

I MINA'TRENTAI KUÁTTRO NA LIHESLATURAN GUÁHAN
RESOLUTION STATUS

Resolution No.	Sponsor	Title	Date Intro	Date of Presentation	Date Adopted	Date Referred	Referred to	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
311-34 (COR)	Michael F.Q. San Nicolas	Relative to respectfully petitioning the United States Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature.	12/15/17 3:34 p.m.			12/22/2017	To Author.	1/11/18 10:00 a.m.	5/18/18 2:09 p.m.	



Senator Michael F.Q. San Nicolas

Chairman, Committee on General Government Operations
and Federal, Foreign and Regional Affairs

I Mina'trentai Kuåttro na Liheslaturan Guåhan • 34th Guam Legislature



January 11, 2018

The Honorable Benjamin J.F. Cruz

Speaker

I Mina'trentai Kuåttro na Liheslaturan Guåhan

Guam Congress Building

163 Chalan Santo Papa

Hagåtña, Guam 96910

VIA: **The Honorable Régine Biscoe Lee**
Chairperson, Committee on Rules

PSL

RE: Sponsor's Report on Resolution No. 311-34 (COR)

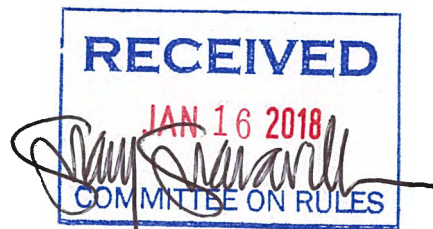
Buenas yan Háfa adai Speaker Cruz,

Transmitted herewith is the Sponsor's Report on **Resolution No. 311-34 (COR)** -
"Relative to respectfully petitioning the United States Congress, pursuant to 48 USC
§1423k, to enact legislation amending the Organic Act of Guam to include a provision of
Guam Public Law 24-222 that any provision enacted and administered under the
authority of the Government of Guam which establishes a locally enacted tax or
increases a locally enacted tax must be ratified by a majority of votes cast in a General
Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3)
vote of the Guam Legislature."

2018 MAY 18 PM 2:05

Member votes are as follows:

- 1 TO DO PASS
- 0 TO NOT PASS
- 7 TO REPORT OUT ONLY
- 0 TO ABSTAIN
- 0 TO PLACE IN INACTIVE FILE



4:20 p.m.

Respectfully,

[Signature]
Michael F.Q. San Nicolas



Senator Michael F.Q. San Nicolas

Chairman, Committee on General Government Operations
and Federal, Foreign and Regional Affairs
I Mina'Trentai Kuåttro na Liheslaturan Guåhan • 34th Guam Legislature



SPONSOR'S REPORT

Resolution No. 311-34 (COR)

Introduced by Senator Michael F.Q. San Nicolas

"RELATIVE TO RESPECTFULLY PETITIONING THE UNITED STATES CONGRESS, PURSUANT TO 48 USC §1423K, TO ENACT LEGISLATION AMENDING THE ORGANIC ACT OF GUAM TO INCLUDE A PROVISION OF GUAM PUBLIC LAW 24-222 THAT ANY PROVISION ENACTED AND ADMINISTERED UNDER THE AUTHORITY OF THE GOVERNMENT OF GUAM WHICH ESTABLISHES A LOCALLY ENACTED TAX OR INCREASES A LOCALLY ENACTED TAX MUST BE RATIFIED BY A MAJORITY OF VOTES CAST IN A GENERAL ELECTION, WITH ALLOWANCES FOR A STATE OF EMERGENCY IF SO RATIFIED BY A TWO-THIRDS (2/3) VOTE OF THE GUAM LEGISLATURE."



Senator Michael F.Q. San Nicolas

Chairman, Committee on General Government Operations
and Federal, Foreign and Regional Affairs
I Mina'Trentai Kuåttro na Liheslaturan Guåhan • 34th Guam Legislature



MEMORANDUM

To: All Members
I Mina'Trentai Kuåttro na Liheslaturan Guåhan

From: Senator Michael F.Q. San Nicolas

Subject: Sponsor's Report on Resolution No. 311-34 (COR)

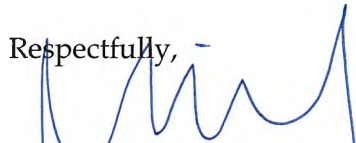
Transmitted herewith for your consideration is the Sponsor's Report on **Resolution No. 311-34 (COR)** - "Relative to respectfully petitioning the United States Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature."

This report includes the following:

- Copy of COR Referral of Resolution No. 311-34 (COR)
- Notices of Public Hearing
- Copy of the Public Hearing Agenda
- Public Hearing Sign-in Sheet(s)
- Copies of Submitted Written Testimony
- Members Vote Sheet
- Sponsor's Report Digest
- Copy of Resolution No. 311-34 (COR), As Introduced

Please take the appropriate action on the attached vote sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact me.

Respectfully,


Michael F.Q. San Nicolas

Senator Thomas C. Ada,
Vice Chairperson

Speaker Benjamin J.F. Cruz,
Member

Vice Speaker Therese M. Teraja,
Member

Senator Frank B. Aguon, Jr.,
Member

Senator Telenia C. Nelson,
Member



COMMITTEE ON RULES
SENATOR RÉGINE BISCOE LEE, CHAIR
SIKRITARIAN LIHESLATURAN GUAHAN
I MINA'TRENTAI KUATTRO NA LIHESLATURAN GUÅHAN
LEGISLATIVE SECRETARY • 34TH GUAM LEGISLATURE

Senator Dennis G. Rodriguez, Jr.,
Member

Senator Joe S. San Agustin,
Member

Senator Michael F.Q. San Nicolas,
Member

Senator James V. Espaldon,
Member

Senator Mary Camacho Torres,
Member

December 18, 2017

MEMO

To: Rennae Meno
Clerk of the Legislature

Attorney Julian Aguon
Legislative Legal Counsel

From: Senator Régine Biscoe Lee
Chairperson, Committee on Rules

Re: Referral of Resolution No. 311-34 (COR)

Buenas yan Häfa adai.

As per my authority as Chairperson of the Committee on Rules, I am forwarding the referral of **Resolution No. 311-34 (COR)**.

Please ensure that the subject resolution is referred, in my name, to **Senator Michael F.Q. San Nicolas, author of Resolution No. 311-34 (COR)**.

If you have any questions or concerns, please feel free to contact Jean Cordero, Committee Director at 472-2461.

Thank you for your attention to this important matter.

Respectfully,


Senator Régine Biscoe Lee
Chairperson, Committee on Rules





Senator Michael F.Q. San Nicolas <senatorsannicolas@gmail.com>

FIRST NOTICE of Public Hearing- Thursday, January 11, 2018 at 10AM

Senator Michael F.Q. San Nicolas <senatorsannicolas@gmail.com> Thu, Jan 4, 2018 at 4:15 PM

To: phnotice@guamlegislature.org, Guam Legislature Protocol <protocol@guamlegislature.org>, mis <mis@guamlegislature.org>, sgtarms <sgtarms@guamlegislature.org>
 Bcc: SEN Dennis Rodriguez <senatordrodriguez@gmail.com>, SEN ESPALDON <senjvespaldon@gmail.com>, SEN FBA <aguon4guam@gmail.com>, "SEN Fernando B. Esteves" <senatoresteves@gmail.com>, SEN Joe San Agustin <senatorjoessanagustin@gmail.com>, "SEN Louise B. Muna" <senatorlouise@gmail.com>, SEN MORRISON <tommy@senatormorrison.com>, SEN Regine Biscoe Lee <senatorbiscoelee@guamlegislature.org>, "Senator Mary C. TORRES" <marycamachotorres@gmail.com>, "Senator Michael F.Q. San Nicolas" <senatorsannicolas@gmail.com>, "Senator Telen C. Nelson" <senatortcnelson@gmail.com>, "Senator Thomas C. Ada" <office@senatorada.org>, "Senator William M. Castro" <solutions@wilcastro.com>, "SPEAKER Benjamin J.F. Cruz" <senator@senatorbjcruz.com>, VICE SPEAKER Therese Terlaje <senatorterlajeguam@gmail.com>, Vote <vote@gec.guam.gov>, Kenny Leonguerrero <kennylg0345@gmail.com>, Andri Baynum <drebaynum@gmail.com>, Robert Klitzkie <klitzkie@hotmail.com>

FIRST PUBLIC NOTICE

FOR IMMEDIATE RELEASE

January 4, 2018

From: Senator Michael F.Q. San Nicolas
 Chairman, Committee on General Government Operations, and
 Federal, Foreign, & Regional Affairs

Subject: FIRST NOTICE of Public Hearing - Thursday, January 11, 2018, at 10:00 AM

Håfa Adai!

In accordance with the Open Government Law, relative to notices for public meetings, please be advised that the Committee on General Government Operations and Federal, Foreign, and Regional Affairs will convene a public hearing on **Thursday, January 11, 2018**, beginning at **10:00 AM** in *I Liheslaturan Guåhan's* Public Hearing Room. On the agenda are the following items:

Bill No. 221-34 (COR): Introduced by Senator Michael F.Q. San Nicolas

"AN ACT TO AMEND ARTICLE 3 AND REPEAL ARTICLE 4, BOTH OF CHAPTER 15, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO THE ELECTION OF MEMBERS OF THE GUAM ETHICS COMMISSION."

Resolution No. 311-34 (COR): Introduced by Senator Michael F.Q. San Nicolas

"Relative to respectfully petitioning the United States Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature."

The hearing will broadcast on local television, GTA Channel 21, Docomo Channel 117/60.4 and stream online via *I Liheslaturan Guåhan's* live feed. If written testimonies are to be presented at the Public Hearing, the Committee requests that copies be submitted prior to the public hearing date and should be addressed to Senator Michael F.Q. San Nicolas.

Testimonies may be submitted via hand delivery to the Office of Senator Michael F.Q. San Nicolas at the DNA Building, Suite 407, 238 Archbishop Flores Street Hagåtña, Guam; at the mailroom of the Guam Congress Building, 163 Chalan Santo Papa, Hagåtña, Guam 96910; or via email to senatorsannicolas@gmail.com. In compliance with the Americans with Disabilities Act, individuals requiring special accommodations or services should contact the Office of Senator Michael F.Q. San Nicolas at (671) 472-6453 or by sending an email to senatorsannicolas@gmail.com.



Senator Michael F.Q. San Nicolas <senatorsannicolas@gmail.com>

SECOND NOTICE of Public Hearing- Thursday, January 11, 2018 at 10AM

1 message

Senator Michael F.Q. San Nicolas <senatorsannicolas@gmail.com> Tue, Jan 9, 2018 at 9:07 AM
 To: phnotice@guamlegislature.org, Guam Legislature Protocol <protocol@guamlegislature.org>, mis <mis@guamlegislature.org>, sgtarms <sgtarms@guamlegislature.org>
 Bcc: SEN Dennis Rodriguez <senatordrodriguez@gmail.com>, SEN ESPALDON <senjvespaldon@gmail.com>, SEN FBA <aguon4guam@gmail.com>, "SEN Fernando B. Esteves" <senatoresteves@gmail.com>, SEN Joe San Agustin <senatorjoessanagustin@gmail.com>, "SEN Louise B. Muna" <senatorlouise@gmail.com>, SEN MORRISON <tommy@senatormorrison.com>, SEN Regine Biscoe Lee <senatorbiscoelee@guamlegislature.org>, "Senator Mary C. TORRES" <marycamachotorres@gmail.com>, "Senator Michael F.Q. San Nicolas" <senatorsannicolas@gmail.com>, "Senator Telena C. Nelson" <senatortcnelson@gmail.com>, "Senator Thomas C. Ada" <office@senatorada.org>, "Senator William M. Castro" <solutions@wilcastro.com>, "SPEAKER Benjamin J.F. Cruz" <senator@senatorbjcruz.com>, VICE SPEAKER Therese Terlaje <senatorterlajeguam@gmail.com>, Vote <vote@gec.guam.gov>, Kenny Leonguerrero <kennylg0345@gmail.com>, Andri Baynum <drebaynum@gmail.com>, Robert Klitzkie <klitzkie@hotmail.com>, T'Nelta Mori <tnelasmori@gmail.com>

SECOND PUBLIC NOTICE

FOR IMMEDIATE RELEASE
 January 9, 2018

From: Senator Michael F.Q. San Nicolas
 Chairman, Committee on General Government Operations, and
 Federal, Foreign, & Regional Affairs

Subject: SECOND NOTICE of Public Hearing - Thursday, January 11, 2018, at 10:00 AM

Håfa Adai!

In accordance with the Open Government Law, relative to notices for public meetings, please be advised that the Committee on General Government Operations and Federal, Foreign, and Regional Affairs will convene a public hearing on **Thursday, January 11, 2018**, beginning at **10:00 AM** in *I Liheslaturan Guåhan's* Public Hearing Room. On the agenda are the following items:

Bill No. 221-34 (COR): Introduced by Senator Michael F.Q. San Nicolas

"AN ACT TO AMEND ARTICLE 3 AND REPEAL ARTICLE 4, BOTH OF CHAPTER 15, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO THE ELECTION OF MEMBERS OF THE GUAM ETHICS COMMISSION."

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"Relative to respectfully petitioning the United States Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature."

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BITCOIN continued from page 1

ness license branch of any branch office on Guam.

A modest, one-story house in Yigo — still adorned with Christmas lights, in a cul-de-sac near Simon Sanchez High School — is listed online in a Google search as a supposed address for the USI-Tech, but it is not listed on Rev and Tax records.

Luhr, who dabbles in cryptocurrency as a hobby, and who sits on the board of a Guam nonprofit, said he's voicing concerns this could be a Ponzi scheme. He said he's worried many residents might end up losing their retirement or life savings.

"I know of families who've given \$25,000, \$50,000 and more to USI-Tech. Some took out loans to raise funds. Others cashed out entire retirement savings. As with most Ponzis, they've likely lost their money permanently," Luhr wrote to officials.

