EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor Of Guam

June 27, 2018

CLH# 3416-2025,
Speaker Benjamin J.F. Cruz

JUN 27 2018
Time 4:07 [ ] AM [ ] PM File No
Received By

The Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuåttro Na Liheslaturan Guåhan
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

2018 JUN 27 PM 2:07

Dear Speaker:

Pursuant to my authority under Section 1423h of the Organic Act of Guam, I am calling *I Liheslaturan Guåhan* into special session on **Wednesday, June 27, 2018, at 4:00 p.m.** for the sole purpose of considering the attached relative to authorizing the Guam Memorial Hospital Authority to prioritize the revenues received from the general sales tax to correct the deficiencies identified in the Centers for Medicare & Medicaid Services (CMS) and Joint Commission reports of 2018.

Public interest requires that the revenues be prioritized to provide resources so that the Guam Memorial Hospital Authority can take corrective action.

Senseramente,

EDDIE BAZA CALVO

2025

I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN
2018 (SECOND) Regular Session

Bill No. -34 (COR)

Introduced by:

Committee Rules
By request of *I Maga'Låhen Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam.

AN ACT TO REQUIRE THE GUAM MEMORIAL HOSPITAL AUTHORITY TO PRIORITIZE THE REVENUES RECEIVED FROM THE GENERAL SALES TAX TO CORRECT THE DEFICIENCIES IDENTIFIED IN THE CENTERS FOR MEDICARE & MEDICAID SERVICES AND JOINT COMISSION REPORTS OF 2018 BY AMENDING SECTION 3(a) USE AND APPROPRIATION OF REVENUE OF PUBLIC LAW 34-87.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent: *I Liheslaturan Guåhan* finds that the Guam Memorial Hospital Authority has been underfunded operationally for 40 years by tens of millions of dollars annually and has sought financial support from *I Liheslatura* in order to maintain operations and accreditation compliance.

Recently with the passage of Public Law 34-87, a dedicated funding source was finally established which would allow for the Guam Memorial Hospital

Authority to have a consistent source of income to address the operational and accreditation related issues.

The Guam Memorial Hospital Authority's immediate priority is to address the deficiencies identified in the Centers for Medicare & Medicaid Services and the Joint Commission reports of 2018.

Section 2. Section 3(a) of Public Law 34-87 is hereby amended to read:

"Section 3. Use and Appropriation of Revenue

The increased revenues derived from the general sales tax described in this Act *shall* be allocated accordingly:

(a) 0.75% to Guam Memorial Hospital Authority ~~for the specific purposes, including, but not limited to, capital investment, operational requirements, or reserves~~ to correct the deficiencies as identified in the Centers for Medicaid & Medicare Services and Joint Commission reports of 2018 once these deficiencies are corrected, the Guam Memorial Hospital Authority may use the funds for operational requirements, capital investments, or reserves;

(b) 0.25% to the Department of Education for its capital improvement needs; and

(c) 1.00% of the General Fund of the Government of Guam to address the erosion of the tax base resulting from the passage of Public law 115/97, the Tax Cuts and Jobs Act of 2017.

Section 3. Effective Date.

This Act *shall* become effective upon enactment.

Section 4. Severability.

If any provision of this Act or its application to any person or circumstance is found to be invalid or contrary to law, such invalidity *shall* not affect other

provisions or applications of the Act the can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable."