



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

OFFICE OF THE SPEAKER

Date: July 7, 1995
Time: 3:07
Received By: [Signature]
Print Name: Phil Roberto

JUL 07 1995

The Honorable Ted S. Nelson
Acting Speaker
Twenty-Third Guam Legislature
424 West O'Brien Drive
Julale Center - Suite 222
Agana, Guam 96910

Via: Office of Speaker Don Parkinson

Dear Speaker Nelson:

Enclosed please find a copy of Bill No. 288 (LS), "AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12, GUAM CODE ANNOTATED, TO DESIGNATE CERTAIN FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE APPLICATION FOR AND RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF FUNDING FOR THE "SMALL BUSINESS DEVELOPMENT FUND", which I have signed into law today as **Public Law No. 23-36**.

The "Executive Branch Budget Act of 1992", of which I was the main sponsor, included a section providing for loans to be made by the Guam Economic Development Authority to stimulate small businesses. The purpose of these loans was to "encourage, assist, develop and expand the small business private sector in Guam's economy." An initial appropriation of Three Million Dollars (\$3,000,000) was provided. Unfortunately, none of this funding was ever released for this purpose.

Bill No. 288 is a step towards assisting our small business sector. Although funding is limited at this time due to commitments made in the issuance of our bonds pursuant to Public Law 23-14, support of our small businesses is necessary to keep our economy healthy. It is for this reason that I have signed this bill into law today.

Very truly yours,

Carl T. C. Gutierrez

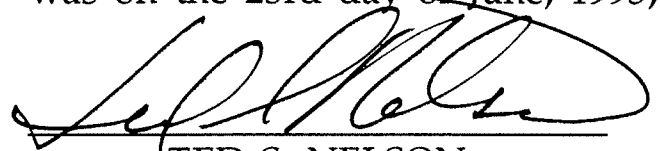
Attachment
230539

OFFICE OF THE LEGISLATIVE SECRETARY
ACKNOWLEDGMENT RECEIPT
Received By: [Signature]
Time: 3:40
Date: 7/7/95

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill No. 288 (LS), "AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12, GUAM CODE ANNOTATED, TO DESIGNATE CERTAIN FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE APPLICATION FOR AND RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF FUNDING FOR THE "SMALL BUSINESS DEVELOPMENT FUND"," was on the ~~23rd~~ day of June, 1995, duly and regularly passed.



TED S. NELSON
Acting Speaker

Attested:



JUDITH WON PAT-BORJA
Senator and Legislative Secretary

This Act was received by the Governor this 28th day of June,
1995, at 1:50 o'clock P.M.



Assistant Staff Officer
Governor's Office

APPROVED:



CARL T. C. GUTIERREZ
Governor of Guam

Date: 7-7-95

Public Law No. 23-36

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

Bill No. 288 (LS)

Introduced by:

C. A. Leon Guerrero

A. C. Lamorena V

J. M. S. Brown

T. C. Ada

J. P. Aguon

E. Barrett-Anderson

A. C. Blaz

F. P. Camacho

M. C. Charfauros

H. A. Cristobal

M. Forbes

L. Leon Guerrero

T. S. Nelson

S. L. Orsini

V. C. Pangelinan

D. Parkinson

J. T. San Agustin

A. L. G. Santos

F. E. Santos

A. R. Unpingco

J. Won Pat-Borja

AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12, GUAM CODE ANNOTATED, TO DESIGNATE CERTAIN FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE APPLICATION FOR AND RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF FUNDING FOR THE "SMALL BUSINESS DEVELOPMENT FUND".

1

BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

1 **Section 1. Legislative findings.** The Legislature enacted Public Law 21-
2 42 and thereby created the "Small Business Development Fund" (the "Fund")
3 to assist local businessmen with financing in order to diversify the island's
4 private sector. Since the creation of the Fund, the Guam Economic
5 Development Authority has enacted the rules and regulations to administer
6 the Fund as required by law. Subsequently, individual businessmen from the
7 private sector have made inquiries regarding loan applications, but due to the
8 government's financial condition, the government of Guam transferred the
9 original Fund appropriation to meet other operating expenses. The
10 Legislature has determined that in addition to cost-cutting measures, the
11 government of Guam must also make efforts to stimulate private sector
12 activity if the government's financial condition is to improve. Therefore, a
13 permanent funding source should be established for the Fund which will not
14 adversely affect the current cash flow.

15 **Section 2.** §2211 of Title 12, Guam Code Annotated, is hereby repealed
16 and reenacted to read:

17 "§2211. **Same: Source of Money.** (a) The Governor of Guam
18 and the Director of the Department of Administration shall transfer to
19 the Fund up to six hundred thousand dollars (\$600,000) annually of
20 those revenues generated by any increase in the fees collected by the
21 government of Guam for the application for or renewal of business
22 licenses subsequent to June 30, 1995.

23 (b) The accumulated balance of the Fund inclusive of all
24 receivables shall not exceed three million dollars (\$3,000,000). If the
25 accumulated balance of the Fund inclusive of all receivables reaches
26 three million dollars (\$3,000,000), funding to the Fund shall be
27 suspended until such time as the accumulated balance of the Fund

1 inclusive of all receivables declines below three million dollars
2 (\$3,000,000).

3 (c) Any funds transferred to the Fund under this Act shall not be
4 subject to the Governor's transfer authority."

5 **Section 3. Effective date of this Act.** This Act shall take effect only upon
6 the implementation of any increase in the fees collected by the government of
7 Guam for the application for or renewal of business licenses granted by the
8 government of Guam subsequent to June 30, 1995.

TWENTY-THIRD GUAM LEGISLATURE

1995 (FIRST) Regular Session

Date: 6/23/95

VOTING SHEET

Bill No. 288

Resolution No. _____

Question: _____

<u>NAME</u>	<u>YEAS</u>	<u>NAYS</u>	<u>NOT VOTING/ ABSTAINED</u>	<u>ABSENT/ OUT DURING ROLL CALL</u>
ADA, Thomas C.	✓			
AGUON, John P.				✓
BARRETT-ANDERSON, Elizabeth	✓			
BLAZ, Anthony C.	✓			
BROWN, Joanne S.	✓			
CAMACHO, Felix P.	✓			
CHARFAUROS, Mark C. //	✓			
CRISTOBAL, Hope A.				✓
FORBES, MARK	✓			
LAMORENA, Alberto C., V	✓			
LEON GUERRERO, Carlotta	✓			
LEON GUERRERO, Lou				✓
NELSON, Ted S.	✓			
ORSINI, Sonny L.	✓			
PANGELINAN, Vicente C				✓
PARKINSON, Don				✓
SAN AGUSTIN, Joe T.	✓			
SANTOS, Angel L. G.	✓			
SANTOS, Francis E.	✓			
UNPINGCO, Antonio R.	✓			
WONPAT-BORJA, Judith	✓			

TOTAL 16 0 0 5

CERTIFIED TRUE AND CORRECT:

Recording Secretary

JUN 23 1995

Bill No. 288 (LS)

Introduced by:

C.A. Leon Guerrero
A.A. Lamorena, V.
J.M.S. Brown

AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12, GUAM CODE ANNOTATED TO DESIGNATE CERTAIN FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE APPLICATION FOR AND RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF FUNDING FOR THE "SMALL BUSINESS DEVELOPMENT FUND".

