

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
293-38 (COR)	Sabrina Salas Matanane	AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27.	3/20/26 2:20 p.m.	3/27/26	Committee on Finance and Government Operations.	Request: 3/27/26 4/6/26	4/17/26 9:00 a.m.	9/16/26	



Office of Senator Christopher M. Dueñas
CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

September 14, 2026

The Honorable Frank F. Blas Jr.

Speaker, *I Mina'trentai Ocho na Liheslaturan Guåhan*
163 W. Chalan Santo Papa
Hågatña, Guam 96910

Via Honorable Vice Speaker V. Anthony Ada 
Chairman, Committee on Rules

RE: Committee Report on Bill No. 293-38 (COR) As Introduced

Buenas yan Håfa Adai Speaker,

Transmitted herewith is the Committee Report on **Bill No. 293-38 (COR)** – Sabrina Salas Matanane – An Act To Add A New §58128.8(b)(5) And A New §58128.8(i) To Chapter 58, Title 12, Guam Code Annotated, And To Establish Rebate Caps Beginning January 2027, Relative To Public Law 38-27.

Committee votes are as follows:

<u> 1 </u>	TO DO PASS
<u> 0 </u>	TO NOT PASS
<u> 4 </u>	TO REPORT OUT ONLY
<u> 0 </u>	TO ABSTAIN
<u> 0 </u>	TO PLACE IN INACTIVE FILE

Senseremente,


Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations



COMMITTEE ON RULES

RECEIVED:

September 14, 2026 1:58 p.m.

Marie Crisostomo

Revisions Received:

September 15, 2026 3:03 p.m.



Office of Senator Christopher M. Dueñas
CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

COMMITTEE REPORT

BILL NO. 293-38 (COR)

As Introduced

INTRODUCED BY:

Sabrina Salas Matanane

“AN ACT TO ADD A NEW §58128.8(B)(5) AND A NEW §58128.8(I) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27”.



Office of Senator Christopher M. Dueñas
CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

September 11, 2026

MEMORANDUM

To: All Members
Committee on Finance and Government Operations

From: Senator Christopher M. Dueñas
Chairperson, Finance and Government Operations

Subject: Committee Report on Bill No. 293-38 (COR) *As Introduced*

Transmitted herewith for your consideration is the Committee Report on **Bill No. 293-38 (COR)** – Sabrina Salas Matanane – **An Act To Add A New §58128.8(b)(5) And A New §58128.8(i) To Chapter 58, Title 12, Guam Code Annotated, And To Establish Rebate Caps Beginning January 2027, Relative To Public Law 38-27.**

This report includes the following:

- Copy of COR Referral of Bill No. 293-38 (COR)
- Notices of Public Hearing
- Copy of the Public Hearing Agenda
- Public Hearing Sign-in Sheet
- Copies of Submitted Written Testimony
- Committee Vote Sheet
- Committee Report Digest
- Copy of Bill No. 293-38 (COR), *As Introduced*
- Fiscal Note

Please take the appropriate action on the attached vote sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact me.

Respectfully,

Senator Christopher M. Dueñas
Chairperson, Committee on Finance and Government Operations



COMMITTEE ON RULES

Vice Speaker V. Anthony Ada, Chairperson
I Mina'trentai Ocho Na Liheslaturan Guåhan
38th Guam Legislature

March 27, 2026

To: **Rennae V. C. Meno**
Clerk of the Legislature

Attorney Darleen E.H. Phillips
Legislative Legal Counsel

From: **Vice Speaker V. Anthony Ada** 
Chairperson, Committee on Rules

Subject: **Referral of Bill No. 293-38 (COR)**

Håfa Adai,

As per my authority as Chairperson of the Committee on Rules and subject to §6.01(d)(1), Rule VI of our Standing Rules, I am forwarding the referral of **Bill No. 293-38 (COR)** - Sabrina Salas Matanane. – “AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27.”

Please ensure that the subject bill is referred to the Committee on Finance and Government Operations chaired by Senator Christopher M. Dueñas. I also request that the same be copied to the Prime Sponsor of the subject bill, to the Office of Finance and Budget (OFB) and to Management Information Services (MIS) for posting on our website.

A copy of the bill is available on our legislative website.

Should you have any questions or concerns, please feel free to contact Kamarin Nelson, Committee on Rules Director at 671-472-2461.





