

*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
145-38 (COR)	Sabrina Salas Matanane	AN ACT TO AMEND § 771103 (a) AND § 771106 OF ARTICLE 11, CHAPTER 77, TITLE 12 GUAM CODE ANNOTATED, RELATIVE TO TAX CREDITS FOR MEDICAL EQUIPMENT FOR THE GUAM MEMORIAL HOSPITAL AUTHORITY.	5/22/25 12:01 p.m.  5/28/25 3:49 p.m.						

***I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN***  
**2025 (FIRST) Regular Session**

**Bill No. 145-38 (COR)**

Introduced by:

Sabrina Salas Matanane *Smart*

**AN ACT TO AMEND § 771103 (a) AND § 771106 OF  
ARTICLE 11, CHAPTER 77, TITLE 12 GUAM CODE  
ANNOTATED, RELATIVE TO TAX CREDITS FOR  
MEDICAL EQUIPMENT FOR 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) serves as the only public  
4 hospital on Guam, providing critical healthcare services to the island's residents.  
5 The hospital remains a lifeline for those who are sick or injured, underscoring its  
6 vital role within the community. However, GMHA continues to face significant  
7 challenges in securing life-saving medical equipment necessary to meet the  
8 healthcare needs of the people of Guam.

9 The establishment of a tax credit program was a deliberate effort to incentivize  
10 private sector contributions toward the procurement of medical equipment for  
11 GMHA. This program enables GMHA to identify and prioritize its most urgent  
12 equipment needs, ensuring that tax credits are exclusively applied to high-priority  
13 medical necessities that the hospital cannot acquire independently.

14 To enhance the effectiveness of this program, *I Liheslatura* recognizes the  
15 need to amend the current law to remove the 1% processing fee, thereby allowing

1 the maximum amount of funds under the tax credit program to be allocated directly  
2 to the procurement of the much-needed medical equipment. This amendment  
3 ensures that every available dollar is effectively utilized to address GMHA’s critical  
4 equipment needs.

5 Additionally, *I Liheslatura* finds it necessary to amend the effective date to  
6 provide sufficient time for implementation and to align with the hospital’s strategic  
7 planning efforts. These amendments reaffirm *I Liheslaturan Guåhan*’s commitment  
8 to supporting GMHA in its mission to deliver quality healthcare services and to  
9 securing the resources needed to sustain and improve medical care for the people of  
10 Guam.

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

13 **§ 771103. Cap on Business Privilege Tax Credits for Required Medical**  
14 **Equipment at the Guam Memorial Hospital Authority.**

15 (a) The total amount of credits against unpledged business privilege taxes  
16 for medical equipment needs of the GMHA authorized herein shall not  
17 exceed Five Million Dollars (\$5,000,000) over a five (5)-year period.  
18 No more than One Million Dollars (\$1,000,000) in tax credits shall be  
19 authorized for each year of the program. The five (5) year period will  
20 begin in the first fiscal year *I Liheslaturan Guåhan* allocates One  
21 Million Dollars (\$1,000,000) from unpledged business privilege taxes  
22 through the budget act. This period will continue to count in each  
23 subsequent fiscal year as long as the One Million Dollars (\$1,000,000)  
24 appropriation is maintained in future budget acts.

25 **Section 3.** § 771106 of Article 11, Chapter 77, Title 12 Guam Code  
26 Annotated is hereby *amended* to read:

27 **§ 771106. Approval of Contributions.**

1           GEDA or its designee shall be responsible for approving the contributions  
2 made towards the purchase of required medical equipment for the GMHA as  
3 identified in this Article. ~~GEDA is authorized to collect a processing fee in order to~~  
4 ~~defer the cost of administering the program. The fee shall be equal to not more than~~  
5 ~~one percent (1%) of the amount of tax credits approved by GEDA on each~~  
6 ~~application for certification of tax credits and may be due upon release of the~~  
7 ~~certification. Such fees shall be deposited in GEDA's operational account to be used~~  
8 ~~exclusively for the operations of GEDA's tax credit program activities.~~

9           **Section 4. 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 5. Effective Date.** This Act shall be effective upon enactment.