

I Mina'Trentai Dos Na Liheslaturan Guahan
Bill Log Sheet

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES
257-32 (COR)	Vicente (ben) C. Pangelinan	AN ACT TO AMEND § 4107, CHAPTER 4, TITLE 5 OF THE GUAM CODE ANNOTATED, TO AMEND SECTIONS 5 AND 6 OF PUBLIC LAW 30-37, TO AMEND SECTION 7 OF PUBLIC LAW 31-76 AND TO AMEND SECTION 1107(g), CHAPTER 1, TITLE 11 OF THE GUAM CODE ANNOTATED, RELATIVE TO ENHANCING I MAGA'LÅHEN GUÅHAN'S COMPREHENSIVE PROGRAM AND FINANCIAL PLAN THROUGH IDENTIFYING THE GUAM DEPARTMENT OF EDUCATION, THE UNIVERSITY OF GUAM, AND THE GUAM COMMUNITY COLLEGE APPROPRIATIONS AND TO INCREASE TRANSPARENCY,ACCOUNTABILITY, AND PLANNING IN THE BUDGET REPORTING OF TAX CREDITS.	1/9/14 4:20 p.m.					

I MINA' TRENTAI DOS NA LIHESLATURAN GUÅHAN

2014 (SECOND) REGULAR SESSION

Bill No. 257-32 (COR)

Introduced by:

V.C. Pangelinan 

AN ACT TO AMEND § 4107, CHAPTER 4, TITLE 5 OF THE GUAM CODE ANNOTATED, TO AMEND SECTIONS 5 AND 6 OF PUBLIC LAW 30-37, TO AMEND SECTION 7 OF PUBLIC LAW 31-76 AND TO AMEND SECTION 1107(g), CHAPTER 1, TITLE 11 OF THE GUAM CODE ANNOTATED, RELATIVE TO ENHANCING *I MAGA'LÅHEN GUÅHAN'S* COMPREHENSIVE PROGRAM AND FINANCIAL PLAN THROUGH IDENTIFYING THE GUAM DEPARTMENT OF EDUCATION, THE UNIVERSITY OF GUAM, AND THE GUAM COMMUNITY COLLEGE APPROPRIATIONS AND TO INCREASE TRANSPARENCY, ACCOUNTABILITY, AND PLANNING IN THE BUDGET REPORTING OF TAX CREDITS.

2014 JAN - 9 PM 4: 20 SY

BE IT ENACTED BY THE PEOPLE OF GUAM:

1 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*
2 finds that it is imperative that *I Maga'låhen Guåhan's* comprehensive
3 program and financial plan, also known as the Executive Budget Request or
4 “budget document,” include details of *I Maga'låhen Guåhan's* proposed
5 appropriation levels of the education agencies of the government of Guam.
6 Such knowledge of *I Maga'låhen Guåhan's* level of funding to the
7 education agencies of the government of Guam is paramount to the ability
8 for the public and *I Liheslaturan Guåhan* to ascertain *I Maga'låhen*
9 *Guåhan's* intent to prioritize the education agencies of the government of
10 Guam.

1 *I Liheslaturan Guåhan* further finds that the FY 2014 Executive
2 Budget Request did not delineate the specific appropriation amounts to the
3 Guam Department of Education (GDOE), the University of Guam (UOG),
4 and the Guam Community College (GCC) and that such omission of the
5 detailed amounts that *I Maga'låhen Guåhan* intended on providing these
6 education agencies hampers *I Liheslatura's* ability to properly plan and
7 prepare the *General Appropriations Act* of each fiscal year. Collectively, the
8 appropriations to these education agencies represent a significant percentage
9 of the entire government of Guam funds available to appropriate and it is not
10 prudent to leave *I Liheslaturan Guåhan* to read *I Maga'låhen Guåhan's*
11 mind to determine his priorities.

12 *I Liheslaturan Guåhan* further finds that the authorization and
13 awarding of tax credits diminishes *I Liheslatura's* ability to most accurately
14 estimate revenues every fiscal year which hampers the ability to prioritize
15 funding for the education agencies and other departments and agencies of
16 the government of Guam.

