


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

Resolution No. 311-34(COR)

Introduced by:

Michael F.Q. San Nicolas 

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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.

**BE IT RESOLVED BY I LIHESLATURAN GUÁHAN:**

**WHEREAS**, in the Twenty-Fourth (24<sup>th</sup>) 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.J.

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

**DULY AND REGULARLY ADOPTED BY *I MINA'TRENTAI KUÁTTRO NA LIHESLATURAN GUÁHAN* 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 Kuattro 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'lahaen 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

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: Janice

01922

**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."

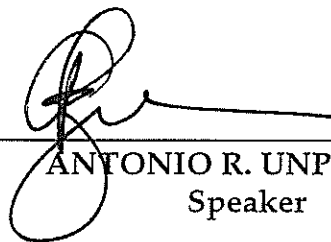
22 **Section 2.** Section 17321 is hereby added to Article 3, Chapter 17 of  
23 Title 3 of the Guam Code Annotated to read as follows:

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 29<sup>th</sup> 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 3<sup>rd</sup> day of August  
      , 1998, at 9:05 o'clock 9.M.



---

Muwii Terle  
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

Refer to  
Legislative Secretary

MAY 06 1998

Office of the Speaker  
ANTONIO R. UNPINGCO

Date: 5-6-98

Time: 4:41 pm

Rec'd by: [Signature]

Print Name: FREDERICK P. [Signature]

The Honorable Antonio R. Unpingco  
Speaker  
Mina'Bente Kuåtto 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 Kuåtto 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


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'lahaen Guåhan  
Governor of Guam

00790

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

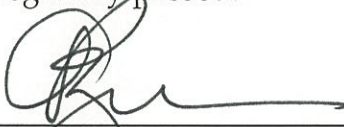
cc:   The Honorable Joanne M. S. Brown  
      Legislative Secretary



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

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\_\_\_\_\_  
ANTONIO R. UNPINGCO  
Speaker

Attested:

  
\_\_\_\_\_  
JOANNE M.S. BROWN  
Senator and Legislative Secretary

-----  
This Act was received by *I Maga'lahaen Guahan* this 29<sup>th</sup> 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  
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M. C. Charfauros  
E. J. Cruz  
L. F. Kasperbauer  
A. C. Lamorena, V  
C. A. Leon Guerrero  
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2           **Section 1.** Section 17320 is hereby added to Article 3, Chapter 17 of  
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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

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.	✓			
<del>BARRETT-ANDERSON, Elizabeth</del>				
BLAZ, Anthony C.	✓			
BROWN, Joanne M. S.	✓			
CAMACHO, Felix P.	✓			
CAMACHO, Francisco P.	✓			
CHARFAUROS, Mark C.	<del>✓</del>	✓		
CRUZ, Edwardo J.	✓			
FLORES, William B.S.M.	✓			
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.	✓			
WON PAT-BORJA, Judith	✓			

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.	✓			
<del>BARRETT-ANDERSON, Elizabeth</del>				
BLAZ, Anthony C.	✓			
BROWN, Joanne M. S.	✓			
CAMACHO, Felix P.	✓			
CAMACHO, Francisco P.	✓			
CHARFAUROS, Mark C.	✓			
CRUZ, Eduardo 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 27<sup>th</sup> 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'lahen Guahan* this 29<sup>th</sup> day of April, 1998,  
at 12:15 o'clock P.M.

\_\_\_\_\_  
*Murillo*  
Assistant Staff Officer  
Governor's Office

APPROVED:

\_\_\_\_\_  
CARL T. C. GUTIERREZ  
*I Maga'lahen 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 Masu

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

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As substituted and amended  
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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

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.

# 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 Kuàttro Na Liheslaturan Guåhan*  
Guam Congress Building  
163 Chalan Santo Papa  
Hagåtña, Guam 96910

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

OCT 13 2017

Time: 3:40 AM 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.

*Senseramente,*

**EDDIE BAZA CALVO**

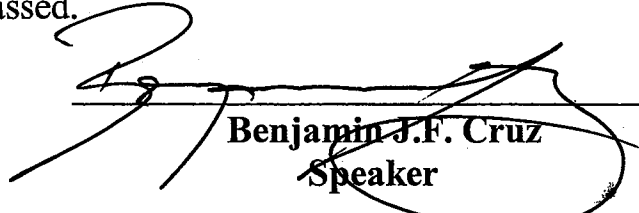
2017 OCT 13 PM 4:06  
Full




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

**CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LÁHEN GUÁHAN**

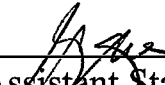
This is to certify that Substitute Bill No. 122-34 (COR), "AN ACT TO AMEND § 26403 OF ARTICLE 4, CHAPTER 26, DIVISION 2, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO INCREASING THE LIQUID FUEL TAX RATES BY FOUR CENTS (\$0.04) PER GALLON, EFFECTIVE JANUARY 1, 2018, FOR THE PURPOSE OF FUNDING VILLAGE ROAD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

  
Benjamin J.F. Cruz  
Speaker

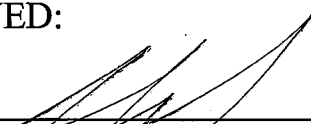
Attested:

  
Dennis G. Rodriguez, Jr.  
Acting Legislative Secretary

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

  
Assistant Staff Officer  
*Maga'láhi's Office*

APPROVED:

  
EDWARD J.B. CALVO  
*I Maga'láhen Guáhan*

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.**



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

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

7           (b) a tax at the rate of Fifteen Cents (\$0.15) per gallon on all  
8 other liquid fuel as defined herein *except* liquid fuel used for  
9 commercial aviation purposes which is taxed at a rate of Eight Cents  
10 (\$0.08) per gallon.”