









*I Mina'trentai Ocho Na Liheslaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
<b>257-38 (COR)</b>	Vincent A. V. Borja Shelly V. Calvo V. Anthony Ada Jesse A. Lujan Christopher M. Dueñas Frank F. Blas, Jr. Tina Rose Muña-Barnes Joe S. San Agustin	AN ACT TO <i>AMEND</i> ARTICLE 4 OF CHAPTER 77, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO TAX CREDITS FOR CONTRIBUTORS TO PUBLIC SCHOOL SPORTS FACILITIES.	1/20/26 9:18 a.m.  1/26/26 2:42 p.m.						

***I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN***  
**2026 (SECOND) Regular Session**

**Bill No. 257-38 (COR)**

Introduced by:

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**AN ACT TO *AMEND* ARTICLE 4 OF CHAPTER 77,  
TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO  
TAX CREDITS FOR CONTRIBUTORS TO PUBLIC  
SCHOOL SPORTS FACILITIES.**

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

2 **Section 1.** *I Liheslaturan Guåhan* finds that outdoor athletic facilities at  
3 Guam's public middle and high schools have experienced years of neglect, leaving  
4 many campuses with deteriorated or nonexistent tracks, football and soccer fields,  
5 and baseball and softball facilities. In too many cases, schools lack safe and  
6 functional outdoor spaces necessary for physical education classes and  
7 interscholastic athletics, limiting student participation and raising legitimate safety  
8 concerns.

9 *I Liheslaturan Guåhan* further finds that the absence of safe, well-maintained  
10 athletic facilities negatively impacts student health and wellness, contributing to  
11 reduced physical activity, increased sedentary behavior, and fewer opportunities for  
12 students to engage in structured, positive outlets. Quality athletic programs are

1 closely linked to improved student discipline, teamwork, and behavior, as well as  
2 higher school engagement and attendance.

3 *I Liheslaturan Guåhan* also finds that access to athletic and extracurricular  
4 programs supports academic success by fostering time management, accountability,  
5 school pride, and student connectedness. When facilities are unsafe or unusable,  
6 schools lose an important tool for keeping students engaged, focused, and motivated  
7 both in and out of the classroom.

8 It is the intent of *I Liheslaturan Guåhan* to amend existing law to reactivate  
9 and strengthen incentives that encourage private, nonprofit, and community  
10 contributions toward the construction, refurbishment, maintenance, and upgrading  
11 of outdoor athletic facilities at public middle and high schools. By supporting  
12 improvements to tracks, multipurpose fields, and baseball and softball facilities, this  
13 Act seeks to address long-standing maintenance challenges, promote student health  
14 and discipline, support academic engagement, and ensure that Guam’s students have  
15 access to safe, functional, and well-maintained athletic spaces that benefit both  
16 schools and the broader community.

17 **Section 2.** Chapter 77, Title 12, of Article 4, Guam Code Annotated, is  
18 hereby *amended* to read as follows:

19 **“ARTICLE 4**

20 **TAX CREDITS FOR CONTRIBUTORS TO**  
21 **PUBLIC SCHOOL SPORTS FACILITIES**

22 § 77401. Legislative Findings and Intent.

23 § 77402. Definitions.

24 § 77403. Credit Against Business Privilege Tax.

25 § 77404. Cap on Business Privilege Tax Credits for Construction,  
26 Development, Upgrading, Repair or Maintenance of  
27 ~~Gymnasiums~~ Sports Facilities.

1           § 77405. Credit Against Excise Tax.

2           § 77406. Cap on Excise Tax Credits for Construction,  
3                           Development, Upgrading, Repair, or Maintenance of  
4                           Sports Facilities.

5           ~~§ 77405~~ 77407. Rules and Regulations.

6           ~~§ 77406~~ 77408. School Operations to Continue.

7           ~~§ 77407~~ 77409. ~~GEDCA~~ GEDA Report.

8           § 77410. Contribution Allocation Clause.

9           § 77411. Transition Provisions.

10          **§ 77401. Legislative Findings and Intent.** *I Liheslaturan Guåhan*

11 finds that several sports facilities within the Department of Education have  
12 fallen into disrepair.