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

2 Section 1. Legislative findings. The Legislature enacted
3 Public Law 21-42 and thereby created the "Small Business
4 Development Fund" ("the Fund") to assist local businessmen with
5 financing in order to diversify the island's private sector. Since
6 the creation of the Fund, the Guam Economic Development Authority
7 has enacted the rules and regulations to administer the Fund as
8 required by law. Subsequently, individual businessmen from the
9 private sector have made inquiries regarding loan applications, but
10 due to the government's financial condition, the government of Guam
11 transferred the original Fund appropriation to meet other operating
12 expenses. The Legislature has determined that in addition to cost-
13 cutting measures, the government of Guam must also make efforts to
14 stimulate private sector activity if the government's financial
15 condition is to improve. Therefore, a permanent funding source
16 should be established for the Fund which will not adversely affect
17 the current cash flow.

1 **Section 2.** §2211 of Title 12, Guam Code Annotated is hereby
2 repealed and reenacted to read:

3 **"§2211 Same: Source of Money.** (a) The Governor of
4 Guam and the Director of the Department of Administration
5 shall transfer to the Fund up to six hundred thousand dollars
6 (\$600,000) annually of those revenues generated by any
7 increase in the fees collected by the government of Guam for
8 the application for or renewal of business licenses subsequent
9 to June 30, 1995.

10 (b) The accumulated balance of the Fund inclusive of all
11 receivables shall not exceed three million dollars
12 (\$3,000,000). If the accumulated balance of the Fund
13 inclusive of all receivables reaches three million dollars
14 (\$3,000,000), funding to the Fund shall be suspended until
15 such time as the accumulated balance of the Fund inclusive of
16 all receivables declines below three million dollars
17 (\$3,000,000).

18 (c) Any funds transferred to the Fund under this Act
19 shall not be subject to the Governor's transfer authority. "

20 **Section 3. Effective date of this Act.** This Act shall take
21 effect only upon the implementation of any increase in the fees
22 collected by the government of Guam for the application for or
23 renewal of business licenses granted by the government of Guam
24 subsequent to June 30, 1995.



TWENTY-THIRD
GUAM LEGISLATURE

155 Hesler St.
Agana, Guam 96910

Office of
Senator Francis E. Santos

Committee on Ways & Means
Phone: (671) 472-3414/5 Fax: (671) 477-3048

May 10, 1995

Honorable Don Parkinson
Speaker, Twenty-Third Guam Legislature
155 Hesler Street
Agana, Guam 96910

Dear Speaker Parkinson:

The Committee on Ways & Means conducted a Public Hearing on April 26, 1995, to review Bill #30 **An Act to Repeal and Reenact 2211 of Title 12, Guam Code Annotated To Designate Certain Fees Collected By The Government of Guam in the Application For and Renewal Of Business Licenses as the Permanent Source of Money For the Small Business Development Fund.** and now reports its findings to the full Legislature with the recommendation to do Pass.

Votes of the Committee members are as follows:

TO PASS:	<u>9</u>
NOT TO PASS:	<u>0</u>
ABSTAIN:	<u>0</u>
INACTIVE FILE:	<u>0</u>

Copies of the Committee and all pertinent documents are attached for your information.

Respectfully Submitted,

Francis E. Santos

Attachments



TWENTY-THIRD
GUAM LEGISLATURE

155 Hester St.
Agana, Guam 96910





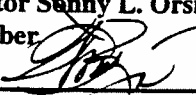
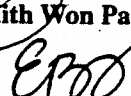
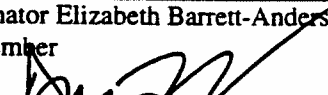
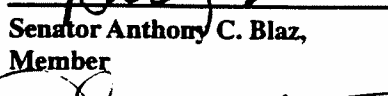
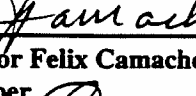
OFFICE OF
Senator Francis J. Santos

Committee on Ways & Means

Phone: (671) 472-3414/5 Fax: (671) 477-3048

VOTING SHEET

**BILL #30 AN ACT TO REPEAL AND REENACT §2211 OF
TITLE 12, GUAM CODE
ANNOTATED TO DESIGNATE THE FEES
COLLECTED BY THE GOVERNMENT OF GUAM IN THE
RENEWAL OF BUSINESS
LICENSES AS THE PERMANENT SOURCE OF FUNDS FOR
THE SMALL BUSINESS
DEVELOPMENT FUND**

<u>COMMITTEE MEMBERS</u>	<u>TO PASS</u>	<u>NOT TO PASS</u>	<u>TO ABSTAIN</u>	<u>TO PLACE IN INACTIVE FILE</u>
 Senator Francis E. Santos Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Senator Joe T. San Agustin Vice Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Speaker W. Don Parkinson Ex-Officio Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Senator John P. Aguon Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Senator Sunny L. Orsini Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Senator Judith Won Pat-Borja Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Senator Elizabeth Barrett-Anderson Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Senator Anthony C. Blaz, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Senator Felix Camacho, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Senator Antonio R. Unpinco	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

TWENTY-THIRD GUAM LEGISLATURE

Committee on Ways and Means
Chairperson, Senator Francis E. Santos

COMMITTEE REPORT ON BILL #30

AN ACT TO REPEAL AND REENACT SUBSECTION 2211 OF TITLE 12, GUAM CODE ANNOTATED TO DESIGNATE THE FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF MONEY FOR THE SMALL BUSINESS DEVELOPMENT FUND.

A Public Hearing was held on Wednesday, April 26, 1995, at 9:00 a.m. by the Committee on Ways and Means to discuss Bill #30. The hearing was held in the Public Hearing Room in the Temporary Legislative Building in Agana.

