

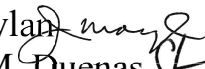



*I Mina'trentai Sais Na Liheslaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
<b>332-36 (LS)</b>	James C. Moylan Christopher M. Dueñas Frank Blas Jr. V. Anthony Ada	AN ACT TO ADD A NEW ARTICLE 13, TO CHAPTER 77, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO A PUBLIC PRIVATE PARTNERSHIP FOR THE REHABILITATION AND IMPROVEMENTS OF THE FOOTBALL FIELDS OPERATED BY THE GUAM NATIONAL YOUTH FOOTBALL FEDERATION.	8/16/22 12:52 p.m.						

***I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN***  
**2022 (SECOND) Regular Session**

**Bill No. 332-36 (LS)**

Introduced by:

James C. Moylan   
Christopher M. Duenas   
Frank Blas Jr.   
V. Anthony Ada 

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**AN ACT TO *ADD* A NEW ARTICLE 13, TO CHAPTER 77, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO A PUBLIC PRIVATE PARTNERSHIP FOR THE REHABILITATION AND IMPROVEMENTS OF THE FOOTBALL FIELDS OPERATED BY THE GUAM NATIONAL YOUTH FOOTBALL FEDERATION.**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guahan* finds  
3 that nearly one thousand island youth actively participate in the Guam National  
4 Youth Football Federation, which comprises of various age groups. Youth football  
5 has been proven to promote healthier lifestyles, creates a competitive spirit among  
6 young minds, establishes lasting friendships, and helps build a child's character. It  
7 has also provided many children an alternative option to keep them busy, so they  
8 are not swayed into troubling situations. Sports in general emphasizes so much in  
9 terms of an education, which is needed to foster more positivity in the fiber of our  
10 communities.

11 Unfortunately, the fields that are currently being utilized require some  
12 serious improvements which can be a fiscal challenge for the government of  
13 Guam. Public-Private Partnerships where private funds are brought in at the onset

1 and balanced with tax credits spread over several years have proven to be effective  
2 with assuring that facilities enjoyed by the public are rehabilitated. This Act  
3 proposed such a process which would assure that the governments coffers are not  
4 impacted by more than one million dollars a year for up to five years.

5 Currently five fields are being utilized by the Guam National Youth Football  
6 Federation, and this Act establishes equity in the maximum in contributions made  
7 per field, while recognizing that the need of each facility is unique. It provides the  
8 regulatory authority to the entity with the jurisdiction of the field, while assuring  
9 that GEDA maintains the authority when it comes to approving the plans which  
10 resonate into the tax credits.

11 **Section 2.** A new Article 13 is hereby *added* to Chapter 77, Title 12, Guam Code  
12 Annotated to read as follows:

13 **“ARTICLE 13**

14 **TAX CREDITS FOR THE REHABILITATION AND IMPROVEMENT OF**  
15 **THE FOOTBALL FIELDS OPERATED BY THE GUAM NATIONAL**  
16 **YOUTH FOOTBALL FEDERATION**

17  
18 § 771301. Applicability of Article.

19 § 771302. Credits Against Unpledged Business Privilege Tax.

20 § 771303. Cap on Business Privilege Tax Credits for the Rehabilitation and  
21 Improvement of Football Fields Operated by the Guam National Youth Football  
22 Federation.

23 § 771304. Credits Against Excise Tax.

24 § 771305. Cap on Excise Tax Credits for the Rehabilitation and Improvement of  
25 the Football Fields Operated by the Guam National Youth Football Federation.

26 § 771306. GEDA [Guam Economic Development Authority] Report.

27 § 771307. Rules and Regulations.

28 § 771308. Approval of Contributions.

1 § 771309. Fines and Penalties.

2 § 771310. Submittal of Rehabilitation and Improvement Plans for each Football  
3 Field Operated by the Guam National Youth Football Federation.

4 **§ 771301. Applicability of Article.**

5 The provisions of this Article are applicable to the Football Fields operated  
6 by the Guam National Youth Football Federation (hereinafter referred to as  
7 ‘GNYFF’), as authorized by this Act, and shall include those under the jurisdiction  
8 of the Municipal Council of the respective village the field may be in, the  
9 Department of Parks and Recreation (hereinafter referred to as ‘DPR’), and  
10 nonprofit organizations. This list shall include:

11 (a) Tamuning Field;

12 (b) Tiyan Field;

13 (c)Eagles Field;

14 (d) Hals Angels Field, formerly Wettengel Field; and

15 (e) Tala’fo’fo Field.

16 To qualify for the tax credits, the GNYFF shall not charge any individual an  
17 entrance fee to enter the GNYFF operated field to watch a GNYFF game.

18 **§ 771302. Credits Against Unpledged Business Privilege Tax.**

19 (a) A business, to the extent that such business contributes to the cost  
20 of design, labor, and materials that is for the rehabilitation and improvement  
21 of the Football Fields operated by the GNYFF, as identified, and approved  
22 by GEDA, shall be entitled to credit of unpledged business privilege taxes.  
23 The basis for contribution to the project shall be the actual cost of the  
24 contribution plus the cost of transportation from the point of origin to its  
25 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 Act shall not exceed the actual  
2           dollar amount of the expenditures on the project.

3   **§ 771303. Cap on Business Privilege Tax Credits for the Rehabilitation and**  
4   **Improvement Football Fields operated by the Guam National Youth Football**  
5   **Federation.**

6           (a) The total amount of credits against unpledged business privilege  
7           taxes pursuant to § 771302 of this Article, for the rehabilitation and  
8           improvement of the Football Fields operated by the GNYFF authorized  
9           herein shall not exceed Three Million Dollars (\$3,000,000) over a five (5)  
10          year period, and shall be executed as follows:

11                   (1) For the first (1st) year, which is Fiscal Year 2023, and  
12                   which commences on October 1, 2022, up to One Million Dollars  
13                   (\$1,000,000) in tax credits shall be authorized.

14                   (2) For years two (2), three (3), four (4), and five (5) which  
15                   initiate on October 1, 2023, October 1, 2024, and October 1, 2025,  
16                   and October 1, 2026, respectively, no more than Five Hundred  
17                   Thousand Dollars (\$500,000) in tax credits shall be authorized for  
18                   each year of the program.

19                   (3) No more than Six Hundred Thousand Dollars (\$600,000) in  
20                   unpledged business privilege taxes pursuant to § 771302 of this  
21                   Article, shall be issued for any one field within the five (5) year  
22                   period pursuant to § 771303 of this Article.

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

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

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

6 **§ 771304. Credits Against Excise Tax.**

7           (a) A business, to the extent that such business contributes to the cost  
8 of design, labor, and materials that are for the rehabilitation and  
9 improvement of the Football Fields operated by the GNYFF, as identified,  
10 and approved by the Guam Economic Development Authority (GEDA),  
11 shall be entitled to credit of excise taxes, excluding those pledged to the  
12 Healthy Futures Fund. The basis for contribution to the project shall be the  
13 actual cost of the contribution plus the cost of transportation from the point  
14 of origin to its destination.

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

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

19 **§ 771305. Cap on Excise Tax Credits for the Rehabilitation and Improvement**  
20 **of the Football Fields operated by the GNYFF.**

21           (a) The total amount of credits against excise taxes, not inclusive of  
22 those pledged for the Healthy Futures Fund, pursuant to § 771304 of this  
23 Article for the rehabilitation and improvement of the Football Fields  
24 operated by the GNYFF authorized herein, shall not exceed the cumulative  
25 total of Two Million Dollars (\$2,000,000) over a five (5) year period, and  
26 shall be executed as follows:

1                   (1) For the first (1st) year, which is Fiscal Year 2023, and  
2                   which commences on October 1, 2022, up to Five Hundred Thousand  
3                   Dollars (\$500,000) in tax credits shall be authorized.

4                   (2) For years two (2), three (3), four (4), and five (5) which  
5                   initiate on October 1, 2023, October 1, 2024, and October 1, 2025,  
6                   and October 1, 2026, respectively, no more than Three Hundred  
7                   Seventy-Five Thousand Dollars (\$375,000) in tax credits shall be  
8                   authorized for each year of the program.