"Most on this email know me from the Guam Legislature or through (Guam Animals In Need)," he wrote, "However, I write this email as a concerned citizen, and not in my capacity in these or any other roles." He holds a master's degree in instructional technology from Columbia University and has been a cryptocurrency hobbyist since 2013, including contributing code and documentation to open-source projects, he stated.

The Office of the Attorney General didn't immediately respond to the Post yesterday.

Carlina Charfauros, spokeswoman at the AG's office, said the attorney general is aware of the issue involving USI-Tech, but does not have an official statement on the matter.

Texas authorities had also recently issued a cease-and-desist order to USI-Tech, which is not listed on the U.S. Securities and Exchange Commission.

USI-Tech 'utterly dismayed'

Luhr's concern was also heightened

as USI-Tech had to publicly announce over the past few days it had to sever ties with its U.S. sales "distributors" in the U.S. and Canada over alleged false advertising.

"We were utterly dismayed to learn that a large number of our sales partners extensively advertise our services on their own websites as well as on social media in a manner which is a breach of contract as well as illegal, and which gives the appearance that our service portfolio violates both U.S. and Canadian law," according to USI-Tech in an announcement posted online. "Despite the measures which we have already initiated, this behavior has even intensified in recent weeks and months. This has already resulted in actions by the respective authorities against various distributors, as well as the first preliminary injunctions in response to this advertising behavior."

Efforts to find a Guam representative for the company was not successful as of press time.

Lack of oversight

Luhr said USI-Tech isn't in trouble for bitcoin, but for selling an investment "package" without regulatory oversight by the SEC.

The same regulatory actions would occur whether USI-Tech packages traded in bitcoin, Euros or any other asset, Luhr stated.

"The promotion and sale of securities are heavily regulated due to the risk of fraud," Luhr stated. "However, USI-Tech is not registered with the SEC, and local promoters and resellers of USI-Tech are not licensed to sell securities."

June seminar

In a Guam seminar in June, USI-Tech representatives showed a presentation that for as little as 50 Euros, or about \$60 in U.S. dollars, investors would see their money grow every working day and "with a return on capital of 140 percent in 140 days."

The governor's communication director, Oyaol Ngirairiki, responded with the following statement:

"The mission of executive security is the safety of the governor and the first lady while they are on Guam and while abroad. This is no different from government executive securities globally."

No reason was given for the trip.

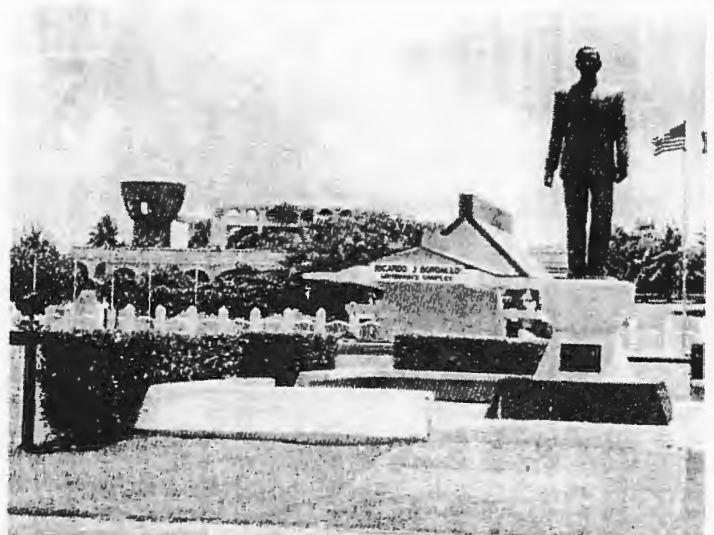
(Daily Post Staff)

FIRST LADY continued from page 1

airfare and per diem comes out to \$17,788.32.

The first lady's travel expenses are not listed.

The Guam Daily Post contacted the Office of the Governor to ask the nature of the first lady's visit to London, and learn why such a trip would require security paid for by Guam taxpayers.



EYES ON ADELUP: The Ricardo J. Bordallo Governor's Complex in Adelup is pictured in this July 2017 file photo. Sen. Dennis Rodriguez Jr. joined a growing list of gubernatorial candidates after announcing his plans to run for governor. Post file photo

RODRIGUEZ continued from page 1

"Though I admire what Gov. Calvo has done, he only had so much time to do so much. I know I can succeed him, and execute policies that will do even more," Rodriguez stated. He said an announcement regarding his running mate can be expected in the next few weeks.

"I have so much confidence in our future and I want to serve as the governor to help lead it," he said.



Other gubernatorial hopefuls

He joins fellow Democrat gubernatorial hopefuls, Bank of Guam Presi-

dent and former Sen. Lou Leon Guerrero and her running mate Joshua Tenorio; Sen. Frank Aguon Jr. and former U.S. Attorney Alicia Limtiaco; and former Gov. Carl Gutierrez, who has yet to announce his running mate.

Republican Lt. Gov. Ray Tenorio indicated to the Guam Election Commission that he is running for governor, but has yet to officially announce his bid for the top seat in the executive branch. Tenorio also has not confirmed the selection of his running mate, former Sen. Tony Ada, despite political ads and signs that show their images with the slogan "BOTA 2018."

I Mina Trentai Kuattro na Libesaturan Guában
 34th Guam Legislature
 Office of Senator Michael F.Q. San Nicolas
 Committee on General Government Operations, and
 Federal, Foreign, and Regional Affairs
 DNA Building, 238 Archbishop Flores St. Suite 407
 Hagåtña, Guam 96910

NOTICE OF PUBLIC HEARING

Thursday, January 11, 2018 at 10:00AM
 Public Hearing Room • Guam Congress Building
 163 Chalan Santo Papa Hagåtña, Guam

Bill No. 221-34 (COR)—Introduced by Senator Michael F.Q. San Nicolas
 "AN ACT TO AMEND ARTICLE 3 AND REPEAL ARTICLE 4, BOTH OF CHAPTER 15, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO THE ELECTION OF MEMBERS OF THE GUAM ETHICS COMMISSION."

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If you require any special accommodations, auxiliary aids, or other special services, or for further information, please contact the Office of Senator Michael F.Q. San Nicolas at senatorsannicolas@gmail.com or 472-6453.

This ad is paid with government funds.

PUBLICATION NOTICE

In accordance with the provisions of Guam Code Annotated, Title XI, Chapter III, Section 3315, notice is hereby given that:

KANG, KYONG HWA
dba: H MART

has applied for a Class: 5 / Off Sale Beer Alcoholic Beverage License (Relocating) said premises being marked as Lot: 3060-2-5-6 175 Paasan Daba Agaña Hagåtña.

Syrian forces move against Idlib

BASSEM MROUE
ASSOCIATED PRESS

BEIRUT — Syrian government forces and allied militiamen are advancing on the largest remaining rebel-held territory in the country's north, forcing thousands of civilians to flee toward the border with Turkey in freezing winter temperatures.

The offensive on Idlib — a large province in northwestern Syria packed with civilians and dominated by al-Qaida-linked militants — was expected after the defeat of the Islamic State group late last year. Last week, Sergey Lavrov, Russia's foreign minister, said the main military operations against IS in Syria have ended and signaled that the focus would shift to al-Qaida-linked militants.

The Idlib offensive carries significant risks.

The province bordering Turkey is home to more than 2.6 million Syrians, according to the United Nations, including more than 1.1 million who fled fighting elsewhere in the country. A full-blown government offensive could cause large-scale destruc-



Syrian emergency personnel search for victims following an explosion in a rebel-held area of Idlib. Opposition activist Mohammed al-Ali said Russians and the Syrian government are "carpet bombing" villages. (AP/WIDE WORLD)

tion and massive displacement.


Turkey, a supporter of the rebels, has deployed military observers in the province as part of a de-escalation deal with Iran and Russia, but that has not stopped the fighting on the ground or Russian airstrikes against the insurgents.

It is not clear how far the current offensive aims to reach, and recapturing the entire province is expected to be a long and bloody process. Opposition activists say the main target appears to be the sprawling rebel-held air base of Abu Zuhour, on the southeastern edge of the prov-


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Over the past two months, they backed by Russian airstrikes have captured more than 90 towns and villages in the northern part of a nearby Hama province and breached Idlib itself for the first time in mid-2015.

The offensive gained momentum on Christmas Day, when one President Bashar Assad's most elite and experienced officers in command of the operation to end the government's presence in Idlib and boost security for the city that links the capital, Damascus, Aleppo, Syria's largest city



1 Mins-Trental Kudlito na Lihonlaturan Guåhan
34th Guam Legislature
Office of Senator Michael F.Q. San Nicolas
Committee on General Government Operations
and Federal, Foreign, and Regional Affairs
DNA Building, 238 Archbishop Flores St. Suite 407
Hagåtña, Guam 96910



NOTICE OF PUBLIC HEARING

Thursday, January 11, 2018 at 10:00AM
Public Hearing Room • Guam Congress Building
163 Chalan Santo Papa Hagåtña, Guam

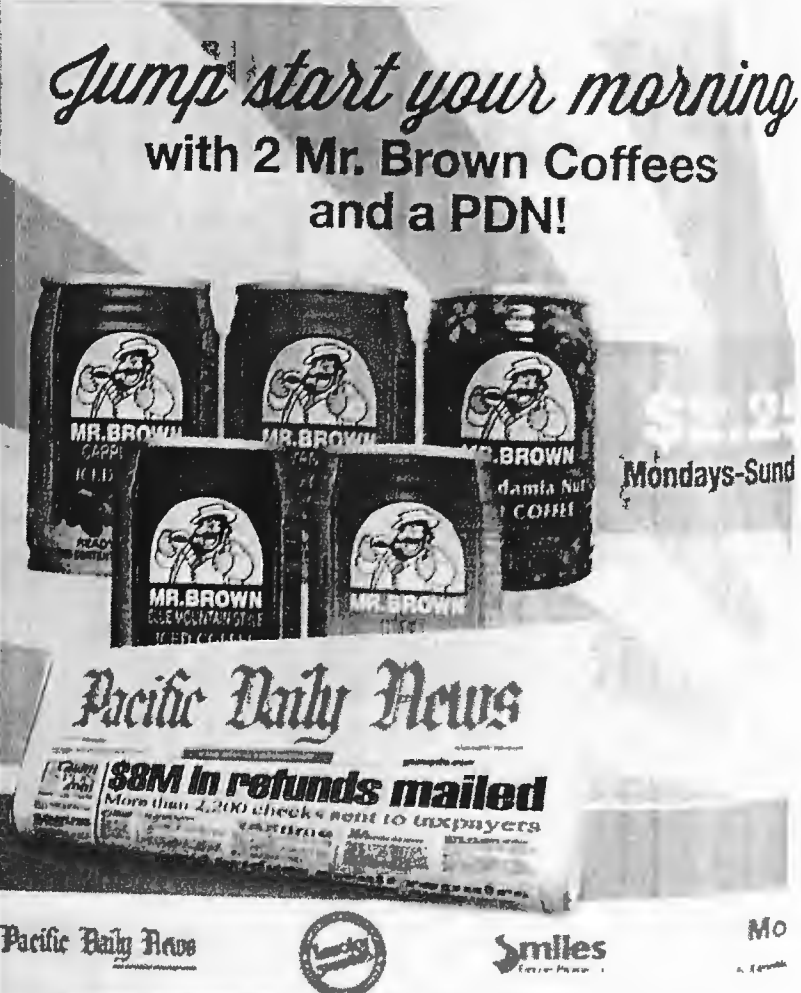
Bill No. 221-34 (COR) - Introduced by Senator Michael F.Q. San Nicolas "AN ACT TO AMEND ARTICLE 3 AND REPEAL ARTICLE 4, BOTH OF CHAPTER 15, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO THE ELECTION OF MEMBERS OF THE GUAM ETHICS COMMISSION."

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If you require any special accommodations, auxiliary aids, or other special services, or for further information, please contact the Office of Senator Michael F.Q. San Nicolas at senator@michaelas@gmail.com or 472-6453.

This ad is paid with government funds.

Jump start your morning
with 2 Mr. Brown Coffees
and a PDN!



Monday-Sunday

Pacific Daily News
\$8M in refunds mailed
More than 2,200 checks sent to taxpayers

Pacific Daily News Smiles MO



Committee on General Government Operations
and Federal, Foreign & Regional Affairs
Senator Michael F.Q. San Nicolas, *Chairman*
I Mina'Trentai Kuåttro na Liheslaturan Guåhan • 34th Guam Legislature



PUBLIC HEARING

January 11, 2018 | 10:00 AM

Public Hearing Room • Guam Congress Building

AGENDA

- I. Call to Order
- II. Opening Remarks and Announcements
- III. Item for Public Consideration

Bill No. 221-34 (COR) – Senator Michael F.Q. San Nicolas

"AN ACT TO AMEND ARTICLE 3 AND REPEAL ARTICLE 4, BOTH OF CHAPTER 15, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO THE ELECTION OF MEMBERS OF THE GUAM ETHICS COMMISSION."

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- IV. Closing Remarks
- V. Adjournment



I Mina'Trentai Kuåttro Na Liheslaturan Guåhan
SENATOR MICHAEL F.Q. SAN NICOLAS
 DNA Building, 238 Archbishop Flores St. Suite 407 Hagåtña, Guam 96910
 (671) 472 - 6453 • senatorsannicolas@gmail.com



PUBLIC HEARING SIGN-IN SHEET

Thursday, January 11, 2018 • 10:00 AM • Public Hearing Room, Guam Congress Building

Resolution No. 311-34 (COR) – Introduced by Senator Michael F.Q. San Nicolas – “Relative to respectfully petitioning the United States Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature.”

