


*I Mina'trentai Singko 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
100-35 (COR)	James C. Moylan	AN ACT TO AMEND §77301, AND ADD A §77301.1, BOTH OF CHAPTER 77, TITLE 10, GUAM CODE ANNOTATED, AND TO ADD AN ARTICLE 9, TO CHAPTER 77, TITLE 12, GUAM CODE ANNOTATED RELATIVE TO THE DIVISION OF MUNICIPAL POLICE, ITS DEDICATED FUNDING SOURCE AND THE AUTHORIZATION OF TAX CREDITS TO CREATE AND MAINTAIN VILLAGE POLICE KOBANS.	4/22/19 9:09 a.m.						

*I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN*  
2019 (FIRST) Regular Session

Bill No. 100-35 (COR)

Introduced by:

  
James C. Moylan

**AN ACT TO AMEND §77301, AND ADD A §77301.1, BOTH OF CHAPTER 77, TITLE 10, GUAM CODE ANNOTATED, AND TO ADD AN ARTICLE 9, TO CHAPTER 77, TITLE 12, GUAM CODE ANNOTATED RELATIVE TO THE DIVISION OF MUNICIPAL POLICE, ITS DEDICATED FUNDING SOURCE AND THE AUTHORIZATION OF TAX CREDITS TO CREATE AND MAINTAIN VILLAGE POLICE KOBANS.**

**BE IT ENACTED BY THE PEOPLE OF GUAM:**

**Section 1. Legislative Findings and Intent.** *I Liheslaturan Guahan* finds

that it is vital for the benefit of the public's safety if the focus of community based policing is prioritized and the Division of Municipal Police is activated. This is a division established more than 2 decades ago, however due to funding constraints, has not been utilized. By securing a dedicated funding source, which in the case of this legislation, would be one percent (1%) of the projected revenues anticipated by the collections of the Business Privilege Taxes, would assure the long term sustainability of the program. Based on the projections for Fiscal Year 2020, around \$313,000,000 is anticipated, hence the passage of this legislation would provide \$3,130,000 to recruit new Municipal Police Officers in 2020, and maintain them for years.

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1 Further, it is critical that more village kobans exist to house these officers,  
2 and bring residents some ease in knowing a police officer is minutes away when an  
3 emergency occurs. Some villages have kobans in place, however they need some  
4 upkeep. Other villages don't have a structure in place. This legislation would  
5 establish a tax credit program to allow private entities to contribute monies to  
6 create and/or maintain such village facilities. The program would allow entities to  
7 donate up to \$500,000, and avail business privilege or excise tax credits in a four  
8 (4) year period, thus that equates to no more than a \$125,000 a year impact on the  
9 government's budget for the next four (4) fiscal years.

10 The village kobans shall be container units converted into offices, and shall  
11 not be holding centers. Businesses may contribute equipment, vehicles,  
12 telecommunication and electrical services and shall conform to a distinct image  
13 established by the Guam Police Department (GPD). GPD shall be authorized to  
14 manage these village kobans, while providing adequate recognition for the  
15 contributors. The department would also be authorized to market the program and  
16 seek potential contributors. It is also critical to establish a koban in Tumon and  
17 the Harmon Industrial Park regions, which both contain great economic activity.

18 **Section 2.** §77301 of Chapter 77, Title 10, Guam Code Annotated is hereby  
19 *amended* to read as follows:

20 **§ 77301. Division of Municipal Police.**

21 (a) There is established within the Guam Police Department a  
22 *Division of Municipal Police* as a permanent division of the Guam Police  
23 Department, such division being responsible for patrol duties and the  
24 enforcement of laws within each of the Island's villages and such duties as  
25 are assigned to it by this Section.

26 (b) Each village in Guam shall have a minimum of one (1) police  
27 station. Such station may be a 'koban' or 'Fansagayan Pulisiha' as may

1 already exist or may be space assigned within the community center of that  
2 village, or such other space as may be provided by the Mayor, ~~or~~ the Guam  
3 Police Department, or through a Public-Private Partnership, within a village.  
4 In villages of large or geographically scattered population, more than one (1)  
5 police station may be designated. The location of each police station shall be  
6 prominently designated and the Chief of Police shall take steps to ensure that  
7 the public is aware of the location of each police station in each village.  
8 There shall be one station located in Tumon and in the Harmon Industrial  
9 Park.

