


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
313-38 (LS)	William A. Parkinson	AN ACT TO <i>AMEND</i> SUBSECTION (a) OF § 771103 OF ARTICLE 11, CHAPTER 77, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO INCREASING THE ANNUAL AUTHORIZATION CEILING FOR BUSINESS PRIVILEGE TAX CREDITS FOR REQUIRED MEDICAL EQUIPMENT AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.	5/1/26 9:19 a.m.						

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

Bill No. 313-38 (LS)

Introduced by:

William A. Parkinson 

AN ACT TO AMEND SUBSECTION (a) OF § 771103 OF ARTICLE 11, CHAPTER 77, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO INCREASING THE ANNUAL AUTHORIZATION CEILING FOR BUSINESS PRIVILEGE TAX CREDITS FOR REQUIRED MEDICAL EQUIPMENT AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that the Guam Memorial Hospital Authority (GMHA) remains Guam's only public
4 civilian hospital and continues to bear a uniquely indispensable role in protecting the
5 health, safety, and welfare of the people of Guam. GMHA serves as a critical access
6 point for emergency care, inpatient services, maternal and child health services,
7 surgical services, diagnostic services, and other essential medical care for Guam's
8 residents and visitors.

9 *I Liheslaturan Guåhan* further finds that modern medical care depends not
10 only upon physicians, nurses, allied health professionals, and hospital facilities, but
11 also upon the availability of reliable, clinically appropriate, and technologically
12 current medical equipment. Required medical equipment at a public hospital is not
13 a discretionary convenience. It is the infrastructure through which diagnosis,
14 monitoring, treatment, life support, surgical intervention, emergency stabilization,
15 and patient safety are made possible.

1 During the budget hearing of the Guam Memorial Hospital Authority held on
2 April 30, 2026, GMHA requested that the annual authorization ceiling for business
3 privilege tax credits for required medical equipment be increased from Five Hundred
4 Thousand Dollars (\$500,000) to One Million Dollars (\$1,000,000) per year. *I*
5 *Liheslaturan Guåhan* finds that this request is reasonable and necessary because the
6 cost of modern medical equipment has increased substantially, and many essential
7 items of hospital equipment require significant capital investment that may exceed
8 or rapidly consume the current annual authorization ceiling.

9 *I Liheslaturan Guåhan* further finds that the existing tax credit program
10 established in Article 11 of Chapter 77, Title 12, Guam Code Annotated, provides a
11 structured mechanism by which businesses may contribute required medical
12 equipment to GMHA in exchange for credits against unpledged business privilege
13 taxes. The program includes safeguards requiring identification and approval by the
14 GMHA Board of Trustees, certification of costs, oversight by the Guam Economic
15 Development Authority, limitations on credits to actual expenditures, annual
16 reporting, and competitive procurement of medical equipment purchases.

17 *I Liheslaturan Guåhan* further finds that increasing the annual authorization
18 ceiling to One Million Dollars (\$1,000,000) will better align the tax credit program
19 with the real-world costs of hospital-grade medical equipment, improve GMHA's
20 ability to obtain needed equipment in a timely manner, and provide greater flexibility
21 in addressing urgent and high-priority equipment needs without increasing the
22 aggregate cap of Five Million Dollars (\$5,000,000) authorized for the program.

23 It is therefore the intent of *I Liheslaturan Guåhan* to amend § 771103(a) of
24 Article 11, Chapter 77, Title 12, Guam Code Annotated, to authorize up to One
25 Million Dollars (\$1,000,000) in tax credits for each year of the GMHA required
26 medical equipment tax credit program.

1 **Section 2.** § 771103(a) of Article 11, Chapter 77, Title 12, Guam Code
2 Annotated, is hereby *amended* to read:

3 **“§ 771103. Cap on Business Privilege Tax Credits for Required Medical**
4 **Equipment at the Guam Memorial Hospital Authority.**

5 (a) The total amount of credits against unpledged business privilege
6 taxes for medical equipment needs of the GMHA authorized herein shall not
7 exceed Five Million Dollars (\$5,000,000) over a five (5)-year period. No more
8 than ~~Five Hundred Thousand Dollars (\$500,000)~~ One Million Dollars
9 (\$1,000,000) in tax credits shall be authorized for each year of the program.
10 The five-year period will begin in the first fiscal year I Liheslaturan Guåhan
11 allocates One Million Dollars (\$1,000,000) from unpledged business privilege
12 taxes through the budget act. This period will continue to count in each
13 subsequent fiscal year as long as this One Million Dollars (\$1,000,000)
14 appropriation is maintained in future budget acts.”

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

20 **Section 4. Effective Date.** This Act shall be effective upon enactment.