NAME (Please print)	AGENCY/ ORGANIZATION	CONTACT NUMBER	ORAL TESTIMONY	WRITTEN TESTIMONY	IN FAVOR	NOT IN FAVOR
Ken Leon Guerrero	GUAM CHAMBER	689-3000	X		X	
Getroy Linsagan	Co-council		X			X
Don Mendinck	Self	488 8889	X	X		
Bob	Self	6736607	X	X		X
Jerry	Self	568-2541	X	X		X

Robert Klitzkie, Esq.

22 Baki Ct., Yigo, GU 96929

(671) 653-6607

klitzkie@hotmail.com

January 11, 2018

Testimony on Resolution 311-34

Mr. Chairman and Honorable members of the Committee on General Government Operations, *etc.*

I oppose this resolution. The final whereas clause says it all. We don't have our own locally enacted constitution and therefore we are stuck with a federal statute in lieu thereof. A very important function of any constitution is to protect the people from their own government. The Bill of Rights in our own US Constitution was enacted to protect the states and the people from what ultimately evolved into our national government. The very first sentence of the very first of the Bill of Rights reads, "**Congress** shall make no law..."

Locally one need look no further back than November 21, 2014 to see how badly we need protection from our own government. That was the day that acting Governor Ray Tenorio and the Won Pat Ten in less that 24 hours gave themselves huge retroactive raises without notice, public hearing our certificate of emergency. This measure was so egregious that the same legislature that conducted the rip-off statutorily prohibited it henceforth. But of course that statute, like the PL 24-222, can be repealed or worked around. The operative principle is that the legislature cannot tie itself in a note so tight that it can't untie it. Only a constitution can bind the legislature to salutary principle.

This resolution would memorialize Congress to enact a measure that would protect us from ourselves. This would be a step backward with respect to self government. A local constitution is the last step in the completion of Guam's complete home rule--our own constitution. We've had the ability to enact a constitution since-ever-since but have lacked the political will to do so. I have submitted herewith a copy of Bill 259 from the 28th GL. The enactment of a bill similar to 259 would give us the last full measure of home rule and obviate the necessity of our having to petition the Congress every time we want to add a protection such as the one sought in this resolution.

A bill like 259 would convert the Organic Act into a local constitution with a mechanism to carefully and deliberately amend that constitution locally. If we are to petition the Congress, let's go for a long term fix rather continue to pursue piecemeal remedies in derogation of our own self government.

Respectfully submitted,


Robert Klitzkie

**MINA'BENTE OCHO NA LIHESLATURAN GUÁHAN
2006 (SECOND) Regular Session**

Bill No. 259 (EC)

Introduced by:

R. Klitzkie
J. M. S. Brown
L. F. Kasperbauer
Mike Cruz
RAY TENORIO
B. J. F. Cruz
F. B. Aguon
A. B. Reyes, Jr.
R. Respicio

**AN ACT TO REQUEST THE UNITED STATES
CONGRESS TO ADD A NEW SUBSECTION (C)
TO SECTION 7 OF THE ORGANIC ACT OF
GUAM TO PATRIATE THE ORGANIC ACT
AND TO AMEND 3 GCA CH.17 ART. 4 TO
PROVIDE THE MEANS TO AMEND THE
PATRIATED ORGANIC ACT.**

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

2 **Section 1. To the United States Congress:** Although they enjoy a measure of
3 home rule, the people of Guam are not served by a government established by a
4 constitution of their own making. Home rule for the people of Guam is a function of an act
5 of Congress, the Organic Act of 1950, which is a sort of quasi constitution.

6 The first step on the path toward home rule began with Congress' passage of the
7 Organic Act in 1950. The Organic Act provides the framework for the government of
8 Guam and serves as a quasi constitution. (See note 1)

9 As enacted, the Organic Act created a three branch government only one branch of
10 which could have been called "local," i.e. the legislature. The judicial branch was the
11 District Court of Guam, a federal court. The executive branch was headed by a governor
12 appointed by the President with advice and consent of Congress.

1 **Section 5. Amending the Patriated Organic Act.**

2 Amendment of the Patriated Organic Act shall be conducted in accordance with 3 GCA
3 Ch. 17, Art. 4.

4 **Section 6. Same.** 3 GCA, Ch. 17 Art. 4 is amended to read:

5 “Article 4

6 Legislative Submission and Referenda to amend the Patriated Organic Act.

7 § 17401. Number of Legislative Votes Necessary for Legislature's Submission.

8 No measure shall be submitted to the voters by the *I Liheslatura* unless it shall have
9 been adopted by a majority of affirmative votes of all the members.

10 §17402. Number of Votes to Approve Legislative Measure Submitted to the People by the
11 Legislature.

12 A majority of the valid votes cast thereon shall be necessary for the approval of
13 any legislative submission or referendum to amend the Patriated Organic Act placed on the
14 ballot by the Legislature.

15 § 17403. Legislative Votes for Legislature's Submission of a Referendum to amend the
16 Organic Act.

17 A referendum to amend the Patriated Organic Act shall be submitted to the voters
18 at the general election following its adoption by two successive terms of the legislature by
19 the affirmative votes of two-thirds of its members.

20 **Section 7. Notes**

21 **Note 1:** Historical events following the enactment of the Organic Act on August 1,
22 1950:

23 **March 15, 1965** – Antonio B. Won Pat was elected as Guam’s unofficial Representative to
24 Washington.

25 **September 11, 1968** – President Johnson signed Elective Governor Act.

26 **June 1, 1969** – Guam’s First Constitutional Convention commenced review of Organic
27 Act of Guam.

28 **February 12, 1970** – U.S. Congress passed law granting Guam and the U.S. Virgin Islands
29 non-voting representation in the U.S. House of Representatives

30 **January 1, 1971** - Carlos G. Camacho assumed the office of first elected Governor of
31 Guam. First elected Lieutenant Governor was Kurt S. Moylan.

1 **January 3, 1973** – Antonio B. Won Pat was sworn into office as Guam’s first Delegate to
2 Congress.

3 **August 1978** – A proposed constitution drafted by the Second Constitutional Convention
4 was rejected by the voters of Guam (P.L. 94-584).

5 **August 27, 1986: Public Law 99-396**

6 - The Organic Act was amended to substitute “according to the laws of Guam”
7 for “at such places in Guam as may be necessary” (§13(a)(1) - permitted elected
8 board of education).

9 - The Organic Act was amended to substitute “Government of Guam” for
10 “Governor” (§ 5 - permitted elected board of education).

11 - A new provision was added to the Organic Act granting the Government of
12 Guam the authority to establish and remove, by law, an Office of the Public
13 Prosecutor and an Office of the Public Auditor (§13(a)(2)).

14 **October 22, 1986** – President Ronald Reagan signed the Tax Reform Act of 1986 into law
15 (P.L. 99-514), granting Guam, American Samoa, and the Northern Mariana Islands the
16 ability to enact their own income tax laws.

17 **October 27, 1998** – The Organic Act was amended allowing qualified voters on Guam to
18 elect an Attorney General (P.L. 105-291).

19 **June 6, 1999** – Public Law 25-42 was enacted allowing qualified voters on Guam to elect
20 a Public Auditor.

21 **November 2000** – The first Public Auditor of Guam was elected.

22 **November 2002** – The first Attorney General of Guam was elected

23 **October 30, 2004** – The Organic Act was amended establishing the Judiciary as an
24 independent branch of the local Government and the Supreme Court as the highest court of
25 Guam (P.L. 108-378).

26 **Note 2.** Congress enacted Public Law 93-198; 87 Stat. 777; which became law on
27 December 24, 1973. This act of Congress enacted the District of Columbia Code. §§301
28 et seq. of the act is the District of Columbia Preamble and Charter, the organic document
29 for the government of the District, which can be amended by an act of the District of
30 Columbia Council and a referendum (§303). The District of Columbia Council was

1 created by Congress in the District of Columbia Charter (§401).

2 (<http://www.abfa.com/ogc/hrtall.htm>)

3 **Note 3:** While Canadian constitutional history would seem to have little relevance
4 to providing greater home rule for Guam, the Canadian experience can be illustrative of a
5 path the people of Guam might follow in their quest for greater home rule.

6 Tom Bateman of the University of Alberta's Centre for Constitutional Studies
7 defines patriation as a "term referring to the process by which the Canadian Constitution
8 was brought fully and formally within the control of the local Canadian government."

9 "In *Re Resolution to Amend the Constitution (Manitoba (Attorney General) v.*
10 *Canada (Attorney General)*, [1981] 1 S.C.R. 753) the Supreme Court of Canada referred to
11 the 'anomaly that although Canada has international recognition as an independent,
12 autonomous and self-governing state ... yet it suffers from an internal deficiency in the
13 absence of legal power to alter or amend the essential distributive arrangements under
14 which legal authority is exercised in the country, whether at the federal or provincial level.'
15 The root of the anomaly is Canada's historic colonial relationship with the United
16 Kingdom. While Canada became an internally self-governing Dominion in 1867, the
17 constitutional document establishing the Canadian federation was in fact an Act of the
18 Parliament at Westminster, alterable by that same Parliament (see *British North America*
19 *Act*). Canadian authorities could request the British authorities to make changes to
20 Canada's Constitution, but the final decision and the formal amendment machinery lay
21 with the British.

22 " 'Patriation' would end this vestige of colonial subordination. But in order for
23 Canada to assume full control of its constitutional destiny, a domestic constitutional
24 amending formula would have to be added to the Constitution before the British could
25 relinquish control. Any written constitution must provide the terms for its own amendment.
26 Yet it was precisely the terms of such a formula on which the Canadians could reach no
27 consensus. The patriation debate was then bound up with the search for an amending
28 formula that engaged Canadian politicians off and on from 1927 to 1982. A partial
29 patriation occurred in 1949 when the British amended the Canadian Constitution to allow
30 the federal Parliament henceforth to regulate several elements of its internal workings (see
31 *British North America Act (No.2)*, 1949, 13 Geo. VI, c. 81 (U.K.)). The federal government

1 that same year, in another example of partial patriation, unilaterally ended the opportunity
2 of appeal of Supreme Court of Canada judgments to the Judicial Committee of the Privy
3 Council (see *An Act to Amend the Supreme Court Act*, S.C. 1949 (2nd sess.), c. 37, s. 3).
4 Finally, in November 1981, when the First Ministers were able substantially to agree on a
5 formula and other aspects of constitutional change, the way was clear for the British to
6 relinquish control of the Canadian Constitution. Patriation formally occurred on 17 April
7 1982.”

8 **Note 4:** The term “patriate” is somewhat obscure and not found in most
9 dictionaries. Some would suggest that the term is properly used when it means transfer of
10 legislative authority to an **autonomous country** from a previous **mother country**. Even
11 though Guam is not an autonomous country the word “patriate” is quite useful in the
12 context in which it is used here and easily bears the meaning assigned to it in this bill.



Senator Michael F.Q. San Nicolas <senatorsannicolas@gmail.com>

Testimony Regarding Bills 221 and 311

1 message

Ron <govguam@gmail.com>

Thu, Jan 11, 2018 at 1:20 PM

To: Senator Michael San Nicolas <senatorsannicolas@gmail.com>, Ron McNinch <govguam@gmail.com>

Ron McNinch
PO Box 5224
Mangilao, Guam 96923

Testimony Regarding Bill 221 and Bill 311

Dear Senator San Nicolas and Senators,

Please accept my testimony and general comments regarding these bills. The bills, whether they pass or not, help the community dialogue on these important topics. Also, the legislature should take on important questions like these two bills suggest. As I indicate in my comments, there may be other methods to achieve these goals.

I am testifying as a private citizen on these questions. While I have advanced training in political science with American Government as one of my three subfields, the topics in these bill are fundamental to government and systems compliance. Any citizen can have insights on these topics. Since the hearing will entertain both bills, I am writing a single document to cover my brief comments on both items.

Comments on Bill 221 on an Elected Ethics Commission

While I understand the reasons the legislature may want (or have previously wanted) an ethics commission, there is a larger point that needs to be made: We already have an ethics commission we elect every two years, it is called the Guam Legislature. If the Legislature did its job, no separate ethics body would be needed. Most of the "ethics" questions we see are actually matters of compliance. The Guam Legislature also has elected enforcement arms in its compliance efforts. Every four years we elect an Attorney General and Public Auditor. Both of these offices are subject to legislative direction. If the Legislature decided to, it could simply require these two offices report out compliance concerns. In a number of instances, these offices have failed to do their jobs also or not lived up to their mandates. In the case of the Attorney General, this office would likely be better held by an appointee than an a political office holder. The reason is that the Governor could then better uniformly ensure compliance.

On the subject of Legislative Ethics, as a matter of Legislative privilege, no ethics commission can oversee the legislature. From the Guam Organic Act:

1423c(b) "No member of the legislature shall be held to answer before any tribunal other than the legislature itself for any speech or debate in the Legislature. "

While there are certain exceptions provided in the Organic Act, this is basic to all US legislatures.

In general, I appreciate the intent of this bill, but I think that further discussion is needed. I also believe that the bill has helped to stir discussion.

Comments on 48 USC §1423k Petition to Change the Guam Organic Act

First, I am pleased to see that the legislature is discussing a 1423k petition. This is an extremely powerful method to express concerns to the federal government. It was placed in the Guam Organic Act as a sort of safety valve to address critical concerns. Since we don't have representation in the US Senate and since our delegate cannot vote, this is a very important tool for our government.

Second, I was concerned about the Guam Legislature passing laws to bind the Guam Legislature. This created all kinds of silly slanderous accusations about the legislature and

Testimony of Joaquin P. Perez
before I Mina Trentai Kuattro na Liheslaturan Guahan on
Resolution No. 311-34
Jan. 11, 2018, 10:00 O'Clock a.m.

Honorable Chairman, Sen. Michael FQ San Nicolas, Honorable Senators of I Mina Trentai Kuattro na Liheslaturan Guahan.

I come before you to express my opposition to Resolution No. 311-34, relative to requesting Congress to amend Guam's Organic Act to make it a federal law that proposals to increase Guam taxes be placed before the electorate during a General Election, particularly because Guam law already mandates such a referendum.

