

**MINA'BENTE OCHO NA LIHESLATURAN GUÅHAN
TWENTY-EIGHTH GUAM LEGISLATURE
2006 (SECOND) Regular Session**

Bill No. 249 (EC)

Introduced by:

A. B. Palacios, Sr. 

AN ACT TO ADD NEW §24306.1 AND §24306.2, ARTICLE 3, CHAPTER 24, DIVISION 2 OF TITLE 11 GUAM CODE ANNOTATED; AND TO AMEND §24425(I), ARTICLE 4, CHAPTER 22, DIVISION 2, OF TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO CREATING A "REAL PROPERTY VALUATION FUND" AND REQUIRE THREE PERCENT (3%) OF REVENUES COLLECTED AND INTEREST EARNED ON REAL PROPERTY TAXES TO BE DEPOSITED INTO THE FUND TO FACILITATE THE VALUATION MANDATE.

BE IT ENACTED BY THE PEOPLE OF GUAM:

1 **Section 1. Legislative findings and intent.** *I Liheslaturan Guåhan* finds that since the
2 implementation of §24306 in 1978, there was only two actual real property valuation performed at a
3 cost of approximately \$2.5 Million Dollars each. According to officials of the Department of
4 Revenue and Taxation, no funds have ever been appropriated for the assessment requirement.
5 When available lapses were used to pay for previous assessments.

6 Department of Revenue and Tax officials recommend permanent appropriation of funds
7 coupled with automation upgrades and specialized personnel in market analysis shall ensure timely
8 completion of the valuation assessment.

1 It is therefore, the intent of *I Liheslaturan Guåhan* to create a special fund and to identify its
2 funding source to ensure that the real property valuation assessment is performed and completed as
3 mandated by law.

4 **Section 2. A new §24306.1, Article 3, Chapter 24, Title 11 Guam Code Annotated is**
5 **added to read as follows:**

6 “§24306.1 **Real Property Valuation Fund.** (a) There is hereby created the “Real Property
7 Valuation Fund,” which shall be separate and apart from that of the government of Guam General
8 Fund accounts. This Fund together with the interest earned thereon shall be administered by the
9 Director of Revenue and Taxation and is authorized to pay for the cost to perform, procure
10 equipment, software, hire personnel or contract the Real Property Valuation Assessment as
11 mandated in §24306, Article 3, Chapter 24, Title 11 Guam Code Annotated.

12 (b) *I Liheslaturan Guåhan* may, from time to time, appropriate money from the General Fund
13 for deposit into the “Real Property Valuation Fund.”

14 **Section 3. The first paragraph of §22425 (l), Article 4, Chapter 22, Division 2, Title**
15 **5, Guam Code Annotated, is amended to read as follows:**

16 “(l) Territorial Educational Facilities Fund. There is continued in existence,
17 separate and apart from other funds of the government of Guam, a fund known as the
18 “Territorial Education Facilities Fund” (the “TEF Fund”). ~~It~~ The TEF Fund shall not be
19 commingled with the General Fund or any other fund of the government of Guam. The
20 TEF Fund shall be held in an account or accounts at a Guam financial institution or
21 institutions separate and apart from all other accounts and funds of the government of
22 Guam. ~~All~~ Real property tax revenues received by or on behalf of the government of
23 Guam pursuant to § 24103, Title 11, Guam Code Annotated, except three percent (3%) of

1 the total real property tax revenues collected of which shall be deposited into the “Real
2 Property Valuation Fund,” shall be deposited in the TEF Fund and shall be accounted for
3 and used periodically only for the following purposes and in the following order:”

4 **Section 4. A new §24306.2, Article 3, Chapter 24, Title 11 Guam Code Annotated is**
5 **added to read as follows:**

6 **“§24306.2 Funding Source.** Three percent (3%) of all revenues received and interest
7 earned on real property taxes received pursuant to §24103, Article 2, Chapter 24, Title 11, Guam
8 Code Annotated, shall be deposited into the “Real Property Valuation Fund.”

9 **Section 5. Effective Date.** The provisions of this Act shall take effect 30 calendar days
10 from the date of enactment into law.