

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
192-36 (COR)	Clynton E. Ridgell	AN ACT TO ADD A NEW § 10108(j) TO ARTICLE 1, CHAPTER 10, TITLE 22, GUAM CODE ANNOTATED, RELATIVE TO PROVIDING INCENTIVES FOR AGRICULTURE AND AQUACULTURE OCCUPATIONS TO ENGAGE IN COST-SHARING ARRANGEMENTS WITH BUSINESSES AS PART OF THE GUAM REGISTERED APPRENTICESHIP PROGRAM.	9/9/21 9:12 a.m.						

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

Bill No. 192-36 (COR)

Introduced by:

Clynton E. Ridgell 

AN ACT TO ADD A NEW § 10108(j) TO ARTICLE 1, CHAPTER 10, TITLE 22, GUAM CODE ANNOTATED, RELATIVE TO PROVIDING INCENTIVES FOR AGRICULTURE AND AQUACULTURE OCCUPATIONS TO ENGAGE IN COST-SHARING ARRANGEMENTS WITH BUSINESSES AS PART OF THE GUAM REGISTERED APPRENTICESHIP PROGRAM.

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 the Guam Registered Apprenticeship Program (GRAP) has been instrumental in
4 helping reduce the shortage of highly skilled workers in various trades in Guam. The
5 program, through measured tax incentives, encourages the employment and training
6 of apprentices in highly skilled trades and occupations.

7 *I Liheslaturan Guåhan* further finds that Public Law 35-39 added language
8 that the Director of the Department of Labor consider occupations in agriculture and
9 aquaculture, among others, as eligible skilled occupations under GRAP.

10 *I Liheslaturan Guåhan* further finds that growing the skilled workforce in
11 agriculture and aquaculture is crucial towards efforts of the government of Guam to
12 increase activities in these industries. Current efforts to bolster and grow these
13 industries require innovative and significant action on the part of the government of
14 Guam.

1 *I Liheslaturan Guåhan* further finds that many, if not all, businesses that
2 engage in agriculture or aquaculture activities are not obligated to pay business
3 privilege taxes pursuant to an exemption in Guam law. This makes it impossible to
4 avail of the assistance provided in GRAP.

5 *I Liheslaturan Guåhan* further finds that the local agriculture and aquaculture
6 industries are quite small, and do not have the capacity to engage in widespread
7 training and recruitment of the new, more technical employees that are needed to
8 increase Guam’s capacity in agriculture and aquaculture. As such, providing a
9 mechanism for other local businesses to partner with agriculture and aquaculture
10 businesses may provide additional resources to see these industries grow. These
11 partnerships will be limited to the hiring and training of apprentices in GRAP in
12 occupations in agriculture and aquaculture and will provide tax credits to these
13 businesses.

14 Therefore, it is the intent of *I Liheslaturan Guåhan* to authorize cost sharing
15 arrangements between agriculture/aquaculture businesses and other local businesses
16 for the purpose of availing of GRAP tax credits by *adding* § 10108(j) to Article 1,
17 Chapter 10, Title 22, Guam Code Annotated.

18 **Section 2.** A new § 10108(j) is *added* to Article 1, Chapter 10, Title 22,
19 Guam Code Annotated, to read:

20 (j) An agriculture or aquaculture business which is exempt from the
21 payment of business privilege taxes as provided by § 26203, Chapter 26, Title
22 11, Guam Code Annotated, and has eligible occupations under § 10104 of this
23 Article, may enter into cooperative agreements with businesses that do pay
24 business privilege taxes pursuant to Guam law to engage in cost sharing
25 arrangements to cover *not more than* fifty percent (50%) of eligible costs for
26 apprentices pursuant to the following:

1 (1) The businesses, along with the cooperative agreement(s)
2 between them shall be registered with DOL;

3 (2) The Director shall approve all cooperative agreement(s)
4 prior to the hiring of any apprentices, and such agreements shall contain
5 the manner in which the eligible costs for apprentices will be shared
6 between the agriculture/aquaculture business and the participating
7 business.

8 (3) Tax credits shall apply to one hundred percent (100%) of
9 the eligible costs borne by the participating business subject to the
10 limitation that cost sharing cannot exceed fifty percent (50%) of an
11 agriculture or aquaculture business's eligible costs for apprentices and
12 shall be utilized solely by that business. Tax credits shall not be
13 transferred or sold to any other business.

14 (4) The Director shall engage in public outreach to ensure that
15 adequate notice is provided to the business community regarding this
16 subsection. The DOL may engage with the Department of Agriculture
17 and the Guam Economic Development Authority in this outreach
18 effort.”

19 **Section 3. Effective Date.** This act shall be effective immediately upon
20 enactment.

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