I am opposed to any effort to amend the Organic Act if it reflects on the inability and/or recalcitrance of elected leaders to resolve issues related to the management of the local government or adherence to local statutes.

I believe Resolution 311 was introduced because of escalating controversies over recent efforts, by the Governor, to increase the Business Privilege Tax to build capacity for a dedicated debt service source as security for a multimillion dollar bond issue for capital improvements and major cash infusion for GMH. The Governor urges the legislature to utilize the infamous language - notwithstanding any other provision of law - language designed primarily to circumvent existing statutes. The administration prays that GMH's existing conditions, and its financial needs will be considered as such dire and insurmountable straits that they far outweigh the statutory provisions and rationale of Public Law 222-24 requiring voter ratification of any proposal to increase taxes. Painting pictures of gloom and doom, parking a graffiti'd hearse in front of the legislative hall, and conjuring up visions of life and death situations, in an effort to coerce members of the legislature to affirmative action can only be considered childish by those watching here on Guam, in Washington, D.C. and elsewhere.

I apologize for perhaps alluding to the idea that my opposition to Resolution 311 rests on the single issue of raising the business privilege tax to benefit GMH. My opposition to any effort to amend the Organic Act rests on the message it sends to Congress and other federal officials that the elected officials and people of Guam are not politically mature enough to manage and handle Guam's financial affairs.

I believe that the Organic Act itself, and subsequent amendments to that document, piece meals, undermines and weakens fundamental principles of the right of Guam's people to determine for themselves, Guam's ultimate political relationship with the United States.

Avid leaders of this island, including the likes of Francisco B. Leon Guerrero, Baltazar J. Bordallo, Carlos P. Taitano, Eduardo T. Calvo, Cynthia Torres and Agueda I. Johnston promoted, maintained and argued that Guam's indigenous people are mature and fully capable of efficiently and effectively discussing, managing and administering their island government.

After the enactment of the Organic Act, Guam leaders pushed hard and adamantly argued for greater measures of self-government. It was through the initiative and persistence of local leaders, not Washington lobbyists, during the 60s and 70s that Guam was granted the authority to elect its own Governor and a non-voting Delegate to the House of Representatives.

The US has repeatedly asserted, to the United Nations, that because of the enactment of the Organic Act and amendments permitting an elective Governor and elective representation to the US House, self governance has been, in fact, provided to Guam's people. Those who truly believe that Guam's people are

politically mature and fully capable of managing Guam's affairs, continue to pursue greater autonomy in island affairs, free of the yoke of an Organic Act, which federalizes and controls, from 10,000 miles away, and in which the people of Guam really had and have no input.

Governor Ricky Bordallo and RevTax Director David Santos, in 1984, argued and managed to secure the authority to delink from the Internal Revenue Code through the establishment of Guam's own tax code. The Department of the Treasury and the Internal Revenue Service, in those discussions, concluded that Guam was mature enough and capable of developing, managing and enforcing its own tax code. In my humble opinion the amendment proposed in Resolution 311, as it relates to the authority to delink from the IRS and manage its own tax system, could negate the progress made in those discussions and would be a step backwards in the process of self-governance.

Governor Joseph Ada, Senator Francisco Santos, Superior Court Judge Alberto Lamorena, Attorney David Lujan and other members of the Commission on Self-Determination, during discussions on Article Six of the Draft Guam Commonwealth Act, argued hard, with US Department of Justice officials, for recognition of the maturity of Guam's judicial system and process. With that recognition, the staunch requirement for 15 year Ninth Circuit judicial review of decisions by Guam's courts, was relaxed.

Between 1987 and 1992, Governor Joseph Ada and the Commission on Self-Determination discussed, debated and negotiated, with the **Bush Administration Task Force on Guam**, provisions of the Draft Guam Commonwealth Act. Ten of the twelve provisions of the Draft Act were resolved by the end of the Ada Administration. Discussions and negotiations continued under the Gutierrez Administration and were very close to reaching agreement with the Honorable Ambassador Michael Heymann, lead representative of the White House on the issue of Guam's political status. Only two provisions still remain unresolved: 1) Mutual Consent; and 2) the Chamorro Only vote.

As one who staffed sessions between BATFOG and Guam's Commission, I can vouch that the primary basis and foundation of Guam's presentations and arguments was the political maturity and ability of Guam, its people and its leaders to manage all of its business of government effectively and efficiently without interference or oversight by Big Brother.

Because of the on going controversy over the GMH issue, those on Guam and on the shores of the Potomac, who do not want Guam to attain self-governance, can point out the inability of the 16 individuals elected to administer and manage Guam's affairs as evidence of political immaturity. In my opinion, asking to amend the Organic Act in any manner which reflects on the ability of our elected leaders to resolve issues, screams political immaturity.

Resolution 311-34 could be the speed bump which derails the progress, made over many years, and the continuing strengthening of the confidence that federal officials have in Guam's political maturity, ability, and capacity to administer and manage the business of the island's government. At this juncture in our quest for full self-government – whether it be in the form of full inclusion through statehood, as an independent nation, or in free association with the United States – I think we should do nothing to detract from or lessen confidence in Guam's ability or desire to govern itself, or make the quest towards full self government even more difficult, by asking Big Brother to amend the Organic Act because we can't help ourselves, nor talk with each other with civility.

Thank you for permitting me this time to express my concerns and opinion on a matter of great importance to the future and success of discussions with the federal government over political status options.

Testimony of Joaquin P. Perez
before I Mina Trentai Kuattro na Liheslaturan Guahan on
Resolution No. 311-34
Jan. 11, 2018, 10:00 O’Clock a.m.

Honorable Chairman, Sen. Michael FQ San Nicolas, Honorable Senators of I Mina Trentai Kuattro na Liheslaturan Guahan.

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Senator Michael F.Q. San Nicolas

Chairman, Committee on General Government Operations
and Federal, Foreign and Regional Affairs
I Mina'Trentai Kuåttro na Liheslaturan Guåhan • 34th Guam Legislature



MEMBER VOTE SHEET

Resolution No. 311-34 (COR) - "Relative to respectfully petitioning the United States Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature."

Members of <i>I Liheslatura</i>	Signature	TO DO PASS	TO NOT PASS	TO REPORT OUT ONLY	TO ABSTAIN	TO PLACE IN INACTIVE FILE
Senator Michael F. Q. San Nicolas		✓				
Speaker Benjamin J.F. Cruz				✓		
Vice Speaker Therese M. Terlaje						
Legislative Secretary Régine Biscoe Lee						
Senator Thomas C. Ada	 20 C. AD 1/16/2018			✓		
Senator Joe S. San Agustin				✓		
Senator Telen Cruz Nelson				✓		
Senator Frank B. Aguon, Jr.	 01/16/18			✓		
Senator Dennis G. Rodriguez, Jr.						
Senator James V. Espaldon						
Senator Mary Camacho Torres				✓		
Senator Tommy A. Morrison						
Senator Louise B. Muña						
Senator Fernando Barcinas Esteves				✓		
Senator William M. Castro				✓		



Senator Michael F.Q. San Nicolas

*Chairman, Committee on General Government Operations
and Federal, Foreign and Regional Affairs*

I Mina'Trentai Kuåttro na Liheslaturan Guåhan • 34th Guam Legislature



SPONSOR'S REPORT DIGEST

Resolution No. 311-34 (COR) – Michael F.Q. San Nicolas - "Relative to respectfully petitioning the United States Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature."

I. OVERVIEW

Resolution No. 311-34 (COR) was introduced December 15, 2017 by Senator Michael F.Q. San Nicolas and was subsequently referred by the Committee on Rules to its Author December 22, 2017.

Senator San Nicolas convened a public hearing on Resolution No. 311-34 (COR) on Thursday, January 11, 2018 at 10:00 a.m. in *I Liheslatura's* Public Hearing Room (Guam Congress Building). The Public Hearing began at 10:01 AM and was adjourned at 12:13 PM.

In accordance with the Open Government Law, public hearing notices were disseminated via electronic mail to all senators, stakeholders, and all main media broadcasting outlets. A 5-day notice was provided on Thursday, January 4, 2018 and a 48-hour notice was provided on Tuesday, January 9, 2018. The notices were also published in the Guam Daily Post and the Pacific Daily News, as well as on *I Liheslatura's* Calendar via the Guam Legislature website.

SENATORS PRESENT

Senator Michael F.Q. San Nicolas, *Chairperson*
Senator Régine Biscoe Lee, *Committee Member*
Senator James V. Espaldon, *Committee Member*
Vice Speaker Therese M. Terlaje

APPEARED BEFORE THE COMMITTEE

Ken Leon Guerrero, *Spokesperson, Guam Citizens for Public Accountability*
Dr. Ron McNinch
Robert Klitzkie, Esq.

SUBMITTED WRITTEN TESTIMONY

Dr. Ron McNinch (via email to senatorsannicolas@gmail.com)

Robert Klitzkie, Esq.

Joaquin Perez

II. SUMMARY OF TESTIMONY AND DISCUSSION

Senator Michael F.Q. San Nicolas:

We have Resolution 311-34. Signed in to testify we have Mr. Ken Leon Guerrero, Mr. Sedfrey Linsangan and Dr. Ron McNinch, Senator Bob Klitzkie and I believe this is Mr. Kin Perez who has also submitted written testimony. As the Author of Resolution 311-34, I'll go ahead and provide the opening statement.

Resolution 311 - 34 is "Relative to respectfully petitioning the United States Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature." Just to paraphrase that, this Resolution is seeking to amend the Organic Act so that no local taxes can be increased unless the people of Guam ratify the tax increase. Back in August 4th of 1998 this was actually enacted as local law by Speaker Mark Forbes when he introduced Bill No. 539 which became Public Law 24-222. Nineteen years ago, it became local law that we should not raise local taxes without the consent of the people of Guam. Just recently, the local gasoline taxes were increased and that has played a part in the recent near 5 percent increase in gasoline prices that has just occurred with the inclusion of oil prices and other such factors. When we have local law in place that empowers our people, I'm of the mind that we should respect that power that was granted on to the people and by putting this provision in the Organic Act, it would ensure that we are not able to bypass that provision. Right now, if there's any existing law that's a local law and this is a for edification of the public, every single law that's in place can be bypassed by a new law by simply adding one sentence and if you simply add the words notwithstanding any other provision of law, that one sentence, you're basically writing into a bill that it's going to override all preceding laws no matter what limitations they have in place. The only law that cannot be overridden is the Organic Act, is the only law on the island that cannot be overridden by that one sentence and the Organic Act is the governing document of Guam that was put to the people by the US Congress in 1950. There are a variety of school of thoughts with respect to what working of the Organic Act implies and I need to go through a brief travel through time back in the late 70s, the people of Guam and the leaders of the island considered the drafting of a Guam Constitution and this constitution would have replaced the Organic Act. It's actually something that we are allowed to do here in the territory provide for a constitution that would replace for the Organic Act and become the law of the land. If we had adopted a constitution in the late 70s, that Constitution would be the governing document and so no single sentence in any

public law would be able to supersede that Constitution. You would not be able to write notwithstanding any other provision of law if that bill was in contravention to what was in the Constitution that was established. What happened in the late 70s was the idea of a constitution became transformed from one of merely being a governing document to one of being a political statement with respect to the political status of people of Guam and the question arose as to whether we should adopt a constitution or first resolve our political status. In the late 70s, that debate became paramount and there was a vote as to whether or not the Constitution that was drafted in the late 70s was going to be ratified. The people of Guam by an overwhelming majority, chose not to ratify the Constitution and at that point in time 40 years ago, this island was set on the course to keep the Organic Act as its governing document and pursue first the issue of self-determination. Here we are forty years later we still have the question of self-determination unresolved and we are still left with the Organic Act as the governing document of the territory. In the meantime, we are now running into many circumstances that are now affecting members of our community directly that would be remedied if we had provisions written into our governing document into our Organic Act that limited or contained the powers of government the way a constitution would. Absent the Constitution being left off the Organic Act the only way that we can prevent future laws from superseding existing laws of that one sentence is if we amend the Organic Act. Now the question becomes, if we amend the Organic Act and if we ask Congress to do so are we in some way signaling that we are incapable of somehow governing ourselves and while there are some schools of thought that would prescribe to that I'd like to first note that there have been at least two instances when the Organic Act was amended by the request of the people of Guam. The first was when we unified the judiciary of Guam, before we had a separate Supreme Court in superior court but by unifying the judiciary we were able to resolve that question and have a single unified court system. The second time was when we pursued the election of an Attorney General which was previously appointed by the governor of Guam. It is now an elected position and so here we are today with examples of how we have amended the Organic Act in the past and none of those amendments have ever spoken to or undermined the greater question of self-determination and so moving forward the question becomes are there other amendments that we can place within the Organic Act to further empower the people of Guam to be able to exercise the rights that their own local laws extended to them such as Public Law 24-222 passed by Speaker Forbes in the 24th Guam Legislature, a power that was given to the people for them to be able to decide whether or not a local tax increase was justifiable. By putting that local law into the Organic Act we will make that the law of the land, no tax increases at the local level can happen unless the people of Guam ratify the tax increase. What would that do? It would require that not only this government to be fully accountable for every dollar that it's spending so that the people of Guam are confident that the increase is justified it would further require that as these increases come be presented that the people of Guam are satisfied they are in fact necessary. We have several issues before our people that are glaring issues that create a lot of debate within our community. Do we raise taxes in order to fix these issues or do we correct our spending problems within this government

in order to fix those issues? And while politicians are the ones who will ultimately be making this decision and overriding this public law with a notwithstanding provision in the bill, in the end the people of Guam are not being afforded the opportunity to decide whether or not they want to ratify that decision. And not including the people of Guam in the ratification of that decision is resulting in the inability of this government to fix its issues.