COMMITTEE MEMBERS PRESENT

Senator John P. Aguon, acting Chairman, Senator Sonny L. Orsini, Senator Alberto Lamorena V, Senator Anthony C. Blaz, and Senator Antonio Unpingco

WITNESSES PRESENT

Mr. Frank B. Aguon Jr., Director Department of Commerce; and Mr. Antonio Aguon, representing the Department of Revenue and Taxation.

PUBLIC TESTIMONY

Mr. Antonio C. Aguon started by reading the written testimony on behalf of Mr. Joseph T. Duenas, Director of Revenue & Taxation. The testimony was not in favor of the bill for two reasons. First, the financial condition of the general fund is not favorable towards meeting the parameters of the bill. Secondly, what does the department do with the excess collections above the maximum allowable balance?

Mr. Frank B. Aguon, Jr., Director, Department of Commerce, read his written testimony. He was in favor of the intent of the bill but suggested that the Committee and GEDA look towards existing federal programs geared towards Small Business as a possible source of alternative funding.

The Chair chastised both spokespersons for not giving a unified position of the Administration but instead gave conflicting testimony. The Chair also noted the absence of GEDA in spite of being invited to present testimony by the Committee. The Chair closed his comments by advising Mr. Frank Aguon, Jr. to write to GEDA and explain his recommendation and ask that GEDA explore the alternatives offered.

Sen. Tony Lamorena stated that as co-sponsor of the bill he was in favor of it. He also pointed out that with the proposed increase of fees at Rev & Tax there may be some money available to get the program started. He closed the question and answer segment by stating that he will offer an amendment to take care of Rev & Tax's concern about the excess collections. The chair noting that there were no other testimony on Bill #30 adjourned the public hearing .

COMMITTEE RECOMMENDATION

The Committee on Ways and Means recommends that GEDA pursue the federal programs suggested by Mr. Frank B. Aguon, Jr. The committee recommends that Bill # 30 as substituted by the sponsors be reported to the full legislature with a recommendation to do pass.

attachments :

- Memorandum from Committee on Rules Referring Bill #30
- Bill #30
- Fiscal Note for Bill #30
- Letter from Committee on Ways and Means to the Director of the Department of Commerce soliciting testimony.
- Written Testimony of Mr. Frank B. Aguon, Jr.; Director Department of Commerce
- Letter from Committee on Ways and Means to the Director of the Department of Revenue and Taxation soliciting testimony.
- Written Testimony of Mr. Joseph Duenas; Director of Department of Revenue and Taxation
- Letter to the Chairman of the Board of Directors, Guam Economic Development Agency soliciting testimony

**TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session**

Bill No. 30

**Introduced by:
(As substituted by the
Committee on Ways & Means)**

**C.A. Leon Guerrero
A.A. Lamorena, V.
J.M.S. Brown**

AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12, GUAM CODE ANNOTATED TO DESIGNATE CERTAIN FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE APPLICATION FOR AND RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF FUNDING FOR THE "SMALL BUSINESS DEVELOPMENT FUND".

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

2 Section 1. Legislative findings. The Legislature enacted
3 Public Law 21-42 and thereby created the "Small Business
4 Development Fund" ("the Fund") to assist local businessmen with
5 financing in order to diversify the island's private sector. Since
6 the creation of the Fund, the Guam Economic Development Authority
7 has enacted the rules and regulations to administer the Fund as
8 required by law. Subsequently, individual businessmen from the
9 private sector have made inquiries regarding loan applications, but
10 due to the government's financial condition, the government of Guam
11 transferred the original Fund appropriation to meet other operating
12 expenses. The Legislature has determined that in addition to cost-
13 cutting measures, the government of Guam must also make efforts to
14 stimulate private sector activity if the government's financial
15 condition is to improve. Therefore, a permanent source of funding
16 should be established for the Small Business Development Fund that
17 will not adversely affect the government of Guam's current cash
18 flow.

1
2 **Section 2.** §2211 of Title 12, Guam Code Annotated is hereby
3 repealed and reenacted to read:

4 **"§2211 Same: Source of Money.** (a) The Fund shall consist of
5 all money appropriated by the government of Guam or received from
6 the government of the United States, or from any source which
7 provides funds for the purposes prescribed by this Article. The
8 Guam Economic Development Authority shall comply with all
9 applicable restrictions regarding the commingling of funds. The
10 Authority may issue bonds as necessary for the purpose of creating
11 the Fund for venture capital financing.

12 (b) The Governor of Guam and the Director of the Department
13 of Administration shall transfer to the Fund all fees collected by
14 the government of Guam for the application for and renewal of
15 business licenses which are generated as a result of increases in
16 said fees over the amounts charged for said fees as of May 1, 1995.
17 The money transferred under this subsection shall not exceed three
18 million (\$3,000,000) per fiscal year. Money collected for the
19 application for and renewal of business licenses in excess of three
20 million dollars (\$3,000,000) per fiscal year shall be transferred
21 to the General Fund. Any funds transferred to the Small Business
22 Development Fund under this subsection shall not be subject to the
23 Governor's transfer authority.

24 **Section 3. Effective date of this Act.** This act shall take
25 effect October 1, 1995 and all transfer of funds shall begin
26 immediately upon this effective date.

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

Bill No. 30

Introduced by:

C. Leon Guerrero (J)
T. L. Amoreux

AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12, GUAM CODE ANNOTATED TO DESIGNATE THE FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF MONEY FOR THE SMALL BUSINESS DEVELOPMENT FUND.

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

2 Section 1. Legislative findings. It is the finding of this
3 Legislature, that by enacting Public Law 21-42 which created the
4 "Small Business Development Fund", the government of Guam intended
5 to assist local entrepreneurs with financing in order to diversify
6 our private sector. Since the creation of the Fund, the Guam
7 Economic Development Authority has promulgated the rules and
8 regulations for the Fund as directed by law and interested
9 applicants have inquired, but due to the difficult financial
10 condition of the General Fund, the government of Guam transferred
11 the appropriation specified for the Fund to finance other
12 operational expenses. It is the sense of this Legislature that the
13 need for such a fund still exists and so a permanent source of
14 funding should be established.

15 Section 2. §2211 of Title 12, Guam Code Annotated is hereby
16 repealed and reenacted to read as follows:

17 "§2211. Same: Source of Money. The Fund shall consist
18 of all fees collected by the government of Guam in the renewal
19 of business licenses in order to establish as soon as possible
20 and maintain a minimum Fund balance of not less than One

1 Million Dollars (\$1,000,000), and which Fund balance shall
2 not exceed Three Million Dollars (\$3,000,000). The Authority
3 shall take any required measures to comply with applicable
4 restrictions regarding the commingling of funds. These funds
5 shall not be subject to the Governor's transfer authority."