FIRST NOTICE - PUBLIC HEARING APRIL 17, 2026 9AM

1 message

Karl Pangelinan <karl.p@guamlegislature.gov>
To: phnotice@guamlegislature.gov
Cc: Senator Chris Duenas <senator.duenas@guamlegislature.gov>

Fri, Apr 10, 2026 at 9:00 AM

FOR IMMEDIATE RELEASE
April 10, 2026
MEMORANDUM

To: All Senators, Stakeholders, and Media
From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE of Public Hearing on April 17, 2026

The Committee on Finance and Government Operations will hold a public hearing on Friday, April 17, 2026, beginning at 9:00 am at the Public Hearing Room in the Guam Congress Building. The agenda is as follows:

- Bill No. 293-38 (COR) – Sabrina Salas Matanane – AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27.
- Bill No. 301-38 (COR) – Christopher M. Duenas – AN ACT TO AMEND § 5141 OF CHAPTER 5, TITLE 5 GUAM CODE ANNOTATED, RELATIVE TO EXPANDING THE GOVERNMENT OF GUAM PROCUREMENT TRAINING AND CERTIFICATION PROGRAM TO WIDEN AVAILABILITY AND OPPORTUNITY FOR PROCUREMENT PROFESSIONALS WITHIN THE GOVERNMENT OF GUAM
- Bill No. 300-38 (COR) – Sabina Flores Perez – AN ACT TO AMEND § 5141 OF CHAPTER 5, TITLE 5 GUAM COD ANNOTATED, RELATIVE TO EXPANDING PROCUREMENT TRAINING OPTIONS IN ORDER TO BUILD A SUFFICIENT WORKFORCE, PROMOTE FAIRNESS AND INTEGRITY THAT CAN REDUCE PROTESTS, AND STREAMLINE GOVERNMENT PROCUREMENT.

If you would like to participate in the Public Hearing listed above or submit written testimony, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. If you or anyone you know requires assistance or special accommodations to participate in the public hearing, please contact the Office of Senator Christopher M. Dueñas at the contact information provided above.

The Public Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through I Liheslaturan Guåhan's YouTube Channel (@guamlegislaturemedia).

 **1N Pubilc Hearing - 041726 9am.pdf**
376 KB

FIRST NOTICE OF PUBLIC HEARING - APRIL 17,2026 - 9AM

 PRINT

FIRST NOTICE OF PUBLIC HEARING - APRIL 17,2026 - 9AM

PUBLIC HEARING

 **Posted on:** 04/10/2026 09:19 AM

 **Posted by:** Karl Pangelinan

 **Public Hearing Date:** 04/17/2026 09:00 AM

 **Department(s):**
GUAM LEGISLATURE (/notices?department_id=92)

 **Division(s):**
OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

 **Notice Topic(s):** PUBLIC HEARING(/notices?topic_id=74)

 **Types of Notice:** PUBLIC HEARING(/notices?type_id=7)

 **For Audience(s):** PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE

April 10, 2026

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE of Public Hearing on April 17, 2026

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The agenda is as follows:

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PROTESTS, AND STREAMLINE GOVERNMENT PROCUREMENT.

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GUAM LEGISLATURE
AUDIO VISUAL DEPARTMENT
PUBLIC ANNOUNCEMENT REQUEST FORM

Office Submitting Request: Senator Chris Dueñas

Date of Request: 4/09/26

POINT OF CONTACT

Name: Ashley Shinohara

Contact #: 671-989-9554

Email: senator.duenas@guamlegislature.gov

PUBLIC HEARING DETAILS

Notice Type: ☒ Public Hearing ☐ Informational Briefing ☐ Roundtable Discussion

☐ Oversight Hearing ☐ Committee Meeting ☐ Other: _____

Notice Title / Bill(s) / Resolution(s) / Appointment:
Bills 293-38 (COR), 300-38 (COR), & 301-38 (COR)

Date of Event: 4/17/2026

Start Time: 9:00 AM AM/PM

End Time: 12:00 PM AM/PM

Location: Public Hearing Room

MEDIA HANDLING

Recording Format: ☒ MP4 ☐ MP3 ☐ Other: _____

Delivery Method: ☒ Email ☐ USB Drive ☐ Cloud Link ☐ Other: _____

CERTIFIED BY AV:

Name: Darryl Penas

Signature: [Signature]

Posted on/Air Date: 4/10/26 - 4/12/26



Notice of Public Hearing
Friday, April 17, 2026, 9:00 A.M.

The Committee on Finance and Government Operations will hold a public hearing on Friday, April 17, 2026, beginning at 9:00 am at the Public Hearing Room in the Guam Congress Building.

The agenda is as follows:



- Bill No. 293-38 (COR) – **Sabrina Salas Matanane** – AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27.
- Bill No. 301-38 (COR) – **Christoper M. Duenas** – AN ACT TO AMEND § 5141 OF CHAPTER 5, TITLE 5 GUAM CODE ANNOTATED, RELATIVE TO EXPANDING THE GOVERNMENT OF GUAM PROCUREMENT TRAINING AND CERTIFICATION PROGRAM TO WIDEN AVAILABILITY AND OPPORTUNITY FOR PROCUREMENT PROFESSIONALS WITHIN THE GOVERNMENT OF GUAM
- Bill No. 300-38 (COR) – **Sabina Flores Perez** – AN ACT TO AMEND § 5141 OF CHAPTER 5, TITLE 5 GUAM CODE ANNOTATED, RELATIVE TO EXPANDING PROCUREMENT TRAINING OPTIONS IN ORDER TO BUILD A SUFFICIENT WORKFORCE, PROMOTE FAIRNESS AND INTEGRITY THAT CAN REDUCE PROTESTS, AND STREAMLINE GOVERNMENT PROCUREMENT.

