$228,965); Retiree Medical/Dental /Life Insurance (\$45,442,906) | \$52,256,347 |
| Department's Other Fund appropriation(s) to date: | \$0 |
| Total Department/Agency Appropriation(s) to date: | \$52,256,347 |

Fund Source Information of Proposed Appropriation

| | General Fund: | Special Fund: | Total: |
|--|---------------|---------------|--------|
| FY 2025 Unreserved Fund Balance | \$0 | \$0 | \$0 |
| FY 2026 Adopted Revenues | \$0 | 0 | 0 |
| FY 2026 Appropriations (P.L. 38-60) | \$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 2026 (if applicable) | FY 2027 | FY 2028 | FY 2029 | FY 2030 |
|---------------------|----------------------|--|---------|---------|---------|---------|
| General Fund | \$0 | \$0 | 1/ | 1/ | 1/ | 1/ |
| Special Fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total | \$0 | \$0 | 1/ | 1/ | 1/ | 1/ |

- 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/ 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? /X/ No
- Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: /X/ Yes // No
// Requested agency comments not received by due date: _____ // Other: _____

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| Analyst: <u>William P. Taitingfong</u> Date: <u>2/13/24</u> | Director: <u>Lester L. Carlson, Jr.</u> Date: <u>FEB 13 2026</u> |
| William P. Taitingfong, Acting B&MA Supervisor | Lester L. Carlson, Jr., Director |

Footnotes:

1/ See comments on Bill No. 263-38 (LS).

**BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 263-38 (LS)**

The proposed Bill No. 263-38 (LS) is an act to amend Sections 8137(b)(1), 8143, 8146, 8154, and 8157, Article 1, Chapter 8, Title 4 of the Guam Code Annotated, relative to the Defined Benefit Plan.

According to comments received from the Government of Guam Retirement Fund (GGRF), Bill No. 263-38 (LS) is a GGRF piece of legislation and will be providing a position statement on the measure at its legislative public hearing. Overall, per the GGRF, the legislation aims to modernize pension rules, reduce contribution volatility, enhance investment diversification, and give trustees greater discretion to manage the Retirement Fund prudently. In regards to the financial impact of the proposed measure, the GGRF is projecting that the financial impact will be positive as the GGRF expect the results will help reduce the retirement contribution rate.

The Government of Guam Retirement Fund Rate of Contribution for the Fiscal Year 2023 through Fiscal Year 2026 and as per the Governor's Executive Budget Request for Fiscal Year 2027 are as follows:

- FY 2023 – 28.43% (P.L. 36-107)
- FY 2024 – 29.43% (P.L. 37-42)
- FY 2025 – 30.77% (P.L. 37-125)
- FY 2026 – 33.85% (P.L. 38-60)
- FY 2027 – 30.70% (Executive Budget Request)

The Bureau had requested a copy of the GGRF's noted position statement, however, it was not available from the GGRF as of the date of this fiscal note. Absent detailed information as to the exact financial impact from the GGRF, the Bureau is unable to provide an estimated cost impact at this time. However, as the GGRF has indicated the proposed measure to reduce the retirement contribution rate, such reduction on the retirement contribution rate will surely help reduce the annual personnel services cost requirements of the Government of Guam.