EDDIE BAZA CALVO Governor



RAY TENORIO Lieutenant Governor

Office of the Governor of Guam

NOV 2 7 2013

Honorable Judith T. Won Pat, Ed.D. Speaker I Mina'trentai Dos Na Liheslaturan Guåhan 155 Hesler Street Hagåtña, Guam 96910

32-13-104 Office of the apealor kudith T. Won Pat. Ed. D.

Dear Madame Speaker:

Transmitted herewith is Bill No. 91-32 (COR) "AN ACT TO EARMARK ALL TAX REVENUE DERIVED FROM THE OPERATION OF ANY NEW ACUTE CARE HOSPITAL FACILITY, AND TO APPROPRIATE SUCH EARMARKED REVENUE TO THE GUAM MEMORIAL HOSPITAL AUTHORITY TO SUPPLEMENT PHARMACEUTICAL AND RELATED SUPPLIES" which I signed into law on November 27, 2013 as Public Law 32-072.

Senseramente,

EDDIE BAZA CALVO

Ricardo J. Bordallo Governor's Complex • Adelup, Guam 96910

I MINA TRENTAI DOS NA LIHESLATURAN GUÅHAN 2013 (FIRST) Regular Session

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

This is to certify that Bill No. 91-32 (COR), "AN ACT TO EARMARK ALL TAX REVENUE DERIVED FROM THE OPERATION OF ANY NEW ACUTE CARE HOSPITAL FACILITY, AND TO APPROPRIATE SUCH EARMARKED REVENUE TO THE GUAM MEMORIAL HOSPITAL AUTHORITY TO SUPPLEMENT PHARMACEUTICAL AND RELATED SUPPLIES", was on the 12th day of November 2013, duly and regularly passed.

	Judith T. Won Pat, Ed.D. Speaker
Attested Tina Rose Muña Barnes Legislative Secretary	
This Act was received by <i>I Maga'lahen (</i> 2013, at <u>\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\</u>	
• -	Guåhan this 15th day of Nov Assistant Staff Officer Maga'lahi's Office
2013, at W. H. o'clock A.M.	Assistant Staff Officer

I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN 2013 (FIRST) Regular Session

Bill No. 91-32 (COR)

As amended on the Floor.

Introduced by:

R. J. Respicio
T. C. Ada
V. Anthony Ada
FRANK B. AGUON, JR.
B. J.F. Cruz
Chris M. Dueñas
Michael T. Limtiaco
Brant T. McCreadie
Tommy Morrison
T. R. Muña Barnes
Vicente (ben) C. Pangelinan
Dennis G. Rodriguez, Jr.
Michael F. Q. San Nicolas
Aline A. Yamashita, Ph.D.
Judith T. Won Pat, Ed.D.

AN ACT TO EARMARK ALL TAX REVENUE DERIVED FROM THE OPERATION OF ANY NEW ACUTE CARE HOSPITAL FACILITY, AND TO APPROPRIATE SUCH EARMARKED REVENUE TO THE GUAM MEMORIAL HOSPITAL AUTHORITY TO SUPPLEMENT PHARMACEUTICAL AND RELATED SUPPLIES.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

- 2 Section 1. Legislative Findings and Intent. I Liheslaturan Guåhan
- 3 finds that Guam's public health care institutions and approved non-
- 4 governmental organizations providing healthcare services are seriously

underfunded. This has led to continual shortages in medical supplies and pharmaceuticals.

I Liheslatura further finds that in 2012, the federally-approved discount provider for medical supplies intercepted approximately \$500,000 (Five Hundred Thousand Dollars) taken from Medicare reimbursements through the U.S. Treasury, and is currently threatening to garnish additional funds.

I Liheslatura finds that when the new, private, for-profit hospital begins operation, the Guam Memorial Hospital Authority (GMHA) client base will decrease and will result in reduced revenues. Consequently, GMHA's operations revenue potential will inevitably deteriorate. Given GMH's vital role as the only civilian public hospital, as well as the limited availability of healthcare dollars within our community, it is imperative that the government of Guam sustain funding levels to meet the GMHA pharmaceutical requirements.

I Liheslatura finds that the new medical facility will produce additional tax revenues and it should be earmarked to benefit our healthcare system.

It is, therefore, the intent of *I Liheslatura* that any tax and other revenue collected by the government of Guam, that is directly attributable to the operation of a new hospital and any other new medical facilities, must be reserved and appropriated to GMHA in order to offset any revenue losses due to client diversion.

Section 2. Department of Revenue and Taxation Shall Annually Estimate Acute Health Care Revenues. Within thirty (30) days of the enactment of this Act, the Director of Revenue and Taxation (DRT) shall provide a written estimate of the additional revenue for Fiscal Year 2014 and beyond, and update such written approximation annually, relative to the amount of revenue that should accrue to the government of Guam as a result of the operation of any new acute healthcare facility or facilities on Guam.

Section 3. Annual Appropriations to the Guam Memorial Hospital Authority (GMHA). Beginning in FY 2014, there is hereby appropriated annually, from the General Fund to GMHA, those additional tax revenues, identified in accordance with Section 2 of this Act, that accrue as a result of the operation of any new acute care hospital and other new in-patient facilities on Guam, to sustain required funding levels for GMHA's pharmaceutical and related supplies. Such funds *shall* be deposited into the GMHA Pharmaceutical Fund, and thereby expended in accordance with the provisions applicable therein.