

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

**CHAPTER 77**  
**SPECIAL PROJECTS AND ACTIVITIES OF THE**  
**GUAM ECONOMIC DEVELOPMENT AUTHORITY**

- Article 1. Administrative Provisions.
- Article 2. Guam Raceway Park.
- Article 3. Soccer Stadium Financing.
- Article 4. Tax Credits for Contributors to Public School Sports Facilities.
- Article 5. Tax Credits for Contributors to the University of Guam Sports Complex.
- Article 6. Tax Credits for the *Tiyan* Gymnasium.
- Article 7. Tax Credits for the Harmon Industrial Park Roadway Rehabilitation and Improvement Project.
- Article 8. Guam Multi-Purpose Community Stadium Complex Commission.
- Article 9. *Espetât-ta. Lina'lâ-ta.* – Our Hospital. Our Life. Planning Task Force Act of 2019.
- Article 10. Tax Credits for Guam’s Participation in the 2019-2021 FIBA Asia Cup Competitions.
- Article 11. Tax Credits for the Guam Memorial Hospital Authority.
- Article 12. Tax Credits to Repair and Rehabilitate the Southern High School Auditorium.

**ARTICLE 1**  
**ADMINISTRATIVE PROVISIONS**

**SOURCE:** The Article was enacted by P.L. 25-027:1 (June 4, 1999).

- § 77101. Scope.
- § 77102. Rules and Regulations.

**§ 77101. Scope.**

The provisions of this Chapter shall apply to any projects or activities of the Guam Economic Development Authority authorized by public law, but *not* set out or identified in its basic organizational charter contained in Chapter 50 of this Title.

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

**§ 77102. Rules and Regulations.**

All such special projects or activities shall be administered by rules and regulations developed under the requirements of the Administrative Adjudication Law ('AAL'). Such rules and regulations may be developed either by the Guam Economic Development Authority acting alone or jointly with one (1) or more other agencies of the government of Guam, *unless* such joint development is expressly prohibited by Public Law.

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**ARTICLE 2  
GUAM RACEWAY PARK**

**SOURCE:** The Article was enacted by P.L. 25-027:1 (June 4, 1999).

- § 77201. Applicability of Article.
- § 77202. Credits Against Business Privilege Tax.
- § 77203. Limits of Liability.

**§ 77201. Applicability of Article.**

The provisions of this Article are applicable to the Guam Raceway Park as authorized by the Act.

**§ 77202. Credits Against Business Privilege Tax.**

To the extent that any business licensed to do business on Guam contributes the cost of design, labor and materials to design and/or construct the Guam Raceway Park, such business must be certified by GEDA to be eligible for any credits against Business Privilege Taxes as authorized by the Act. The maximum amount of such credits authorized on an annual basis shall also be certified by GEDA *prior to* expenditures by any licensed business for the Guam Raceway Park. The maximum amount of credits authorized shall be subject to the limitations set forth in § 9 of the Act.

**NOTE:** Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

**§ 77203. Limits of Liability.**

As the Guam Racing Federation having received a license from the Chamorro Land Trust (*Trust*) to use Trust property for the Guam Raceway Park, the Trust shall *not* be liable for any claims resulting from the use of such property. Furthermore, consistent with the provisions of § 3 of the Act, neither GEDA, the Department of Revenue and Taxation, nor any other agency of the government of Guam shall be liable for any claims arising from the use of such property.

**2017 NOTE:** As enacted by P.L. 25-027, this provision contained an erroneous reference to “§ 5 of the Act”; however, this reference is manifest error. P.L. 25-027 consists only of Sections 1 through 4 and did not include Section 5. This reference has been corrected by the Compiler pursuant to the authority of 1 GCA § 1606.

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**ARTICLE 3  
SOCCER STADIUM FINANCING**

**SOURCE:** This Article 3 was added by P.L. 27-085:3 (Apr. 30, 2004).

- § 77301. Credit Against Business Privilege Taxes.
- § 77302. Limits of Liability.
- § 77303. Event Admissions Assessment.
- § 77304. Fines and Penalties.
- § 77305. Cap on BPT Credits for Design and Construction of the Soccer Stadium.
- § 77306. Matching Funds Required.
- § 77307. Public Access to Soccer Stadium.
- § 77308. Filing of Annual Reports.
- § 77309. GEDCA Report.
- § 77310. Rules and Regulations.

**§ 77301. Credit Against Business Privilege Taxes.**

(a) To the extent that any business contributes the cost of design, labor and materials that are for the construction of the Guam Football (Soccer) Association’s soccer stadium and

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

facilities, it *shall* be entitled to credit of business privilege taxes. The basis for contribution to the project *shall* be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

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

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

**SOURCE:** Added by P.L. 27-085:3 (Apr. 30, 2004). Subsection (a) amended by P.L. 30-003:4 (Mar. 13, 2009).

**NOTE:** Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

**§ 77302. Limits of Liability.**

(a) Unless a contractor, materials supplier, designer *or* landlord/less or has direct involvement in the operations of the soccer stadium and facilities as a director, officer, manager, employee, representative *or* agent of the Guam Football (Soccer) Association, they *shall not* be held liable for any civil *or* criminal damages *or* penalties directly or indirectly arising from *or* related to the operations, any use, *or* possession of the soccer stadium and facilities, unless it can be proven that the materials *or* design work provided were substandard.

(b) As the soccer stadium and facilities is a private venture operated by the Guam Football (Soccer) Association, the government of Guam *shall not* be liable for any claims *or* damages arising from the operation of the soccer stadium and facilities.

(c) The Guam Football (Soccer) Association, its directors, agents, consultants, employees, *or* other affiliated person *or* persons *shall* make *no* representation that the government of Guam has any interest in the operation of such stadium and facilities.

**SOURCE:** Added by P.L. 27-085:3 (Apr. 30, 2004). Amended by P.L. 30-003:5 (Mar. 13, 2009).

**12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

**2017 NOTE:** Subsection designations added pursuant to the authority of 1 GCA § 1606.

**§ 77303. Event Admissions Assessment.**

The organizers of any event held at the soccer stadium and facilities for which a fee is charged for admission, *shall* pay to the government of Guam, an admissions assessment of Two Dollars (\$2.00) per paid admission of ten percent (10%) of the admission charged, whichever is less.

**SOURCE:** Added by P.L. 27-085:3 (Apr. 30, 2004). Amended by P.L. 30-003:6 (Mar. 13, 2009).

**§ 77304. Fines and Penalties.**

(a) To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of business privilege taxes than the actual value of the materials or services contributed to the project authorized herein, that company shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes in addition to payment of the actual taxes due.

(b) To the extent that any individual, officer, director or other person having interest in a company providing materials or services for the project contained herein knowingly and willingly cause such company to take more tax benefits in terms of business privilege taxes than the actual value of the material or services contributed to the project, such individual shall be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars (\$5,000) or one (1) year in prison or both.

**2017 NOTE:** Subsection designations added pursuant to the authority of 1 GCA § 1606.

**NOTE:** Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

**§ 77305. Cap on BPT Credits for Design and Construction of the Soccer Stadium and Facilities.**

The total amount of credits against Business Privilege Taxes

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

for the design and construction of the soccer stadium and facilities authorized herein shall not exceed One Million Two Hundred Thousand Dollars (\$1,200,000). The development of soccer facilities in the southern part of the island shall be funded using additional tax credits and/or matching funds secured.

**SOURCE:** Added by P.L. 27-085:3 (Apr. 30, 2004). Amended by P.L. 30-003:7 (Mar. 13, 2009), P.L. 30-101:15 (Mar. 12, 2010), P.L. 31-233:XII:13(a) (Sept. 7, 2012).

**NOTE:** Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

**§ 77306. Matching Funds Required.**

The tax credits provided to a contributor *shall* be in a dollar for dollar matching grant form, wherein every dollar that is given by the government of Guam to the contributor as a tax credit *shall* be matched by a dollar from the Guam Football (Soccer) Federation, to be expended towards the design and construction of the soccer stadium and facilities.