By putting this provision in the Organic Act, requiring that the people of Guam be afforded the opportunity to ratify any local tax increase, it will, hereafter, require this government to be more responsible in the way it spends peoples' money, more accountable to the public for how its spending existing dollars that are committed for the purposes they are intended, and it would require that this government make a strong and convincing case that any tax increases necessary so the people of Guam vote for it. There's been some discussion, I've heard, that some people believe that no one would ever vote for a tax increase. I'm of a different mind. I believe that if we demonstrate to the people that we are responsible with their money, and if we further demonstrate the merits of a tax increase for the benefit of the community and the trust is there that the money will be used for its intended purposes, I believe the people will ratify such things. I believe that the reason they don't during these days is because we just haven't gotten to that point, yet.

But by putting this in the Organic Act, it will require us to get to that point. And for me that is something that is very much worthwhile, it's worth putting into the Organic Act, similar to the worthwhile efforts to unify our judiciary and the worthwhile efforts to elect our Attorney General. I don't think that it would adversely speak to our quest for self-determination. I think that it's a necessary step, given the fact that we've rejected the process of adopting a constitution as a governing document. We are left with the Organic Act. It is our governing document. It is the only we can make a law of the land that cannot be bypassed by one simple sentence in a bill. And so I'm hoping that we can have a very constructive discussion about the merits of Resolution 311, and I look forward to testimony from the public. Thank you very much for your presence today. First to sign up for Resolution 311-34 is Mr. Ken Leon Guerrero.

Ken Leon Guerrero

Thank you very much. We're all familiar with the situation regarding Puerto Rico, where the government of Puerto Rico, due to declining tax base issued a series of bonds to continue operations, rather than adjust government operations to live within its means. I take you back to the 33rd Legislature, Bill 340, where the government of Guam borrowed forty-five million dollars to pay twenty million dollars' worth of accounts receivable for Guam Memorial Hospital. We have expended the full forty-five million dollars and now the taxpayers of Guam are going to be paying somewhere in the neighborhood of seventy-five to eighty million dollars to repay the money borrowed to pay twenty million dollars that were due vendors.

Now at the time that happened, I presented to senators a list of decisions that the senators and the administration made that were about twenty-three million dollars' worth

of bad decisions, like three and a half million dollars for pickup trucks for the mayors, for the exclusive purpose of picking up and delivering recycling, and the three million dollars for the one-use huts for FESTPAC, and a number of other things. Those are examples of bad decisions that were perpetuated and will continue to be perpetuated as long as the government can make up shortfalls by issuing bonds or raising taxes.

And that's a bad thing because we have a small population. We have one hundred and sixty-two thousand people. We have sixty-eight thousand people or organizations that pay taxes, so any dramatic increase in taxes is going to be adversely or asymmetrically felt by the population because we have a population that is a low wage, service population, for the most part. And any increase in taxes is going to be borne by them. So I support this resolution because, like the senator, I agree that if there is a tax, and it goes to the vote for the public, and it's going to a worthwhile cause, I am very confident the people will support it. But if we were to ask the citizens of Puerto Rico now, if you had a chance to vote on all those bond bills that were issued to cover revenue shortfalls of the government, would you have supported those? I think the majority of those people would say no.

And I just used 340 as an example. There were other bills, as well. But that is a poster child of a poor use of government debt. And now we're sitting here with a billion dollars' worth of potential bonds or borrowings to be issued. And I go specifically to the TRAN loan. If we couldn't afford to pay tax refunds out of over-collection, how are we going to repay seventy-five million dollars less fees and interest and pay next year's collections? We're not going to. We're going to turn it into a General Obligation Bond. So there's another seventy-five million dollars that we're going to end up borrowing.

And so, without this amendment to the Organic Act, I fear that our politicians, maybe not specifically you three, but the other twelve politicians who aren't here might take the easy path to borrow their way out of trouble because here we were at election time, going back to 2015-2016. Why did the legislature authorize three and a half million dollars to buy pickup trucks for mayors who already have pickup trucks? You know, it's things like that that break the trust between the people and our elected officials. You're handling our money. Now if we had a choice of spending three and a half million to buy pickup trucks for mayors or three and a half million to complete fifty percent of the work done, needed to be done, on the labor and delivery room, without borrowing money, I think the majority of the population would have preferred that we took the three and a half million from the mayors and three and a half, three point four, million for the one-time use concrete huts at the Chamorro Village and used that to do all the renovations required to the labor and delivery room without having to go to Bank of Guam and borrow money.

So that's why the reason why I like the idea that there is and I like the idea that we have that twenty-five million dollar limit because it does give policy-makers some flexibility to do things.

But big things, like raising the business privilege tax, are going to have an adverse effect on a lot of people because you're going to be raising the tax on the people that use the most of their disposable income for day-to-day living. If you're going to raise a tax, why not put a twenty-five thousand dollar tax on the sale of luxury automobiles. So if I'm going

to go out and pay sixty thousand dollars on a convertible, you know, we're going to have less impact. I'm just saying that there could be better ways of doing this rather than balancing the debt on the backs of a population that is currently struggling hard from paycheck to paycheck.

We... the legislature has not done anything with the minimum wage for a long time, but over this period of time we've seen a thirty percent increase in the cost of living and now the government is going to get a thirty percent reduction in the cost of revenues as a result of the tax... the Trump tax cut, and budget cuts. Nobody's going talking about the budget cuts, but the Trump administration has already come out and said we're going to be reducing the budget by thirty to thirty-five percent and, as a result of the passage of the tax act, we may be reducing it more if collections do not meet our expectations.

How much of the government of Guam is funded by matching federal funds and grants? Where is that money going to come from when it stops next year? My fear is that policymakers, because it is an election year, are going to take the easy path and pass a tax increase, pass a bond bill so that they can say oh we're doing this for the people. What we're doing is we're perpetuating years of kicking the can down the road and not making the hard decisions we should have made to live within our income.

And that's why I like the resolution. I have no hope whatsoever that it's going to pass because senators will probably feel that it cuts into our ability to maneuver and address critical issues. But you have to remember that all that maneuvering and addressing critical issues is coming out of somebody's pocket. And that's what we need to be respectful of. We have a population that's struggling. Let's not make it harder for them than it already is because we have next to nothing in the way of economic development on this island. We're not bringing new industries and we're not bringing in higher paid industries to this island. All we're doing is expanding the service sector. And my friends who are working the in service sector right now are struggling. We increase the taxes, they're going to struggle more. We increase the fuel taxes, they're already beginning to feel it right now. So that's why I like this resolution. I hope it passes, but I don't, I honestly don't believe it will.

Senator Michael F.Q. San Nicolas

Thank you Mr. Leon Guerrero. Next we have signed up Mr. Linsangan, if he's present? I think he stepped away. Dr. Ron McNinch.

Dr. Ron McNinch

Thank you, senators. My name's Ron McNinch, I'm testifying as a private citizen on this bill. Once again, happy New Year. I just have some very, very brief comments on this particular bill. First of all, the provision used, 1423k of the Guam Organic Act is a very important power for the Guam Legislature. It's a super power. It's one that you can do a lot with and I strongly want to commend Senator San Nicolas for using this particular kind of provision in suggesting that Guam use this kind of provision. Very commendable. And it's very important. It's a good power to communicate very clearly to the federal government what the desires of the government are, and the people are. I just wanted to

point that out. I call it the ruby slippers provision in the Guam Organic Act. It's like Dorothy in the Land of Oz She's had on these ruby slippers forever and just hasn't used it.

First of all, really quickly, the 1998 law was an election-year law. It was done right at the peak of the election season. It was an election gimmick. I was hanging around the legislature back then, just like I do now. There was really no, in my view, sincerity. It was more just an attention-getting device at that time. I think that the general idea of this provision could be effectively done internally tomorrow, right now, by a legislative rule. A firm legislative rule that says two-thirds, super majority, required for all tax issues, those kind of, then it could be done immediately.

But in terms of going to the federal government to change the Organic Act, certainly other U.S. jurisdictions have this type of provision. It's not that controversial of a provision, in general. But I prefer that our leaders show that they have the discipline to use this concept, themselves. But, again, that's a subject for politics and debate, things like that. Certainly one that's worthy of debate. But I do think that the ten-member limit is reasonable. I would just say, for emergencies, there may be other practical reasons that our representatives can certainly work on this, but, in general, that's the substance of my testimony.

I think that 1423k is a wonderful technique or tool, if the 1998 legislature were sincere about this concept, they would have used it if they were sincere at that time. But I think also that a legislative rule could write in your standing rules could be done fairly deliberately. Thank you.

Senator Michael F.Q. San Nicolas

Thank you, Dr. McNinch. Senator? -(addressing Robert Klitzkie)

Senator Robert Klitzkie

Thank you. Thank you, Mr. Chairman. Going back to the medical profession again, I think that I'd start off by saying something that could be remembered here is that sometimes a physician must heal himself. So, I'm going to reference Public Law 24-222 in my testimony. And that, of course, is the reason that we're here right now.

But Public Law 24-222 is a statutory drafting direction and that public law tells you that if you want to raise a tax, you must draft your bill in accordance with certain rules. The rule is that, the bill as introduced must say that it cannot be effective until thirty days after it's ratified by a public referendum. So my question goes to the chairman of rules. How did these bills ever get referred? Because they should have been sent back to the author. As ineffectively drafted or in improperly drafted and not subject to being forwarded to the committee chairmen. If that were vigorously followed, that rule were vigorously followed, then the only other way of achieving that same end is, once the bill gets to the floor, to amend it on the floor. But I think it would be a really good start if the legislature itself compared... complied with Public Law 24-222...

[Senator Robert Klitzkie continued his oral testimony by reading his written testimony. Senator Klitzkie's written testimony is attached to this Sponsor's Report.]

And I've actually included a copy of 259 for those of you who suffer from insomnia. Thank you very much, Mr. Chairman.

Senator Michael F.Q. San Nicolas

Thank you, Senator Klitzkie. Actually, it's bills like 259 that keep me up at night. Mr. Kin Perez, whenever you are ready.

Mr. Joaquin Perez

Thank you, Mr. Chairman.

[Mr. Joaquin Perez continued his oral testimony by reading his written testimony. Mr. Perez's written testimony is attached to this Sponsor's Report.]

And in closing senators, we... we elect you guys because we trust in you. We have confidence in your abilities to manage the government. I still believe that the best rulers, the best arbitrators, for Guam business is the people of Guam. I've been to Washington, D.C., many times, back and forth. And because of their ignorance about Guam, because of their ignorance our situation, I don't want to throw any more bullets, if you will, at them so that they can keep control of this island. They don't want to give up this island. I'll be honest with you. I think the only reason is because of the defense posture. But that doesn't address our rights as citizens, it doesn't address our rights as a people to govern ourselves. Every time we touch that Organic Act, we keep telling these people, we ask them to do it because we cannot do it ourselves. I don't believe that. I think you guys... the best arbiters of any of this, even the Ethics Commission, are the voters of Guam. And there is so short a time period between elections that those decisions will be made by, those ethical decisions will be made. Those decisions on your political wisdom, our political maturity will be made by the voters and those people are the best ethics commission this island has. Thank you.

Senator Michael F.Q. San Nicolas

Thank you Mr. Perez. Before I proceed with my closing statement, do any of my colleagues have any questions for this panel? Vice Speaker Terlaje.

Vice Speaker Therese Terlaje

Thank you. I just wanted to point out that the bill... the resolution that we're looking at doesn't include everything that was in Public Law 24-222 and it talks about "establishes a locally enacted tax or increases a locally enacted tax must be ratified." So it doesn't talk about the bond issue. I just wanted to point that out. And so it doesn't bring in that twenty-five million dollar amount.

Ken Leon Guerrero

No, actually, it does. If you read the Public Law 24-222, it talks about debt, general obligation debt...

Vice Speaker Therese Terlaje

Public Law 24-222 does, but this resolution doesn't extend... doesn't request that control of bonds be dealt with the same way, only the taxes.

Ken Leon Guerrero

I just got that when I sat down, so I hadn't had a chance to read it.

Vice Speaker Therese Terlaje

Thank you all, for your testimony.

Senator Michael F.Q. San Nicolas

Thank you, Vice Speaker. And that is correct. Just to clarify, the bond aspect of bill... I'm sorry, Public Law 24-222 is covered in resolution, I believe it's 312. We broke out both as two separate resolutions, so we can address them as stand-alone issues: tax increases and public debt.

I'd like to thank everybody for their testimony today, a very wide range of testimony. Just to encapsulate, Mr. Leon Guerrero supports the intent of the resolution; Senator Klitzkie, you believe the resolution goes far enough you'd prefer pursuing what was it the bill that you referenced, which was patriating the Organic Act; and Dr. McNinch, you basically spoke to the utilization of section 1423k as a valid avenue for petitioning to Congress; and Mr. Perez, you are opposed to any kind of amendments to the Organic Act as you speak to the self-determination question. You can put that on the record, sir, if you'd like — (addressing Mr. Joaquin Perez)

Mr. Joaquin Perez

I would like to see the Organic Act repealed, in its entirety. And let us, I'm not sure which is going to come first, but develop our own constitution.

Senator Michael F.Q. San Nicolas

That was exactly where I wanted to take the conversation next. The reason why this resolution is being introduced is because the Organic Act is our governing document. If there is going to be any kind of overriding law of the land that's going to govern the laws that we pass here, right now in this body, it's the Organic Act. The only other alternative is if we were going to draft a constitution or if we were going to patriate the existing Organic Act, basically making it our constitution. So if I could ask for the panel to comment on whether they support the idea of drafting a constitution for Guam, seeing how back in the late seventies, that was an idea that was completely rejected by the people. Forty years later, the self-determination question still hasn't been answered. We do not have our

own constitution. All we have now is the Organic Act, that we've had for decades. Would a constitution be a valid thing to pursue in this day and age if we are not going to accept or if we are not going to encourage the Organic Act amendments. Dr. McNinch?