SENATOR CHRISTOPHER M. DUEÑAS

COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS



If you would like to participate in the Public Hearing listed above or submit written testimony, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.

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Karl Pangelinan <karl.p@guamlegislature.gov>

Second Notice PH - Friday April 17, 2026 - 9am

1 message

Karl Pangelinan <karl.p@guamlegislature.gov>

Wed, Apr 15, 2026 at 9:00 AM

To: phnotice@guamlegislature.gov

Cc: Senator Chris Duenas <senator.duenas@guamlegislature.gov>

FOR IMMEDIATE RELEASE

April 15, 2026

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas

Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE of Public Hearing on April 17, 2026

The Committee on Finance and Government Operations will hold a public hearing on Friday, April 17, 2026, beginning at 9:00 am at the Public Hearing Room in the Guam Congress Building.

The agenda is as follows:

Bill No. 293-38 (COR) – Sabrina Salas Matanane – AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27.

Bill No. 301-38 (COR) – Christopher M. Duenas – AN ACT TO AMEND § 5141 OF CHAPTER 5, TITLE 5 GUAM CODE ANNOTATED, RELATIVE TO EXPANDING THE GOVERNMENT OF GUAM PROCUREMENT TRAINING AND CERTIFICATION PROGRAM TO WIDEN AVAILABILITY AND OPPORTUNITY FOR PROCUREMENT PROFESSIONALS WITHIN THE GOVERNMENT OF GUAM

Bill No. 300-38 (COR) – Sabina Flores Perez – AN ACT TO AMEND § 5141 OF CHAPTER 5, TITLE 5 GUAM CODE ANNOTATED, RELATIVE TO EXPANDING PROCUREMENT TRAINING OPTIONS IN ORDER TO BUILD A SUFFICIENT WORKFORCE, PROMOTE FAIRNESS AND INTEGRITY THAT CAN REDUCE PROTESTS, AND STREAMLINE GOVERNMENT PROCUREMENT.

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SECOND NOTICE OF PUBLIC HEARING - 041726 0900

 PRINT

SECOND NOTICE OF PUBLIC HEARING - 041726 0900

PUBLIC HEARING

 **Posted on:** 04/15/2026 09:00 AM

 **Posted by:** Karl Pangelinan

 **Public Hearing Date:** 04/17/2026 09:00 AM

 **Department(s):**
GUAM LEGISLATURE (/notices?department_id=92)

 **Division(s):**
OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

 **Notice Topic(s):** PUBLIC HEARING(/notices?topic_id=74)

 **Types of Notice:** PUBLIC HEARING(/notices?type_id=7)

 **For Audience(s):** PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE

April 15, 2026

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government
Operations

Re: SECOND NOTICE of Public Hearing on April 17, 2026

The Committee on Finance and Government Operations will hold a public hearing on **Friday, April 17, 2026**, beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

The agenda is as follows:

Bill No. 293-38 (COR)

([https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20293-38%20\(COR\).pdf](https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20293-38%20(COR).pdf)) –

Sabrina Salas Matanane – AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27.

Bill No. 301-38 (COR)

([https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20301-38%20\(COR\).pdf](https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20301-38%20(COR).pdf)) –

Christopher M. Duenas – AN ACT TO AMEND § 5141 OF CHAPTER 5, TITLE 5 GUAM CODE ANNOTATED, RELATIVE TO EXPANDING THE GOVERNMENT OF GUAM PROCUREMENT TRAINING AND CERTIFICATION PROGRAM TO WIDEN AVAILABILITY AND OPPORTUNITY FOR PROCUREMENT PROFESSIONALS WITHIN THE GOVERNMENT OF GUAM

Bill No. 300-38 (COR)

([https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20300-38%20\(COR\).pdf](https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20300-38%20(COR).pdf)) –

Sabina Flores Perez – AN ACT TO AMEND § 5141 OF CHAPTER 5, TITLE 5 GUAM CODE ANNOTATED, RELATIVE TO EXPANDING PROCUREMENT TRAINING OPTIONS IN ORDER TO BUILD A SUFFICIENT WORKFORCE, PROMOTE FAIRNESS AND INTEGRITY THAT CAN REDUCE PROTESTS, AND STREAMLINE GOVERNMENT PROCUREMENT.