**SOURCE:** Added by P.L. 27-085:3 (Apr. 30, 2004). Amended by P.L. 30-003:8 (Mar. 13, 2009).

**§ 77307. Public Access to Soccer Stadium.**

As a condition for the Guam Football (Soccer) Association and its contributors to be entitled to the tax benefits of the program established in this Article, the soccer stadium and facilities must be available to the general public in accordance with the Memorandum of Understanding with the Department of Parks and Recreation governing use of the property.

**SOURCE:** Added by P.L. 27-085:3 (Apr. 30, 2004). Amended by P.L. 30-003:9 (Mar. 13, 2009).

**§ 77308. Filing of Annual Reports.**

(a) The Guam Football (Soccer) Association shall annually submit a copy of the financial statement required in 18 GCA §14102 to the Speaker of *I Liheslaturan Guåhan*, the Public Auditor, and the Administrator of GEDCA.

(b) The Guam Football (Soccer) Association must ensure

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

that it is current with all its Articles and By-Laws, and should there be any amendments to such documents, it should immediately file such amendments to the Department of Revenue and Taxation.

**§ 77309. GEDCA Report.**

GEDCA shall submit a report to *I Liheslaturan Guåhan* [The Legislature] detailing the impact of the program on the Business Privilege Taxes, sports, and economic activities on Guam. GEDCA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to *I Liheslatura* on an annual basis until the One Million Dollars (\$1,000,000) BPT cap pursuant to § 77305 of this Article is exhausted.

**§ 77310. Rules and Regulations.**

GEDCA shall submit to *I Liheslaturan Guåhan* within thirty (30) days upon the enactment of this Article, rules and regulations governing the implementation of the tax credits portion of this Article.

**NOTE:** Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

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**ARTICLE 4**  
**TAX CREDITS FOR CONTRIBUTORS TO**  
**PUBLIC SCHOOL SPORTS FACILITIES**

**SOURCE:** Article 4 added by P.L. 27-114 (Dec. 2, 2004).

- § 77401. Legislative Findings and Intent.
- § 77402. Definitions.
- § 77403. Credit Against Business Privilege Tax.
- § 77404. Cap on Business Privilege Tax Credits for Construction, Development, Upgrading, Repair or Maintenance of Gymnasiums.
- § 77405. Rules and Regulations.

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

§ 77406. School Operations to Continue.

§ 77407. GEDCA Report.

**§ 77401. Legislative Findings and Intent.**

*I Liheslaturan Guåhan* finds that several sports facilities within the Department of Education have fallen into disrepair. Whether the facilities are damaged by natural disaster, old age, or simply due to the lack of maintenance, it is of importance that these facilities are restored to a usable and safe condition in order to ensure that students are provided with a venue to hold their physical education classes, athletic competitions among public and private school students, science fairs, school plays, and dances, among other extracurricular activities.

However, *I Liheslaturan Guåhan* also finds that the government of Guam is financially strapped and therefore cannot afford to allocate additional funding for major works that public school sports facilities require.

Consequently, *I Liheslaturan Guåhan* calls for community involvement in guaranteeing that our students continue to have functional gymnasiums and other sports field, which can also be used by the public on special events during the weekends, such as the Special Olympics and Relay for Life. In order to provide incentives to those willing to contribute towards the construction, development, upgrading, repair or maintenance of any public school sports facilities, it is the intent of *I Liheslaturan Guåhan* to authorize tax credits to any individuals making contributions to public school sports facilities for the above purposes.

**2009 NOTE:** P.L. 28-045:10 (June 6, 2005) changed the name of the Department of Education to the Guam Public School System. P.L. 30-050:2 (July 14, 2009) reverted the name of the Guam Public School System to the Department of Education. References to Guam Public School System have been changed to Department of Education pursuant to P.L. 30-050:3.

**§ 77402. Definitions.**

As used in this Article:

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

(a) Gymnasium shall mean a public school sports facility, including, but not limited to, gymnasiums and baseball, soccer and football fields constructed, developed, upgraded, repaired, or maintained by an individual, corporation, or limited liability company under the provisions of this Article.

**§ 77403. Credit Against Business Privilege Taxes.**

(a) Individuals, corporations, or limited liability companies making contributions, as approved by the Superintendent of the Department of Education (hereinafter "DOE"), towards the construction, development, upgrading, repair or maintenance of any gymnasium shall be authorized tax credits against Business Privilege Taxes. The basis for contribution to the project shall be the actual cost of the contribution plus the cost of transportation, if any, from the point of origin to its destination.

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

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

**COMMENT:** Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

**2009 NOTE:** P.L. 28-045:10 (June 6, 2005) changed the name of the Department of Education to the Guam Public School System. P.L. 30-050:2 (July 14, 2009) reverted the name of the Guam Public School System to the Department of Education. References to Guam Public School System have been changed to Department of Education pursuant to P.L. 30-050:3.

**§77404.Cap on Business Privilege Tax Credits for Construction, Development, Upgrading, Repair or Maintenance of Gymnasiums.**

The total amount of credits against Business Privilege Taxes for the construction, development, upgrading, repair or maintenance of gymnasiums as authorized herein shall not

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

exceed One Million Dollars (\$1,000,000.00) for all projects.

**NOTE:** Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

**§ 77405. Rules and Regulations.**

The Guam Economic Development and Commerce Authority (GEDCA) shall promulgate rules and regulations necessary to implement this Section, in accordance with the Administrative Adjudication Law, within sixty (60) days upon the enactment of this Article.

**§ 77406. School Operations to Continue.**

Pursuant to § 77403(a) of this Article, when approving a project, the Superintendent of the Department of Education must ensure that regular school operations, to the greatest extent possible, are not affected by the construction, development, upgrading, repair or maintenance of a gymnasium.

**2009 NOTE:** P.L. 28-045:10 (June 6, 2005) changed the name of the Department of Education to the Guam Public School System. P.L. 30-050:2 (July 14, 2009) reverted the name of the Guam Public School System to the Department of Education. References to Guam Public School System have been changed to Department of Education pursuant to P.L. 30-050:3.

**§ 77407. GEDCA Report.**

GEDCA shall submit a report to *I Liheslaturan Guåhan* detailing the impact of the program on the Business Privilege Taxes, its monitoring efforts, and any other information related to the program. The report shall be transmitted to I Liheslatura on an annual basis until the One Million Dollars (\$1,000,000.00) BPT cap pursuant to § 77407 of this Article is exhausted.

**NOTE:** Effective July 17, 2007, reference to Gross Receipts Tax (GRT), amended to Business Privilege Tax (BPT), pursuant to P.L. 29-002:VI:28 (May 18, 2007).

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**ARTICLE 5**  
**TAX CREDITS FOR CONTRIBUTORS TO THE**

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

**UNIVERSITY OF GUAM SPORTS COMPLEX**

**SOURCE:** This new Article was added by P.L. 27-130 (Dec. 20, 2004) as Article 4. However, Article 4 was already occupied. Thus, this new Article was renumbered by Compiler as Article 5.

- § 77501. Legislative Findings and Intent.
- § 77502. Tax Credits.
- § 77503. Maximum Amount of Tax Credits Authorized.
- § 77504. Determination of Amount of Contribution for Donated Merchandise.
- § 77505. Approval of Contributions.
- § 77506. Miscellaneous.
- § 77507. Rules and Regulations.