Dr. Ron McNinch

Thanks, senators. I just wanted to make a couple of really quick points on that. American Samoa has had its own constitution since the nineteen sixties and has had no effect on their political status. It's still in the same political status in line with what we are. So there's nothing wrong with passing a constitution. I think that Senator Klitzkie's idea about basically putting an amendment clause on the Guam Organic Act is a great pragmatic idea. It's a great way to make it happen really quickly, to allow a way to amend the Organic Act for the local provisions because really what that does is the... political status is the neighborhood we live in, a constitution lets us move the furniture of government around our house. That's really the distinction. So I think it's very pragmatic to do that. Finally, the earlier draft constitution that was rejected, it might be, depends on how we look at it, dusted off and resubmitted to the people for approval. There's a lot of good things in that constitution. And so that's my little few opinions I have on the constitution effort. I think that, basically, a constitution says exactly what these gentlemen said. It's a signature of political maturity for our government to have its own ability to move its governmental furniture around. Really, that's what it is. Thank you.

Senator Michael F.Q. San Nicolas

Mr. Perez. Kin Perez –

Mr. Joaquin Perez

Most of the people who moved to kill the constitution are now in government. One of them is the Speaker and the other is the President of the University. I don't think they'll come out in opposition to forming a new constitutional convention and developing a new constitution more to our liking and giving more autonomy to our local government. I really don't like feds coming into my house, to tell me what to do, how to handle my house. Thank you.

Senator Michael F.Q. San Nicolas

Thank you, Mr. Perez. Senator Klitzkie.

Senator Robert Klitzkie

The idea of patriating the Organic Act is one, I think, that bears serious consideration. It's exactly what Canada did. Canada had an organic act up until relatively recently in its history. So that Canada, although it was a completely independent country, if they wanted to amend what amounted to their 'constitution', they had to petition the British parliament to do it, until the organic act was patriated, their organic act. If something like what I have suggested here became a law, if it passed, if congress passed it,

the Organic Act becomes our constitution and we could amend it, the way I drafted it, with two successive legislatures, and a referendum could pass amendments to the Organic Act. A constitution is very important because, among other things, it does protect people from themselves. Sometimes in the heat of the moment we cause governments to veer off in directions that perhaps is not wise. So a deliberate approach, perhaps, is a way to go about getting from where we are to where we want to be in a relatively orderly fashion, so that we don't have to petition congress to elect the school board or change one word of the Organic Act. Change from local application to proper application, if Therese knows what I'm talking about. That's what reopened the door for our divorce bill, but that's another question. So constitutions are important. They need to be carefully done because sometimes they last over two hundred years if they are done very, very well. Thank you, Mr. Chairman.

Ken Leon Guerrero

I think it's very telling that we are the only territory that doesn't have one.

Senator Michael F.Q. San Nicolas

Thank you, Mr. Leon Guerrero, and I posed the question because I'm very much in agreement that it may be a fantastic avenue for us to take. I also very much agree with Senator Klitzkie in that we need to be very, very aware of the fact that, if we adopted a constitution and we chucked the Organic Act, our entire system of government to date has been built around that pre-existing system and, by removing that en mass, we may be disrupting how the general framework of this government is supposed to operate. And, perhaps, adopting the Organic Act and, thereafter, tweaking it, would allow us to softly move into drafting what would... eventually would become our own governing document. I think that those are all very excellent suggestions. Again, the intent of Resolution 311-34 is not in any way to undermine either our political status or to reject the idea of a constitution. On the contrary, it's intended to create a law of the land with respect to increasing local taxes. And that law is already existing on the local side. Right now, the only way for us to do that is in the Organic Act. If we were to make the motions necessary to move forward a constitution or to begin patriating the Organic Act, then that would also valid avenues for us to take. In the meantime, I'm also worried that we may get stuck in the same gridlock that has gotten us stuck over the law forty years. When we first posed a question of the constitution, self-determination and political status was thought to be more important than doing that. Here we are forty years later, we don't have that. As we begin to further explore the question of a constitution and patriating an Organic Act, I'm totally open to those conversation, but at the same time, I don't want us to get deadlocked and then these don't become potential laws of the land either. So I very much appreciate the testimony. I think that this is a very good opening discussion for our community to be able to wrap their heads around. And I think this is also a very good discussion for members of this body to begin thinking about different big picture issues that we can begin moving

forward, such as the Organic Act questions and the constitution questions. So that being said, I'd like to conclude the hearing on Resolution 311.

We'll go ahead and conclude the hearing on Resolution 311-34. Thank you to my colleagues for joining us this afternoon. We will adjourn at 12:13 this afternoon. Thank you very much.

-- End of Public Hearing on Resolution No. 311-34 (COR) --

III. FINDINGS AND RECOMMENDATIONS

The Author hereby reports out **Resolution No. 311-34 (COR)** - "Relative to respectfully petitioning the United States Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature" with the recommendation to report out only.

I MINA'TRENTAI KUÁTTRO NA LIHESLATURAN GUÁHAN
2017 (FIRST) Regular Session

Resolution No. 311-34(COR)

Introduced by:

Michael F.Q. San Nicolas 

Relative to respectfully petitioning the United States Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature.

BE IT RESOLVED BY I LIHESLATURAN GUÁHAN:

WHEREAS, in the Twenty-Fourth (24th) Guam Legislature, Speaker Mark Forbes introduced Bill No. 539, which was enacted as Public Law 24-222 on August 4, 1998, requiring that locally enacted and administered tax increases and the issuance of a General Obligation Bond in an amount of greater than Twenty-Five Million Dollars (\$25,000,000) shall go into effect only with the approval of the voters of Guam in a referendum held during a General Election (Exhibit 1); and

WHEREAS, Public Law 34-44, which increases the local Liquid Fuel Tax by Four Cents (\$0.04) per gallon on all classes of liquid fuel subject to the tax, waived the requirement that a referendum be held to ratify the tax increase (Exhibit 2); and

WHEREAS, the enactment of Public Law 34-44 is not consistent with Public Law 24-222 which requires voter ratification, and further demonstrates that

2017 DEC 15 PM 3:34 C.T.

1 Public Law 24-222 does not conclusively prevent the Government of Guam from
2 increasing local taxes without ratification by the people of Guam; and

3 **WHEREAS**, when public laws expressly mandate the involvement of the
4 electorate with their vote on specific matters of law, such laws must be respected
5 and the people must be afforded the opportunity to vote; and

6 **WHEREAS**, the Government of Guam does not have a locally enacted
7 Constitution and, instead, operates under the Organic Act of Guam, and the
8 enactment of an amendment to the Organic Act of Guam requiring voter approval
9 for the establishment of a new or increase of an existing local tax would prevent
10 any future circumvention of the peoples' authority in that matter, consistent with
11 duly enacted local public law; now therefore be it

12 **RESOLVED**, that *I Mina'Trentai Kuåttro Na Liheslaturan Guåhan* does
13 hereby, on behalf of the people of Guam, respectfully petition the United States
14 Congress, pursuant to 48 USC §1423k, to enact legislation amending the Organic
15 Act of Guam to include a provision of Guam Public Law 24-222 that any provision
16 enacted and administered under the authority of the Government of Guam which
17 establishes a locally enacted tax or increases a locally enacted tax must be ratified
18 by a majority of votes cast in a General Election, with allowances for a state of
19 emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature; and be
20 it further

21 **RESOLVED**, that the Speaker certify, and the Legislative Secretary attest
22 to, the adoption hereof, and that copies of the same be thereafter transmitted to the
23 Honorable Vice President Mike Pence, President of the United States Senate; to the
24 Honorable Speaker Paul Ryan, United States House of Representatives; to the
25 Honorable Madeleine Z. Bordallo, Guam's Delegate to the United States House of
26 Representatives; to the Honorable Mark Forbes, Speaker of the Twenty-Eighth

- 1 (28th) and Twenty-Ninth (29th) Guam Legislatures; and to the Honorable Eddie
- 2 Baza Calvo, *I Maga'låhen Guåhan*.

DULY AND REGULARLY ADOPTED BY I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN ON THE ___ DAY OF ____, 2017.

BENJAMIN J.F. CRUZ
Speaker

RÉGINE B. LEE
Legislative Secretary

Exhibit 1



OFFICE OF THE GOVERNOR
GUAM

Refer to
Legislative Secretary

AUG 03 1998

The Honorable Antonio R. Unpingco
Speaker
Mina'Bente Kuáttro na Liheslaturan Guåhan
Twenty-Fourth Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Hagåtña, Guam 96910

Dear Speaker Unpingco:

Enclosed please find Substitute Bill No. 539 (COR), "AN ACT TO ADD §§17320 AND 17321 TO ARTICLE 3, CHAPTER 17 OF TITLE 3 OF THE GUAM CODE ANNOTATED, RELATIVE TO REQUIRING A POPULAR REFERENDUM ON ANY PROPOSED INCREASE IN LOCAL TAXES OR CERTAIN GENERAL OBLIGATION BONDS PRIOR TO THEIR TAKING EFFECT", which was vetoed by the Governor and overridden by the Legislature. This legislation is designated as **Public Law No. 24-222**.

Very truly yours,

Madeleine Z. Bordallo
Madeleine Z. Bordallo
I Maga'lahen Guåhan
Acting Governor of Guam

Attachment: copy attached for signed bill
original attached for vetoed bill

cc: The Honorable Joanne M. S. Brown
Legislative Secretary

00922

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By	<i>[Signature]</i>
Time	<u>3:33pm</u>
Date	<u>8.4.98</u>

Office of the Speaker
ANTONIO R. UNPINGCO
Date: 8/4/98
Time: 2:40pm
Rec'd by: [Signature]
Print Name: Joanne M. S. Brown

**MINA' BENTE KUATTRO NA LIHESLATURAN GUAHAN
1998 (SECOND) Regular Session**

Bill No. 539 (COR)

As substituted and amended
on the Floor.

Introduced by:

Mark Forbes
V. C. Pangelinan
F. E. Santos
W. B.S.M. Flores
F. B. Aguon, Jr.
A. C. Blaz
J. M.S. Brown
Felix P. Camacho
Francisco P. Camacho
M. C. Charfauros
E. J. Cruz
L. F. Kasperbauer
A. C. Lamorena, V
C. A. Leon Guerrero
J. C. Salas
A. L.G. Santos
A. R. Unpingco
J. Won Pat-Borja

**AN ACT TO ADD §§17320 AND 17321 TO ARTICLE
3, CHAPTER 17 OF TITLE 3 OF THE GUAM CODE
ANNOTATED, RELATIVE TO REQUIRING A
POPULAR REFERENDUM ON ANY PROPOSED
INCREASE IN LOCAL TAXES OR CERTAIN
GENERAL OBLIGATION BONDS PRIOR TO
THEIR TAKING EFFECT.**

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

2 **Section 1.** Section 17320 is hereby added to Article 3, Chapter 17 of
3 Title 3 of the Guam Code Annotated to read as follows:

4 **"Section 17320. Referendum on Tax Increases Required.**

5 Notwithstanding any other provision of law, no increase in real
6 property tax, liquid fuel tax, gross receipts tax or any locally enacted
7 and administered tax on Guam shall go into effect without the approval
8 of the voters of Guam in a referendum held during a General Election.
9 The manner in which a proposed tax increase shall be placed in
10 referendum before the voters of Guam pursuant to this Section shall be
11 as follows:

12 1. *I Liheslaturan Guahan* must pass, in bill form, a
13 proposed tax increase, the effective date to be thirty (30) days after
14 ratification by the voters of Guam in a referendum, such
15 ratification to be certified by the Guam Election Commission. The
16 bill must detail the amount and nature of the proposed increase
17 and the purpose to which such proposed increase shall be applied.

18 2. No more than ten (10) days after the bill is enacted into
19 law, the full text of the law shall be transmitted to the Guam
20 Election Commission by the Legislative Secretary of *I Liheslaturan*
21 *Guahan*. The Guam Election Commission shall place before the
22 voters of Guam the question of whether the voters approve or
23 disapprove of the proposed tax increase at the next General
24 Election, provided that the date of transmittal of the proposed tax

1 increase from *I Liheslaturan Guahan* to the Guam Election
2 Commission is at least ninety (90) days prior to the date of the
3 next General Election.

4 3. The Guam Election Commission shall cause to appear
5 in a daily periodical of mass publication on Guam a full text of the
6 proposed tax increase to be submitted to the voters in referendum
7 pursuant to this Section, at a date no less than thirty (30) days
8 prior to the General Election during which the referendum shall
9 be held. *I Liheslaturan Guahan* shall make such provisions as are
10 deemed necessary to provide the public with information
11 necessary to arrive at an informed position with respect to the
12 proposal.

13 4. Any submission to the voters made pursuant to this
14 Section shall be treated as an initiative for the purpose of
15 determining the number of votes needed to ratify a proposal
16 placed before the voters pursuant to this Section.

17 This Section shall not be interpreted as requiring voter
18 ratification of a tax imposed by the government of the United
19 States of America, provided that this Section shall apply upon de-
20 linkage of the Guam income tax from the Federal Internal
21 Revenue Code."

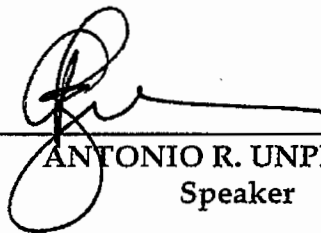
22 Section 2. Section 17321 is hereby added to Article 3, Chapter 17 of
23 Title 3 of the Guam Code Annotated to read as follows:

24 "Section 17321. Voter Approval Required on General
25 Obligation Bonds and Certain Fees. The provisions of §17320 of this

MINA'BENTE KUATTRO NA LIHESLATURAN GUAHAN
1998 (SECOND) Regular Session


CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Substitute Bill No. 539 (COR), "AN ACT TO ADD §§17320 AND 17321 TO ARTICLE 3, CHAPTER 17 OF TITLE 3 OF THE GUAM CODE ANNOTATED, RELATIVE TO REQUIRING A POPULAR REFERENDUM ON ANY PROPOSED INCREASE IN LOCAL TAXES OR CERTAIN GENERAL OBLIGATION BONDS PRIOR TO THEIR TAKING EFFECT," returned without approval of *I Maga'lahen Guahan*, was reconsidered by *I Liheslaturan Guahan* and after such consideration, did agree, on the 29th day of July, 1998, to pass said bill notwithstanding the veto of *I Maga'lahen Guahan* by a vote of fourteen (14) members.