6 Section 3. Effective date of this Act. This act shall take
7 effect October 1, 1995.

FISCAL NOTE
BUREAU OF BUDGET AND MANAGEMENT RESEARCH

MAR 21 1995 BBMR-F7

Bill No. 30
 Amendatory Bill: Yes

Date Received: March 03, 1995
 Date Reviewed: March 15, 1995

Department/Agency Affected: GUAM ECONOMIC DEVELOPMENT FUND
 Department/Agency Head: GILBERT ROBLES
 Total FY Appropriation to Date: N/A

Bill Title (preamble): AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12, GUAM CODE ANNOTATED DESIGNATE THE FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF MONEY FOR THE SMALL BUSINESS DEVELOPMENT FUND.

Change in Law: §2211, Title 12, Guam Code Annotated

Bill's Impact on Present Program Funding:
 Increase \$1 million Decrease _____ Reallocation _____ No Change N/A

Bill is for:
 Operations _____ Capital Improvement _____ Other Small Business Development F

FINANCIAL/PROGRAM IMPACT

ESTIMATED SINGLE-YEAR FUND REQUIREMENTS (Per Bill)			
PROGRAM CATEGORY	GENERAL FUND	OTHER	TOTAL
Small Bus. Dev. - Bus. License Renewal Fees	1/		1/

ESTIMATED MULTI-YEAR FUND REQUIREMENTS (Per Bill)						
FUND	1st	2nd	3rd	4th	5th	TOTAL
GENERAL	1/	1/	1/			1/
OTHER						
TOTAL	1/	1/	1/			1/

FUNDS ADEQUATE TO COVER INTENT OF THE BILL? NO - IF NO, ADD'L AMOUNT REQUIRED \$ 1/
 AGENCY/PERSON/DATE CONTACTED: DEPT. OF REVENUE & TAXATION/GEORGE CRUZ/MARCH 15, 1995

ESTIMATED POTENTIAL MULTI-YEAR REVENUES						
FUND	1st	2nd	3rd	4th	5th	TOTAL
GENERAL FUND	N/A					
OTHER	N/A					
TOTAL	N/A					

ANALYST Maerica M. Dizon DATE 3/11/95 DIRECTOR Joseph E. Rivera DATE MAR 23 1995

FOOTNOTES: See attached.

1/

Bill No. 30 proposes to utilize the revenue collected from renewal of business licenses to fund the Small Business Development Fund. This fund must maintain a minimum balance of \$1 million, and not to exceed \$3 million. According to the Department of Revenue & Taxation, Business License Branch, \$575,113.75 in business license revenue was collected for the FY 1994, approximately 81.5%, or \$468,718 of all business licenses being renewals. Assuming that no variation in fees or applications occur, it would take a little over two (2) years for the fund to attain its minimum balance requirement. It must also be noted that currently the revenue collected from these renewals help fund the General Fund, which at this time is in a serious financial state.

APR 26 1995

Senator Francis E. Santos
Committee on Ways and Means
23rd Guam Legislature
155 Hesler St.
Agana, Guam 96910

Dear Mr. Chairman and other Members:

I thank you for the opportunity to comment on Bill #30, An Act to Repeal and Reenact Section 2211 of Title 12, Guam Code Annotated to Designate the Fees Collected by the Government of Guam in the Renewal of Business Licenses as the Permanent Source of Money for the Small Business Development Fund.

Identifying a funding source for the Small Business Development Fund is a very good idea. In fact it is a good idea to identify funding sources for all major categories of government expenditures.

The department is now preparing for the governor's review and eventual submission to the legislature a revised fee schedule. Should this fee schedule be adopted the government will realize fees in excess of Eleven million dollars annually. Current license fees amount to just over Five Million dollars. These revenues will soon be available to infuse into the fund. However, the language of the bill calls for all fees to be deposited into the fund although the maximum balance is set at three million dollars. Where do excess collections go?

You know full well of the poor financial condition our government finds itself in now. Every responsible official within our government is now doing whatever they can to come up with ways to stop the growth of the deficit and reduce or eliminate it.

The deficit is a cancer eating away at our community. It has our citizens questioning our future. It is forcing our leaders to dwell on it in every decision they make. Even in the legislative finding of this bill, it is acknowledged that our government's operational expenses have brought the fund to its knees.

Diverting funds away from operations at this time will only aggravate the financial condition which may very well increase the deficit. While this proposed law if passed will not be effective until October, there is no guarantee that the deficit will be significantly reduced enough by then to allocate revenues to other matters.

seems arguement
against

700K GEDA

Unless you can identify sufficient funds or fund sources for general governmental operations or reduce the cost of government, every penny should be used to reduce our deficit to an acceptable manageable level.

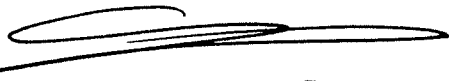
contradiction

In spite of everything I have just said, I find your intention to assist small business commendable. We need to diversify our economy, we need to encourage entrepreneurial spirit. There is no doubt that by developing new businesses or expanding already existing ones we will increase our tax base.

Unfortunately no one can guarantee that such an increase in the tax base will coincide with the diversion of money away from general operations. The risk is unacceptable at the moment.

You must weigh the risks against the benefits. No one envies the situation you face as senators during this fiscal crisis we all find ourselves in. While I support small business, I cannot support this bill at this time. I wish you all the best.

Sincerely,


JOSEPH T. DUENAS
Director

Example

- People in a drought w/out sufficient water for crops
- w/a limited H₂O supply do they keep the H₂O just for drinking & huddle praying for rain to solve problem??

Or should they take a little H₂O & nurture crops food source so they...



Carl T. C. Gutierrez
Governor
Madeleine Z. Bordallo
Lt. Governor

DEPARTMENT OF COMMERCE
DIPATTAMENTON KUMLESIO
GOVERNMENT OF GUAM



Frank B. Aguon,
Director

April 26, 1995

The Honorable Francis E. Santos
Chairman, Committee on Ways and Means
Twenty-Third Guam Legislature
155 Hesler Street
Agana, Guam 96910

TESTIMONY ON BILL NO. 30

Dear Chairman Santos and members of the Committee:

Hafa Adai and Good Morning!

