

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN

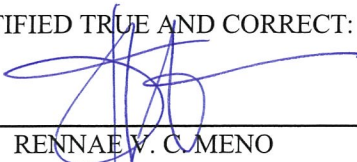
2020 (SECOND) Regular Session

LEGISLATIVE SESSION VOTING RECORD

Bill No. 298-35 (COR) As amended by the Committee on Economic Development, Agriculture, Maritime Transportation, Power and Energy Utilities, and Emergency Response; and further amended on the Floor.	Speaker Antonio R. Unpingco Legislative Session Hall Guam Congress Building October 19, 2020					
NAME	Aye	Nay	Not Voting/ Abstained	Out During Roll Call	Absent	Excused
Senator William M. CASTRO	✓					
Senator Régine Biscoe LEE	✓					
Senator Kelly G. MARSH (TAITANO), PhD	✓					
Senator James C. MOYLAN	✓					
Senator Louise B. MUÑA	✓					
Speaker Tina Rose MUÑA BARNES	✓					
Vice Speaker Telen Cruz NELSON						✓
Senator Sabina Flores PEREZ	✓					
Senator Clynton E. RIDGELL	✓					
Senator Joe S. SAN AGUSTIN	✓					
Senator Amanda L. SHELTON	✓					
Senator Telo T. TAITAGUE	✓					
Senator Jose "Pedo" TERLAJE	✓					
Senator Therese M. TERLAJE	✓					
Senator Mary Camacho TORRES	✓					

TOTAL:	14	0	0	0	0	1
	Aye	Nay	Not Voting/ Abstained	Out During Roll Call	Absent	Excused

CERTIFIED TRUE AND CORRECT:



RENNAE V. C. MENO
Clerk of the Legislature

I = Pass

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2020 (SECOND) Regular Session

Bill No. 298-35 (COR)

As amended by the Committee on Economic Development, Agriculture, Maritime Transportation, Power and Energy Utilities, and Emergency Response; and further amended on the Floor.

*

Introduced by:

Joe S. San Agustin
Tina Rose Muña Barnes
Clynton E. Ridgell
Jose "Pedo" Terlaje
James C. Moylan
William M. Castro

AN ACT TO AMEND §§ 77704, 77705, 77706, AND 77710 OF ARTICLE 7, CHAPTER 77, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO THE REHABILITATION AND IMPROVEMENT OF THE HARMON INDUSTRIAL PARK ROADWAY.

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that Public Law 33-191 established a public-private partnership (PPP) which
4 allowed for the rehabilitation and improvement of the Harmon Industrial Park
5 roadway. The project allowed private entities to invest up to Four Million Dollars
6 (\$4,000,000) for tax credits which would be spread out over a five (5) year period.
7 The objectives were two (2) fold, with the first to ensure that the government's
8 coffers were not impacted tremendously; hence, a cap was placed on the amount of
9 credits that could be availed per year. The second objective was to improve the

1 dreadful road conditions in an industrial park which employs and houses hundreds
2 of residents, and experiences thousands of commuters entering the area for
3 commerce purposes. With the government’s financial woes, this PPP essentially
4 provided an “interest-free” loan.

5 The rehabilitation project broke ground in late 2019, and it has been
6 determined that due to creativity and cost-cutting measures, the total project as
7 identified in the Architectural and Engineering Design (A&E) would estimate at a
8 cost below the Four Million Dollars (\$4,000,000) that was originally projected and
9 approved. Because logistics plays into a cost factor with construction, it is only
10 practical that with tax credits being availed, that *I Liheslaturan Guåhan* provide the
11 authorization for the remaining funds from this project to be utilized to rehabilitate
12 and improve those streets in the industrial park that were not identified in the
13 approved A&E. This would further provide a benefit to the community, and the plan
14 for the additional repairs would be approved by the Department of Public Works to
15 ensure that a fair and balanced approach is utilized.

16 **Section 2.** § 77704 of Article 7, Chapter 77, Title 12, Guam Code
17 Annotated, is hereby *amended* to read as follows:

18 **“§ 77704. Credits Against Excise Tax.**

19 (a) A business, to the extent that such business contributes to the cost
20 of design, labor, and materials that are for the rehabilitation and improvement
21 of the Harmon Industrial Park Roadway, as identified and approved by the
22 Guam Economic Development Authority (GEDA), shall be entitled to credit
23 of excise taxes, excluding those pledged to the Healthy Futures Fund. The
24 basis for contribution to the project shall be the actual cost of the contribution
25 plus the cost of transportation from the point of origin to its destination.

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

1 (c) The total credits allowed under this Article shall not exceed the
2 actual dollar amount of the expenditures on the project.”

3 **Section 3.** § 77705 of Article 7, Chapter 77, Title 12, Guam Code
4 Annotated, is hereby *amended* to read as follows:

5 “§ 77705. **Cap on Excise Tax Credits for the Rehabilitation**
6 **and Improvement of the Harmon Industrial Park Roadway.**

7 (a) The total amount of credits against excise taxes, not inclusive of
8 those pledged for the Healthy Futures Fund, for the rehabilitation and
9 improvement of the Harmon Industrial Park Roadway authorized herein shall
10 not exceed the cumulative total of Three Million Dollars (\$3,000,000) over a
11 five (5) year period. The combined total of excise tax credits for the project
12 shall not exceed Three Million Dollars (\$3,000,000).

13 (b) If, at the expiration of the five (5) year period authorized pursuant
14 to this Article, there are still unclaimed authorized tax credits, *I Liheslaturan*
15 *Guåhan* may, in its discretion, extend the eligible period until such time that
16 all eligible tax credits are exhausted.

17 (c) *I Liheslaturan Guåhan* may, in its discretion, extend the term and
18 modify any part of the program based on future improvement plans and
19 demand in this location.

20 (d) Construction and professional services and equipment and
21 materials shall be competitively procured.”

22 **Section 4.** § 77706 of Article 7, Chapter 77, Title 12, Guam Code
23 Annotated, is hereby *amended* to read as follows:

24 “§ 77706. **GEDA Report.**

25 GEDA shall submit a report to *I Liheslaturan Guåhan* detailing the
26 impact of the program on the business privilege taxes, excise taxes, and
27 economic activities on Guam. GEDA shall also include in its report its

1 monitoring efforts and any other information related to the program. The
2 report shall be transmitted to *I Liheslaturan Guåhan* on an annual basis until
3 the tax credit caps pursuant to §§ 77703 and 77705 of this Article are
4 exhausted.”

5 **Section 5.** § 77710 of Article 7, Chapter 77, Title 12, Guam Code
6 Annotated, is hereby *amended* to read as follows:

7 **“§ 77710. Architectural and Engineering Design.**

8 (a) Prior to the approval of any tax credits under §§ 77702 and 77704
9 of this Article, as well as the initiation of any rehabilitation or improvement
10 projects identified in this Article, up to Three Hundred Thousand Dollars
11 (\$300,000) shall be expended for an Architectural and Engineering Design for
12 the Harmon Industrial Park roadway project identified in this Article. This
13 design must identify all the projects, including the total costs that would
14 qualify under the tax credits of this Article. The design must be completed no
15 later than May 1, 2018.

16 (b) Upon completion of the Architectural and Engineering Design, *I*
17 *Liheslaturan Guåhan* may authorize the initiation of the rehabilitation and
18 improvement of the Harmon Industrial Park roadway, along with the approval
19 of the remaining credits under §§ 77702 and 77704 of this Article.

20 (c) Any costs associated with the Architectural and Engineering
21 Design, with a maximum amount of Three Hundred Thousand Dollars
22 (\$300,000), shall qualify for the credits identified under §§ 77702 and 77704
23 of this Article, and shall be subject to the cap of the credits identified in §§
24 77703 and 77705 of this Article.

25 (d) The Architectural and Engineering Design that is approved and
26 incorporated by *I Liheslaturan Guåhan* shall be the framework for the project
27 identified in this Article. Notwithstanding any other provision of law, rule, or

1 regulation, if upon completion, the total cost of the project identified in the
2 approved Architectural and Engineering Design pursuant to this Article is
3 below the total amount of the cap of the tax credits identified in §§ 77703 and
4 77705 of this Article, additional streets in the Harmon Industrial Park which
5 were not identified for repairs in the original framework of the design, shall
6 be repaired and rehabilitated, if (1) the Department of Public Works approves
7 the plan; and (2) the total costs of such additional repairs remain within the
8 cap and timelines of the tax credits identified in §§ 77703 and 77705 of this
9 Article.

10 (e) The Department of Public Works shall have regulatory oversight,
11 to the extent appropriate, of the rehabilitation and improvement of the Harmon
12 Industrial Park roadway envisaged by this Article, to include, but not limited
13 to, the Architectural and Engineering Design described in this Section.”

14 **Section 6. Severability.** If any provision of this Act or its application to any
15 person or circumstance is found to be invalid or contrary to law, such invalidity shall
16 not affect other provisions or applications of this Act that can be given effect without
17 the invalid provision or application, and to this end the provisions of this Act are
18 severable.

19 **Section 7. Effective Date.** This Act shall be effective upon enactment.