

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
320-38 (COR)	V. Anthony Ada Christopher M. Dueñas Shelly V. Calvo Jesse A. Lujan Eulogio Shawn Gumataotao William A. Parkinson	AN ACT TO <i>ADD</i> A NEW §§ 61527 AND 61314 AND TO <i>AMEND</i> § 62101(a) ALL OF CHAPTER 61, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE LEGALIZATION OF CERTAIN NONCONFORMING DWELLINGS CONSTRUCTED ON COMMERCIAL ZONED LOTS AND TO CREATE A NEW ZONE DESIGNATION COMMERCIAL-MIXED (CM) ZONE THAT ALLOWS FOR THE CONSTRUCTION OF BOTH COMMERCIAL AND RESIDENTIAL BUILDINGS AND FACILITIES IN THE SAME LOT DESIGNATION.	5/13/26 2:57 p.m.	5/21/26	Committee on Land, Environment, Housing, Agriculture, Parks, and Infrastructure.	Request: 5/21/26 5/27/26			




COMMITTEE ON RULES

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

May 27, 2026

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

From: **Vice Speaker V. Anthony Ada** 
Chairperson, Committee on Rules

Subject: **Fiscal Note for Bill No. 320-38 (COR)**

Håfa Adai!

Find the attached, Fiscal Note for the following bill:

Bill No. 320-38 (COR).

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. 320-38 (COR)

AN ACT TO ADD A NEW §§61527 AND 61314 AND TO AMEND §62101(A) ALL OF CHAPTER 61, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE LEGALIZATION OF CERTAIN NONCONFORMING DWELLINGS CONSTRUCTED ON COMMERCIAL ZONED LOTS AND TO CREATE A NEW ZONE DESIGNATION COMMERCIAL-MIXED (CM) ZONE THAT ALLOWS FOR THE CONSTRUCTION OF BOTH COMMERCIAL AND RESIDENTIAL BUILDINGS AND FACILITIES IN THE SAME LOT DESIGNATION.

Department/Agency Appropriation Information

Dept./Agency Affected: Department of Land Management		Dept./Agency Head: Joseph M. Borja, Director	
Department's General Fund (GF) appropriation(s) to date:			\$963,078
Department's Other Fund appropriation(s) to date: Land Survey Revolving Fund			\$2,848,009
Total Department/Agency Appropriation(s) to date:			\$3,811,087

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 Appro. (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	\$0	\$0	\$0	\$0
Special Fund	\$0	\$0	\$0	\$0	\$0	\$0
Total	1/	\$0	1/	1/	1/	1/

- | | | | |
|--|-------------------------|----------|--------|
| 1. Does the bill contain "revenue generating" provisions?
If Yes, see attachment | | // Yes | /X/ No |
| 2. Is amount appropriated adequate to fund the intent of the appropriation?
If no, what is the additional amount required? \$ _____ | /X/ N/A | // Yes | // No |
| 3. Does the Bill establish a new program/agency?
If yes, will the program duplicate existing programs/agencies? | /X/ N/A | // Yes | /X/ No |
| Is there a federal mandate to establish the program/agency? | | // Yes | // 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?
// Requested agency comments not received by due date: | If no, indicate reason: | /X/ Yes | // No |
| | | // Other | |

Analyst: <u>Michelle Pineda</u> Michelle Pineda, BMA I	Date: <u>6/26/20</u>	Director: <u>Lester L. Carlson, Jr.</u> Lester L. Carlson, Jr., Director	Date: <u>MAY 27 2026</u>
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Notes:
 1/ See Additional Comments.

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 320-38 (COR)

The proposed legislation seeks to add a new §§61527 and 61314 and to amend §62101(a) all of Chapter 61, Title 21, Guam Code Annotated, relative to the legalization of certain nonconforming dwellings constructed on Commercial Zoned lots and to create a new zone designation Commercial-Mixed (CM) Zone that allows for the construction of both Commercial and Residential buildings and facilities in the same lot designation.

Per legislative findings, a number of Guam's multifamily dwellings were permitted to be built on Commercial Zoned lots, despite the absence of a Conditional Use permit granted by the Guam Land Use Commission (GLUC). Given the rapid increase in construction costs, recognizing these long-occupied residential, nonconforming buildings through a zone designation that allows for both commercial and residential structures will help ease housing shortages and reduce the need for new infrastructure. Bill No. 320-38, otherwise known as the "Family Dwelling Legalization Act of 2026," seeks to legalize existing multifamily, duplex, and single-family buildings on commercial lots by designating them as conforming structures under a new Commercial-Mixed Zone, provided they meet specific construction date thresholds. Additionally, such structures shall not require further applications to the GLUC for continued use, financing, sale, or transfer.

According to the attached fiscal comments received from the Department of Land Management (DLM) (*see attached*), the department estimates a first-year fiscal impact of \$135,000 to \$235,000, with ongoing annual costs of \$70,000 to \$110,000 to sustain the required activities outlined in the bill. These costs are attributed to the following: 1.) Additional personnel or overtime to issue mandatory zoning compliance letters, conduct parcel and archival research to verify construction dates, and respond to public inquiries; 2.) Necessary updates to zoning maps and GIS record systems to reflect legalized CM zones; and 3.) Administrative guidance to the public through the drafting of SOPs, updating templates, training staff, and conducting public outreach within ninety (90) days of enactment. Lastly, the department anticipates a reduction in GLUC application fees and a subsequent reduction in cost recovery for research, public notices, and hearings. DLM has indicated that without additional appropriations to cover these costs, they risk processing delays and noncompliance with the bill's mandates.