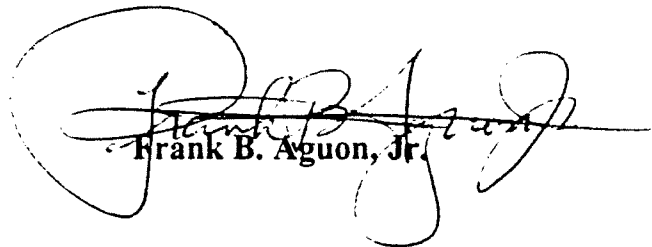
The Department of Commerce firmly believes that the private sector is the driving force in the growth, development and expansion of Guam's economy, and has been over the past several years. As a major element in Guam's economic recovery, efforts must continue to be made by our local government to enhance the business support services, both financial and technical, to our people. Although the Department of Commerce closely monitors the business activities and development of Guam's economic environment, agencies such as the Guam Economic Development Authority has continued to provide such programs that render assistance to our people and promote the entrepreneurial spirit. It is through these programs that new, innovative business services and activities are fostered. Therefore, the Department of Commerce extends its support of the concept proposed in Bill No. 30, which would designate a specific revenue source for our local entrepreneurs and small businesses through the "Small Business Development Fund".

I would also like to suggest that both the Committee and the Guam Economic Development Authority consider other funding sources that may be available for upstart businesses. The USDA Rural Economic and Community Development Program's Intermediary Reloaning Program, may be a potential source for additional revenues for loans to small businesses. As the program is presently established, a maximum of \$4 million can be lent for a 30 year period at an interest rate of 1%. These funds may be utilized by the intermediary loan agency (i.e., GEDA) to provide small business loans. Individual loans have a maximum limit of \$150,000.00, but are restricted to non-tourist

business activity and prohibits agriculture financial assistance. I believe that this potential funding source may meet the immediate financial needs of the "Small Business Development Fund". With the recent support and direction from Governor Gutierrez and Lt. Governor Bordallo to aggressively pursue federal funding sources, local government agencies will be actively seeking federal funding programs that may meet programmatic objectives and provide additional financial support to the on-going activities within the government.

As our island's economy continues to expand, increasing opportunities will become available to our people. Providing technical and financial support to small businesses and entrepreneurs through designated government agencies will certainly aid in the development, expansion and diversification of our island's economic structure. The Department of Commerce supports entrepreneurial development programs and is available to render technical assistance to facilitate the development of small businesses on Guam.

Dangkolo' Na Si Yu'os Ma'ase'!



Frank B. Aguon, Jr.

SENATOR CARLOTTA A. LEON GUERRERO

at 1:30
schedule at
next hearing

Suite 215, Union Bank Building
194 Hernan Cortez Avenue
Agana, Guam 96910

Telephone: 472-3416/8
Facsimile: 477-1323

MEMORANDUM

DATE: February 9, 1995
TO: Senator Francisco E. Santos
Chairman of the Committee on Ways and Means
FROM: Senator Carlotta A. Leon Guerrero C. Leg
SUBJECT: Bill 30

RECEIVED
FEB 10 1995
SENATE

On January 20, Bill 30 (see attached) was referred to the Committee on Ways and Means. Bill 30 is an act to revive the defunct Small Business Development Fund by designating business license renewal fees collected by GovGuam as a continuous source of funding.

I am well aware of GovGuam's current financial difficulties, however I feel it is imperative that this government begin to plan for our future economic stability by supporting the development of new local businesses. I have included provisions in Bill 30 to minimize any possible negative impact to GovGuam's cash flow, including a fund cap of \$3 million and an effective date beginning Fiscal Year 1996.

Currently, GovGuam collects only \$500,000 in annual business license renewal fees, however the Governor's Transition Committee recommended raising such fees in its January report. I feel it would be prudent to reinvest at least a portion of any increased fees associated with doing business on Guam back into the private sector.

I am optimistic that the new administration will support Bill 30 as it conforms closely to economic policy goals set forth by the Governor. *The Way Forward* states: "We must strategically plan our future in order to avoid the economic instability which fluctuations in the business cycle may impose... It is important that we look for opportunities to encourage entrepreneurs and the expansion of local businesses before we offer incentives to attract off-island businesses." *The Way Forward* specifically plans an expanded role for GEDA as "the lead agency for promoting public-private sector liaison", just as is proposed in Bill 30.

I hope you will give the public and private sectors an opportunity to comment on Bill 30 through a public hearing at your earliest convenience. I look forward to working with you and the Committee in seeing this legislation through to a vote before our colleagues. Thank you for your attention to this matter.

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

95 JAN 12 AM 11:44

Bill No. 30

Introduced by:

C. Leon Guerrero

C. Leon Guerrero

AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12, GUAM CODE ANNOTATED TO DESIGNATE THE FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF MONEY FOR THE SMALL BUSINESS DEVELOPMENT FUND.

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

2 Section 1. Legislative findings. It is the finding of this
3 Legislature, that by enacting Public Law 21-42 which created the
4 "Small Business Development Fund", the government of Guam intended
5 to assist local entrepreneurs with financing in order to diversify
6 our private sector. Since the creation of the Fund, the Guam
7 Economic Development Authority has promulgated the rules and
8 regulations for the Fund as directed by law and interested
9 applicants have inquired, but due to the difficult financial
10 condition of the General Fund, the government of Guam transferred
11 the appropriation specified for the Fund to finance other
12 operational expenses. It is the sense of this Legislature that the
13 need for such a fund still exists and so a permanent source of
14 funding should be established.

15 Section 2. §2211 of Title 12, Guam Code Annotated is hereby
16 repealed and reenacted to read as follows:

17 "§2211. Same: Source of Money. The Fund shall consist
18 of all fees collected by the government of Guam in the renewal
19 of business licenses in order to establish as soon as possible
20 and maintain a minimum Fund balance of not less than One

1 Million Dollars (\$1,000,000), and which Fund balance shall
2 not exceed Three Million Dollars (\$3,000,000). The Authority
3 shall take any required measures to comply with applicable
4 restrictions regarding the commingling of funds. These funds
5 shall not be subject to the Governor's transfer authority."

6 **Section 3. Effective date of this Act.** This act shall take
7 effect October 1, 1995.

Section 4. Appropriation. Ten Thousand Dollars (\$10,000) are hereby appropriated from the General Fund to the Institute.

Section 5. §§2913.13 and 2913.14 of Title 10, Guam Code Annotated, are repealed and a new §2913.13 is hereby enacted to read: "§2913.13. Income limitations. The Federal Poverty Income Guidelines shall be used to determine income eligibility for the Medically Indigent Program. In the calculation of income, payments for medical insurance or medicare premiums shall be excluded from income. An individual found ineligible because of the income limitations set out in this §2913.13 prior to its repeal and re-enactment who was paying medical insurance or medicare premiums shall be reevaluated for eligibility from his or her time of application based on the new Guidelines."