**§ 77501. Legislative Findings and Intent.**

As a result of the damage caused by the typhoons and super-typhoons that have plagued our Island in the last five (5) years, Guam's outdoor sporting facilities have deteriorated dramatically. Guam's youth and adult sporting leagues are left searching for sites to hold their annual sporting competitions. It is the consensus of I Liheslaturan Guåhan that the development and construction of a multi-purpose outdoor sports facility will enhance the growth of such outdoor sports as football, soccer, tennis, baseball, softball, and rugby on Guam and attract not only regional and international events, but also Asian professional and college teams seeking a venue for spring training, giving a much needed boost to Guam's tourism industry. The University of Guam, with its existing outdoor sports facilities provides a suitable location for the development of a first class outdoor multi-purpose sports complex.

**SOURCE:** Added by P.L. 27-130:1 (Dec. 20, 2004) as § 77401. Renumbered by the Compiler pursuant to authority of 1 GCA § 1606.

**§ 77502. Tax Credits.**

Guam sole proprietorships, corporations, partnerships, and limited liability companies making contributions towards the development, construction, financing, maintenance, and improvement of an outdoor multi-purpose sports complex at the

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

University of Guam shall be entitled to tax credits against those excise taxes levied against the contributor pursuant to Chapter 22 (Annual Excise and Admission Taxes), Article 3 of Chapter 26 (Alcoholic Beverage Tax), Article 6 of Chapter 26 (Tobacco Tax), and Chapter 28 (Use Tax) of Division 2 of Title 11 of the Guam Code Annotated. All tax credits referred to in this Article shall mean tax credits applied against excise tax liabilities.

**SOURCE:** Added by P.L. 27-130:1 (Dec. 20, 2004) as § 77402.  
Renumbered by the Compiler pursuant to authority of 1 GCA § 1606.

**§ 77503. Maximum Amount of Tax Credits Authorized.**

The aggregate amount of tax credits authorized by this Article for all contributors shall not exceed One Million Dollars (\$1,000,000).

**SOURCE:** Added by P.L. 27-130:1 (Dec. 20, 2004) as § 77403.  
Renumbered by the Compiler pursuant to authority of 1 GCA § 1606.

**§ 77504. Determination of Amount of Contribution for Donated Merchandise.**

The amount of contribution of any donated merchandise used in the development, construction and improvement of the outdoor multi-purpose sports complex at the University of Guam shall be the actual cost of the item plus the cost of transportation from the point of origin to its destination without profit, mark-up or taxes.

**SOURCE:** Added by P.L. 27-130:1 (Dec. 20, 2004) as § 77401.  
Renumbered by the Compiler pursuant to authority of 1 GCA § 1606.

**§ 77505. Approval of Contributions.**

The University of Guam or its designee shall be responsible for approving the contributions made towards the development, construction, financing, maintenance, and improvement of the outdoor multi-purpose sports complex at the University of Guam.

**SOURCE:** Added by P.L. 27-130:1 (Dec. 20, 2004) as § 77405.  
Renumbered by the Compiler pursuant to authority of 1 GCA § 1606.

**§ 77506. Miscellaneous.**

The tax credits authorized by this Act shall be subject to the

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

following conditions:

(a) Tax credits that cannot be applied during a single tax year may be applied to excise tax liability in subsequent years.

(b) A single contributor shall only be entitled to claim tax credits up to Twenty-Five Thousand Dollars (\$25,000.00) per month, not to exceed Three Hundred Thousand Dollars (\$300,000.00) per year or tax credits shall not be applied to more than fifty percent (50%) of the contributor's monthly excise tax liability.

(c) To be eligible for the tax credits authorized by this Article, contributors must be licensed to do business on Guam.

**SOURCE:** Added by P.L. 27-130:1 (Dec. 20, 2004) as § 77406. Renumbered by the Compiler pursuant to authority of 1 GCA § 1606.

**§ 77507. Rules and Regulations.**

In accordance with the Administrative Adjudication Law, the Guam Economic Development and Commerce Authority shall formulate rules and regulations governing the issuance of the tax credits and the allocation of the aggregate tax credits among contributors authorized by this Article.

**SOURCE:** Added by P.L. 27-130:1 (Dec. 20, 2004) as § 77407. Renumbered by the Compiler pursuant to authority of 1 GCA § 1606.

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**ARTICLE 6**  
**TAX CREDITS FOR THE *TIYAN* GYMNASIUM**

**SOURCE:** New Article was added by P.L 32-202 (Oct. 13, 2014).

- § 77601. Credit Against Eligible Taxes.
- § 77602. Limits of Liability.
- § 77603. Fines and Penalties.
- § 77604. Cap on Business Privilege Tax Credits for the Rehabilitation and Improvement of the *Tiyan* Gymnasium and Facilities.

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

- § 77605. Public Access to *Tiyan* Gymnasium and Facilities.
- § 77606. Filing of Annual Reports.
- § 77607. GEDA Report.
- § 77608. Rules and Regulations.
- § 77609. Licensing Agreement for *Tiyan* Gymnasium to Guam Basketball Confederation.
- § 77610. Ancestral Lands.

**§ 77601. Credit Against Eligible Taxes.**

(a) To the extent that any business contributes the actual cost of design, labor and materials that are for the rehabilitation and improvement of the Department of Parks and Recreation (DPR) *Tiyan* Gymnasium and facilities, it shall be entitled to credit of business privilege taxes that are not already pledged for any purpose by Guam law. The basis for contribution to the project shall be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

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

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

**§ 77602. Limits of Liability.**

Unless a contractor, materials supplier, designer or landlord/lessor has direct involvement in the operations of the *Tiyan* Gymnasium and facilities as a director, officer, manager, employee, representative or agent of the Guam Basketball Confederation, they shall not be held liable for any civil or criminal damages or penalties directly or indirectly arising from or related to the operations, any use, or possession of the gymnasium and facilities, unless it can be proven that the materials or design work provided were substandard. As the *Tiyan* Gymnasium and facilities is a private venture operated by the Guam Basketball Confederation, the government of Guam shall not be liable for any claims or damages arising from the

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

operation of the gymnasium and facilities. The Guam Basketball Confederation, its directors, agents, consultants, employees, or other affiliated person or persons shall make no representation that the government of Guam has any interest in the operation of such gymnasium and facilities.

**§ 77603. Fines and Penalties.**

To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of business privilege taxes than the actual value of the materials or services contributed to the project authorized herein, that company shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due. To the extent that any individual, officer, director or other person having interest in a company providing materials or services for the project contained herein knowingly and willingly causes such company to take more tax benefits in terms of business privilege taxes than the actual value of the material or services contributed to the project, such individual shall be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars (\$5,000), or one (1) year in prison, or both.

**§ 77604. Cap on Business Privilege Tax Credits for Rehabilitation and Improvement of the *Tiyan* Gymnasium and Facilities.**

(a) The total amount of credits against unpledged business privilege taxes for the rehabilitation and improvement of the *Tiyan* Gymnasium and facilities authorized herein shall not exceed Two Million Five Hundred Thousand Dollars (\$2,500,000) over a ten (10) year period. No more than Two Hundred Fifty Thousand Dollars (\$250,000) in tax credits shall be authorized for each year of the program.

(b) If, at the expiration of the ten (10) year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, *I Liheslaturan Guåhan* may, in its discretion, extend the eligible period until such time that all

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

eligible tax credits are exhausted.

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

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

**§ 77605. Public Access to *Tiyan* Gymnasium and Facilities.**

As a condition for the Guam Basketball Confederation and its contributors to be entitled to the tax benefits of the program established in this Article, the gymnasium and facilities must be available to the general public in accordance with the Memorandum of Understanding with the Department of Parks and Recreation governing the use of the property. The Memorandum of Understanding shall incorporate provisions that support opportunities for access to the gymnasium and facilities by individuals with disabilities.

**§ 77606. Filing of Annual Reports.**

(a) The Guam Basketball Confederation shall annually submit a copy of the financial statement required in § 14102, Chapter 14 of Title 18 GCA to the Speaker of *I Liheslaturan Guåhan*, the Public Auditor, and the Administrator of GEDA.