17 Therefore, *I Liheslaturan Guåhan* intends on enhancing the
18 requirements of *I Maga'låhen Guåhan* in producing and transmitting his
19 Executive Budget Request to *I Liheslatura* by mandating the delineation of
20 the appropriation amounts to the GDOE, the UOG, and the GCC and the
21 identification of tax credits, from Fiscal Years 2015 and so forth.

22 **Section 2.** Section 4107, Chapter 4, Title 5 of the Guam Code
23 Annotated is hereby *amended* to read:

24 **“§ 4107. Governor’s Recommendation.**

25 (a) The Governor shall formulate the program and financial plan to
26 be recommended to the Legislature after considering the territorial agency
27 proposed program and financial plans, and other programs and alternatives

1 that he deems appropriate. The plan shall include his recommended goals
2 and policies, recommended plans to implement the goals and policies,
3 recommended budget for the succeeding fiscal year and recommended
4 revenue measures to support the budget.

5 (b) The Governor shall present the proposed comprehensive
6 program and financial plan in a message to the Legislature not later than
7 January 31 prior to each fiscal year. If the Governor is in the first year of his
8 first term or an additional non-consecutive term, then the message shall be
9 presented not later than April 8 of that same year. The message shall be
10 accompanied by a budget document which shall contain the Governor's
11 recommended goals, plans and appropriations. The budget document shall
12 be furnished each member of the Legislature and each department or agency
13 of the Government. The budget document shall contain the following
14 information:

15 (1) The coordinated program goals and objectives that the
16 Governor recommends to guide the decisions on the proposed
17 program plans and budget appropriations;

18 (2) The program and budget recommendations of the
19 Governor for the succeeding fiscal year which shall delineate the
20 program and budget recommendations of the Governor for the Guam
21 Department of Education, the University of Guam, and the Guam
22 Community College, among the other line and semi-autonomous
23 agencies of the government of Guam;

24 (3) A summary of the Territory's receipts in the last fiscal
25 year, a revised estimate for the current fiscal year, and an estimate for
26 the succeeding year;

1 (4) A summary of expenditures during the last fiscal year,
2 those estimated for the current fiscal year and those recommended by
3 the Governor for the succeeding fiscal year;

4 (5) Drafts of appropriation bills and revenue measures; and

5 (6) Any additional information which will facilitate
6 understanding of the Governor's proposed program and financial plan
7 by the Legislature and the public.

8 (c) After delivery of the Governor's message, the bills
9 incorporating his recommendations may be introduced in the Legislature in
10 accordance with the provisions of its Standing Rules."

11 **Section 3.** Section 7 of Public Law 31-76 is hereby *amended* to read
12 as follows:

13 "**Section 7.** Sections 4 ~~and 6~~ of Public Law 30-37 ~~are~~ is hereby
14 *repealed.*"

15 **Section 4.** Section 6 of Public Law 30-37 is hereby *amended* to
16 read:

17 "**Section 6. Inclusion in *I Maga'lahi's Annual Budget Request.*** *I*
18 *Maga'lahen Guåhan shall*, in each fiscal year's budget submission to *I*
19 *Liheslatura*, account for the annual amount of tax credits, rebates, and
20 offsets used for the purposes stated in this Act. *I Maga'lahen Guåhan shall*
21 *not exceed the annual amount of tax credits, rebates, and offsets used for the*
22 *purposes stated in this Act, identified and authorized in each fiscal year's*
23 *General Appropriations Act.*"

24 **Section 5.** Section 5 of Public Law 30-37 is hereby *amended* to
25 read:

26 "**Section 5. Report.** The Guam Economic Development Authority
27 (GEDA) *shall* submit ~~an annual~~ quarterly report to *I Maga'lahen Guåhan, I*

1 *Liheslaturan Guåhan* and the Office of Public Accountability detailing the
2 impact of this Act on the Business Privilege Taxes and a quarterly written
3 report to include a list of Lessor(s) utilizing, transferring, or assigning tax
4 credits, by the amount of tax credits utilized, transferred, or assigned by the
5 Lessor(s), by the month the tax credit was utilized, transferred, or assigned
6 by the Lessor(s), by the Lessor(s) business license number(s) and company
7 name(s), and if tax credits were transferred and/or assigned by the Lessor(s),
8 by tax credit recipient or recipients' business license number(s) and
9 company name(s); until the amount of the tax credit is fully exhausted. Both
10 quarterly reports *shall* be due *no later than* fifteen (15) days after the end of
11 each fiscal year quarter.”

