



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

July 21, 2004

H.R. 2400

**A bill to amend the Organic Act of Guam for the purposes of
clarifying the local judicial structure of Guam**

As reported by the House Committee on Resources on July 14, 2004

H.R. 2400 would amend the Organic Act of Guam to establish a unified judicial system in Guam, independent of the Guam legislature, consisting of an appellate court (Supreme Court) and a trial court (Superior Court of Guam). In addition, the bill would give the Supreme Court administrative authority over all local courts. CBO estimates that enacting this legislation would have no impact on the federal budget because it would affect the structure of the local judiciary system.

The bill contains no private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). H.R. 2400 contains an intergovernmental mandate as defined in UMRA, but CBO estimates that the cost of the mandate would be well below the threshold established in that act (\$60 million in 2004, adjusted annually for inflation). This mandate is a preemption of authority delegated to the legislature of Guam by the Organic Act of Guam. Under that act, the local legislature currently has the authority to establish the structure of the Guam judiciary. H.R. 2400 would eliminate that authority and impose a specific structure. Because this structure is similar to the existing system, however, we expect that the mandate would impose no significant costs on the government of Guam. Enacting this bill would have no impact on the budgets of other state, local, or tribal governments.

The CBO staff contacts for this estimate are Matthew Pickford (for federal costs) and Marjorie A. Miller (for the state and local impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.