


*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
291-38 (COR)	Christopher M. Dueñas	AN ACT TO <i>ADD</i> A NEW ARTICLE 4, §§5041 THROUGH §50406, TO CHAPTER 50, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING FEDERAL FINANCING MECHANISMS FOR GOVERNMENT DEVELOPMENT PROJECTS, TO BE KNOWN AS THE "FEDERAL FINANCING AUTHORIZATION ACT."	3/19/26 1:42 p.m.						

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

**Bill No. 291-38 (COR)**

Introduced by:

Christopher M. Duenas 

**AN ACT TO ADD A NEW ARTICLE 4, §50401 THROUGH §50406, TO CHAPTER 50, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING FEDERAL FINANCING MECHANISMS FOR GOVERNMENT DEVELOPMENT PROJECTS, TO BE KNOWN AS THE “FEDERAL FINANCING AUTHORIZATION ACT.”**

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

2 **Section 1. Legislative Findings and Intent.**

3 *I Mina'trentai Ocho Na Liheslaturan Guåhan* finds that Guam faces  
4 significant challenges in financing large-scale public infrastructure and community  
5 development projects due to its unique geographic isolation, limited local tax base,  
6 and the high cost of capital. Traditional municipal bonding, while a staple of  
7 territorial finance, often places a long-term debt burden on the taxpayers of Guam  
8 and may not always provide the flexibility or volume of capital required for  
9 transformative projects in housing, utilities, and economic diversification.  
10 According to the U.S. Department of the Treasury's Community Development  
11 Financial Institutions (CDFI) Fund, territories and low-income communities often  
12 lack access to the same private capital markets available to the continental United

1 States, necessitating the use of specialized federal financing tools to bridge the  
2 "capital gap."

3 *I Liheslaturan Guåhan* further research from the New Markets Tax Credit  
4 (NMTC) Coalition indicates that the NMTC program has been a vital instrument  
5 for revitalizing distressed communities by providing a federal tax credit to private  
6 investors in exchange for equity investments in specialized financial  
7 intermediaries. Since its inception, the NMTC program has generated over \$135  
8 billion in total project investment nationwide, supporting the construction of  
9 healthcare facilities, manufacturing plants, and community centers in areas that  
10 would otherwise struggle to attract private interest. *I Liheslaturan Guåhan* finds  
11 that because the entirety of Guam is designated as a low-income community for the  
12 purposes of many federal programs, the island is uniquely positioned to leverage  
13 NMTC financing for government-led development initiatives, provided that a clear  
14 local legal framework exists to authorize such public-private partnerships.

15 *I Liheslaturan Guåhan* further finds that the EB-5 Immigrant Investor  
16 Program, administered by U.S. Citizenship and Immigration Services, offers an  
17 additional pathway for low-cost financing of public infrastructure. As  
18 demonstrated by successful precedents in various U.S. jurisdictions, including the  
19 use of EB-5 funds for the Pennsylvania Turnpike and municipal redevelopment  
20 projects in several states, this program allows foreign investors to provide capital  
21 for job-creating projects in exchange for special visa status. For a territory like  
22 Guam, which requires significant investment in tourism infrastructure and public  
23 utilities, the EB-5 program represents an untapped resource that can provide  
24 subordinate debt or equity at rates significantly lower than traditional commercial  
25 loans.

26 *I Liheslaturan Guåhan* further finds that the Community Reinvestment Act  
27 (CRA) requires federal financial institutions to meet the credit needs of the

1 communities in which they operate. According to reports from the Federal Deposit  
2 Insurance Corporation (FDIC), banks operating in Guam can fulfill their CRA  
3 obligations by participating in community development loans and investments that  
4 benefit low- and moderate-income individuals or geographies. By explicitly  
5 authorizing government projects to accept CRA-motivated lending and CDFI  
6 programs like the Capital Magnet Fund, which specifically targets affordable  
7 housing and related economic development, the government of Guam can create a  
8 more attractive environment for local banks to reinvest their capital into the  
9 island's public works.