10 (c) There shall be a minimum of two (2) officers capable of patrol and  
11 responding to calls assigned to each village police station at all times. ~~In~~  
12 ~~addition, in every village which has a population of more than two thousand~~  
13 ~~(2000) persons as determined by the most recent census, there shall one (1)~~  
14 ~~additional officer assigned to that village in each shift for every additional~~  
15 ~~two thousand (2,000) persons in population. These are only minimums. The~~  
16 Chief of Police shall supplement additional personnel as is perceived  
17 beneficial or necessary.

18 (d) Officers assigned to a police station in a village shall be  
19 considered as being assigned to such village on a full-time basis, ~~and shall~~  
20 ~~wear a patch prominently designating them as police officers for the village~~  
21 ~~to which they are assigned.~~

22 (e) Officers assigned to a village police station are not to be  
23 transferred out of such station for at least two (2) years, except for purposes  
24 of promotion, or for documented disciplinary reasons, or in the case of an  
25 emergency as determined by the Chief of Police.

26 (f) Municipal Police officers are intended to become permanent  
27 members of the communities to which they are assigned. As such, activities

1 involving the community are to be encouraged and municipal police and  
2 village police stations are to be encouraged to participate in community  
3 activities.

4 (g) Municipal Police officers in a village, working closely with the  
5 Mayor, are responsible for establishing neighborhood watch programs and  
6 other crime prevention programs involving the direct participation of  
7 community members. Moreover, they are responsible, in coordination with  
8 the Mayor, for conducting crime prevention seminars, training and other  
9 similar functions at a village level.

10 (h) The Chief of Police shall be authorized to delegate additional  
11 public safety responsibilities to Municipal Police Officers, and is also  
12 authorized to transfer resources from the Guam Police Department to the  
13 Division of Municipal Police as needed.

14 (i) Municipal Police Officers shall be equally qualified for all the  
15 benefits provided to officers of the Guam Police Department.

16 **Section 3.** A new §77301.1 of Chapter 77, Title 10, Guam Code Annotated  
17 is hereby *added* to read as follows:

18 **“§ 77301.1. Dedicated Funding for the Division of Municipal Police.**

19 Notwithstanding any other provisions of law, no less than one percent  
20 (1%) of the total projected anticipated revenue of the Business Privilege Tax  
21 shall be appropriated each fiscal year as a dedicated funding for the Division  
22 of Municipal Police. The monies shall be used to recruit and maintain  
23 Municipal Police Officers.”

24 **Section 4.** A new Article 9 of Chapter 77, Title 12, Guam Code Annotated  
25 is hereby *added* to read as follows:

26 **“ARTICLE 9**

1 **TAX CREDITS TO CREATE AND MAINTAIN VILLAGE POLICE**

2 **KOBANS**

3 § 77901. Applicability of Article.

4 § 77902. Village Police Kobans.

5 § 77903. Credits Against Unpledged Business Privilege Tax and Excise  
6 Tax.

7 §77904. Cap on Business Privilege Tax and Excise Tax Credits for the  
8 Establishment of Village Police Kobans.

9 §77905. GEDA Report

10 §77906. Rules and Regulations.

11 §77907. Approval of Contributions

12 §77908. Fines and Penalties.

13 **§ 77901. Applicability of Article.**

14 The provisions of this Article are applicable to the Village *Police*  
15 *Kobans* as authorized by this Act.

16 **§ 77902. Village Police Kobans.**

17 (a) For the purposes of this Article, Village Police Kobans  
18 which *shall* be a ‘koban’ or ‘Fansagayan Pulisiha’, *may* be a container  
19 converted into an office space, or a small office structure, and *shall* be  
20 structurally safe, with electricity and telecommunication services  
21 available. The koban *shall* be managed and utilized by the Guam  
22 Police Department’s Division of Municipal Police.

23 (b) All Village Police Kobans pursuant to this Article *shall*  
24 clearly display a sign stating “koban” and “Fansgayan Pulisha” in a  
25 size approved by the Department of Public Works, and must conform  
26 in uniformity with a distinct image approved by the Guam Police  
27 Department.

1           (c) The maximum businesses shall contribute towards the  
2 establishment of a Village Police Koban is Fifty Thousand Dollars  
3 (\$50,000) per station, and no more than ten (10) stations shall be  
4 established by this Act. Credits shall be provided based on the order a  
5 business provides their contribution.