PUBLIC LAW NO. 21-42

Bill No. 487 (COR)

Date Became Law: Sep. 15, 1991

Governor's Action: Approved

Introduced by:

H.D. Dierking

E.P. Arriola

A.C. Blaz

E.M. Espaldon

D. Parkinson

M.C. Ruth

M.Z. Bordallo

G. Mailloux

F.R. Santos

A.R. Unpingco

C.T.C Gutierrez

J.P. Aguon

J.G. Bamba

D.F. Brooks

M.D.A. Manibusan

M.J. Reidy

D.L.G. Shimizu

P.C. Lujan

J.T. San Agustin

E.R. Duenas

AN ACT TO REENACT THE APPROPRIATIONS PROVIDED TO THE EXECUTIVE BRANCH IN FY 1991 TO MAKE THE SAME LEVEL OF APPROPRIATIONS AVAILABLE IN FY 1992, TO PROVIDE CERTAIN ADDITIONAL APPROPRIATIONS AS SPECIFIED, AND TO PROVIDE APPROPRIATIONS TO THE GUAM VISITORS BUREAU, THE GUAM MASS TRANSIT AUTHORITY, AND THE GUAM LEGISLATURE.

CHAPTER I. GENERAL PROVISIONS:

Section 1 ... Short Title. This Act may be known as the "Executive Branch Budget Act of 1992".

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Section 11. The definition of "capital outlay" contained in this Act shall not apply to the procurement of library books during Fiscal Year 1992 for the University of Guam, and in the case of a 2-year budget for Fiscal Year 1992-3, library books may be procured in Fiscal Year 1993.

Section 12. (a) Legislative findings. It is the finding of this Legislature that as Guam's economy continues to grow it is dominated by a foreign owned tourist industry, as well as federal expenditures including the military. The lack of participation in the economy by the local population is indicative that action needs to be taken to assist small local business in getting started on Guam. In spite of the booming economy, local entrepreneurs with limited business experience and assets find risk financing is not available. If Guam is to diversify its private sector there must be venture capital available to give new industries a chance. Local financial institutions are reluctant to extend loans to proven business persons or for unproven business undertakings. To rectify this situation the government sector should facilitate the financing of small businesses. This Legislature has long articulated a policy of encouraging local businesses in developing diversity in our economy. To this end it is the sense of this Legislature that a substantial effort must be made to assist the small business entity in funding new ventures. The only realistic way of doing this is to develop an appropriate fund which is available for such financing.

(b) A new Article 2A is added to Chapter 2 of 12 GCA to read:
"Article 2A. Small Business Development Fund

- \$2210. Small Business Development Fund
- \$2211. Same: Source of Moneys
- \$2212. Same: Use of Fund Moneys
- \$2213. Responsibilities
- \$2214. Use of Funds
- \$2215. Annual Reports
- \$2216. Rules and Regulations
- \$2217. Construction
- \$2218. Funding
- \$2210. Small Business Development Fund.

There is hereby established a special fund called the "Small Business Deveopment Fund," hereinafter referred to as the "Fund", which shall be maintained separate and apart from any other funds of the Guam Economic Development Authority (the "Authority"), and independent records and accounts shall be maintained in connection therewith.

§2211. Same: Source of Money. The Fund shall consist of all money appropriated by the government of Guam or received from the United States Government or any other agency thereof, or from any other source which allows for the use of such funds as prescribed by this Article. The Authority shall take any required measures to comply with applicable restrictions regarding the commingling of funds. In addition, the Authority is given specific

authority to issue bonds as necessary for the purpose of c
Fund for venture capital financing.

§2212. Same: Use of Fund Money. The money in t
is to be used by the Guam Economic Development Author
encourage, assist, develop and expand the small business
sector in Guam's economy. The money is to be used in the
loans to individuals who are U.S. citizens and bona
residents of Guam, small corporations and partnerships
company ownership is held in majority by U.S. citizens and
fide residents of Guam for the purpose of stimulating
promoting small business growth. Additionally, the Aut
shall be authorized to use money from this Fund for
participation in a new company or in an existing compan
the purpose of expansion. The Authority shall base dec
regarding equity participation on the merits of the p
and other factors which the Authority may determine w
participation by the Authority.

§2213. Responsibilities. It shall be the respo
lity of the Authority to: (a) provide the needed f
(b) assist in providing financial, marketing and manag
information; (c) approve or disapprove specific prop
(d) approve loans and/or equity participation consistent
(e) exercise continuing technical surveillance
each project. If, in carrying out the provisions of
section, the Authority acquires equity in any small bus
venture, the Authority shall provide appropriate provisio
dispose of the equity once the business becomes viable.
recovery of this money is to be put back into the
business development fund.

§2214. Use of Funds. Funds will be disbursed in ac
ance with the agreed terms of the loan and in accordance
promulgated rules and regulations for approved applicat
projects. Collateral security will be obtained, when
possible, in accordance with established rules and regulat
Funds so disbursed will be on the basis of an interest cl
deemed reasonable by the Authority. In addition, loan f
shall be disbursed on a continuing and revolving basis,
such time as the project is self-supporting.

§2215. Annual Reports. An annual report shall be ma
the Governor and the Legislature, reporting upon the prog
made and containing a detailed analysis with respect to
administration and financial commitments of the Fund.

§2216. Rules and Regulations. The Guam Econ
Development Authority shall develop procedures, rules
regulations to implement the intent of this Article.

§2217. Construction. This Article shall be libe
construed to accomplish its purpose in aiding in the develop
of small business on Guam.