10 Therefore, it is the intent of *I Liheslaturan Guåhan* to modernize Guam's  
11 development financing toolkit by explicitly authorizing the use of these federally  
12 recognized mechanisms for all government development projects. By providing  
13 clear statutory authority for the inclusion of New Markets Tax Credits, EB-5  
14 financing, CDFI programs, and CRA-motivated lending, the Legislature intends to  
15 empower government agencies and autonomous entities to pursue innovative  
16 financing structures that reduce the traditional debt burden while accelerating the  
17 delivery of critical infrastructure and housing for the people of Guam.

18 **Section 2.** A new Article 4 is hereby *added* to Chapter 50, Title 12, Guam  
19 Code Annotated, to read:

20 “ARTICLE 4. FEDERAL FINANCING AUTHORIZATION

21 §50401. Title.

22 This Article shall be known and may be cited as the 'Federal Financing  
23 Authorization Act.'

24 §50402. Definitions.

25 As used in this Article, the following terms shall have the meanings set forth  
26 below:

1 (a) 'Authority' means the Guam Economic Development Authority  
2 established under Chapter 50 of this Title.

3 (b) 'Board' means the Board of Directors of the Guam Economic  
4 Development Authority.

5 (c) 'Community Development Financial Institution (CDFI) programs'  
6 means programs administered or certified by the Community  
7 Development Financial Institutions Fund of the U.S. Department of  
8 the Treasury, including but not limited to the Capital Magnet Fund,  
9 the CDFI Bond Guarantee Program, and the Financial Assistance and  
10 Technical Assistance programs, that provide financing, technical  
11 assistance, or investment capital to support community development  
12 in underserved areas.

13 (d) 'Community Reinvestment Act-motivated lending' means loans,  
14 investments, or services extended by federally regulated financial  
15 institutions for the purpose of meeting their obligations under the  
16 Community Reinvestment Act of 1977, 12 U.S.C. §2901 et seq.,  
17 including community development loans, qualified investments, and  
18 community development services that benefit low- and moderate-  
19 income individuals or geographies within Guam.

20 (e) 'Development initiative' means any project, program, or activity  
21 undertaken by or on behalf of the government of Guam for the  
22 purpose of public infrastructure construction, rehabilitation, or  
23 improvement; affordable housing development; economic  
24 diversification; tourism facility development; utility system  
25 improvement; community facility construction; or any other capital  
26 project serving a public purpose.

1 (f) 'EB-5 Immigrant Investor Program' means the federal program  
2 administered by U.S. Citizenship and Immigration Services pursuant  
3 to Section 203(b)(5) of the Immigration and Nationality Act, 8 U.S.C.  
4 §1153(b)(5), and related regulations, which provides a pathway for  
5 foreign investors to obtain lawful permanent residency in the United  
6 States in exchange for making qualifying capital investments in job-  
7 creating commercial enterprises.

8 (g) 'Federal financing mechanism' means any financing tool, program,  
9 tax credit, loan guarantee, grant, equity investment, or other financial  
10 instrument authorized under federal law and available to the  
11 government of Guam, its agencies, instrumentalities, or authorized  
12 private-sector partners for the purpose of financing development  
13 initiatives, including but not limited to New Markets Tax Credit  
14 financing, the EB-5 Immigrant Investor Program, Community  
15 Development Financial Institution (CDFI) programs such as the  
16 Capital Magnet Fund, Community Reinvestment Act-motivated  
17 lending, and any other federally authorized financing mechanism.

18 (h) 'Government of Guam' means the territorial government, including  
19 all executive departments, agencies, autonomous and semi-  
20 autonomous instrumentalities, public corporations, and any entity  
21 created by or operating under the authority of the Organic Act of  
22 Guam or the laws of Guam.

