

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
357-38 (COR)	Vincent A.V. Borja	AN ACT TO <i>AMEND</i> PUBLIC LAW 38-136 TO INCREASE THE REVENUE ESTIMATE FOR SECTION 30 FEDERAL INCOME TAX COLLECTIONS AND TO APPROPRIATE TWENTY MILLION DOLLARS (\$20,000,000) IN ADDITIONAL SECTION 30 REVENUES TO THE GUAM DEPARTMENT OF EDUCATION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2027.	9/3/26 9:25 a.m.	9/4/26	Committee on Finance and Government Operations.	Request: 9/4/26 9/11/26			



COMMITTEE ON RULES

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

September 11, 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. 357-38 (COR)**

Håfa Adai!

Find the attached, Fiscal Note for the following bill:

Bill No. 357-38 (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. 357-38 (COR)

AN ACT TO AMEND PUBLIC LAW 38-136 TO INCREASE THE REVENUE ESTIMATE FOR SECTION 30 FEDERAL INCOME TAX COLLECTIONS AND TO APPROPRIATE TWENTY MILLION DOLLARS (\$20,000,000) IN ADDITIONAL SECTION 30 REVENUES TO THE GUAM DEPARTMENT OF EDUCATION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2027.

Department/Agency Appropriation Information

Dept./Agency Affected: Guam Department of Education (GDOE)	Dept./Agency Head: Judith T. Won Pat Ed.D., Superintendent
Department's General Fund (GF) appropriation(s) to date: P.L. 38-60: Operations (\$228,187,734); School Maintenance & Repairs (\$10,000,000); Chamoru Studies (\$513,824); Menstrual Hygiene Products (\$25,000); Textbooks from UOG Press (\$481,578); and Y Kuantan Salappe Prinsepat (\$1,200,000)	240,408,136
Department's Other Fund (Specify) appropriation(s) to date: Guam Educational Facilities Fund (\$11,328,487); Public School Library Resources Fund (\$815,331); Healthy Futures Fund (\$891,754); School Lunch/Child Nutritional Meal Reimbursement Fund (\$12,504,000); Limited Gaming Fund (\$343,564)	25,883,136
	266,291,272

Fund Source Information of Proposed Appropriation

	General Fund:	(Special Fund): 1/	Total:
FY 2025 Unreserved Fund Balance		\$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	\$20,000,000	1/	1/	1/
Special Fund	\$0	\$0	\$0	1/	1/	1/
Total	\$0	1/	\$20,000,000	1/	1/	1/

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

Analyst: 	Date: 9/10/24	Director: 	Date: SEP 11 2026
William P. Taitinglong, Acting BMA Supvr.		Lester L. Carlson, Jr., Director	

Footnotes:

1/ See attached comments on Bill No. 357-38 (COR).

BUREAU OF BUDGET AND MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 357-38 (COR)

The proposed Bill 357-38 (COR) is an act to amend Public Law 38-136 to increase the revenue estimate for Section 30 Federal Income Tax Collections and to appropriate Twenty Million Dollars (\$20,000,000) in additional Section 30 revenues to the Guam Department of Education (GDOE) for the Fiscal Year ending September 30, 2027.

According to the Legislative Findings and Intent of Bill 357-38 (COR), the condition of Guam's public schools is due to the consequence of decades of deferred maintenance, aging infrastructure, inconsistent capital investment, delayed procurement, and a government-wide failure to establish a sustain a long-term plan for public school facilities. It is noted that during an August 26, 2026 oversight hearing, the GDOE presented facility condition assessments identifying more than \$427,000,000 in estimated costs to bring Guam's public schools facilities into good condition. *I Liheslaturan Guåhan* further finds that the United States Department of the Interior has announced the advance payment of approximately \$105,000,000 in Section 30 revenues to the Government of Guam. The receipt of these revenues above previously anticipated levels provides an opportunity to make an additional investment in public education without reducing appropriations already provided for essential services. It is therefore the intent of *I Liheslaturan Guåhan* to recognize additional Section 30 revenues and appropriate \$20,000,000 to the GDOE as the first phase of a multi-year commitment to restoring Guam's public schools.

Section 2 of Bill 357-38 (COR) amends Section 3 of Chapter I of Public Law 38-136 relative to the Estimated Revenues for Fiscal Year 2027. The amendments made are to increase the total General Fund Revenue Amount by \$20,000,000 and to make the appropriate General Fund revenue adjustments to the current amounts to account for the increase in the Federal Income Tax Collection Section 30 Funds of \$20,000,000 under the Federal Sources.

Section 3 of Bill 357-38 (COR) intends to amend Section 1, Part I, Chapter II of Public Law 38-136 relative to the appropriation to the GDOE for their Fiscal Year 2027 operations and to make the appropriate amendments to the appropriation language to account for the increase in the General Fund appropriation of \$20,000,000. The total General Fund appropriation to GDOE is increased from \$246,708,925 to \$266,708,925 and the Appropriation Total from \$272,195,569 to \$292,195,569.

According to comments received from the GDOE, the additional amount of Twenty Million Dollars (\$20,000,000) to be added to GDOE's Fiscal Year 2027 operational budget would improve GDOE's ability to address operational challenges in Fiscal Year 2027.

It should be noted that the proposed appropriation of \$20,000,000 under Bill 357-38 (COR) is not available and will have to be reduced by \$114,606 as the appropriation amount exceeds the additional Section 30 fund revenues of \$19,885,394 expected to be received for Fiscal Year 2027.

The Bureau confirms that the Government of Guam will receive \$105,073,133 in Section 30 funds. This is an additional \$19,885,394 over Guam's official Fiscal Year 2027 Section 30 Cash Advance

Request of \$85,187,739 which was also approved. The Office of Insular Affairs calculated adjustments to the 2027 estimate requested to reflect delayed certifications received from the Internal Revenue Service (IRS). These adjustments include fiscal year 2022-2024 actuals for Federal Agency Cover Over actuals, as well as 2018 Military Home of Record (filers) and 2018 Military Cover Over (non-filers) actuals. The adjustments resulted in a net increase of \$19,885,394 over the FY 2027 advance estimate provided.

However, the Bureau stresses that the amount of \$105,073,133 is still subject to reconciliation. Reconciliation is the federal government's process of comparing estimated Section 30 payments against actual tax collections and adjusting future payments accordingly. The payment is called an advance because it still requires reconciliation. The \$105,073,133 in Section 30 funds will go into the General Fund and aside from debt obligation tied to a Section 30 bond in the amount of \$17,767,875 [Limited Obligation (Section 30) Bonds, Series 2016A] for FY 2027; the money is not earmarked for specific projects.

Additionally, the Bureau notes that there are currently three competing legislative measures seeking to utilize the additional Section 30 revenues: 1) Bill No. 356-38 (COR) appropriates \$16,800,000 for Guam Power Authority power credits; 2) Bill No. 357-38 (COR) appropriates \$20,000,000 to the Guam Department of Education for FY 2027 operations and restoring Guam's public schools; and 3) Bill No. 358-38 (COR) appropriates \$19,885,394 to the SSHS Modernization Fund. The total of these competing measures amounts to \$56,685,394, or \$36,800,000 more than the cited additional Section 30 fund revenues to be received for FY 2027.

As such, it appears there is sufficient additional Section 30 fund revenues to enact Bill 356-38 (COR) or Bill 358-38 (COR). The appropriation of \$20 million under Bill 357-38 (COR) is above the additional Section 30 fund revenues of \$19,885,394 expected to be received.