§2218. Funding. Three Million Dollars (\$3,000,000)
appropriated from the General Fund to the Guam Econ
Development Authority for the Small Business Development F

GOVERNMENT OF GUAM
DEPARTMENT OF REVENUE AND TAXATION
 378 Chalan San Antonio, Tamuning, Guam 96911
1994 PROPOSED FEE STRUCTURE

	BRANCH	DESCRIPTION	AS CODIFIED	CHARGED BASIS	FEE STRUCTURE	
					CURRENT	PROPOSED
1	B/L	WHOLESALE				
2	B/L	RETAIL	GC16104	ANNUAL	\$100.00	\$200.00
3	B/L	SERVICE	GC16105	ANNUAL	\$40.00	\$60.00
4	B/L	SERVICE RENTAL - ONE UNIT	GC16200	ANNUAL	\$25.00	\$75.00
	B/L	SERVICE RENTAL MORE THAN ONE	PL14-42	ANNUAL	\$5.00	\$10.00
6	B/L	SERVICE LICENSE - SHOOTING GALLERY	PL14-42	ANNUAL	\$25.00	\$5.00/UNIT
7	B/L	BANKING - COMMERCIAL Main	PL15-132	ANNUAL	\$25.00	\$75.00
	B/L	BANKING - COMMERCIAL Other Branch & ATM	GC16100.1	ANNUAL	\$500.00	\$5,000.00
8	B/L	BANKING - OFF SHORE LENDING	GC16100.1	ANNUAL	\$500.00	\$1,500.00
9	B/L	SMALL LENDING INSTITUTION	PL15-11	ANNUAL	\$500/5YEAR	\$5,000/5YEAR
10	B/L	FOREIGN EXCHANGE	GC16100.1	ANNUAL	\$250.00	\$1,500.00
11	B/L	PAWN BROKER	GC16100.1	ANNUAL	\$250.00	\$1,500.00
12	B/L	MANUFACTURING LICENSE - HAND	GC50001	ANNUAL	\$100.00	\$500.00
13	B/L	MANUFACTURING LICENSE - MACHINE	GC16106a	ANNUAL	\$5.00	\$25.00
14	B/L	HOME INDUSTRY LICENSE	GC16106b	ANNUAL	\$40.00	\$125.00
15	B/L	COIN VENDING MACHINE LICENSE	PL15-71	ANNUAL	\$25.00	\$50.00
16	B/L	MARRIAGE LICENSE	GC16105.1	ANNUAL	\$5.00	\$25.00
	B/L	WAIVER OF FIVE DAY WAITING PERIOD	CC/69	PER APP	\$15.00	\$30.00
18	B/L	FILING OF ARTICLES OF INCORPORATION (DOMESTIC)	PL16-73	PER APP	\$10.00	\$20.00
19	B/L	FILING OF BY-LAWS (DOMESTIC)	CC 290b	PER REG	\$50.00	\$125.00
20	B/L	FILING OF AMENDMENTS (DOMESTIC)	CC 301	PER REG	\$10.00	\$75.00
21	B/L	FILING OF MINUTES/WAIVER/RESOLUTION/OTHER (DOMESTIC)	CC 360	PER REG	\$1.00	\$10.00
22	B/L	FILING OF CORPORATE MERGER DOCUMENTS (DOMESTIC)	CC VOL 1	PER REG	\$1.00	\$5.00
23	B/L	FILING FOR LICENSE AND CERTIFICATE OF REGISTRATION OF FOREIGN CORPORATION		PER REG		\$50.00
24	B/L	FILING OF AMENDMENTS, MINUTES AND ALL OTHER SIMILAR FILINGS FROM THEIR RESPECTIVE STATE OR COUNTRY (FOREIGN)	CC 405	PER REG	\$105.00	\$500.00
			CC 405	PER REG	\$1.00	\$10.00

**BUSINESS LICENSE SECTION
Regulatory Division**

October 1993 to September 1994

ANNUAL REPORT

A.	SUNDRY LICENSES	TEMPORARY	NEW	RENEWAL	AMOUNT
1.	Wholesale		208	909	\$ 101,870.00
2.	Retail	132	845	3886	177,601.25
3.	Service	204	2247	10825	239,838.75
4.	Hand Manufacture		45	190	1,072.50
5.	Machine Manufacture		5	42	2,410.00
6.	Home Industry		27	109	3,068.75
7.	Banking		21	100	45,250.00
8.	Coin-Vending Machines		84	749	4,002.50
	TOTAL	336	3482	16810	\$ 575,113.75
B.	DELINQUENT - Sundry License			959	\$ 25,232.50
C.	Fines/Violations from Guam Products Seals				\$
D.	FSC's Business License	(Small)		38	\$ 15,200.00
		(Large)		54	54,000.00
				92	\$ 69,200.00
E.	REGISTRATION OF CORPORATION & RECORDATION OF DOCUMENTS:				
1.	Certificate of Registration/Issuance of Foreign Corporation Certificate		71		\$ 7,815.00
2.	Articles of Domestic Corporation		388		19,400.00
3.	Filing of Corporate By-laws		371		3,710.00
4.	Amendments		158		188.00
5.	Service of Process		18		310.00
6.	Filing of Association		51		89.00
7.	Filing of Partnership Agreement		98		98.00
8.	Dissolution/Surrender		37		44.00



**Committee on Ways & Means
Sen. Francis E. Santos, Chairman**

NOTICE OF PUBLIC HEARING

The public is invited to attend discussions
on the following appointments and bills:

Guam Banking Board

Marjorie Y. Robato
Lourdes C. Torre

Robato
Lourdes

Board of Equalization

Lourdes B. Santos

Alcoholic Beverage Control Board:

Ben S. Dagayo

Retirement Fund Board of Trustees:

Mark Heath

Bill #30:

An Act to Repeal and Reenact §2211 of Title 12, Guam Code Annotated to Designate the Fees Collected by the Government of Guam in the Renewal of Business Licenses as the Permanent Source of Money for the Small Business Development Fund.

Bill #224:

An Act to Amend Section 16, Chapter V, of Public Law 22-140, Relative to Increasing the Transfer Authority of the Governor from Two Percent (2%) to Five Percent (5%) for Fiscal Year 1995.

DATE: Wednesday, April 26, 1995

TIME: 9:00 a.m. - 12:00 p.m.

PLACE: Guam Legislature,
Public Hearing Room

Your views and comments are welcome.



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

JUN 23 1995

The Honorable Don Parkinson
Speaker
Twenty-Third Guam Legislature
424 West O'Brien Drive
Julale Center - Suite 222
Agana, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY
ACKNOWLEDGMENT RECEIPT
Received By AC
Time 10:40 A.M.
Date 6/23/95

Dear Speaker Parkinson:

Enclosed please find Substitute Bill No. 30 (LS), "AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12, GUAM CODE ANNOTATED, TO DESIGNATE CERTAIN FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE APPLICATION FOR AND RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF FUNDING FOR THE 'SMALL BUSINESS DEVELOPMENT FUND' ", which I have vetoed.

Unfortunately, the amount of funding designated for the "Small Business Development Fund" under Substitute Bill No. 30 cannot be available for this purpose in the near future due to prior inclusion in the cost containment measures required for issuance of the One Hundred Fifteen Million Dollars (\$115,000,000) in bonds just sold yesterday for the government of Guam.