(b) The Guam Basketball Confederation must ensure that it is current with all its articles and by-laws, and should there be any amendments to such documents, it should immediately file such amendments to the Department of Revenue and Taxation.

**§ 77607. GEDA Report.**

GEDA shall submit a report to *I Liheslaturan Guåhan* detailing the impact of the program on the business privilege taxes, sports, and economic activities on Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to *I Liheslaturan Guåhan* on an annual basis until the tax credit cap pursuant to § 77604 of this Article is exhausted.

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

**§ 77608. Rules and Regulations.**

The Guam Economic Development Authority shall implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs.

**§ 77609. Licensing Agreement for *Tiyan* Gymnasium to Guam Basketball Confederation.**

The Department of Parks and Recreation and the Guam Basketball Confederation shall enter into a license agreement for the improvement, rehabilitation and maintenance of the *Tiyan* Gymnasium for a period of ten (10) years, in accordance with the provisions of the Memorandum of Understanding entered into by the Guam Basketball Confederation and the Department of Parks and Recreation on November 21, 2013. If at any time the Guam Basketball Confederation does not comply with any provision of the Memorandum of Understanding, the license shall be null and void, and management of the property shall revert solely to the Department of Parks and Recreation.

**§ 77610. Ancestral Lands.**

Nothing in this Article shall prevent the return of ancestral lands upon such time that such ownership is fully reconciled.

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**ARTICLE 7**  
**TAX CREDITS FOR THE HARMON INDUSTRIAL PARK**  
**ROADWAY REHABILITATION AND IMPROVEMENT PROJECT**

**SOURCE:** Entire Article added by P.L. 33-191:2 (Dec. 13, 2016).

**2017 NOTE:** P.L. 33-191:3 stated the following:

**Section 3. Effective Date.** This Act shall be effective upon enactment, except that no tax credits authorized in Section 2 of this Act shall be applied toward the payment of business privilege taxes or use excise taxes until October 1, 2017. Such credits shall only be applied toward the payment of taxes which become due and payable thereafter.

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

- § 77701. Applicability of Article.
- § 77702. Credits Against Unpledged Business Privilege Tax.
- § 77703. Cap on Business Privilege Tax Credits for the Rehabilitation and Improvement of the Harmon Industrial Park Roadway.
- § 77704. Credits Against Use Excise Tax.
- § 77705. Cap on Use Excise Tax Credits for the Rehabilitation and Improvement of the Harmon Industrial Park Roadway.
- § 77706. GEDA [Guam Economic Development Authority] Report.
- § 77707. Rules and Regulations.
- § 77708. Approval of Contributions.
- § 77709. Fines and Penalties.
- § 77710. Architectural and Engineering Design.

**§ 77701. Applicability of Article.**

The provisions of this Article are applicable to the Harmon Industrial Park roadway as authorized by this Act.

**§ 77702. Credits Against Unpledged Business Privilege Tax.**

(a) A business, to the extent that such business contributes to the cost of design, labor, and materials that is for the rehabilitation and improvement of the Harmon Industrial Park roadway, as identified and approved by GEDA, *shall* be entitled to credit of unpledged business privilege taxes. The basis for contribution to the project *shall* be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

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

(c) The total credits allowed under this Act *shall* not exceed the actual dollar amount of the expenditures on the project.

**§ 77703. Cap on Business Privilege Tax Credits for the Rehabilitation and Improvement of the Harmon Industrial**

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

**Park Roadway.**

(a) The total amount of credits against unpledged business privilege taxes for the rehabilitation and improvement of the Harmon Industrial Park Roadway authorized herein shall not exceed One Million Dollars (\$1,000,000) over a five (5) year period. For the first (1st) year, which initiates on October 1, 2017, up to Seventy-five Thousand Dollars (\$75,000) in tax credits shall be authorized. For years two (2), three (3), and four (4), which initiate on October 1, 2018, October 1, 2019, and October 1, 2020, respectively, no more than Two Hundred Fifty Thousand Dollars (\$250,000) in tax credits shall be authorized for each year of the program. For the fifth (5th) and final year, which initiates on October 1, 2021, no more than One Hundred Seventy-five Thousand Dollars (\$175,000) in tax credits shall be authorized.

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

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

(d) Construction and professional services and equipment and materials *shall* be competitively procured.

**SOURCE:** Added by P.L. 33-191:2 (Dec. 13, 2016). Subsection (a) and (b) amended by P.L. 34-010: 1 (June 7, 2017).

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

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

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

point of origin to its destination.

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

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

**SOURCE:** Added by P.L. 33-191:2 (Dec. 13, 2016). Amended by P.L. 35-108:2 (Oct. 30, 2020).

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

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

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

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

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

**SOURCE:** Added by P.L. 33-191:2 (Dec. 13, 2016). Subsection (a) and (b) amended by P.L. 34-010: 2 (June 7, 2017). Amended by P.L. 35-108:3 (Oct. 30, 2020).

**§ 77706. GEDA Report.**

GEDA shall submit a report to *I Liheslaturan Guåhan* detailing the impact of the program on the business privilege

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

taxes, excise taxes, and economic activities on Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to *I Liheslaturan Guåhan* on an annual basis until the tax credit caps pursuant to §§ 77703 and 77705 of this Article are exhausted.

**SOURCE:** Added by P.L. 33-191:2 (Dec. 13, 2016). Amended by P.L. 35-108:4 (Oct. 30, 2020).

**§ 77707. Rules and Regulations.**

The Guam Economic Development Authority *shall* implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs.

**§ 77708. Approval of Contributions.**

GEDA or its designee *shall* be responsible for approving the contributions made towards the development, construction, financing, maintenance, rehabilitation, and improvement of the Harmon Industrial Park roadway project as identified in this Article.

**§ 77709. Fines and Penalties.**

(a) To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of unpledged business privilege taxes or use excise taxes than the actual value of the materials or services contributed to the project authorized herein, that company *shall* be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due.

(b) To the extent that any individual, officer, director, or other person having interest in a company providing materials or services for the project contained herein knowingly and willingly causes such company to take more tax benefits in terms of business privilege taxes than the actual value of the material or services contributed to the project, such individual *shall* be guilty of a felony in the third degree punishable by a fine of not less

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

than Five Thousand Dollars (\$5,000) or one (1) year in prison or both.

**2017 NOTE:** Subsection designations added pursuant to the authority of 1 GCA § 1606.

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

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

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

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

(d) The Architectural and Engineering Design that is approved and incorporated by *I Liheslaturan Guåhan* shall be the framework for the project identified in this Article. Notwithstanding any other provision of law, rule, or regulation, if upon completion, the total cost of the project identified in the approved Architectural and Engineering Design pursuant to this Article is below the total amount of the cap of the tax credits identified in §§ 77703 and 77705 of this Article, additional streets in the Harmon Industrial Park which were not identified for repairs in the original framework of the design, shall be repaired and rehabilitated, if (1) the Department of Public Works

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

approves the plan; and (2) the total costs of such additional repairs remain within the cap and timelines of the tax credits identified in §§ 77703 and 77705 of this Article.

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

**SOURCE:** Added by P.L. 33-191:2 (Dec. 13, 2016). Subsection (a) amended by P.L. 34-010: 3 (June 7, 2017). Amended by P.L. 35-108:5 (Oct. 30, 2020).

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**ARTICLE 8**  
**GUAM MULTI-PURPOSE COMMUNITY**  
**STADIUM COMPLEX COMMISSION**

**SOURCE:** Added by P.L. 33-229 (Jan. 9, 2017) as Article 7. Added as Article 8 and renumbered by Compiler pursuant to authority of 1 GCA § 1606.

- § 77801. Legislative Statement.
- § 77802. Creation and Membership.
- § 77803. Compensation of Commission Members.
- § 77804. Administrative Support for the Commission.
- § 77805. Adoption of Rules.
- § 77806. Meetings.
- § 77807. General Powers and Responsibilities of the Commission.
- § 77808. Development of the Guam Multi-Purpose Community Stadium Complex Plan.
- § 77809. Reporting.
- § 77810. Authorization for the Deappropriation of the Office of Senator Mary Torres' FY 2016 Lapsed Funds for Reappropriation.

