


I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN
2014 (SECOND) Regular Session

Bill No. 322-32 (COR)

Introduced by:

Michael F.Q. San Nicolas 

AN ACT TO RAISE THE MINIMUM WAGE AND
CUT BUSINESS PRIVILEGE TAXES, BY
AMENDING §3105 OF ARTICLE 1, CHAPTER 3,
TITLE 22, GUAM CODE ANNOTATED AND §§
26202 (a), (c), (d), (e), (f), (g), (h), (i), AND (j) OF
ARTICLE 2, CHAPTER 26, TITLE 11, GUAM CODE
ANNOTATED.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Short Title. This Act *shall* be referred to as the
3 “Responsible Minimum Wage and Tax Relief Act”.

4 Section 2. Legislative Findings and Intent. *I Liheslaturan Guåhan*
5 finds that Vice Speaker B.J.F Cruz introduced Bill No. 316-32 (COR), which
6 would responsibly raise the minimum wage to the \$10.10, proposed by
7 President Barack Obama in his State of the Union Address, effective
8 January 1, 2017.

9 *I Maga’lahen Guåhan* stated in an editorial on April 18, 2014, that
10 responsibly raising the minimum wage means that the lowest wage earners
11 will have more money, they and their families will be happier, and they
12 will be more productive.

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1 *I Maga'lahi* further proposed that decreasing the Business Privilege
2 Tax rate by two-tenths of one percentage point (0.2%) will help businesses
3 afford the minimum wage increase.

4 *I Liheslatura* further finds that in the spirit of compromise, increasing
5 the minimum wage paired with decreasing the Business Privilege Tax is
6 achievable and can moderate any potential negative impacts of raising
7 wages for lower wage employees.

8 It is therefore the intent of *I Liheslaturan Guåhan* to gradually increase
9 the minimum wage from Seven Dollars and Twenty-Five Cents (\$7.25) to
10 Ten Dollars and Ten Cents (\$10.10) by amending §3105 of Article 1,
11 Chapter 3, Title 22, Guam Code Annotated, and to decrease the Business
12 Privilege Tax from Four Percent (4%) to Three and Eight-Tenths Percent
13 (3.8%).

14 **Section 3. Minimum Wages.** §3105 of Article 1, Chapter 3, Title 22,
15 Guam Code Annotated, is hereby amended, to read:

16 **“§ 3105. Minimum Wages.**

17 Every employer *shall* pay each person employed by him wages
18 at a rate not less than Eight Dollars and Twenty Cents (\$8.20) per
19 hour, effective January 1, 2015, Nine Dollars and Fifteen Cents (\$9.15)
20 per hour, effective January 1, 2016, and Ten Dollars and Ten Cents
21 (\$10.10) per hour, effective January 1, 2017. ~~Five Dollars and Seventy-~~
22 ~~Five Cents (\$5.75) per hour, effective July 1, 2007.”~~

1 **Section 4. Business Privilege Tax Rates.** Notwithstanding any other
2 provision of law to the contrary, the Four Percent (4%) Business Privilege
3 Tax contained in §§ 26202 (a), (c), (d), (e), (f), (g), (h), (i), and (j) of Article 2,
4 Chapter 26, Title 11, Guam Code Annotated, *shall* be amended to Three and
5 Eight-Tenths Percent (3.8%) effective January 1, 2015.