

I MINA' TRENTA UNO NA LIHESLATURAN GUÅHAN
2011 (FIRST) Regular Session

Bill No. 25-31 (COR)

Introduced by:

V. A. Ada
B.J.F. Cruz

2011 JAN 11 AM 9:14

**AN ACT TO PROVIDE RELIEF TO THOSE BUSINESSES AND
THEIR EMPLOYEES IMPACTED BY ROAD CONSTRUCTION
PROJECTS AT BUSY INTERSECTIONS THROUGHOUT GUAM.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that many of the current road construction projects are adversely affecting businesses located on or in close proximity to major intersections on Guam. In many cases, multiple lane highways including turning lanes are being re-routed into single lane roads causing congestion and substantial delays for motorists that must traverse these areas. As a result, businesses in these areas are seeing a decrease in revenues of up to seventy-five percent as consumers forego patronage. The impact on employees of these businesses are reduced work hours, pay reduction, loss of benefits or layoffs. The impact on the government of Guam is the loss all of tax and fee revenues.

It is the intent of *I Liheslatura* to provide temporary relief from the *cost of Government* for businesses adversely affected by road construction projects by providing temporary relief from government of Guam excise taxes and fees for a period of one year.

1 **Section 2. Qualifying Businesses.** (a) All businesses whose entrances, exits or driveways
2 are within one hundred fifty feet (150 ft.) of the following intersections qualify for the
3 relief provided for in this Act:

4

5 (1) The intersection of Routes 8, 10, and 16;

6 (2) The intersection of Routes 1 and Wusstig Road;

7 (3) The intersection of Route 4 and Chalan Canton Tutujan; and

8

9 (b) All businesses whose entrances, exits or driveways are within the one hundred fifty
10 feet (150 ft.) of an intersection where construction takes place that causes an increase in
11 motor vehicle travel time and exceeds thirty (30) days in duration qualify for the relief
12 provided for in this Act.

13

14 **Section 5. Qualifying Relief.** Businesses that qualify under the provision of Section 3 of
15 this Act are eligible to receive the following:

16

17 (1) Exemption from Excise Taxes assessed under Chapter 26 of 11GCA on the sale
18 of goods and services for a period of one (1) year commencing at the later of the
19 date of the commencement of road construction or the effective date of this Act.

20 (2) Exemption from Excise Taxes assessed under Chapter 26 of 11GCA on leases
21 payments paid by tenants of qualifying establishments for a period of one (1) year
22 commencing at the later of the date of the commencement of road construction or
23 the effective date of this Act.

24 (3) Exemptions from all business-related fees and licenses assessed under Titles 10,
25 11, and 16 of the Guam Code Annotated; for a period of one (1) year commencing
26 at the later of the date the commencement of road construction or the effective date
27 of this Act.

28

1 **Section 6. Working Capital Loans.** Notwithstanding any other provision of law and
2 subject to the availability of funds, the Guam Economic Development Authority is
3 authorized to extend working capital loans to qualifying business subject to the following
4 criteria;

- 5
- 6 (1) A term not to exceed three (3) years,
- 7 (2) An annual interest rate not to exceed Seven percent (7%),
- 8 (3) A principal amount not to exceed Twenty Five Thousand Dollars (\$25,000),
- 9 (4) Ability to meet acceptable credit standards (repayment ability), and
- 10 (5) Agreement that the proceeds of the loan shall be used for the following purposes
11 only:
 - 12 (a) Payment of Salaries and benefits of employees,
 - 13 (b) Payment of rent or mortgages, and
 - 14 (c) Payment of Utilities
- 15

16 **Section 7. Sunset Provision.** Unless extended by Act of *I Liheslaturan Guåhan*, the
17 eligibility for benefits from provisions of this Act shall be limited to those qualifying
18 businesses, as defined herein, who meet such qualifications within two (2) years following
19 the effective date of this Act.

20

21 **Section 8. Severability.** *If* any provision of this Act or its application to any person or
22 circumstance is found to be invalid or contrary to law, such invalidity shall *not* affect
23 other provisions or applications of this Law which can be given effect without the invalid
24 provisions or application, and to this end the provisions of this Act are severable.

25