**§ 77801. Legislative Statement.**

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

(a) I Liheslaturan Guåhan finds that the island of Guam is in need of a Multi-Purpose Community Stadium Complex. The purpose of such a facility is to build the island's capacity to draw tourists, as well as to provide adequate and appropriate permanent space for large scale community events. It is expected that events marketed to tourists and the community will overlap and complement each other.

(b) This Multi-Purpose Community Stadium Complex would ideally be a permanent structure with indoor and outdoor space sufficient to provide for international and local sporting events; music and recreational events; fairs and community gatherings; and conferences and other events. It is necessary to appoint a Commission to spearhead an investigation and report findings, constraints, limitations, and recommendations on the development of such a facility. This Commission must have the mandate to inquire into issues, including, but not limited to, the venue parameters required to support long-term community and tourism goals, financing options, location, and the long-term operations and maintenance cost of such a facility.

(c) It is, therefore, the intent of I Liheslaturan Guåhan to create this Commission with the intent to use its findings and recommendations in the eventual development and construction of a facility that will increase economic activity and the quality of life of the people of Guam.

**2017 NOTE:** Subsection designations added pursuant to the authority of 1 GCA § 1606.

**§ 77802. Creation and Membership.**

The Multi-Purpose Community Stadium Complex Commission (Commission) is hereby created, and *shall* consist of seven (7) members appointed by I Maga'låhi, and who are subject to confirmation by I Liheslaturan Guåhan.

(a) Commission members *shall* serve for a term of eighteen (18) months.

(b) The following seven (7) individuals *shall* serve as appointed members of the Commission:

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

(1) two (2) members with a background in finance;

(2) one (1) member of the general public;

(3) one (1) member with a background in sports;

(4) one (1) member with an architecture and design background;

(5) one (1) member with a civil engineering or structural engineering background; and

(6) one (1) member with a background in the visitor/tourism industry.

(c) The following five (5) individuals, or their designees, *shall* serve as ex-officio members of the Commission:

(1) the Director of the Department of Revenue and Taxation;

(2) the Director of the Department of Parks and Recreation;

(3) the General Manager of the Guam Visitors Bureau;

(4) the Legislative Chairperson of the tourism committee or his or her designee, who is himself or herself also a member of I Liheslaturan Guåhan; and

(5) the Administrator of the Guam Economic Development Authority (GEDA).

(d) If the position of a member is vacated, I Maga'låhi *shall* appoint a qualified person to replace the member for the remainder of the unexpired term.

(e) Five (5) appointed members of the Commission *shall* constitute a quorum for the exercise of the authority conferred upon the Commission, and a concurrence of at least five (5) of the appointed members is necessary to render a choice or a decision by the Commission. The attendance of ex-officio members *shall* not be used to

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

determine whether a quorum is present.

(f) A Chairperson *shall* be elected from among the appointed members and *shall* serve in such capacity for a term of eighteen (18) months.

**§ 77803. Compensation of Commission Members.**

(a) Appointed members of the Commission, if authorized by the Chairman, are entitled to receive a stipend of not more than Fifty Dollars (\$50.00) for each meeting of the Commission, which *shall* not extend to ex-officio members.

(b) While engaged in the business of the Commission, each member of the Commission, upon the authorization of the Chairman, is entitled to receive the per diem allowance and travel expenses provided by the Government Travel Law in Chapter 23 of Title 5, Guam Code Annotated.

**§ 77804. Administrative Support for the Commission.**

(a) The Commission *shall* be established within GEDA for administrative purposes. The Administrator of GEDA *shall* ensure that the administrative provisions contained in this Article are properly adhered to; and *shall* further ensure that GEDA provides all the necessary administrative and clerical support and anything else deemed necessary for the efficient operation of the Commission.

(b) The Chairperson of the Commission, in cooperation with the GEDA Administrator, may request for budgetary support from I Liheslaturan Guåhan in the GEDA annual budget submission, which *shall* be so identified.

(c) Nothing *shall* require that GEDA funds be utilized to cover any costs that are the direct result of the Commission carrying out its defined duties and responsibilities pursuant to this Article.

**§ 77805. Adoption of Rules.**

The Commission may adopt rules as necessary for its own procedures in accordance with the Administrative Adjudication Law.

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

**§ 77806. Meetings.**

The Commission *shall* meet as often as it deems appropriate and necessary to accomplish its powers and duties.

(a) The first meeting of the Commission *shall* be held no later than thirty (30) days after at least five (5) appointed members of the Commission have been duly confirmed by I Liheslaturan Guåhan.

(b) The Commission *shall* meet no less than once in each quarter of the calendar year.

(c) The Commission may meet at other times at the call of the Chairperson, or as provided by the rules of the Commission.

(d) All meetings of the Commission *shall* be subject to the Open Government Law found in Chapter 8 of Title 5, Guam Code Annotated.

**§ 77807. General Powers and Responsibilities of the Commission.**

The Commission *shall*:

(a) oversee the development of plans relating to a Multi-Purpose Community Stadium Complex;

(b) identify the preferable locations for the facility;

(c) identify possible funding sources for the facility;

(d) work with all pertinent stakeholders necessary to the creation of this plan;

(e) obtain a feasibility study with regards to the building, maintenance, and economic impact of a Multi-Purpose Community Stadium Complex;

(f) be authorized, at its discretion and subject to availability of funds, to issue Requests for Proposals and Requests for Information via the Government Procurement Law, as necessary to complete the plan; and

(g) meet all the reporting requirements as outlined in

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

this Article.

**§ 77808. Development of the Guam Multi-Purpose Community Stadium Complex Plan.**

The Commission *shall* develop a Guam Multi-Purpose Community Stadium Complex Plan, addressing, but not limited to, the plan, design, location, cost, and long-term maintenance funding plan for a Multi-Purpose Community Stadium Complex; and, conduct an overall feasibility study regarding the building, maintenance, and short and long-term economic impacts of a Multi-Purpose Community Stadium Complex.

**§ 77809. Reporting.**

(a) The Commission *shall* file quarterly reports with I Liheslaturan Guåhan detailing the progress of the development of the plan.

(b) The Commission *shall* file a complete and detailed written report quarterly with I Maga'låhen Guåhan and the Speaker of I Liheslaturan Guåhan, in the form and within the time provided by the General Appropriations Act, accounting for all funds received and disbursed by the Commission during the preceding fiscal year.

(c) No later than eighteen (18) months after its first duly convened meeting, the Commission *shall* prepare and file with I Liheslaturan Guåhan its final "Guam Multi-Purpose Community Stadium Complex Plan" mandated in this Article to study, investigate, and develop a multi-purpose facility complex on Guam. The final deliverable report *shall* include a conceptual drawing and model(s), recommended funding sources, and maintenance plans.

**§ 77810. Authorization for the Deappropriation of the Office of Senator Mary Torres' FY 2016 Lapsed Funds for Reappropriation.**

(a) The FY 2016 lapsed funds of the Office of Senator Mary Torres of I Liheslaturan Guåhan in an amount not to exceed Seventy-five Thousand Dollars (\$75,000) are hereby deappropriated and reappropriated to the Guam Economic

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

Development Authority (GEDA) to fund the Multi-Purpose Community Stadium Complex Commission to carry out its powers and responsibilities as authorized in § 77807 of this Article.

(b) Funds deappropriated and reappropriated pursuant to this Section *shall* be allocated to GEDA within ninety (90) days of the enactment of this Article.

(c) No portion of the appropriations in this Section *shall* be used for any purpose other than that specifically authorized in §§ 77803 and 77807 of this Article.