ANTONIO R. UNPINGCO
Speaker

Attested:



JOANNE M.S. BROWN
Senator and Legislative Secretary

This Act was received by *I MAGA'LAHEN GUAHAN* this 3rd day of August
 , 1998, at 9:05 o'clock 9 .M.



Assistant Staff Officer
Governor's Office

1 Article and Chapter shall apply in the case of any general obligation
2 bond of the government of Guam in excess of Twenty-five Million
3 Dollars (\$25,000,000), as well as in the case of the creation of any new
4 fee for service proposed to be established in such cases where the fee is
5 for a service already provided by the government of Guam prior to the
6 establishment of the new fee, and where such service was previously
7 funded through other revenues."

8 **Section 3.** Notwithstanding any provision of law, all campaign
9 contribution and expenditure laws for referendums, as contained in
10 Title 3, GCA, shall apply to 3 GCA §17320 and §17321, as added by this
11 Act.



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

MAY 06 1998

Refer to
Legislative Secretary

Office of the Speaker
ANTONIO R. UNPINGCO

Date: 5-6-98
Time: 4:41 pm
Rec'd by: [Signature]
Print Name: ANTONIO R. UNPINGCO

The Honorable Antonio R. Unpingco
Speaker
Mina'Bente Kuåttro na Liheslaturan Guåhan
Twenty-Fourth Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Hagåtña, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY
ACKNOWLEDGMENT RECEIPT
Received By [Signature]
Time 9:59 am
Date 5-7-98

Dear Speaker Unpingco:

Enclosed please find Substitute Bill No. 539 (COR), "AN ACT TO ADD §§17320 AND 17321 TO ARTICLE 3, CHAPTER 17 OF TITLE 3 OF THE GUAM CODE ANNOTATED, RELATIVE TO REQUIRING A POPULAR REFERENDUM ON ANY PROPOSED INCREASE IN LOCAL TAXES OR CERTAIN GENERAL OBLIGATION BONDS PRIOR TO THEIR TAKING EFFECT.", which I have **vetoed**.

Except for the addition of a Section 2 on bonds, this bill is a "re-run" of Bill No. 65, previously passed last year by the same Mina'Bente Kuåttro na Liheslaturan Guåhan (Twenty-Fourth Guam Legislature) on March 8, 1997, and vetoed on March 21, 1997. Our legislative body is repeating itself, passing the same bills over and over. Bill No. 65 is attached.

This Bill No. 539 is vetoed for the same reason that Bill No. 65 was vetoed: if the people of Guam are going to have to run the government themselves, why have elected officials?

Yes, we have all heard the rhetoric that "in the states, the people vote to approve tax increases". That is true for some states in some circumstances. It is **not true** that there is any state anywhere which requires a vote of the people to raise **any** fee, tax, or bond, as is required in this legislation. This legislation makes it mandatory to hold an election to effect a raise of any fee, to impose any tax, or to even to refinance any bond to take advantage of lower bond rates. However, our legislative body does not believe in this legislation.

Let's take some examples. On March 27, 1998, one month before Bill No. 539 was passed, our legislative body unanimously passed Bill No. 428. This bill

Speaker/B539/veto
May, 1998 - Page 2

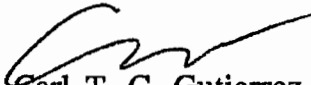
contains fees for the Uniform Fire Code. If our legislators really believed in Bill No. 539, they would have insisted that these fees be put to a vote!

On April 27, 1998, the same day that Bill No. 539 was passed, our legislative body overrode the veto of Bill No. 321. This bill obligates our people to undertake renovations costing in the millions of dollars to move sidewalks and power poles all over our island. If our legislators really believed in Bill No. 539, they would have insisted that this backdoor raise in our people's utility rates needed to pay for this prohibitively expensive project be put to a vote!

This legislation flies in the face of contractual relationships already established with bond holders, both for General Obligation Bonds and for Special Revenue Bonds, such as is the case with autonomous agencies. Any raise in fee for a service already provided, such as for power, water, telephone, and so forth, has to be put to a vote of the people. This makes the Public Utilities Commission obsolete. The public not only would have to do the legislative body's work, but the work of the PUC also.

Our legislative body obviously does not believe in this legislation. Actions speak louder than words. For a moment, the bill might have "sounded good", but it doesn't "act good". This legislation sloughs off the essential responsibility of our legislative body to the people, and makes it impossible to financially manage our government to the better interests of the public.

Very truly yours,


Carl T. C. Gutierrez
I Maga'lahañ Guåhan
Governor of Guam

00790

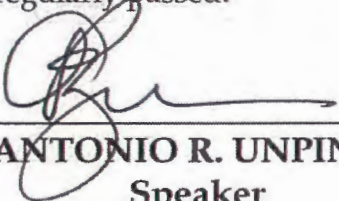
Attachment: copy attached for signed bill
original attached for vetoed bill

cc: The Honorable Joanne M. S. Brown
Legislative Secretary


MINA BENTE KUATTRO NA LIHESLATURAN GUAHAN
1998 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Substitute Bill No. 539 (COR), "AN ACT TO ADD §§17320 AND 17321 TO ARTICLE 3, CHAPTER 17 OF TITLE 3 OF THE GUAM CODE ANNOTATED, RELATIVE TO REQUIRING A POPULAR REFERENDUM ON ANY PROPOSED INCREASE IN LOCAL TAXES OR CERTAIN GENERAL OBLIGATION BONDS PRIOR TO THEIR TAKING EFFECT," was on the 27th day of April, 1998, duly and regularly passed.


ANTONIO R. UNPINGCO
Speaker

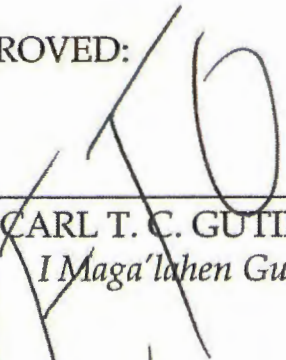
Attested:


JOANNE M.S. BROWN
Senator and Legislative Secretary

This Act was received by *I Maga'lahaen Guahan* this 29th day of April, 1998,
at 12:15 o'clock P.M.


Assistant Staff Officer
Governor's Office

APPROVED:


CARL T. C. GUTIERREZ
I Maga'lahaen Guahan

Date _____

Public Law No. _____

**MINA' BENTE KUATTRO NA LIHESLATURAN GUAHAN
1998 (SECOND) Regular Session**

Bill No. 539 (COR)

As substituted and amended
on the Floor.

Introduced by:

Mark Forbes
V. C. Pangelinan
F. E. Santos
W. B.S.M. Flores
F. B. Aguon, Jr.
A. C. Blaz
J. M.S. Brown
Felix P. Camacho
Francisco P. Camacho
M. C. Charfauros
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**AN ACT TO ADD §§17320 AND 17321 TO ARTICLE
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INCREASE IN LOCAL TAXES OR CERTAIN
GENERAL OBLIGATION BONDS PRIOR TO
THEIR TAKING EFFECT.**

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

2 **Section 1.** Section 17320 is hereby added to Article 3, Chapter 17 of
3 Title 3 of the Guam Code Annotated to read as follows:

4 **"Section 17320. Referendum on Tax Increases Required.**

5 Notwithstanding any other provision of law, no increase in real
6 property tax, liquid fuel tax, gross receipts tax or any locally enacted
7 and administered tax on Guam shall go into effect without the approval
8 of the voters of Guam in a referendum held during a General Election.
9 The manner in which a proposed tax increase shall be placed in
10 referendum before the voters of Guam pursuant to this Section shall be
11 as follows:

12 1. *I Liheslaturan Guahan* must pass, in bill form, a
13 proposed tax increase, the effective date to be thirty (30) days after
14 ratification by the voters of Guam in a referendum, such
15 ratification to be certified by the Guam Election Commission. The
16 bill must detail the amount and nature of the proposed increase
17 and the purpose to which such proposed increase shall be applied.

18 2. No more than ten (10) days after the bill is enacted into
19 law, the full text of the law shall be transmitted to the Guam
20 Election Commission by the Legislative Secretary of *I Liheslaturan*
21 *Guahan*. The Guam Election Commission shall place before the
22 voters of Guam the question of whether the voters approve or
23 disapprove of the proposed tax increase at the next General
24 Election, provided that the date of transmittal of the proposed tax

increase from *I Liheslaturan Guahan* to the Guam Election Commission is at least ninety (90) days prior to the date of the next General Election.

3. The Guam Election Commission shall cause to appear in a daily periodical of mass publication on Guam a full text of the proposed tax increase to be submitted to the voters in referendum pursuant to this Section, at a date no less than thirty (30) days prior to the General Election during which the referendum shall be held. *I Liheslaturan Guahan* shall make such provisions as are deemed necessary to provide the public with information necessary to arrive at an informed position with respect to the proposal.

4. Any submission to the voters made pursuant to this Section shall be treated as an initiative for the purpose of determining the number of votes needed to ratify a proposal placed before the voters pursuant to this Section.

This Section shall not be interpreted as requiring voter ratification of a tax imposed by the government of the United States of America, provided that this Section shall apply upon de-linkage of the Guam income tax from the Federal Internal Revenue Code."

Section 2. Section 17321 is hereby added to Article 3, Chapter 17 of Title 3 of the Guam Code Annotated to read as follows:

"Section 17321. Voter Approval Required on General Obligation Bonds and Certain Fees. The provisions of §17320 of this

1 Article and Chapter shall apply in the case of any general obligation
2 bond of the government of Guam in excess of Twenty-five Million
3 Dollars (\$25,000,000), as well as in the case of the creation of any new
4 fee for service proposed to be established in such cases where the fee is
5 for a service already provided by the government of Guam prior to the
6 establishment of the new fee, and where such service was previously
7 funded through other revenues.”

8 **Section 3.** Notwithstanding any provision of law, all campaign
9 contribution and expenditure laws for referendums, as contained in
10 Title 3, GCA, shall apply to 3 GCA §17320 and §17321, as added by this
11 Act.

TWENTY-FOURTH GUAM LEGISLATURE

1998 (SECOND) Regular Session

Date: 4-27-98

VOTING SHEET

S, Bill No. 539

Resolution No. _____

Question: _____

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	ABSENT/ OUT DURING ROLL CALL
ADA, Thomas C.		✓		
AGUON, Frank B., Jr.	✓			
BARRETT-ANDERSON, Elizabeth				
BLAZ, Anthony C.	✓			
BROWN, Joanne M. S.	✓			
CAMACHO, Felix P.	1 ✓			
CAMACHO, Francisco P.	1 ✓			
CHARFAUROS, Mark C.	1	✓		
CRUZ, Edwardo J.	✓			
FLORES, William B.S.M.	1 ✓			
FORBES, Mark	✓			
KASPERBAUER, Lawrence F.	✓			
LAMORENA, Alberto C., V			AB	
LEON GUERRERO, Carlotta A.	✓			
LEON GUERRERO, Lou		✓		
PANGELINAN, Vicente C.	✓			
SALAS, John C.	✓			
SANTOS, Angel L.G.	✓			
SANTOS, Francis E.	✓			
UNPINGCO, Antonio R.	1 ✓			
WON PAT-BORJA, Judith	1 ✓			

TOTAL

16 3 1 _____

CERTIFIED TRUE AND CORRECT:

Clerk of the Legislature

Overridden

I MINA' BENTE KUATTRO NA LIHESLATURAN GUAHAN

1998 (SECOND) Regular Session

Date: 7/29/98

VOTING SHEET

Vetoed

Bill No. 539

Resolution No. _____

Question: _____

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	ABSENT/ OUT DURING ROLL CALL
ADA, Thomas C.		✓		
AGUON, Frank B., Jr.	✓			
BARRETT-ANDERSON, Elizabeth				
BLAZ, Anthony C.	✓			
BROWN, Joanne M. S.	✓			
CAMACHO, Felix P.	✓			
CAMACHO, Francisco P.	✓			
CHARFAUROS, Mark C.	✓			
CRUZ, Edwardo J.	✓			
FLORES, William B.S.M.	✓			
FORBES, Mark	✓			
KASPERBAUER, Lawrence F.	✓			
LAMORENA, Alberto C., V	✓			
LEON GUERRERO, Carlotta A.	✓			
LEON GUERRERO, Lou		✓		
PANGELINAN, Vicente C.		✓		
SALAS, John C.	✓			
SANTOS, Angel L.G.	✓			
SANTOS, Francis E.				✓
UNPINGCO, Antonio R.		✓		
WON PAT-BORJA, Judith				✓

TOTAL

14 4 _____ 2

CERTIFIED TRUE AND CORRECT:

Clerk of the Legislature

MINA'BENTE KUATTRO NA LIHESLATURAN GUAHAN
1998 (SECOND) Regular Session

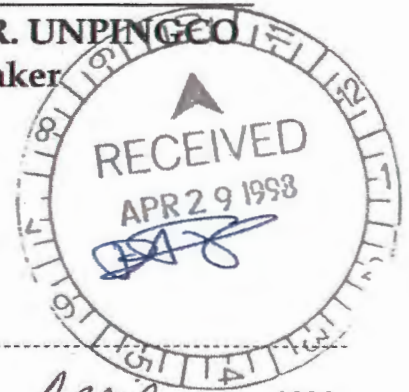
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Substitute Bill No. 539 (COR), "AN ACT TO ADD §§17320 AND 17321 TO ARTICLE 3, CHAPTER 17 OF TITLE 3 OF THE GUAM CODE ANNOTATED, RELATIVE TO REQUIRING A POPULAR REFERENDUM ON ANY PROPOSED INCREASE IN LOCAL TAXES OR CERTAIN GENERAL OBLIGATION BONDS PRIOR TO THEIR TAKING EFFECT," was on the 27th day of April, 1998, duly and regularly passed.

