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Honorable Joe S. San Agustin
Chairperson, Committee on General Government Operations,
Appropriations, Housing & Office of Finance and Budget
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

Re: Bill 152-36 – An Act To Close Inactive Government Of Guam Special Fund Accounts, And To Repeal Enabling Legislation Of Such Inactive Government Of Guam Special Fund Accounts, As Recommended By The Office Of Public Accountability (OPA) Pursuant To OPA Report No. 19-02

Hafa Adai Senator San Agustin and Committee Members,

Thank you for the opportunity to provide testimony on Bill No. 152-36 introduced by Senator Telo Taitague and co-sponsored by Senators Sabina Perez and Joanne Brown. The purpose of the bill is to close and repeal certain inactive and dormant special revenue funds as recommended by OPA Report No. 19-02, issued in March 2019. The Guam Office of Public Accountability is in support of this bill.

I thank the authors of this legislation for taking action on this issue of dormant and inactive special funds. Our office first studied this issue back in 2004 (OPA Report No. 04-04) and 2006 (OPA Report No. 06-03) when we reviewed numerous special revenue funds and found that more than half of them had little to no activity. We recommended then the repeal of certain special funds, and some of them are on this list in this bill, i.e. 1999 SPG Revolving Fund, Komitea Para Tiyan, and Overtime Fund to name a few.

While this legislation seeks to repeal these special revenue funds, their elimination does not necessarily mean forgoing the purposes for which the funds were created. They can be alternately achieved through a direct appropriation by the Legislature to agencies administering such funds, with the accounting still being done by DOA. The only difference is the accounting will be done in an account, rather than as a special revenue fund. We encourage all senators to support this bill and make our government more efficient.

As part of our testimony, we have attached OPA Reports No. 04-04 and 06-03 for the record. Thank you for your time.

Senseramente,

Benjamin J.F. Cruz, Public Auditor