

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
332-38 (COR)	Jesse A. Lujan Christopher M. Dueñas Vincent A.V. Borja	AN ACT TO <i>ADD</i> A NEW CHAPTER 60 TO DIVISION 5, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE DEPARTMENT OF REVENUE AND TAXATION (DRT) HEADQUARTERS OWNERSHIP AND MODERNIZATION EFFICIENCY (H.O.M.E.) ACT, AND AUTHORIZING THE GUAM DEPARTMENT OF REVENUE AND TAXATION TO ENTER INTO A PUBLIC-PRIVATE PARTNERSHIP (PPP) FOR THE DESIGN, CONSTRUCTION, FINANCING, AND MAINTENANCE OF A NEW HEADQUARTERS FACILITY ON PUBLICLY OWNED LAND.	6/15/26 4:39 p.m.	6/25/26	Committee on Finance and Government Operations.	Request: 6/25/26 6/30/26			



COMMITTEE ON RULES

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

June 30, 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. 332-38 (COR)**

Håfa Adai!

Find the attached, Fiscal Note for the following bill:

Bill No. 332-38 (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. 332-38 (COR)

AN ACT TO ADD A NEW CHAPTER 60 TO DIVISION 5, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE DEPARTMENT OF REVENUE AND TAXATION (DRT) HEADQUARTERS OWNERSHIP AND MODERNIZATION EFFICIENCY (H.O.M.E.) ACT, AND AUTHORIZING THE GUAM DEPARTMENT OF REVENUE AND TAXATION TO ENTER INTO A PUBLIC-PRIVATE PARTNERSHIP (PPP) FOR THE DESIGN, CONSTRUCTION, FINANCING, AND MAINTENANCE OF A NEW HEADQUARTERS FACILITY ON PUBLICLY OWNED LAND.

Department/Agency Appropriation Information

Dept./Agency Affected: Department of Revenue and Taxation (DRT)	Dept./Agency Head: Lizama, Marie P., Director
Department's General Fund (GF) appropriation(s) to date:	\$14,713,861
Department's Other Fund appropriation(s) to date: Banking and Insurance Enforcement Fund (\$447,761); Better Public Service Fund (\$1,402,033); Tax Collection Enhancement Fund (\$1,171,834)	\$3,021,628
Total Department/Agency Appropriation(s) to date:	\$17,735,489

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	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	\$0	\$0	\$0	\$0

- | | | | |
|---|------------------------|----------------------------|---------------------------|
| 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?
Is there a federal mandate to establish the program/agency? | /X/ N/A | // Yes
// Yes
// Yes | /X/ No
// No
/X/ No |
| 4. Will the enactment of this Bill require new physical facilities? | | /X/ Yes | // 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 |

Analyst: <u>Raymond Rieta</u> Raymond Rieta, BMA IV	Date: <u>6/30/26</u>	Director: <u>Lester L. Carlson, Jr.</u> Lester L. Carlson, Jr., Director	Date: <u>JUN 30 2026</u>
--	----------------------	---	--------------------------

Notes:
 1/ See Additional Comments.

Bureau of Budget & Management Research
Comments on Bill No. 332-38 (COR)

The intent of Bill No. 332-38 is to authorize the Guam Department of Revenue and Taxation (DRT) to enter into a Public-Private Partnership (PPP) for the design, financing, construction, and maintenance of a consolidated headquarters facility on publicly owned land in order to improve operational efficiency, enhance service delivery, reduce long-term facility costs, and establish a permanent governmental asset for the people of Guam.

Based on comments received from the DRT, their response to the Bill is summarized by the following:

- Short-Term Impact / Concerns: No funding designated/appropriated to contract necessary consultants or to fund anticipated costs outlined for 9-mos Deliverables; Estimated short-term fiscal impact (range): \$345,000 - \$635,000, see attached *DRT Draft Implementation Plan Operational Matrix: Roles, Responsibilities & Cost Estimates*. Of concern to the department is the timeliness of producing this Implementation Plan considering that any professional services would need to be procured via the Request for Proposal (RFP). As no funding has been appropriated for this purpose, DRT would be required to absorb any costs associated from producing this Plan from its annual operational budget which is already reflecting significant shortfalls in FY26.
- Long-Term Impact/Concerns: Forfeiture of investment due to inability to pay back lease obligations for the proposed PPP office building.

Moreover, DRT comments that specific provisions within the Bill compromise the successful execution of its intent: 1) availability of appropriated funds, 2) reliance on specific revenue streams, 3) long-term amortization requirements, and 4) operational control and lease-back terms. These elements are subject to inherent volatility and external variables beyond the department's control. Additionally, DRT suggests further analysis of existing PPPs (e.g. JFK) to better evaluate the proposed model's long-term fiscal viability.