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
66-36 (COR) As amended by the Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts; and substituted and amended in the Committee of the Whole.	James C. Moylan Tina Rose Muña Barnes	AN ACT TO *AMEND* § 58206, § 58202, AND § 58203, FROM ARTICLE 2 OF CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO MODIFYING THE SUNSET PROVISION OF THE "SPECIAL QUALIFYING CERTIFICATE; *1,600 HOTEL ROOMS DEVELOPMENT*" PROGRAM; AND, ADDING THE COSTS OF RENOVATION AS BEING ELIGIBLE FOR CERTAIN BENEFITS AS A NEW FEATURE OF THE PROGRAM.	3/2/21 9:49 a.m.	3/2/21	Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts	5/19/21 1:00 p.m.	10/21/21 8:00 a.m. As amended by the Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts.	Request: 3/3/21 Waiver: 3/10/21 Waiver: 9/24/21	8/30/21 10:43 a.m. Accepted by the Committee on Rules on August 26, 2021, be processed and posted on the legislature website for public accessibility.
	SESSION DATE	**TITLE**	**DATE PASSED**	**TRANSMITTED**	**DUE DATE**	**PUBLIC LAW NO.**	**DATE SIGNED**	**NOTES**	
	12/6/21	AN ACT TO *AMEND* § 58206 OF ARTICLE 2, CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO MODIFYING THE "SUNSET" PROVISION OF THE "SPECIAL QUALIFYING CERTIFICATE; 1,600 HOTEL ROOMS DEVELOPMENT" PROGRAM.	12/15/21	12/15/21	12/27/21	36-72	12/27/21	Received: 12/28/21 Mess and Comm. Doc. No. 36GL-21-1461	

LOURDES A. LEON GUERRERO
GOVERNOR

JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HÅGAN GUÅHAN
OFFICE OF THE GOVERNOR OF GUAM

December 27, 2021

HONORABLE THERESE M. TERLAJE
Speaker
I Mina'trentai Sais Na Liheslaturan Guåhan
36th Guam Legislature
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

Re: **SUBSTITUTE BILL NO. 66-36 (COR) – An Act to *Amend* § 58206 of Article 2, Chapter 58, Title 12, Guam Code Annotated, Relative to Modifying the "Sunset" Provision of the "Special Qualifying Certificate; 1,600 Hotel Rooms Development" Program**

Dear Madame Speaker,

Although today we remain in a state of public health emergency as the COVID-19 pandemic continues its surge, bringing new variants and causing us all to remain masked and socially distant, we know that tourism will return. The current lull in tourist arrivals gives us an opportunity to prepare for their return and part of that preparation includes adding to our hotel room inventory. Substitute Bill No. 66-36 extends the sunset provision on available qualifying certificates targeted at encouraging the addition of sixteen hundred (1,600) hotel rooms across the island. It is now ***Public Law No. 36-72***.

Senseremente,

LOURDES A. LEON GUERRERO
Maga'hågan Guåhan
Governor of Guam

Enclosure: Substitute Bill No. 66-36 (COR) *nka P.L. No. 36-72*

cc via email: *Honorable* Joshua F. Tenorio, *Sigundo Maga'låhen Guåhan*
Compiler of Laws

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2021 (FIRST) Regular Session

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

This is to certify that **Substitute Bill No. 66-36 (COR), "AN ACT TO *AMEND* § 58206 OF ARTICLE 2, CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO MODIFYING THE "SUNSET" PROVISION OF THE "SPECIAL QUALIFYING CERTIFICATE; 1,600 HOTEL ROOMS DEVELOPMENT" PROGRAM,"** was on the 15th day of December 2021, duly and regularly passed.

Therese M. Terlaje

Therese M. Terlaje
Speaker

Attested:

Amanda L. Shelton

Amanda L. Shelton
Legislative Secretary

This Act was received by *I Maga'hågan Guåhan* this 15th day of December, 2021, at 6:50 o'clock P.M.

pol D. Cruz

Assistant Staff Officer
Maga'håga's Office

APPROVED:

Lou Leon Guerrero

Lourdes A. Leon Guerrero
I Maga'hågan Guåhan

Date: 12/27/2021

Public Law No. 36-72

2021-15260
RCVD AT CENTRAL FILES
DEC 16 '21 AM9:30
Elaine Tajalle

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2021 (FIRST) Regular Session

Bill No. 66-36 (COR)
As amended by the Committee on Economic Development,
Agriculture, Power and Energy Utilities, and the Arts;
and substituted and further amended in the Committee of the Whole.