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**ARTICLE 9**

***ESPETÂT-TA. LINA'LA-TA. – OUR HOSPITAL. OUR LIFE.***  
**PLANNING TASK FORCE ACT OF 2019**

**SOURCE:** Added by P.L. 35-058:1(Nov. 30, 2019).

- § 77901. Title.
- § 77902. Legislative Statement.
- § 77903. Creation and Membership.
- § 77904. Administrative Support for the Task Force.
- § 77905. Adoption of Rules.
- § 77906. Meetings.
- § 77907. General Powers and Responsibilities of the Task Force.
- § 77908. Development of a New Public Hospital Facility; Recommendations Required.
- § 77909. Reporting.

**§ 77901. Title.**

This Act *shall* be known and may be cited as the “*Espetât-ta. Lina'la-ta. – Our Hospital. Our Life. Planning Task Force Act of 2019.*”

**§ 77902. Legislative Statement.**

*I Liheslaturan Guåhan* recognizes the urgency of improving

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

safety conditions and the quality of care provided to the people of Guam by the island's only public hospital, the Guam Memorial Hospital Authority (GMHA). Although task force groups were established and community conversations have occurred during the past several years regarding the rehabilitation and modernization of GMHA facilities and services, a clear path forward that will guide the development of a new public hospital facility has yet to materialize.

It is, therefore, the position of *I Liheslaturan Guåhan* that a task force be established to coordinate efforts by the government of Guam to develop a new public hospital facility, including rehabilitation and/or replacement plans involving the current Guam Memorial Hospital Authority facility. *I Liheslatura* acknowledges the development of a new public hospital facility as a critical planning initiative of the government of Guam through the support of the Guam Economic Development Authority (GEDA). Included within the enabling statute of GEDA is 12 GCA § 50103(a), which recognizes that “...*there exists an acute shortage of adequate, modern and efficient hospital facilities in Guam and that unless measures are adopted to alleviate such conditions, the need for such facilities will become increasingly more urgent and serious. It is hereby declared that the safety, health and welfare of the people of Guam requires the provision of adequate, modern and efficient hospital facilities in the various parts of the Territory, and that it is the policy of the Territory and a purpose of this Division to provide the means necessary for the acquisition, construction and provision of hospital facilities to serve the general public and to make reasonably accessible to all the people of Guam modern and efficient hospital facilities.*”

**§ 77903. Creation and Membership.**

The *Espetåt-ta. Lina'lå-ta.* – Our Hospital. Our Life. Planning Task Force (Task Force) is hereby created and *shall* consist of nine (9) members.

(a) Task Force members *shall* serve for a term of eighteen (18) months.

(b) The following nine (9) individuals *shall* serve as

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

appointed members of the Task Force:

(1) the Administrator of the Guam Economic Development Authority or his/her designee;

(2) the Administrator of the Guam Memorial Hospital Authority or his/her designee;

(3) the Speaker of *I Liheslaturan Guåhan* or his/her designee who *shall* be a member of *I Liheslaturan Guåhan*;

(4) a member of *I Liheslaturan Guåhan* appointed by the Speaker of *I Liheslaturan Guåhan*;

(5) a member of the general public with a background in business and/or finance or experience in developing a public or private hospital facility who *shall* be appointed by *I Maga'hågan Guåhan*;

(6) a member of the Department of Land Management's Application Review Committee who *shall* be appointed by *I Maga'hågan Guåhan*;

(7) a member of the general public who *shall* be appointed by the Speaker of *I Liheslaturan Guåhan*.

(8) the Legislative committee chairperson with jurisdiction on health matters or his/her designee; and

(9) the Minority Leader of *I Liheslaturan Guåhan* or his/her designee.

(c) Five (5) members of the Task Force *shall* constitute a quorum for the exercise of the authority conferred upon the Task Force, and a concurrence of at least five (5) members is necessary to render a choice or a decision by the Task Force.

(d) A Chairperson *shall* be elected from among the appointed members and *shall* serve in such capacity for a term of eighteen (18) months.

(e) The members of the Task Force *shall* serve without compensation.

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

**§ 77904. Administrative Support for the Task Force.**

(a) The Task Force *shall* be established within GEDA for administrative purposes. The Administrator of GEDA *shall* ensure that the administrative provisions contained in this Article are properly adhered to; and *shall* further ensure that GEDA provides all the necessary administrative and clerical support, and anything else deemed necessary for the efficient operation of the Task Force.

(b) The Chairperson of the Task Force, in cooperation with the GEDA Administrator, may request for budgetary support from *I Liheslaturan Guåhan*.

(c) Nothing in this Article shall require that GEDA funds be utilized to cover any costs that are the direct result of the Task Force carrying out its defined duties and responsibilities pursuant to this Article.

**§ 77905. Adoption of Rules.**

The Task Force may adopt rules as necessary for its own procedures.

**§ 77906. Meetings.**

The Task Force *shall* meet as often as it deems appropriate and necessary to accomplish its powers, responsibilities and duties.

(a) The first meeting of the Task Force *shall* be held *no later than* twenty (20) days after the enactment of this Article.

(b) All meetings of the Task Force *shall* be subject to the Open Government Law found in Chapter 8 of Title 5, Guam Code Annotated.

**§ 77907. General Powers and Responsibilities of the Task Force.**

The Task Force *shall*:

(a) coordinate and oversee any and all efforts by the government of Guam concerning the development of a new

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

public hospital facility or other health care facility models, including rehabilitation and/or replacement plans involving the current Guam Memorial Hospital Authority facility;

(b) identify the preferable location(s) for a new public hospital facility;

(c) identify possible funding sources for a new public hospital facility;

(d) work with all pertinent stakeholders necessary to establish an organized approach by the government of Guam in developing a new public hospital facility;

(e) obtain a feasibility study with regards to the building, maintenance, and economic impact of a new public hospital facility;

(f) review previous Guam Memorial Hospital Task Force Reports, Advisory Council Reports, Expansion or Modernization Plans, and GMH Facilities Masterplans; and report to *I Liheslaturan Guåhan* about all the areas or recommendations still feasible, requiring additional information, or ruled out at this point.

**§ 77908. Development of a New Public Hospital Facility; Recommendations-Required.**

The Task Force *shall* develop recommendations summarizing the best path forward in developing a new public hospital facility through a purchase agreement, municipal lease program, public-private partnership, or other financing option determined to be most beneficial to the taxpayers of Guam. The recommendations *shall* include, but *not* be limited to, recommended funding sources and maintenance plans. The Task Force *shall* provide an oral presentation to *I Liheslaturan Guåhan* through the Committee on Health within the timeframe required under § 77909(c) of this Article.

**§ 77909. Reporting.**

(a) The Task Force *shall* file quarterly reports with *I Liheslaturan Guåhan* detailing the progress of the development of the recommendations.

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

(b) The Task Force *shall* file a complete and detailed written report quarterly with *I Maga'hågan Guåhan* and the Speaker of *I Liheslaturan Guåhan*, in the form and within the time provided by the General Appropriations Act, accounting for all funds received and disbursed by the Task Force during the preceding fiscal year.

(c) No later than eighteen (18) months after its first duly convened meeting, the Task Force *shall* submit to *I Maga'hågan Guåhan* and *I Liheslaturan Guåhan* the recommendations as required in § 77908 of this Article.

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**ARTICLE 10**

**TAX CREDITS FOR GUAM'S PARTICIPATION IN THE  
2019-2021 FIBA ASIA CUP COMPETITIONS**

**SOURCE:** Entire Article added by P.L. 35-062:2 (Feb. 5, 2020).

- § 771001. Credit Against Eligible Taxes.
- § 771002. Limits of Liability.
- § 771003. Fines and Penalties.
- § 771004. Cap on Business Privilege Tax Credits for the Rehabilitation, Improvement, and Participation of the Guam Basketball Confederation at the FIBA Asia Cup.
- § 771005. Filing of Annual Reports.
- § 771006. Guam Economic Development Authority Report.
- § 771007. Rules and Regulations.

