

*I MINA'TRENTAI DOS NA LIHESLATURAN GUÁHAN*  
2013 (FIRST) Session

Bill No. 52-32(LS)

Introduced by:

T.C. Ada   
R.J. Respicio 

2013 FEB 22 PM 1:49  


**AN ACT TO REPEAL §22421 OF CHAPTER 22, 5 GCA,  
RELATIVE TO THE TRANSFER OF AUTONOMOUS AGENCY  
REVENUES TO THE AUTONOMOUS AGENCY COLLECTIONS  
FUND**

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

1           **Section 1. Legislative Intent.** *I Liheslaturan Guáhan* finds that §22421 (Transfer  
2 of Autonomous Agency Revenues to Autonomous Agency Collections Fund) of Chapter  
3 22, Title 5, GCA, initially established in 1985, mandates the A. B. Won Pat International  
4 Airport Authority of Guam (GIAA), Jose D. Leon Guerrero Commercial Port of Guam  
5 (PAG), and the Guam Power Authority (GPA) each pay into the General Fund an annual  
6 amount of \$875,000 for “... *the risk assumed by Guam’s taxpayers in operating the*  
7 *power, water, sewer, and air and sea port operations...*,” and for ‘... *the benefits*  
8 *received by these autonomous agencies from services provided by the General Fund,*  
9 *such as police and fire protection, road systems...*’

10           *I Liheslatura* also finds that the mandate directs the three autonomous agencies to  
11 “*transfer in the aggregate the sum of \$3,500,000 from operating surpluses generated by*  
12 *these agencies...*” annually.

13           *I Liheslatura* further finds that the PAG, GIAA, and GPA do not have “operating  
14 surpluses” from which to transfer funds to the General Fund. Notwithstanding, until the  
15 mandate is repealed this requirement remains as a potential liability. And although  
16 enacted in 1985, enforcement by the Executive branch did not occur until 2011 when a  
17 14-year back-billing of \$12.3M from the Department of Administration was given to  
18 each agency (PAG, GIAA, and GPA).

19           *I Liheslatura* further finds that the autonomous agencies treat the PILOT  
20 assessment as part of its total operating expenses, and these expenses must be offset

1 through rate increases that get passed onto rate payers. This is evidenced by the Petition  
2 submitted by GPA to the Public Utilities Commission in June of 2011 (see Docket No.  
3 11-08). These rate payers are also tax payers and are therefore being double taxed.

4 *I Liheslaturan Guåhan* finds that the rising cost of services provided by these  
5 autonomous agencies are a burden to the community, and that P.L. 18-15 must be  
6 repealed to provide relief.

7 **Section 2.** §22421 of Title 5, Chapter 22, of the Guam Code Annotated is hereby  
8 repealed.

9 **Section 3. Prior Uncollected PILOT Assessments Null and Void.** To the  
10 extent the Government of Guam pursuant to §22421 of Title 5, Chapter 22, GCA has  
11 assessed this tax on the affected autonomous agencies, consisting of the Guam Power  
12 Authority (GPA), the Jose D. Leon Guerrero Commercial Port of Guam PAG) and the  
13 A.B. Won Pat International Airport Authority (GIAA), any such prior assessment of this  
14 tax which has not been paid by GPA, PAG, and GIAA *shall* be null and void as of the  
15 effective date of this legislation, and *shall* be uncollectable from the affected autonomous  
16 agencies.

17 **Section 4. Severability.** *If* any provision of this Law or its application to any  
18 person or circumstance is found to be invalid or contrary to law, such invalidity *shall not*  
19 affect other provisions or applications of this Law which can be given effect without the  
20 invalid provisions or application, and to this end the provisions of this Law are severable.