6 **§ 77903. Credits Against Unpledged Business Privilege Tax and**  
7 **Excise Tax.**

8           (a) A business, to the extent that such business contributes to  
9 the cost of the design, labor, materials, construction, vehicles and  
10 furnishings for a Village Police Koban, as identified and approved by  
11 the Guam Economic Development Authority (hereinafter shall be  
12 referred to as GEDA), shall be entitled to credits of unpledged  
13 business privilege taxes or excise taxes, or a combination of both. The  
14 basis of the contribution to the project shall be the actual cost of the  
15 contribution plus the cost of transportation from the point of origin to  
16 its destination.

17           (b) Any unused credits not used in the current tax period may  
18 be carried over into subsequent tax periods until such credits are  
19 exhausted.

20           (c) The total credits allowed under this Act shall not exceed the  
21 actual dollar amount of the expenditures.

22 **§77904. Cap on Business Privilege Tax and Excise Tax Credits for**  
23 **the Establishment of Village Police Kobans.**

24           (a) The total amount of credits against unpledged business  
25 privilege taxes or excise taxes for the Establishment of Village Police  
26 Kobans shall not exceed Five Hundred Thousand Dollars (\$500,000)  
27 over a four (4) year period. No more than One Hundred and Twenty

1 Five Thousand Dollars (\$125,000) in tax credits shall be authorized  
2 for each year of the program.

3 (b) If, at the expiration of the four (4) year period authorized  
4 pursuant to this Article, there are still unclaimed authorized tax  
5 credits, then I Liheslaturan Guahan may, in its discretion, extend the  
6 eligible period until such time that all eligible tax credits are  
7 exhausted.

8 (c) I Liheslaturan Guahan may, in its discretion, extend the  
9 terms and modify any part of the program based on the need of  
10 additional Village Police Kobans.

11 (d) Construction and professional services and equipment,  
12 materials and furnishings shall be competitively procured.

13 **§77905. GEDA Report**

14 GEDA shall submit a report to I Liheslaturan Guahan detailing the  
15 impact of the program on the business privilege and excise taxes, and  
16 economic activities on Guam. GEDA shall also include in its report its  
17 monitoring efforts and any other information related to the program. The  
18 report shall be transmitted to the I Liheslaturan Guahan on an annual basis  
19 until the tax credit caps pursuant to §77904 of this Article are exhausted.

20 **§77906. Rules and Regulations.**

21 GEDA shall implement and monitor the tax credit program authorized  
22 pursuant to this Article based on rules and regulations already adopted by  
23 GEDA for previous tax credit programs.

24 **§77907. Approval of Contributions**

25 GEDA, or its designee, shall be responsible for approving the  
26 contributions made towards the design, labor, materials, construction and  
27 furnishings of Village Police Kobans as identified in this Article.



1        **§77908. Regulatory Oversight, Approval, and Marketing**

2            The Guam Police Department shall have regulatory oversight, and  
3 authority to approve the establishment and furnishings plan of the Village  
4 Police Kobans pursuant to this Article, along with the selection of the  
5 contributors, based on criteria established by the Guam Services Agency.  
6 Further they shall also have the authority to manage the Village Police  
7 Kobans. The Guam Police Department shall also have the authority to reach  
8 out to the community to market this program and seek contributors. Any  
9 contributor who successfully participates in this tax credit program shall  
10 have the authority to display the name of their business on the Village Police  
11 Koban as a contributor, by a sign approved by the Department of Public  
12 Works.

13        **§77908. Fines and Penalties.**

14            To the extent that a company providing materials and services for the  
15 project contained herein takes more tax benefits in terms of unpledged  
16 business privilege or excise taxes that the actual value of the materials or  
17 services contributed to the project authorized herein, that company shall be  
18 required to pay all interest and penalties applicable under Guam law and the  
19 Internal Revenue Code for failure to pay taxes, in addition to payment of the  
20 actual taxes due. To the extent that any individual, officer, director, or other  
21 person having interest in a company providing materials or services for the  
22 project contained herein knowingly and willingly causes such company to  
23 take more tax benefits in terms of business privilege or excise taxes that the  
24 actual value of the material or services contributed to the project, such  
25 individual shall be guilty of a felony in the third degree punishable by a fine  
26 of not less than Five Thousand Dollars (\$5,000) or one (1) year in prison or  
27 both.”

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

6           **Section 6. Effective Date.** The Act *shall* become effective on October 1,  
7 2019.