**§ 771001. Credit Against Eligible Taxes.**

(a) To the extent that any business contributes to the Guam Basketball Confederation (GBC) to acquire the required equipment and make enhancements to facilities on Guam, as well as the training and transportation of the Guam Men's National Team for FIBA Asia Cup competitions from 2019 through 2021, it shall be entitled to credit of business privilege taxes that are *not* already pledged for any purpose by Guam law. The basis for contribution to the project *shall* be the actual cost

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

of the contribution plus the cost of transportation from the point of origin to its destination.

(b) Any unused credits *not* used in the current tax period may be carried over into three (3) subsequent tax periods only, and *shall* expire after the third (3rd) tax period has ended.

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

(d) The total credits allowed under this Article *shall not* be transferrable to any other business than the original recipient of the credits.

**§ 771002. Limits of Liability.**

Unless a contractor, materials supplier, designer or landlord/lessor has direct involvement in the operations of the facilities as a director, officer, manager, employee, representative or agent of the Guam Basketball Confederation, they *shall not* be held liable for any civil or criminal damages or penalties directly or indirectly arising from or related to the operations, any use, or possession of the gymnasium and facilities, *unless* it can be proven that the materials or design work provided were substandard. As the University of Guam Calvo Field House and facilities is a private venture operated by the University of Guam and for use by the Guam Basketball Confederation, the government of Guam *shall not* be liable for any claims or damages arising from the operation of the gymnasium and facilities. The Guam Basketball Confederation, its directors, agents, consultants, employees, or other affiliated person or persons shall make no representation that the government of Guam has any interest in the operation of such gymnasium and facilities.

**§ 771003. Fines and Penalties.**

To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of business privilege taxes than the actual value of the materials or services contributed to the project authorized herein,

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

that company *shall* be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due. To the extent that any individual, officer, director or other person having interest in a company providing materials or services for the project contained herein knowingly and willingly causes such company to take more tax benefits in terms of business privilege taxes than the actual value of the materials or services contributed to the project, such individual *shall* be guilty of a felony in the third degree punishable by a fine of *not less than* Five Thousand Dollars (\$5,000), or one (1) year in prison, or both.

**§ 771004. Cap on Business Privilege Tax Credits for the Rehabilitation, Improvement, and Participation of the Guam Basketball Confederation in the FIBA Asia Cup.**

(a) The total amount of credits against unpledged business privilege taxes for the GBC's preparation of facilities and participation in the FIBA Asia Cup competitions authorized herein *shall not* exceed Four Hundred Thousand Dollars (\$400,000) over a two (2) year period.

(b) If, at the expiration of the two (2) year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, *I Liheslaturan Guåhan* may, in its discretion, extend the eligible period for one (1) additional year.

(c) *I Liheslaturan Guåhan* may, in its discretion, extend the term and modify any part of the program based on future opportunities to host and participate in international competitions and promote teams from Guam.

(d) The Guam Basketball Confederation *shall* create a memorandum of understanding with the University of Guam in order to detail the enhancement and use of the University of Guam Calvo Field House (UOG Field House) for sports competitions organized by GBC, to include operational plans for equipment being acquired by GBC for use at the UOG Field House.

(e) Equipment, labor, materials, construction, transportation,

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

accommodations and professional services *shall* be competitively procured.

**§ 771005. Filing of Annual Reports.**

(a) The Guam Basketball Confederation *shall* annually submit a copy of the financial statement required pursuant to § 14102, Chapter 14, Title 18 GCA to the Speaker of *I Liheslaturan Guåhan*, the Public Auditor, and the Administrator of GEDA.

(b) The Guam Basketball Confederation shall annually submit a detailed report of the expenses eligible for tax credits incurred to the Speaker of *I Liheslaturan Guåhan*, the Public Auditor, and the Administrator of GEDA.

(c) The Guam Basketball Confederation shall ensure that its articles and by-laws are current, and should there be any amendments to such articles and by-laws, it shall immediately file such amendments with the Department of Revenue and Taxation.

**§ 771006. Guam Economic Development Authority Report.**

The Guam Economic Development Authority (GEDA) *shall* submit a report to *I Liheslaturan Guåhan* detailing the impact of the program on the business privilege taxes, sports, and economic activities on Guam. GEDA *shall* also include in its report its monitoring efforts and any other information related to the program. The report *shall* be transmitted to *I Liheslaturan Guåhan* on an annual basis until the tax credit cap pursuant to § 77904 of this Article is exhausted.

**§ 771007. Rules and Regulations.**

GEDA *shall* implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs. Notwithstanding any other provision of law, GEDA *shall* have the authority to incorporate and add rules and regulations necessary to process travel-related tax credits which *shall* use, at a minimum, the Federal Travel Regulation as a basis for such rules and regulations.

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

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**ARTICLE 11**

**TAX CREDITS FOR THE GUAM MEMORIAL HOSPITAL  
AUTHORITY**

**SOURCE:** Added by P.L. 35-138:2 (Jan. 16, 2021), effective on  
October 1, 2021 pursuant to P.L. 35-138:3 (Jan. 16, 2021).

- § 771101. Applicability of Article.
- § 771102. Credits Against Unpledged Business Privilege Tax and Exemption of Use Tax.
- § 771103. Cap on Business Privilege Tax Credits for Required Medical Equipment at the Guam Memorial Hospital Authority.
- § 771104. Guam Economic Development Authority Report.
- § 771105. Rules and Regulations.
- § 771106. Approval of Contributions.
- § 771107. Fines and Penalties.

**§ 771101. Applicability of Article.**

The provisions of this Article are applicable to required medical equipment at the Guam Memorial Hospital Authority (GMHA) as authorized by this Article.

**§ 771102. Credits Against Unpledged Business Privilege Tax and Exemption of Use Tax.**

(a) A business, to the extent that such business contributes to the Guam Memorial Hospital Authority the required medical equipment needed by the GMHA, as identified and approved by the Board of Trustees of the GMHA, shall be entitled to credit of business privilege taxes not already pledged for any purpose by Guam law. The basis for contribution for such required medical equipment needs shall be the actual cost of the contribution plus the cost of transportation, if any, from the point of origin to its destination. The GMHA shall coordinate the processing and receipt of the costs of the medical equipment from contributing businesses and shall certify that such costs are for the intended authorized purposes herein. Such certification of costs shall be

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

provided to the Guam Economic Development Authority (GEDA).

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

(c) The total credits allowed under this Article shall not exceed the actual dollar amount of the expenditures for required medical equipment.

(d) One hundred percent (100%) of use taxes shall be exempt with respect to costs directly associated with the transportation and delivery of medical equipment for the GMHA contributed under this Article. Only such use taxes directly associated with contributing such medical equipment shall be exempted. The GMHA shall coordinate the processing and receipt of such costs directly associated with such medical equipment and shall certify that such costs are for the intended authorized purposes. Such certification shall be provided to the Guam Economic Development Authority.

**§ 771103. Cap on Business Privilege Tax Credits for Required Medical Equipment at the Guam Memorial Hospital Authority.**

(a) The total amount of credits against unpledged business privilege taxes for medical equipment needs of the GMHA authorized herein shall not exceed Five Million Dollars (\$5,000,000) over a five (5)-year period. No more than One Million Dollars (\$1,000,000) in tax credits shall be authorized for each year of the program.

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

(c) *I Liheslaturan Guåhan* may, in its discretion, extend the term and modify any part of the program.

(d) Medical equipment purchases shall be competitively

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

procured.

**§ 771104. Guam Economic Development Authority Report.**

The Guam Economic Development Authority shall submit a report to *I Liheslaturan Guåhan* detailing the impact of the program on the unpledged business privilege taxes and economic activities on Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to *I Liheslaturan Guåhan* on an annual basis until the tax credit caps pursuant to § 771103 of this Article are exhausted.

