

I Mina'trentai Siette 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
1-37 (COR)	Sabina Flores Perez	AN ACT TO AMEND § 24105 OF CHAPTER 24, TITLE 11 GUAM CODE ANNOTATED RELATIVE TO EXCLUDING THE VALUE ADDED TO BUILDINGS FROM THE INSTALLATION OF PHOTOVOLTAIC SOLAR PANELS AND ROOF TILES FOR PURPOSES OF LEVYING REAL ESTATE TAXES.	1/5/23 10:07 a.m.						

I MINA'TRENTAI SIETE NA LIHESLATURAN GUÅHAN
2023 (FIRST) Regular Session

Bill No. 1-37 (COR)

Introduced by:

Sabina Flores Perez /SFP

**AN ACT TO *AMEND* § 24105 OF CHAPTER 24, TITLE 11
GUAM CODE ANNOTATED RELATIVE TO
EXCLUDING THE VALUE ADDED TO BUILDINGS
FROM THE INSTALLATION OF PHOTOVOLTAIC
SOLAR PANELS AND ROOF TILES FOR PURPOSES OF
LEVYING REAL ESTATE TAXES.**

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

2 **Section 1. Legislative Findings and Intent.**

3 *I Liheslaturan Guåhan* finds that according to the *National Renewable Energy*
4 *Laboratory*, the value of a home equipped with solar panels is increased by 17%.
5 According to the *Lawrence Berkeley National Laboratory*, the value of a home
6 equipped with a standard 3.6 kW system is increased by about \$15,000 more than
7 homes with smaller systems or no panels, and additional research found that leased
8 panels likely will not impact a home's value. On Guam specifically, where the
9 current value of homes hover around \$400,000, and given the assumption of a 17%
10 increase in value for installing solar systems, the value of an average home can
11 increase by \$68,000, leading to a significant increase in property taxes levied on

1 homes that seek to incorporate the environmentally sound action of utilizing solar
2 panels.

3 *I Liheslatura* further finds that increasing renewable energy aligns with the
4 mandates of Public Law 35-46, which requires GPA to “establish a preliminary
5 renewables portfolio standard goal of one hundred percent (100%) of its net
6 electricity sales by December 31, 2045,” effectively converting our island’s use of
7 fossil fuels to the use of renewable energy. Additionally, policies that reduce taxes
8 to residents and businesses who install solar systems have multiple benefits, such as
9 a decreased reliance on fossil fuels. This significantly reduces the cost of living by
10 lowering the cost of electricity and allowing these savings to be reserved for rainy
11 days, supporting a localized economy, protecting our environment by mitigating
12 climate change, and other necessities.

13 *I Liheslaturan Guåhan* intends to promote our island’s transition to renewable
14 energy by exempting additional real estate tax valuation due to the increase in the
15 value of buildings, owned by individuals or businesses, that may result from the
16 installation of solar panels.

17 **Section 2.** § 24105 of Chapter 24, Title 11 Guam Code Annotated is
18 *amended* to read:

19 **“§ 24105. Improvements Defined.**

20 (a) The term improvements as used in § 24103 of this Title shall be
21 construed to mean buildings and permanent structures on land. It is hereby declared
22 to be the legislative intention, by the adoption of this Section, to encourage the
23 cultivation of farms, land suitable for farming, and the production of livestock and
24 poultry or the products thereof.

25 (b) The term improvements, *supra*, shall *not* include the value added from
26 photovoltaic solar panels and roof tiles installed on buildings.”