23 (i) 'New Markets Tax Credit financing' means financing structures that  
24 utilize the New Markets Tax Credit program established under Section  
25 45D of the Internal Revenue Code of 1986, 26 U.S.C. §45D, which  
26 provides a federal income tax credit to investors who make qualified  
27 equity investments in designated Community Development Entities

1           for the purpose of making qualified low-income community  
2           investments.

3           §50403. Authorization to Utilize Federal Financing Mechanisms.

4           (a) The Authority, acting on behalf of the government of Guam, is  
5           hereby expressly authorized to pursue, negotiate, structure, and enter  
6           into agreements involving any federal financing mechanism for the  
7           purpose of financing development initiatives of the government of  
8           Guam.

9           (b) All departments, agencies, instrumentalities, and autonomous  
10          entities of the government of Guam are hereby authorized to  
11          participate in, cooperate with, and benefit from financing  
12          arrangements structured under federal financing mechanisms, whether  
13          such arrangements are coordinated through the Authority or  
14          undertaken independently with the prior written concurrence of the  
15          Authority.

16          (c) The authorization granted under this Section shall include, but not  
17          be limited to, the authority to utilize New Markets Tax Credits, the  
18          EB-5 Immigrant Investor Program, Community Development  
19          Financial Institution (CDFI) programs, Community Reinvestment  
20          Act-motivated lending, and any other federally authorized financing  
21          mechanism, including specifically:

22               (1) apply for and receive allocations of New Markets Tax  
23               Credits, and to create, manage, or partner with Community  
24               Development Entities as defined under 26 U.S.C. §45D for the  
25               purpose of deploying such credits in connection with  
26               government development initiatives;

1           (2) establish, designate, or partner with regional centers or  
2           other organizational structures necessary to receive and deploy  
3           capital under the EB-5 Immigrant Investor Program for  
4           qualifying government development initiatives;

5           (3) apply for, receive, and administer funds from Community  
6           Development Financial Institution (CDFI) programs such as the  
7           Capital Magnet Fund, and to enter into agreements with  
8           certified CDFIs for the purpose of financing affordable housing,  
9           community facilities, and related economic development  
10           projects;

11           (4) structure development initiatives to qualify for and attract  
12           Community Reinvestment Act-motivated lending from  
13           federally regulated financial institutions operating in Guam; and

14           (5) pursue any other federally authorized financing  
15           mechanism that may be available to the government of Guam  
16           for the financing of development initiatives.

17           (d) The Authority shall serve as the lead coordinating agency for the  
18           government of Guam in identifying, evaluating, and facilitating the  
19           use of federal financing mechanisms. All government agencies and  
20           instrumentalities undertaking development initiatives shall consult  
21           with the Authority regarding the potential applicability of federal  
22           financing mechanisms to their projects.

23           (e) Nothing in this Article shall be construed to limit or diminish the  
24           existing powers, duties, or authority of the Authority as set forth in  
25           Article 1 of this Chapter, including its designation as the centralized  
26           and exclusive financial planner and investment banker for all agencies

1 and instrumentalities of the government of Guam under §50103(k) of  
2 this Chapter.

3 §50404. Scope of Application.

4 (a) The provisions of this Article shall apply to all development  
5 initiatives of the government of Guam, including but not limited to:

6 (1) public infrastructure projects, including roads, bridges, ports,  
7 airports, and utility systems;

8 (2) affordable housing construction, rehabilitation, and  
9 preservation;

10 (3) tourism facility development and improvement;

11 (4) healthcare facility construction and modernization;

12 (5) educational facility construction and improvement;

13 (6) community and recreational facility development;

14 (7) economic diversification and commercial development projects;  
15 and

16 (8) any other capital project or program undertaken by or on behalf  
17 of the government of Guam that serves a public purpose and is  
18 eligible for financing through one or more federal financing  
19 mechanisms.