**§ 771105. Rules and Regulations.**

GEDA shall implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs and any additional rules and regulations adopted specifically for this program.

**§ 771106. Approval of Contributions.**

GEDA or its designee shall be responsible for approving the contributions made towards the purchase of required medical equipment for the GMHA as identified in this Article. GEDA is authorized to collect a processing fee in order to defer the cost of administering the program. The fee shall be equal to not more than one percent (1%) of the amount of tax credits approved by GEDA on each application for certification of tax credits and may be due upon release of the certification. Such fees shall be deposited in GEDA's operational account to be used exclusively for the operations of GEDA's tax credit program activities.

**§ 771107. Fines and Penalties.**

(a) To the extent that a business providing required medical equipment for the program claims more tax credits in terms of unpledged business privilege taxes than the actual value of the medical equipment contributed to the program, that business shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

due.

(b) To the extent that any individual, officer, director, or other person having interest in a business providing required medical equipment for the program contained herein knowingly and willingly causes such business to claim more tax credits for business privilege taxes than the actual value of the medical equipment contributed to the program, such individual shall be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars (\$5,000) or one (1) year in prison or both.

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**ARTICLE 12**

**TAX CREDITS TO REPAIR AND REHABILITATE THE SOUTHERN  
HIGH SCHOOL AUDITORIUM**

**SOURCE:** Added as Article 11 (§§771101-771109) by P.L. 35-143:2 (Jan. 22, 2021), renumbered by the Compiler pursuant to 1 GCA § 1606 .

**2021 NOTE:** P.L. 35-143:4 (Jan. 22, 2021) states: “This Act shall be effective upon enactment; however, the tax credits authorized under this Act shall not be authorized until the approval of the designs for the repair and rehabilitation of the Southern High School Auditorium and the development of a long-term maintenance plan for the same.”

- § 771201. Applicability of Article.
- § 771202. Southern High School Auditorium.
- § 771203. Credits Against Unpledged Business Privilege Tax.
- § 771204. Cap on Business Privilege Tax for the Repair and Rehabilitation of the Southern High School Auditorium.
- § 771205. GEDA Report.
- § 771206. Rules and Regulations.
- § 771207. Approval of Contributions and GEDA’s Responsibility.
- § 771208. Regulatory Oversight, Approval, and Marketing.
- § 771209. Fines and Penalties.

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

**§ 771201. Applicability of Article.**

The provisions of this Article are applicable to the repair and rehabilitation of the Southern High School Auditorium as authorized by this Act.

**§ 771202. Southern High School Auditorium.**

For the purposes of this Article, the repair and rehabilitation of the Southern High School Auditorium shall be prioritized as follows:

(a) the repair of the air conditioning system or replacement of the air conditioning system if it is determined to be beyond repair; and

(b) the rehabilitation associated with the mold resulting from the lack of air conditioning. Notwithstanding any other provision of law, if any tax credits pursuant to the cap established in § 771204 of this Article remain after satisfactorily completing items (a) and (b) of this Section, the Guam Economic Development Authority shall be authorized to approve any other rehabilitation projects within the Southern High School Auditorium, gymnasium, football field, and swimming pool, in such order, as long as it remains within the cap established pursuant to § 771204 of this Article.

**2021 NOTE:** Subsection designations amended pursuant to authority granted by 1 GCA § 1606.

**§ 771203. Credits Against Unpledged Business Privilege Tax.**

(a) A business, to the extent that such business contributes to the cost of the labor, materials, construction, and/or the design for the repair and rehabilitation of the Southern High School Auditorium, as identified and approved by the Guam Economic Development Authority (GEDA), shall be entitled to credits against unpledged business privilege taxes. The basis of the contribution to the project shall be the actual cost of the contribution plus the cost of transportation from the point of origin to its destination.

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

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

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

**§ 771204. Cap on Business Privilege Tax for the Repair and Rehabilitation of the Southern High School Auditorium.**

(a) The total amount of credits against unpledged business privilege taxes for the repair and rehabilitation of the Southern High School Auditorium shall not exceed One Million Dollars (\$1,000,000) over a two (2) year period. No more than Five Hundred Thousand Dollars (\$500,000) in tax credits shall be authorized for each year of the program.

(b) If, at the expiration of the two (2) year period authorized pursuant to this Article, there are still unclaimed authorized tax credits, then *I Liheslaturan Guåhan* may, in its discretion, extend the eligible period until such time that all eligible tax credits are exhausted.

(c) *I Liheslaturan Guåhan* may, in its discretion, extend the terms and modify any part of the program based on the needs of the Southern High School Auditorium.

(d) Construction and professional services and equipment, materials and furnishings shall be competitively procured.

**§ 771205. GEDA Report.**

GEDA shall submit a report to *I Liheslaturan Guåhan* detailing the impact of the program on the business privilege taxes and economic activities on Guam. GEDA shall also include in its report its monitoring efforts and any other information related to the program. The report shall be transmitted to *I Liheslaturan Guåhan* on an annual basis until the tax credit caps pursuant to § 771204 of this Article are exhausted.

12 GCA AUTONOMOUS AGENCIES  
CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF  
THE GUAM ECONOMIC DEVELOPMENT AUTHORITY

**§ 771206. Rules and Regulations.**

GEDA shall implement and monitor the tax credit program authorized pursuant to this Article based on rules and regulations already adopted by GEDA for previous tax credit programs.

**§ 771207. Approval of Contributions and GEDA's Responsibility.**

GEDA, or its designee, shall be responsible for approving the contributions made towards the labor, materials, construction and/or the design for the repair and rehabilitation of the Southern High School Auditorium pursuant to this Article, and to process tax credits pursuant to §§ 771203 and 771204 of this Article; and to ensure that such requests are in conformance with law and applicable rules and regulations.

**§ 771208. Regulatory Oversight, Approval, and Marketing.**

(a) The Guam Department of Education shall have the regulatory oversight, and the authority to approve the repair and rehabilitation plan of the Southern High School Auditorium pursuant to this Article, along with the selection of the contributors, based on criteria established by the Guam General Services Agency. This responsibility shall be extended to, but may not be limited to, obtaining price quotations, pursuant to applicable procurement rules, regulations, and laws, along with program marketing.

(b) Apart from the repair and rehabilitation plan of the Southern High School Auditorium, GDOE shall develop a long-term maintenance plan for the Auditorium.

(c) The management of the Southern High School shall have the authority to manage the Southern High School Auditorium, and its marketing and revenue stream. The Guam Department of Education and the management of the Southern High School shall also have the authority to reach out to the community to market this program and seek contributors.

(d) The Guam Department of Education shall provide copies of all required documents associated with this Article to

**12 GCA AUTONOMOUS AGENCIES**  
**CH. 77 SPECIAL PROJECTS AND ACTIVITIES OF**  
**THE GUAM ECONOMIC DEVELOPMENT AUTHORITY**

GEDA, including, but not limited to, providing necessary reports and updates.

**2021 NOTE:** Subsection designations added pursuant to authority granted by 1 GCA § 1606.

**§ 771209. Fines and Penalties.**

To the extent that a company providing materials and services for the project contained herein takes more tax benefits in terms of unpledged business privilege or excise taxes than the actual value of the materials or services contributed to the project authorized herein, that company shall be required to pay all interest and penalties applicable under Guam law and the Internal Revenue Code for failure to pay taxes, in addition to payment of the actual taxes due. To the extent that any individual, officer, director, or other person having interest in a company providing materials or services for the project contained herein knowingly and willfully causes such company to take more tax benefits in terms of business privilege or excise taxes than the actual value of the material or services contributed to the project, such individual shall be guilty of a felony in the third degree punishable by a fine of not less than Five Thousand Dollars (\$5,000), or one (1) year in prison, or both.

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