






I Mina'trentai Sais Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
148-36 (LS)	Telo T. Taitague Sabina Flores Perez Frank Blas Jr. V. Anthony Ada Joanne Brown	AN ACT TO ADD A NEW § 42105 TO CHAPTER 42, DIVISION 2, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE “EARNED INCOME TAX CREDIT FEDERAL REIMBURSEMENT FUND” TO SUPPORT STUDENT FINANCIAL ASSISTANCE PROGRAMS INCLUDING SCHOLARSHIPS, LOANS, AND APPRENTICESHIPS.	5/28/21 4:15 p.m.						

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2021 (FIRST) Regular Session

Bill No. 148-36 (LS)

Introduced by:

Telo T. Taitague 
Sabina Flores Perez 
Frank Blas, Jr. 
V. Anthony Ada 
Joanne Brown 

**AN ACT TO ADD A NEW § 42105 TO CHAPTER 42,
DIVISION 2, TITLE 11, GUAM CODE ANNOTATED,
RELATIVE TO ESTABLISHING THE “EARNED
INCOME TAX CREDIT FEDERAL REIMBURSEMENT
FUND” TO SUPPORT STUDENT FINANCIAL
ASSISTANCE PROGRAMS INCLUDING
SCHOLARSHIPS, LOANS, AND APPRENTICESHIPS.**

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds
3 that according to a legislative report issued in 1998 by the Congressional Research
4 Service, the Earned Income Tax Credit (EITC), when first enacted on a temporary
5 basis in 1975, was a modest tax credit that provided financial assistance to low-
6 income, working families with children. The report further found that after various
7 legislative changes over a period of 40 years, the EITC has become one of the
8 Federal Government’s largest antipoverty programs.

9 To qualify for the program, the Internal Revenue Service provides that an
10 individual may claim the EITC if their income is low-to-moderate, and that the
11 amount of their credit may change if the tax filer has children, dependents, is

1 disabled, or meets other criteria. EITC filers may also be eligible to apply for other
2 tax credits including the Child Tax Credit and the Credit for Other Dependents,
3 Child and Dependent Care Credit, and Education Credits.

4 *I Liheslaturan Guåhan* further finds that Section 9625 of U.S. Public Law
5 117-2 requires the Federal Government to reimburse the Government of Guam for
6 the cost of the Earned Income Tax Credit beginning in 2021. The Government of
7 Guam anticipates receiving an estimated \$60 million in EITC reimbursements
8 annually from the Federal Government, a portion of which *I Liheslatura* proposes
9 should be used to help families climb out of poverty through education and training
10 opportunities. Accordingly, it is the intent of *I Liheslatura* to appropriate additional
11 resources to support new and established student financial assistance programs
12 including scholarships, loans, and apprenticeships offered by the University of
13 Guam and the Guam Community College. Dedicating a portion of federal EITC
14 reimbursements to these programs will help equip families with a myriad of skills
15 and training which are essential to entering, returning to, or advancing in the local
16 workforce.

17
18 **Section 2.** A new § 42105 is *added* to Chapter 42, Division 2, Title 11,
19 Guam Code Annotated, to read:

20 **“§ 42105. Earned Income Tax Credit Federal Reimbursement Fund.**

21 There is hereby created, separate and apart from other funds of the
22 Government of Guam, the Earned Income Tax Credit Federal Reimbursement
23 Fund (Fund) which shall be administered by the Department of Administration.
24 Earned income tax credit reimbursements transmitted from the U.S. Government to
25 the Government of Guam, pursuant to Section 9625 of U.S. Public Law 117-2,
26 shall be deposited into the Fund. The Earned Income Tax Credit Federal
27 Reimbursement Fund shall not be subject to the Governor’s transfer authority and

1 shall not be commingled with the General Fund. The Fund is subject to
2 appropriation by I Liheslaturan Guåhan except for the following appropriations:

3 (a) The sum of Six Million Six Hundred Thirty Thousand Five Hundred
4 Seventy Dollars (\$6,630,570) is hereby continually appropriated
5 annually, at the end of each fiscal year, from the *Earned Income Tax*
6 *Credit Federal Reimbursement Fund* to the University of Guam to fund
7 financial aid programs including, but are not limited to, Merit Awards,
8 Student Loans, the Nursing Training Program, Jesus U. Torres
9 Professional and Technical Awards, the Reserve Officer Training Corps
10 (ROTC), Regent Scholarships, Marine Lab Graduate Assistance
11 Programs, Early High School Admissions Programs, the Pedro "Doc"
12 Sanchez Scholarship, Dr. Antonio C. Yamashita Educator Corps, the
13 First Generation Trust Fund, and the administration of all student
14 financial assistance programs; and,

15 (b) The sum of Eight Million Three Hundred Forty-One Thousand Three
16 Hundred Twelve Dollars (\$8,341,312) is hereby continually appropriated
17 annually, at the end of each fiscal year, from the *Earned Income Tax*
18 *Credit Federal Reimbursement Fund* to the Guam Community College to
19 fund financial aid programs including, but are not limited to, the
20 Licensed Practical Nursing and Vocational Guidance Programs, Guam
21 Community College Apprenticeship Programs, Guam Community
22 College Lodging Management/ProStart Program, the First-Generation
23 Trust Fund, and the administration of all student financial assistance
24 programs.

25 The University of Guam and the Guam Community College are hereby
26 authorized to utilize funding allocated to their respective student financial
27 assistance programs, to develop need-based financial aid to their students with

1 demonstrated financial need. Financial need in this context is as defined in Section
2 471 of the Higher Education Act of 1965.”

3

4 **Section 3. Severability.** *If* any provision of this Act or the application to
5 any person or circumstance is found to be invalid or contrary to law, such
6 invalidity *shall not* affect other provisions or applications of this Act that can be
7 given effect without the invalid provision or application, and to this end the
8 provisions of this Act are severable.