Very truly yours,


Carl T. C. Gutierrez

Attachment
230517

Rec'd. Office of the Vice Speaker
Acting Speaker T.S. Nelson
10:25 am 6-23-95

OFFICE OF THE SPEAKER
Date: June 23, 1995
Time: 9:56am
Received By: [Signature]
Print Name: ARTURO ALBERA



TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 30 (LS), "AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12, GUAM CODE ANNOTATED, TO DESIGNATE CERTAIN FEES COLLECTED BY THE GOVERNMENT OF GUAM IN THE APPLICATION FOR AND RENEWAL OF BUSINESS LICENSES AS THE PERMANENT SOURCE OF FUNDING FOR THE "SMALL BUSINESS DEVELOPMENT FUND," was on the 6th day of June, 1995, duly and regularly passed. The Bill received sixteen votes to pass, with four members voting not to pass, none of the members present and not voting, and one member off-island.



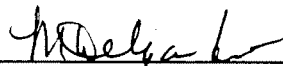
DON PARKINSON
Speaker

Attested:



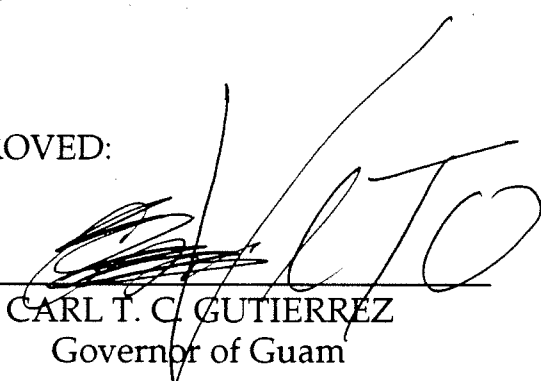
JUDITH WON PAT-BORJA
Senator and Legislative Secretary

This Act was received by the Governor this June day of 16, 1995, at
10:30 o'clock A.M.



Assistant Staff Officer
Governor's Office

APPROVED:



CARL T. C. GUTIERREZ
Governor of Guam

Date: _____

Public Law No. _____

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

Bill No. 30 (LS)
As substituted by the
Committee on Ways & Means.

Introduced by:

C. A. Leon Guerrero
A. C. Lamorena, V
J. M. S. Brown
T. C. Ada
J. P. Aguon
E. Barrett-Anderson
A. C. Blaz
F. P. Camacho
M. C. Charfauros
H. A. Cristobal
M. Forbes
L. Leon Guerrero
T. S. Nelson
S. L. Orsini
V. C. Pangelinan
D. Parkinson
J. T. San Agustin
A. L. G. Santos
F. E. Santos
A. R. Unpingco
J. Won Pat-Borja

AN ACT TO REPEAL AND REENACT §2211 OF TITLE 12,
GUAM CODE ANNOTATED, TO DESIGNATE
CERTAIN FEES COLLECTED BY THE GOVERNMENT
OF GUAM IN THE APPLICATION FOR AND RENEWAL
OF BUSINESS LICENSES AS THE PERMANENT
SOURCE OF FUNDING FOR THE "SMALL BUSINESS
DEVELOPMENT FUND."

1 **Section 1. Legislative findings.** The Legislature enacted Public Law 21-
2 42 and thereby created the "Small Business Development Fund" ("the Fund")
3 to assist local businessmen with financing in order to diversify the island's
4 private sector. Since the creation of the Fund, the Guam Economic
5 Development Authority has enacted the rules and regulations to administer
6 the Fund as required by law. Subsequently, individual businessmen from the
7 private sector have made inquiries regarding loan applications, but due to the
8 government's financial condition, the government of Guam transferred the
9 original Fund appropriation to meet other operating expenses. The
10 Legislature has determined that in addition to cost-cutting measures, the
11 government of Guam must also make efforts to stimulate private sector
12 activity if the government's financial condition is to improve. Therefore, a
13 permanent funding source should be established for the Fund which will not
14 adversely affect the current cash flow.

15 **Section 2.** §2211 of Title 12, Guam Code Annotated, is hereby repealed
16 and reenacted to read:

17 "**§2211. Same: Source of Money.** (a) The Fund shall consist
18 of all money appropriated by the government of Guam or received
19 from the government of the United States, or from any source which
20 provides funds for the purposes prescribed by this Article. The Guam
21 Economic Development Authority shall comply with all applicable
22 restrictions regarding the commingling of funds.

23 (b) The Governor of Guam and the Director of the
24 Department of Administration shall transfer to the Fund all fees
25 collected by the government of Guam for the application for and
26 renewal of business licenses which are generated as a result of
27 increases in said fees over the amounts charged for said fees as of

1 June 30, 1995. The money transferred under this subsection shall not
2 exceed three million dollars (\$ 3,000,000.00) per fiscal year. Money
3 collected for the application for and renewal of business licenses in
4 excess of three million dollars (\$3,000,000.00) per fiscal year shall be
5 transferred to the General Fund. Any funds transferred to the Small
6 Business Development Fund under this subsection shall not be
7 subject to the Governor's transfer authority."

8 **Section 3. Effective date of this Act.** This act shall take effect only upon
9 the implementation of any increase in fees for the application for or renewal
10 of business licenses granted by the government of Guam subsequent to June
11 30, 1995.

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

6
Date: 6/6/95

VOTING SHEET

Small Business Development Corp.

Bill No. 30
Resolution No. _____
Question: _____

NAME	AYE	NO	NOT VOTING/ ABSTAINED	ABSENT/ OUT DURING ROLL CALL
ADA, Thomas C. /	✓			
AGUON, John P.			:	✓
BARRETT-ANDERSON, Elizabeth	✓			
BLAZ, Anthony C.	✓			
BROWN, Joanne S.	✓			
CAMACHO, Felix P.	✓			
CHARFAUROS, Mark C //	✓			
CRISTOBAL, Hope A.		✓		
FORBES, MARK	✓			
LAMORENA, Alberto C., V	✓			
LEON GUERRERO, Carlotta	✓			
LEON GUERRERO, Lou /	✓			
NELSON, Ted S.	✓			
ORSINI, Sonny L.	✓			
PANGELINAN, Vicente C		✓		
PARKINSON, Don	✓			
SAN AGUSTIN, Joe T.	✓			
SANTOS, Angel L. G. ///*		✓		
SANTOS, Francis E.	✓			
UNPINGCO, Antonio R.	✓			
WONPAT-BORJA, Judith ///*		✓		

TOTAL 16 4 1

* Having "Pas" three times their votes were listed as "No"