I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'LAHEN GUÅHAN*

This is to certify that **Bill No. 406-31 (COR), "AN ACT TO *REPEAL* AND *REENACT* SECTION 21 OF CHAPTER XII OF PUBLIC LAW 31-77, RELATIVE TO PROVIDING FOR ASSIGNABILITY OF OFFSETS AGAINST BUSINESS PRIVILEGE TAXES FOR THE OUTSTANDING DEBT BALANCE OWED FOR THE COMPLETION OF THE GUAM PUBLIC MARKET REDEVELOPMENT PROJECT, PHASE II-DEPARTMENT OF COMMERCE PROJECT NO. 320-5-1008-L-AGN, INCLUDING CHANGE ORDERS NO. 1 AND NO. 2"**, was on the 20th day of January, 2012, duly and regularly passed.

Judith T. Won Pat, Ed.D.
Speaker

Attested:

Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahen Guåhan* this 23rd day of Jan., 2012, at 12:45 o'clock P.M.

Assistant Staff Officer
Maga'lahi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'lahen Guåhan

Date: _____

Public Law No. _____

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

Bill No. 406-31 (COR)

Introduced by: R. J. Respicio
T. C. Ada
V. Anthony Ada
F. F. Blas, Jr.
B. J.F. Cruz
Chris M. Dueñas
Judith P. Guthertz, DPA
Sam Mabini, Ph.D.
T. R. Muña Barnes
Adolpho B. Palacios, Sr.
v. c. pangelinan
Dennis G. Rodriguez, Jr.
M. Silva Taijeron
Aline A.Yamashita, Ph.D.
Judith T. Won Pat, Ed.D.

AN ACT TO *REPEAL* AND *REENACT* SECTION 21 OF CHAPTER XII OF PUBLIC LAW 31-77, RELATIVE TO PROVIDING FOR ASSIGNABILITY OF OFFSETS AGAINST BUSINESS PRIVILEGE TAXES FOR THE OUTSTANDING DEBT BALANCE OWED FOR THE COMPLETION OF THE GUAM PUBLIC MARKET REDEVELOPMENT PROJECT, PHASE II-DEPARTMENT OF COMMERCE PROJECT NO. 320-5-1008-L-AGN, INCLUDING CHANGE ORDERS NO. 1 AND NO. 2.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Section 21 of Chapter XII – "Miscellaneous Provisions" – of Public Law 31-77 is hereby *repealed* and *reenacted* to read:

"**Section 21. Guam Public Market Redevelopment Project, Phase II.**

(a) **Authorization for Payment of Prior Year Obligation.** The sum of One Hundred Thirty-Six Thousand Fifty-Four Dollars and Thirty-Eight Cents ($136,054.38) is hereby authorized to be expended by the Department of Public Works from its Base Operational Appropriations in Section 1(k) of Chapter V of this Act, to satisfy the outstanding debt balance owed for the completion of the Guam Public Market Redevelopment Project, Phase II-Department of Commerce Project No. 320-5-1008-L-AGN, which was completed in 1995 in full accordance with all Project Contract requirements, including Change Orders #1 and #2.

The sum of Two Hundred Forty-Four Thousand Five Hundred Sixty Dollars and Ninety-Five Cents ($244,560.95) is hereby authorized to be expended in the same manner to satisfy the interest owed on the outstanding debt balance owed for the completion of this Project.

(b) **Option to Offset Against Business Privilege Taxes for Past Due Billing**.

(1) Due to the failure of the government of Guam to satisfy this debt of over sixteen (16) years for the service described herein, the contractor *shall* be entitled to an offset equal to the value of unpaid billing for the service provided and the interest on the unpaid billing against the business privilege taxes it owes for any given month.

(2) Any unused offset authorized by this Section against business privilege taxes owed for any given month may be carried over into subsequent months until said offset is exhausted.

(3) The government of Guam *shall not* pay the contractor for services *if* an offset against business privilege taxes has been exercised in the full amount of the debt owed to the contractor by the government of Guam.

(4) Assignment of Offsets. The contractor may assign any offsets authorized herein.

(5) Application of Offsets. The Director of Administration *shall* reduce the amount of the contractor's payables by the amount of any offset of business privilege taxes. Any tax offsets exercised by the contractor *shall* be considered as the government of Guam satisfying its obligations for the amount of the offset.

(6) Coordination. To avoid double payment to the contractor, the Director of Revenue and Taxation *shall* immediately notify the Directors of the Department of Administration and the Department of Public Works when an offset is exercised pursuant to this Section.

(c) **Option to Claim Promissory Note.** Due to the failure of the government of Guam to satisfy this debt of over sixteen (16) years for the service described herein, the contractor *shall* be entitled to claim a promissory note for an offset equal to the value of the unpaid billing, and the interested on the unpaid billing, for the service provided. Such promissory note *shall* be issued pursuant to Title 5, Guam Code Annotated, § 22415, "Promissory Note; Issuance to Creditors", Subsection (a), *except* that promissory notes issued to the contractor for the service provided herein (1) *shall* be transferable, and (2) *shall not* be subject to the timelines provided, and instead *shall be* issued within five (5) working days from the date of receipt of the filed claim."