ANTONIO R. UNPINGCO
Speaker

Attested:

JOANNE M.S. BROWN
Senator and Legislative Secretary



This Act was received by *I Maga'lahaen Guahan* this 29th day of April, 1998,
at 12:15 o'clock P.M.

Murintere
Assistant Staff Officer
Governor's Office

APPROVED:

CARL T. C. GUTIERREZ
I Maga'lahaen Guahan

Date: _____

Public Law No. _____

Office of the Speaker
ANTONIO R. UNPINGCO
Date. 4/29/98
Time. 9:10 am
Rec'd by: [Signature]
Print Name: Janice Hoag

**MINA' BENTE KUATTRO NA LIHESLATURAN GUAHAN
1998 (SECOND) Regular Session**

Bill No. 539 (COR)

As substituted and amended
on the Floor.

Introduced by:

Mark Forbes
V. C. Pangelinan
F. E. Santos
W. B.S.M. Flores
F. B. Aguon, Jr.
A. C. Blaz
J. M.S. Brown
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22 voters of Guam the question of whether the voters approve or
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24 Election, provided that the date of transmittal of the proposed tax

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2 Commission is at least ninety (90) days prior to the date of the
3 next General Election.

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7 pursuant to this Section, at a date no less than thirty (30) days
8 prior to the General Election during which the referendum shall
9 be held. *I Liheslaturan Guahan* shall make such provisions as are
10 deemed necessary to provide the public with information
11 necessary to arrive at an informed position with respect to the
12 proposal.

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14 Section shall be treated as an initiative for the purpose of
15 determining the number of votes needed to ratify a proposal
16 placed before the voters pursuant to this Section.

17 This Section shall not be interpreted as requiring voter
18 ratification of a tax imposed by the government of the United
19 States of America, provided that this Section shall apply upon de-
20 linkage of the Guam income tax from the Federal Internal
21 Revenue Code."

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23 Title 3 of the Guam Code Annotated to read as follows:

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25 **Obligation Bonds and Certain Fees.** The provisions of §17320 of this

1 Article and Chapter shall apply in the case of any general obligation
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3 Dollars (\$25,000,000), as well as in the case of the creation of any new
4 fee for service proposed to be established in such cases where the fee is
5 for a service already provided by the government of Guam prior to the
6 establishment of the new fee, and where such service was previously
7 funded through other revenues."

8 **Section 3.** Notwithstanding any provision of law, all campaign
9 contribution and expenditure laws for referendums, as contained in
10 Title 3, GCA, shall apply to 3 GCA §17320 and §17321, as added by this
11 Act.

Exhibit 2



EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor Of Guam

OCT 12 2017

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

GR # 34-17-1082
Speaker Benjamin J.F. Cruz

OCT 13 2017

Time: 3:40 AM () PM File No. 34-1027
Received By:

Dear Mr. Speaker:

Transmitted herewith is Substitute Bill No. 122-34 (COR), "AN ACT TO AMEND § 26403 OF ARTICLE 4, CHAPTER 26, DIVISION 2, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO INCREASING THE LIQUID FUEL TAX RATES BY FOUR CENTS (\$0.04) PER GALLON, EFFECTIVE JANUARY 1, 2018, FOR THE PURPOSE OF FUNDING VILLAGE ROAD REPAIR AND CONSTRUCTION PROJECTS," which was signed into law on October 12, 2017, as Public Law 34-44.

2017 OCT 13 PM 4:06
Full

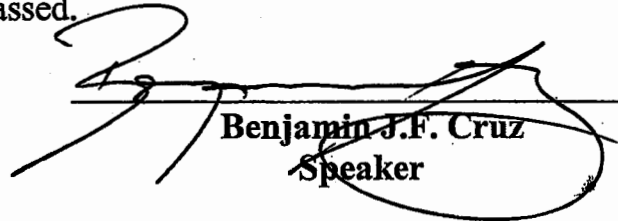
Senseramente,

EDDIE BAZA CALVO


I MINA'TRENTAI KUATTRO NA LIHESLATURAN GUÅHAN
2017 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LÅHEN GUÅHAN

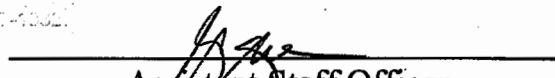
This is to certify that **Substitute Bill No. 122-34 (COR), "AN ACT TO AMEND § 26403 OF ARTICLE 4, CHAPTER 26, DIVISION 2, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO INCREASING THE LIQUID FUEL TAX RATES BY FOUR CENTS (\$0.04) PER GALLON, EFFECTIVE JANUARY 1, 2018, FOR THE PURPOSE OF FUNDING VILLAGE ROAD REPAIR AND CONSTRUCTION PROJECTS,"** was on the 29th day of September 2017, duly and regularly passed.


Benjamin J.F. Cruz
Speaker

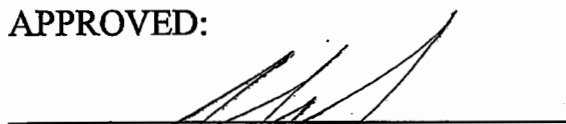
Attested:


Dennis G. Rodriguez, Jr.
Acting Legislative Secretary

This Act was received by *I Maga'låhen Guåhan* this 2nd day of Dec,
2017, at 4:40 o'clock P.M.


Assistant Staff Officer
Maga'låhi's Office

APPROVED:


EDWARD J.B. CALVO
I Maga'låhen Guåhan

Date: OCT 12 2017

Public Law No. 34-44

**I MINA'TRENTAI KUÁTTRO NA LIHESLATURAN GUÁHAN
2017 (FIRST) Regular Session**

Bill No. 122-34 (COR)

As substituted by the Committee on Education,
Finance and Taxation; and amended on the Floor.

Introduced by:

Tommy Morrison
Thomas C. Ada
FRANK B. AGUON, JR.
William M. Castro
B. J.F. Cruz
James V. Espaldon
Fernando Barcinas Esteves
Régine Biscoe Lee
Louise B. Muña
Telena Cruz Nelson
Dennis G. Rodriguez, Jr.
Joe S. San Agustin
Therese M. Terlaje
Mary Camacho Torres

**AN ACT TO AMEND § 26403 OF ARTICLE 4, CHAPTER
26, DIVISION 2, TITLE 11, GUAM CODE ANNOTATED,
RELATIVE TO INCREASING THE LIQUID FUEL TAX
RATES BY FOUR CENTS (\$0.04) PER GALLON,
EFFECTIVE JANUARY 1, 2018, FOR THE PURPOSE OF
FUNDING VILLAGE ROAD REPAIR AND
CONSTRUCTION PROJECTS.**

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

2 **Section 1.** § 26403 of Article 4, Chapter 26, Division 2, Title 11, Guam
3 Code Annotated, is *amended* to read:

4 **“§ 26403. Rates.**

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Notwithstanding the requirements of § 16311 of Article 3, Chapter 16, Title 3, Guam Code Annotated, and any other provision of law, the following rates *shall* apply in computing, assessing, and collecting the liquid fuel tax, effective January 1, 2018:

(a) a tax at the rate of Fourteen Cents (\$0.14) per gallon on diesel fuel; and

(b) a tax at the rate of Fifteen Cents (\$0.15) per gallon on all other liquid fuel as defined herein *except* liquid fuel used for commercial aviation purposes which is taxed at a rate of Eight Cents (\$0.08) per gallon.”

Senator Thomas C. Ada,
Vice Chairperson

Speaker Benjamin J.F. Cruz,
Member

Vice Speaker Therese M. Terlaje,
Member

Senator Frank B. Aguon, Jr.,
Member

Senator Telena C. Nelson,
Member



COMMITTEE ON RULES
SENATOR RÉGINE BISCOE LEE, CHAIR

SIKRITARIAN LIHESLATURAN GUAHAN
MINA TRENTAI KUATTRO NA LIHESLATURAN GUAHAN
LEGISLATIVE SECRETARY • 34TH GUAM LEGISLATURE

Senator Dennis G. Rodriguez, Jr.,
Member

Senator Joe S. San Agustin,
Member

Senator Michael F.Q. San Nicolas,
Member

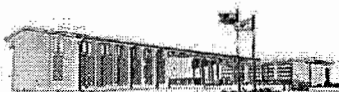
Senator James V. Espaldon,
Member

Senator Mary Camacho Torres,
Member

COMMITTEE REPORT CHECKLIST

Part 1 / 1

RESOLUTION NO. 311-34 (COR)					
Relative to respectfully petitioning the United States Congress, pursuant to 48 USC § 1423k, to enact legislation amending the Organic Act of Guam to include a provision of Guam Public Law 24-222 that any provision enacted and administered under the authority of the Government of Guam which establishes a locally enacted tax or increases a locally enacted tax must be ratified by a majority of votes cast in a General Election, with allowances for a state of emergency if so ratified by a two-thirds (2/3) vote of the Guam Legislature.					
Referred to: Senator Michael F.Q. San Nicolas, Sponsor					
(A) PUBLIC HEARING	(1) HEARING NOTICES SR §§ 6.04(a)(1) and 6.04(a)(2), Open Government Law (5 GCA, Ch. 8)				
	<table border="1" style="width: 100%;"> <tr> <td style="width: 60%;"><input checked="" type="checkbox"/> (a) Five (5) working days prior (ALL Senators & ALL Media)</td> <td style="width: 40%;">Date and Time of Notice: <i>Thurs., January 4, 2018 @ 4:15 p.m.</i></td> </tr> <tr> <td><input checked="" type="checkbox"/> (b) Forty-eight (48) hours prior (ALL Senators & ALL Media)</td> <td>Date and Time of Notice: <i>Tues., January 9, 2018 @ 9:07 a.m.</i></td> </tr> </table>	<input checked="" type="checkbox"/> (a) Five (5) working days prior (ALL Senators & ALL Media)	Date and Time of Notice: <i>Thurs., January 4, 2018 @ 4:15 p.m.</i>	<input checked="" type="checkbox"/> (b) Forty-eight (48) hours prior (ALL Senators & ALL Media)	Date and Time of Notice: <i>Tues., January 9, 2018 @ 9:07 a.m.</i>
	<input checked="" type="checkbox"/> (a) Five (5) working days prior (ALL Senators & ALL Media)	Date and Time of Notice: <i>Thurs., January 4, 2018 @ 4:15 p.m.</i>			
	<input checked="" type="checkbox"/> (b) Forty-eight (48) hours prior (ALL Senators & ALL Media)	Date and Time of Notice: <i>Tues., January 9, 2018 @ 9:07 a.m.</i>			
	(2) Date and Time of Hearing: <i>Thurs., January 11, 2018 @ 10:00 a.m.</i>	or (4) HEARING WAIVED by Speaker in case of emergency SR § 6.04(a)(1) <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A If YES: Attach memo indicating WAIVER			
(3) Location: The Public Hearing Room, Guam Congress Building					



GUAM CONGRESS BUILDING • 163 CHALAN SANTO PAPA • HAGÁTNA, GUAM 96910
Telephone: (671) 472-3455 • Email address: corguamlegislature@gmail.com

**Committee Report Checklist on
Resolution No. 311-34 (COR)
Part 1 / 1**

	(1) Committee Report filed with COR? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO If YES: Date & Time: <i>Tues, January 16, 2018 @ 4:20 p.m.</i>	Notes:	If NO: UNABLE TO PLACE ON SESSION AGENDA SR § 6.04(d)(1)
	(1)(a) Secondary CMTE Report filed with COR? <input type="checkbox"/> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> N/A If YES: Date & Time:		
(B) COMMITTEE REPORT	(2) COMMITTEE REPORT COMPONENTS		
	(a) Front Page Transmittal to Speaker		<input checked="" type="checkbox"/>
	(a)(1) COR Chair Signature Line		<input checked="" type="checkbox"/>
	(b) Title Page		<input checked="" type="checkbox"/>
	(c) Committee Chair Memo to All Committee Members		<input checked="" type="checkbox"/>
	(d) COR Referral Memorandum		<input checked="" type="checkbox"/>
	(e) Notice of Public Hearing & Other Correspondence		<input checked="" type="checkbox"/>
	(f) Public Hearing Agenda		<input checked="" type="checkbox"/>
	(g) Public Hearing Sign-in Sheet		<input checked="" type="checkbox"/>
	(h) Written Testimonies & Additional Documents		<input checked="" type="checkbox"/>
	(i) Committee Vote Sheet(s)		<input checked="" type="checkbox"/>
	(j) Committee Report Digest(s)		<input checked="" type="checkbox"/>
	(k) Resolution History		<input checked="" type="checkbox"/>
	(k)(1) Copy of Resolution as introduced + Exhibits 1 & 2		<input checked="" type="checkbox"/>
	(k)(2) Copy of Bill as amended/substituted by Committee (if applicable)		<input type="checkbox"/>
(n) Related News Reports (optional)		<input type="checkbox"/>	
(o) Miscellaneous (optional)		<input type="checkbox"/>	
(p) Committee Report Checklist(s)		<input checked="" type="checkbox"/>	
	Originals	<input checked="" type="checkbox"/>	
	Single-Sided	<input checked="" type="checkbox"/>	
	Letter Size	<input checked="" type="checkbox"/>	
	No Staples/ Paper Clips	<input checked="" type="checkbox"/>	
(C) COR Action	<input checked="" type="checkbox"/> CMTE Report duly filed; Available for Placement on Session Agenda <input type="checkbox"/> CMTE Report non-conforming for acceptance; Return to Committee	COR CHAIR (Signature, Date & Time) <i>[Signature]</i> <i>Jan 16, 2018 @ 4:30 pm.</i>	

N/A
 N/A
 N/A