12 **Section 6.** Section 1107(g), Chapter 1, Title 11 of the Guam Code
13 Annotated is hereby *amended* to read:

14 “(g) Shall submit an annual report by July 15th of each year detailing
15 all transactional information and amounts of any tax credits, rebates,
16 abatements and offsets used from July 1 of each preceding year through June
17 30 of the following year to the Office of Finance and Budget, the Speaker of
18 *I Liheslaturan Guåhan* and *I Maga'låhen Guåhan*. Such annual report *shall*
19 detail the following:

20 (1) For tax credits, a list of tax credit recipients' company
21 name and business license number by the dollar amount of tax credits
22 requested, by the dollar amount of tax credits claimed and authorized
23 by the Department of Revenue and Taxation, by date of the letter
24 requesting the tax credit, by the date such letter was received by the
25 Guam Economic Development Authority, by the date such letter was
26 received by the Department of Revenue and Taxation, by the month
27 the tax credit was claimed, and by the public law and/or section in the

1 Guam Code Annotated from which the Department of Revenue and
2 Taxation authorized such tax credit(s). The Department of Revenue
3 and Taxation *shall* identify *all* tax credits transferred or assigned that
4 were authorized pursuant to Public Law 30-37 as amended, in such
5 annual report, by business license number, company name, and the
6 business license and company name from which tax credits were
7 transferred or assigned; and

8 (2) For rebates, abatements, and offsets, a list of tax credit
9 recipients' company name and business license number by the dollar
10 amount of tax rebates, abatements, and offsets authorized by the
11 Department of Revenue and Taxation, and by the public law and/or
12 section in the Guam Code Annotated from which the Department of
13 Revenue and Taxation authorized such tax rebates, abatements, and
14 offsets.”

15 **Section 7. Public Law 30-37 Tax Credit Reporting Requirements.**

16 The Administrator of the GEDA *shall* submit a written report pursuant to the
17 detailed reporting requirements in Section 5 of Public Law 30-37 for the
18 following periods:

- 19 (a) June 30, 2009 through September 30, 2010;
20 (b) October 1, 2010 through September 30, 2011;
21 (c) October 1, 2011 through September 30, 2012;
22 (d) October 1, 2012 through September 30, 2013;
23 (e) October 1, 2013 through September 30, 2013; and
24 (f) October 1, 2013 through December 31, 2013.

25 The written report required by this Section *shall* be submitted to the
26 Speaker of *I Liheslaturan Guåhan* no later than thirty (30) days after the
27 enactment of this Act.

1 **Section 8. Annual Tax Credit Report.** The Director of the
2 Department of Revenue and Taxation *shall* submit an annual tax credit
3 report pursuant to the detailed reporting requirements in Section 1107(g)(1)
4 and (2) of Chapter 1, Title 11 of the Guam Code Annotated, for the
5 following periods:

- 6 (a) July 1, 2009 through June 30, 2010;
- 7 (b) July 1, 2010 through June 30, 2011;
- 8 (c) July 1, 2011 through June 30, 2012;
- 9 (d) July 1, 2012 through June 30, 2013; and
- 10 (e) July 1, 2013 through December 31, 2013.

11 The annual tax credit report required by this Section *shall* be
12 submitted to the Speaker of *I Liheslaturan Guåhan* no later than thirty (30)
13 days after the enactment of this Act.

14 **Section 9. Effective Date.** This Act *shall* be effective upon
15 enactment.

16 **Section 10. Severability.** *If* any provision of this Act or its application
17 to any person or circumstance is held invalid, the invalidity *shall not* affect
18 other provisions or applications of this Act which can be given effect
19 without the invalid provision or application and to this end the provisions of
20 this Act is severable.