Introduced by: James C. Moylan
Tina Rose Muña Barnes
Amanda L. Shelton
Telena Cruz Nelson
Christopher M. Dueñas
V. Anthony Ada
Joe S. San Agustin
Mary Camacho Torres
Joanne Brown
Frank Blas Jr.
Sabina Flores Perez
Clynton E. Ridgell
Telo T. Taitague
Jose "Pedo" Terlaje
Therese M. Terlaje

AN ACT TO *AMEND* § 58206 OF ARTICLE 2, CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO MODIFYING THE "SUNSET" PROVISION OF THE "SPECIAL QUALIFYING CERTIFICATE; 1,600 HOTEL ROOMS DEVELOPMENT" PROGRAM.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that on December 31, 2014, former Governor Edward B. Calvo signed into law Public Law 32-233, which created a "Special Qualifying Certificate" to develop an additional one thousand six hundred (1,600) hotel rooms on Guam. At the time, there

were many lost opportunities for Guam's tourism industry as the supply of hotel rooms did not meet the demand of the island's arrival numbers. Additionally, because of the limitations of available manpower to construct these hotel rooms, a special program was created to attract investors.

Public Law 32-233, which was originally authored by former Senator Dennis Rodriguez, Jr., established a five (5)-year "Sunset" Provision for the program; however, the enacted measure did include language to provide the Guam Economic Development Authority (GEDA) Board of Directors the opportunity to extend the program for an additional two (2) years if the one thousand six hundred (1,600) hotel rooms were not developed within that timeframe. On December 31, 2019, the "Special Qualifying Certificate; 1,600 Hotel Rooms Development" program expired. Because only one (1) entity was able to successfully attain the Qualifying Certificate with the intent of building less than three hundred fifty (350) hotel rooms, the GEDA Board availed itself to the two (2)-year extension pursuant to the process established under 12 GCA § 58206.

On December 31, 2021, the two (2)-year extension for the program will expire. While Guam's economy and tourism industry are currently at a standstill due to the pandemic crisis, there is great optimism that our visitor arrival numbers will get back to the pre-pandemic numbers over the next three (3) to five (5) years. This is an opportunity for investors to take this time to seek financing in preparation of the potential demand for additional hotel rooms for the near future. This is also an ideal time for existing hotels to consider expanding their inventory of rooms because occupancy numbers are low, thus reducing any adverse impacts on guests.

Therefore, *I Liheslatura* intends to extend this Special Qualifying Certificate for another ten (10) years and authorize an additional two (2)-year extension opportunity to be approved by the GEDA Board, with the objective of getting to the

goal of one thousand six hundred (1,600) additional hotel rooms. The program will automatically expire if the goal of reaching the total number of hotel rooms authorized in this Act is fulfilled prior to the ten (10) years. Likewise, any new construction in 2022 and beyond which was created by the extension would result in many new jobs and additional tax revenue, both of which would help Guam's economy.

Section 2. § 58206 of Article 2, Chapter 58, Title 12, Guam Code Annotated, is hereby *amended* to read as follows:

"**§ 58206. "Sunset" Provision.**

This Article shall take effect on its approval by *I Maga'hågan Guåhan* and shall remain in effect until the earlier of:

(a) December 31, 2031; or

(b) 1,600 hotel rooms have been committed to be built; upon which period this Article shall automatically be deemed repealed; provided, however, that the GEDA Board, at its discretion, with input from *I Liheslatura* (the Legislature), the visitor industry, the Administration, and the community as a whole, will re-examine the effectiveness and need of the program to determine if it should be extended, and may extend the effectiveness of this Article an additional two (2) years by adopting a resolution to such effect prior to the expiration date. Any QC issued under the conditions of this Article shall remain in full force and effect until its particular term expires or it is canceled on other grounds. QC beneficiaries shall report annually their QC benefits in a form as prescribed by the Department of Revenue and Taxation."

Section 3. 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 this Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Section 4. Effective Date. This Act shall be effective upon enactment.