9                   (3) No more than Four Hundred Thousand (\$400,000) in excise  
10                  taxes pursuant to § 771304 of this Article, shall be issued for any one  
11                  field within the five (5) year period pursuant to § 771305 of this  
12                  Article.

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, equipment and materials  
21                  shall be competitively procured.

22                  **§ 771306. GEDA Report.**

23                  GEDA shall submit a report to I Liheslaturan Guåhan detailing the impact  
24                  of the program on the business privilege taxes, excise taxes, and economic  
25                  activities in Guam. GEDA shall also include in its report its monitoring efforts and  
26                  any other information related to the program. The report shall be transmitted to I

1 Liheslaturan Guåhan on an annual basis until the tax credit caps pursuant to §  
2 771303 and § 771305 of this Article are exhausted.

3 **§ 771307. Rules and Regulations.**

4 The Guam Economic Development Authority shall implement and monitor  
5 the tax credit program authorized pursuant to this Article based on rules and  
6 regulations already adopted by GEDA for previous tax credit programs, and shall  
7 process tax credits pursuant to § 771303 and § 771305 of this Chapter and to  
8 ensure that such requests are in conformance with the law and applicable rules and  
9 regulations

10 **§ 771308. Approval of Contributions.**

11 GEDA or its designee, in coordination with the GNYFF, shall be  
12 responsible for approving the contributions made towards the development,  
13 construction, financing, maintenance, rehabilitation, and improvement of the  
14 Football Fields operated by the GNYFF, as identified in this Article.

15 The Department of Parks and Recreation, the respective Mayor, or the non-  
16 profit group, which has jurisdiction over the respective football field, shall have  
17 regulatory and advisory oversight, to the extent appropriate, of the rehabilitation  
18 and improvement of the Football Fields operated by the GNYFF, pursuant to this  
19 Article, with the scope of authority limited to assuring any rehabilitation and  
20 improvement plan is within the realms of existing statute.

21 The entity with the jurisdiction of the field, pursuant to § 771301 of this  
22 Article, shall be responsible for submitting the plan pursuant to § 771310 of this  
23 Article, and this responsibility shall be extended to, but may not be limited to,  
24 obtaining price quotations, pursuant to applicable procurement rules, regulations,  
25 and laws, along with program marketing

26 **§ 771309. Fines and Penalties.**

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

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

15 **§ 771310. Submittal of Rehabilitation and Improvement Plans for each**  
16 **Football Field Operated by the Guam Youth Football Field.**

17           (a) Prior to the approval of any tax credits under §§ 771302 and  
18 771304 of this Article, as well as the initiation of any rehabilitation or  
19 improvement projects identified in this Article, a Rehabilitation and  
20 Improvement Plan for each field shall be submitted to GEDA for approval.

21           (b) There shall be no requirements for the submittal of the plans for  
22 all the fields operated by the GNYFF pursuant to § 771310 of this Article,  
23 prior to any approvals by GEDA. If less than the total number of those  
24 within the jurisdiction of a field submit a plan, GEDA shall review and  
25 approve the plans based on a “first submitted” basis.

1           (c) The plans shall include all evidence of the competitive bidding  
2 process, the costs associated with the plan, and the specific rehabilitation and  
3 improvements which shall be made with the respective football field.

4           (d) Once approved by GEDA, the delivery of the rehabilitation and  
5 improvement of the football field shall be reflective on the approved plan,  
6 and any deviations, other than what was approved by § 77310(e) of this  
7 Article, may lead to the disqualification of the tax credit approved.

8           (e) A plan may be modified and approved by GEDA after the issuance  
9 of the tax credits, but it shall be made based on rules and regulations already  
10 adopted by GEDA for previous tax credit programs.”

11       **Section 3. Severability.** If any provision of this Act or its application to  
12 any person or circumstance is found to be invalid or contrary to law, such  
13 invalidity *shall not* affect other provisions or applications of this Act that can be  
14 given effect without the invalid provision or application, and to this end the  
15 provisions of this Act are severable.

16       **Section 4. Effective Date.** The Act *shall* be effective upon enactment.