




*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
319-35 (COR)	Telo T. Taitague Louise B. Muña William M. Castro	AN ACT TO ADD A NEW § 26202.2 TO ARTICLE 2 OF CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED; TO ADD A NEW § 26203(K)(38) AND A NEW § 26203(K)(39) TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED; TO ADD A NEW § 28106(I) AND A NEW § 28106(J) TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED; TO CREATE THE INCOME TAX REFUND DEPOSIT FUND AND MAKING APPROPRIATIONS THERETO; TO AUTHORIZE TEMPORARY REDUCTIONS IN THE LEVELIZED ENERGY ADJUSTMENT CLAUSE (LEAC) RATES; AND, TO PROVIDE ADDITIONAL SUPPORT TO THE MARIANAS REGIONAL FUSION CENTER; ALL RELATIVE TO PROVIDING IMMEDIATE ECONOMIC RELIEF TO FAMILIES AND BUSINESSES AFFECTED BY THE COVID-19 PANDEMIC.	3/24/20 1:18 p.m.						

*I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN*  
2020 (SECOND) Regular Session

Bill No. 319-35 (COR)

Introduced by:

Telo T. Taitague   
Louise B. Muña   
William M. Castro 

AN ACT TO *ADD* A NEW § 26202.2 TO ARTICLE 2 OF CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED; TO *ADD* A NEW § 26203(k)(38) AND A NEW § 26203(k)(39) TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED; TO *ADD* A NEW § 28106(i) AND A NEW § 28106(j) TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED; TO CREATE THE INCOME TAX REFUND DEPOSIT FUND AND MAKING APPROPRIATIONS THERETO; TO AUTHORIZE TEMPORARY REDUCTIONS IN THE LEVELIZED ENERGY ADJUSTMENT CLAUSE (LEAC) RATES; AND, TO PROVIDE ADDITIONAL SUPPORT TO THE MARIANAS REGIONAL FUSION CENTER; ALL RELATIVE TO PROVIDING IMMEDIATE ECONOMIC RELIEF TO FAMILIES AND BUSINESSES AFFECTED BY THE COVID-19 PANDEMIC.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2       **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that as of March 23, 2020 there were twenty-nine (29) confirmed cases of COVID-  
4 19 on Guam including one (1) COVID-19 related death. The rapid spread of  
5 COVID-19 on Guam compelled *I Maga'håga Guåhan* to issue additional  
6 guidelines per Executive Order 2020-05, mandating social isolation and  
7 discouraging public movement unrelated to medical services and various supports

1 critical to Guam’s COVID-19 response efforts. Together with a significant  
2 slowdown in tourism, the indefinite suspension of certain business activities and  
3 reduction of work hours across the private-sector have led to furloughs and  
4 layoffs.

5 It is, therefore, the intent of *I Liheslaturan Guåhan* to provide families and  
6 businesses with immediate economic relief during this unprecedented public  
7 health crisis. This Act seeks to help stabilize the local economy by reducing the  
8 cost of goods and services through a temporary reduction in the Business Privilege  
9 Tax rate; by authorizing *i Maga’håga Guåhan* to expedite tax refund payments  
10 using unappropriated FY 2019 revenue and funds received by *i Maga’håga*  
11 *Guåhan* as reimbursement from the Federal Government for War Claims; and, by  
12 exempting prescription medicines and certain medical supplies from the Business  
13 Privilege Tax and Use Tax Laws of Guam. This Act also provides additional  
14 financial support for families through reductions in LEAC rates for GPA’s fuel  
15 recovery costs, and funding to support COVID-19 pandemic response activities  
16 facilitated by the Marianas Regional Fusion Center.

17 **Section 2.** A new § 26202.2 is *added* to Article 2 of Chapter 26, Title 11,  
18 Guam Code Annotated, to read:

19 **“§ 26202.2. Temporary Reduction of the Business Privilege Tax.**

20 Notwithstanding any other provision of law, the rate of the Business  
21 Privilege Tax set forth in § 26202(a), § 26202(c), § 26202(d), § 26202(e), §  
22 26202(f), § 26202(g), § 26202(h), § 26202(i), and § 26202(j) of this Chapter shall  
23 be temporarily reduced from five percent (5%) to four percent (4%) effective April  
24 1, 2020 and shall remain in effect until December 31, 2020. The Business  
25 Privilege Tax rate shall automatically revert to five percent (5%) immediately  
26 thereafter.”

27 **Section 3. Creation of the Income Tax Refund Deposit Fund.**

1           There is hereby created the Income Tax Refund Deposit Fund as a special  
2 fund of the Government of Guam. The fund is exclusively used for the purpose  
3 of paying income tax refunds on Individual income tax returns filed in calendar  
4 year 2019 and prior years. The fund is not subject to any transfer authority of any  
5 Government of Guam official. The fund shall sunset upon expenditure of  
6 appropriations in Section 4 of this Act. Distributions of refunds due on A-status  
7 error-free Federal Income Tax Individual returns shall commence within three (3)  
8 days, Saturdays, Sundays and Government of Guam Holidays, excepted; of  
9 deposit into the Income Tax Refund Deposit Fund. The Income Tax Refund  
10 Deposit Fund is to be administered by the Department of Administration.

11           **Section 4. Appropriation of funds to the Income Tax Refund Deposit**  
12 **Fund.**

13           Notwithstanding any other provision of law, the sum of Twenty Million  
14 Dollars (\$20,000,000) is hereby appropriated from the unappropriated FY 2019  
15 General Fund balance to the Income Tax Refund Deposit Fund. Additionally, all  
16 funds that are received by *the Government of Guam* as reimbursement from the  
17 Federal Government for War Claims paid pursuant to Public Law 35-61 are  
18 hereby appropriated to the Income Tax Refund Deposit Fund.

19           **Section 5.** A new § 26203(k)(38) and a new § 26203(k)(39) are *added to*  
20 Chapter 26, Title 11, Guam Code Annotated, to read:

21           “(38) Prescription medicines that the orders or prescription of licensed  
22 healthcare professional that include intravenous fluids, syringes, surgical supplies  
23 used in hospitals, surgical centers and clinics. Clinics, for purposes of this section,  
24 are those operated by healthcare professionals licensed by the provisions of  
25 Chapter 12, of Title 10, Guam Code Annotated.

26           Notwithstanding any other provision of law, the exemption authorized in  
27 this section shall automatically repeal effective December 31, 2020.”

1           “(39) Pharmaceuticals and medicines that require a licensed healthcare  
2 professional’s prescription that are dispensed directly to patients.  
3 Pharmaceuticals include but syringes, home dialysis supplies, colostomy supplies  
4 and supplies used to administer medication to home hospice patients.

5           Notwithstanding any other provision of law, the exemption authorized in  
6 this section shall automatically repeal effective December 31, 2020.”

7           **Section 6.** A new § 28106(i) and a new § 28106(j) are *added* to Chapter  
8 26, Title 11, Guam Code Annotated, to read:

9           “(i) Medical equipment, machines and appliances including beds and  
10 examination/treatment chairs used in hospitals and clinics. Clinics, for purposes  
11 of this section, are those operated by healthcare professionals licensed by the  
12 provisions of Chapter 12, of Title 10, Guam Code Annotated.

13           Notwithstanding any other provision of law, the exemption authorized in  
14 this section shall automatically repeal effective December 31, 2020.”

15           “(j) Pharmaceuticals and medicines that require a licensed healthcare  
16 professional’s prescription that are dispensed directly to patients.  
17 Pharmaceuticals include, but are not limited to, syringes, home dialysis supplies,  
18 colostomy supplies and supplies used to administer medication to home hospice  
19 patients.

20           Notwithstanding any other provision of law, the exemption authorized in  
21 this section shall automatically repeal effective December 31, 2020.”

22           **Section 7. Temporary Authorization to Approve Reductions in**  
23 **LEAC rates for GPA’s Fuel Recovery Costs.**

24           Notwithstanding any other provision of law, *I Maga’håga Guåhan* is  
25 authorized to approve recommendations by the Consolidated Commission of  
26 Utilities for reductions of rates charged for fuel recovery costs under the Guam

1 Power Authority's *Levelized Energy Assessment Clause (LEAC)* under the  
2 following conditions:

3 (a) The Public Utilities Commission is unable to address Guam Power  
4 Authority's request for a reduction in the fuel recovery costs, or

5 (b) The Public Utilities Commission has not acted, within seven (7)  
6 calendar days, on a petition filed by the Guam Power Authority/Consolidated  
7 Commission of Utilities to reduce the fuel recovery cost rates.

8 This authorization does not apply to petitions to increases rates for fuel  
9 costs. This authorization shall expire on December 31, 2020.

10 **Section 8. Marianas Regional Fusion Center.**

11 Notwithstanding any other provision of law, *I Maga'hågan Guåhan* is  
12 authorized to transfer up to Five Hundred Thousand Dollars (\$500,000) as may  
13 be available from FY 2020 General Fund appropriations to the Executive Branch,  
14 to the Guam Homeland Security/Office of Civil Defense for the Marianas  
15 Regional Fusion Center, for the purpose of strengthening emergency  
16 communications, intelligence gathering and emergency response and  
17 preparedness. Any funds transferred pursuant to this Act shall only be used for  
18 Fusion Center response activities that are consistent with Executive Order 2020-  
19 03.

20 Specific needs of the Marianas Regional Fusion Center response shall be  
21 determined by Guam Homeland Security/Office of Civil Defense. Any funds  
22 transferred as authorized by this Act which are unencumbered at the time of  
23 termination of the State of Emergency declared pursuant to Executive Order 2020-  
24 03, shall revert to the General Fund. This authorization shall expire on December  
25 31, 2020.