13           Whether the facilities are damaged by natural disaster, old age, or  
14 simply due to the lack of maintenance, it is of importance that these facilities  
15 are restored to a usable and safe condition in order to ensure that students are  
16 provided with a venue to hold their physical education classes, athletic  
17 competitions among public and private school students, science fairs, school  
18 plays, and dances, among other extracurricular activities.

19           However, *I Liheslaturan Guåhan* also finds that the government of  
20 Guam is financially strapped and therefore cannot afford to allocate additional  
21 funding for major works that public school sports facilities require.

22           Consequently, *I Liheslaturan Guåhan* calls for community involvement  
23 in guaranteeing that our students continue to have functional gymnasiums and  
24 other sports field, which can also be used by the public on special events  
25 during the weekends, such as the Special Olympics and Relay for Life. In  
26 order to provide incentives to those willing to contribute towards the  
27 construction, development, upgrading, repair or maintenance of any public

1 school sports facilities, it is the intent of *I Liheslaturan Guåhan* to authorize  
2 tax credits to any individuals making contributions to public school sports  
3 facilities for the above purposes.

4 **§ 77402. Definitions.**

5 As used in this Article:

6 ~~(a) Gymnasium shall mean a public school sports~~  
7 ~~facility, including, but not limited to, gymnasiums and baseball,~~  
8 ~~soccer and football fields constructed, developed, upgraded,~~  
9 ~~repaired, or maintained by an individual, corporation, or limited~~  
10 ~~liability company under the provisions of this Article.~~

11 (a) Sports Facilities shall mean a public school sports  
12 facility, including, but not limited to, gymnasiums, tracks,  
13 swimming pools, baseball, soccer, softball, and football fields  
14 constructed, developed, upgraded, repaired, or maintained by an  
15 individual, corporation, or limited liability company under the  
16 provisions of this Article.

17 **§ 77403. Credit Against Business Privilege Taxes.**

18 (a) Individuals, corporations, or limited liability companies making  
19 contributions, as approved by the Superintendent of the Department of  
20 Education (hereinafter “DOE”), towards the construction, development,  
21 upgrading, repair or maintenance of any sports facilities ~~gymnasium~~ shall be  
22 authorized tax credits against Business Privilege Taxes. The basis for  
23 contribution to the project shall be the actual cost of the contribution plus the  
24 cost of transportation, if any, from the point of origin to its destination.

25 (b) Any unused credits not used in the current tax period may be  
26 carried over into subsequent tax periods until such credits are exhausted.

1 (c) The total credits allowed under this Article *shall* not exceed the  
2 actual dollar amount of the expenditures on the project by the taxpayer.

3 **§ 77404. Cap on Business Privilege Tax Credits for**  
4 **Construction, Development, Upgrading, Repair or Maintenance of**  
5 **Gymnasiums Sports Facilities.**

6 The total amount of credits against Business Privilege Taxes for the  
7 construction, development, upgrading, repair or maintenance of ~~gymnasiums~~  
8 sport's facilities as authorized herein *shall* not exceed ~~One Million Dollars~~  
9 ~~(\$1,000,000.00)~~ for all projects. One Million Two Hundred Fifty Thousand  
10 (\$1,250,000) over a five (5) year period. No more than Two Hundred Fifty  
11 Thousand Dollars (\$250,000) in tax credits shall be authorized for each year  
12 of the program.

13 (a) If, at the expiration of the five (5) year period authorized  
14 pursuant to this Section, there are still unclaimed authorized tax credits,  
15 I Liheslaturan Guåhan may, in its discretion, extend the eligible period  
16 until such time that all eligible tax credits are exhausted.

17 (b) I Liheslaturan Guåhan may, in its discretion, extend the  
18 term and modify any part of the program based on future improvement  
19 plans of sports facilities.

20 (c) Construction and professional services, equipment, and  
21 materials shall be competitively procured.

22 **§ 77405. Credits Against Excise Tax.**

23 (a) Individuals, corporations, or limited liability companies making  
24 contributions, as approved by the Superintendent of the Department of  
25 Education (hereinafter "DOE"), towards the construction, development,  
26 upgrading, repair, or maintenance of any sports facilities shall be entitled to  
27 credit of excise taxes, excluding those pledged to the Healthy Futures Fund.

1 The basis for contribution to the project shall be the actual cost of the  
2 contribution plus the cost of transportation, if any, from the point of origin to  
3 its destination.

4 (b) Any unused credits not used in the current tax period may be  
5 carried over into subsequent tax periods until such credits are exhausted.

6 (c) The total credits allowed under this Article shall not exceed the  
7 actual dollar amount of the expenditures on the project by the taxpayer.

8 **§ 77406. Cap on Excise Tax Credits for Construction,**  
9 **Development, Upgrading, Repair, or Maintenance of Sports Facilities.**

10 The total amount of credits against Excise Tax not inclusive of those  
11 pledged for the Healthy Futures Fund, for the construction, development,  
12 upgrading, repair or maintenance of sports facilities as authorized herein shall  
13 not exceed One Million Two Hundred Fifty Thousand (\$1,250,000) over a  
14 five (5) year period. No more than Two Hundred Fifty Thousand Dollars  
15 (\$250,000) in tax credits shall be authorized for each year of the program.

16 (a) If, at the expiration of the five (5) year period authorized  
17 pursuant to this Section, there are still unclaimed authorized tax credits,  
18 I Liheslaturan Guåhan may, in its discretion, extend the eligible period  
19 until such time that all eligible tax credits are exhausted.

20 (b) I Liheslaturan Guåhan may, in its discretion, extend the  
21 term and modify any part of the program based on future improvement  
22 plans of sports facilities.

23 (c) Construction and professional services, equipment, and  
24 materials shall be competitively procured.

25 **§ ~~77405~~ 77407. Rules and Regulations.**

26 The Guam Economic Development and Commerce Authority (~~GEDCA~~  
27 GEDA) shall promulgate rules and regulations necessary to implement this

1 Section, in accordance with the Administrative Adjudication Law, within  
2 sixty (60) days upon the enactment of this Article.

3 **§ ~~77406~~ 77408. School Operations to Continue.**

4 Pursuant to § 77403(a) of this Article, when approving a project, the  
5 Superintendent of the Department of Education must ensure that regular  
6 school operations, to the greatest extent possible, are not affected by the  
7 construction, development, upgrading, repair or maintenance of a ~~gymnasium~~  
8 sports facilities.

9 **§ ~~77407~~ 77409. GEDCA GEDA Report.**

10 ~~GEDCA shall submit a report to *I Liheslaturan Guåhan* detailing the~~  
11 ~~impact of the program on the Business Privilege Taxes, its monitoring efforts,~~  
12 ~~and any other information related to the program. The report shall be~~  
13 ~~transmitted to *I Liheslatura* on an annual basis until the One Million Dollars~~  
14 ~~(\$1,000,000.00) BPT cap pursuant to §77407 of this Article is exhausted.~~

15 GEDA shall submit a report to *I Liheslaturan Guåhan* detailing the  
16 impact of the program on the business privilege taxes, excise taxes, its  
17 monitoring efforts, and any other information related to the program. The  
18 report shall be transmitted to *I Liheslaturan Guåhan* on an annual basis until  
19 the tax credit caps pursuant to §§77404 and 77406 of this Article are  
20 exhausted.

21 **§ 77410. Contributor Designation of Funds.**

22 (a) Contributors, whether individuals, corporations, or limited  
23 liability companies, shall have the right to designate the specific amount of  
24 their contributions to particular public schools. Such designations must be  
25 clearly documented and submitted to the Superintendent of the Department of  
26 Education for approval.

1           (b) The Superintendent shall maintain a record of designated  
2 contributions and ensure that funds are allocated accordingly to the respective  
3 public school sports facilities as specified by the contributor.

4           (c) Contributors may specify their contributions for specific projects  
5 within the domain of construction, development, upgrading, repair, or  
6 maintenance of sport's facilities.

7           (d) The Department of Education shall provide a list of eligible  
8 projects for each school, within sixty (60) days of this law's enactment.

9           **§ 77411. Transition Provisions**

10          (a) This Act shall not affect the validity of any tax credits previously  
11 claimed or authorized under prior law.

12          (b) The tax credit caps and program periods established under this  
13 Act shall commence upon its effective date.”

14          **Section 3. Severability.** If any provision of this Act or its application to any  
15 person or circumstance is found to be invalid or contrary to law, such invalidity shall  
16 not affect other provisions or applications of this Act that can be given effect without  
17 the invalid provision or application, and to this end the provisions of the provisions  
18 of this Act are severable.

19          **Section 4. Effective Date.** This Act shall become effective upon enactment.