20 (b) The authorization provided under this Article shall extend to  
21 development initiatives undertaken by any department, agency,  
22 instrumentality, or autonomous entity of the government of Guam,  
23 whether funded in whole or in part through federal financing  
24 mechanisms.

25 (c) Nothing in this Article shall be construed to require the use of  
26 federal financing mechanisms for any particular development  
27 initiative. The decision to utilize such mechanisms shall be made on a

1 project-by-project basis, taking into account the financial feasibility,  
2 federal eligibility, and overall benefit to the people of Guam.

3 §50405. Federal Compliance and Eligibility.

4 (a) All development initiatives financed in whole or in part through  
5 federal financing mechanisms authorized under this Article shall be  
6 subject to federal eligibility of said projects and shall comply with all  
7 applicable federal statutes, regulations, and program requirements  
8 governing the specific federal financing mechanism utilized.

9 (b) The Authority shall be responsible for ensuring that any financing  
10 arrangement entered into under this Article satisfies all federal  
11 compliance requirements, including but not limited to:

12     (1) eligibility determinations required by the administering federal  
13 agency or program;

14     (2) reporting, recordkeeping, and audit requirements imposed by  
15 federal law or regulation;

16     (3) job creation, investment thresholds, or community benefit  
17 requirements applicable to the specific federal financing mechanism;

18     (4) restrictions on the use of proceeds or invested capital as  
19 required by the terms of the federal program; and

20     (5) any other condition or requirement imposed by federal law as a  
21 prerequisite to participation in the federal financing mechanism.

22 (c) The Authority shall submit an annual report to I Liheslaturan  
23 Guåhan no later than March first (1st) of each year detailing:

24     (1) each federal financing mechanism utilized during the preceding  
25 fiscal year;

26     (2) the development initiatives financed through such mechanisms;

27     (3) the total amount of capital secured through each mechanism;

1 (4) the status of compliance with applicable federal requirements;  
2 and

3 (5) any recommendations for legislative action to enhance the  
4 government of Guam's ability to access federal financing mechanisms.

5 (d) No agreement or arrangement entered into under this Article shall  
6 impose any obligation upon the government of Guam that is  
7 inconsistent with the Organic Act of Guam or the laws of Guam. In  
8 the event of a conflict between the terms of a federal financing  
9 arrangement and local law, the Authority shall seek to negotiate terms  
10 that are consistent with both federal program requirements and local  
11 law, and shall report any unresolved conflicts to I Liheslaturan  
12 Guåhan.

13 §50406. Rules and Regulations.

14 (a) The Board, in consultation with the Administrator of the Authority,  
15 shall promulgate rules and regulations necessary to implement the  
16 provisions of this Article in accordance with the Administrative  
17 Adjudication Law, Title 5, Guam Code Annotated, Chapter 9.

18 (b) Such rules and regulations shall include, but not be limited to:

19 (1) procedures for government agencies and instrumentalities to  
20 request the Authority's assistance in identifying and securing federal  
21 financing mechanisms for development initiatives;

22 (2) criteria for evaluating the suitability of federal financing  
23 mechanisms for specific development initiatives;

24 (3) standards for the negotiation and execution of agreements  
25 involving federal financing mechanisms, including requirements for  
26 competitive selection of private-sector partners where applicable;

1           (4) reporting and accountability requirements for government  
2           agencies and instrumentalities that utilize federal financing  
3           mechanisms; and

4           (5) any other provisions necessary to carry out the purposes of this  
5           Article.

6           (c) The Authority shall promulgate initial rules and regulations under  
7           this Section no later than ninety (90) days after the effective date of  
8           this Act."

9           **Section 3. Severability.** If any provision of this Act or its application to any  
10          person or circumstance is found to be invalid or inorganic, such invalidity shall not  
11          affect other provisions or applications of this Act that can be given effect without  
12          the invalid provision or application, and to this end the provisions of this Act are  
13          severable.

14          **Section 4. Effective Date.** This Act shall take effect upon enactment.