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Office of Senator Christopher M. Duenas

CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

PUBLIC HEARING AGENDA
17 April 2026 - Guam Congress Building

09:00 AM:

- **Bill No. 293-38 (COR)** – Sabrina Salas Matanane – AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27.
- **Bill No. 301-38 (COR)** – Christoper M. Duenas – AN ACT TO AMEND § 5141 OF CHAPTER 5, TITLE 5 GUAM CODE ANNOTATED, RELATIVE TO EXPANDING THE GOVERNMENT OF GUAM PROCUREMENT TRAINING AND CERTIFICATION PROGRAM TO WIDEN AVAILABILITY AND OPPORTUNITY FOR PROCUREMENT PROFESSIONALS WITHIN THE GOVERNMENT OF GUAM
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OFFICE OF SENATOR CHRISTOPHER M. DUEÑAS

259 MARTYR STREET, HAGATNA GUAM 96910 | TEL: 671-989-9554 | SENATOR.DUENAS@GUAMLEGISLATURE.GOV

  LIKE AND FOLLOW @SENATORDUENAS



Date: April 17, 2026

I Mina'trentai Ocho na Liheslaturan Guahån
Office of Senator Christopher M. Duenas
Chairman, Committee on Finance and Government Operations

Time: 9:00 a.m.

Bill No. 293-38 (COR) – AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27.

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Christina Garcia	GEDA			X			
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								



April 26, 2026

To: Honorable Christopher Duenas, Chairperson, Committee on Finance and Government Operations -38th Guam Legislature

From: Edison Manaloto, MPA, MD, CPA, CGFM, CHFP, SHRM-SCP, SPHRi

Subject: Letter of Support for Bill 293-38

Håfa Adai, Chairman Duenas,

I respectfully submit this testimony regarding Bill 293-38. Previously, I provided oral testimony in full support of what is now Guam Public Law 38-27, also known as the Guam Medicaid Access Enhancement Act.

Consistent with my prior testimony and position, I firmly believe that Public Law 38-27 represents a thoughtful and financially informed policy intervention that addresses a longstanding structural issue within Guam's healthcare system. By realigning financial incentives, strengthening accountability, and expanding access, this legislation has the potential to significantly improve care delivery for Medicaid beneficiaries while promoting a more efficient and resilient healthcare system.

As a former legislative staffer, I am keenly aware of the challenges associated with implementing existing laws and the importance of ensuring that the spirit and intent of legislation are effectively operationalized. This can only be achieved through strong collaboration with front-line agencies.

I believe Bill 293-38 represents such a measure, as it seeks to provide clarity on the original intent of Bill 39-37—specifically, the provision of a tiered unpledged business privilege tax (BPT) rebate on Medicaid receipts—and addresses potential ambiguity regarding the federal share of the rebate. Furthermore, the proposed measure establishes an annual cap of \$5 million for the rebate program, ensuring that its financial impact is quantified and accurately accounted for in revenue projections within the annual budget process.

Bill 293-38 further strengthens and reinforces the intent of Public Law 38-27 by addressing a critical imbalance in our healthcare system: the high demand for Medicaid services, with over 30,000 enrollees representing approximately 20% of Guam's population, contrasted with limited provider participation driven by low reimbursement rates and financial disincentives.

In summary, I commend the Legislature for advancing this initiative and encourage continued collaboration among policymakers, healthcare providers, and financial leaders



to ensure its successful implementation.

Si Yu'os Ma'åse' for your time and considering my written testimony.

Sincerely,

Edison Manaloto, MPA, M.D.
Certified Public Accountant
Certified Government Financial Manager
Certified Healthcare Financial Professional
SHRM-Senior Certified Professional
Senior Professional in Human Resources-International
Chief Medical Officer, Guam Regional Medical City

DEDEDO DENTAL CENTER • PREMIER DENTISTRY

Joint Written Testimony to I Liheslaturan Guåhan

April 25, 2026

The Honorable Christopher M. Dueñas
Senator and Chairperson
Committee on Finance and Government Operations

Re: Joint Written Testimony in *Support* of Bill No. 293-38 (COR)

Håfa Adai Chairman Duenas,

Dededo Dental Center and Premier Dentistry respectfully submit this joint written testimony in support of **Bill No. 293-38 (COR)** and urge its immediate passage. We are two dental practices on Guam that serve Medicaid patients, and we are precisely the type of healthcare providers that Public Law 38-27 was designed to support. We write today to convey — with appropriate urgency — that the underlying Act remains unimplemented more than ten months after enactment, that the operational and access-to-care consequences of that delay are now significant and growing, and that if the passage of Bill 293-38 is what is required to break the implementation logjam and finally stand up the program, we support its passage on that basis.

When Public Law 38-27 was signed into law on June 17, 2025, our clinics — like many healthcare providers across the island — began making business decisions in reliance on its provisions. The Act is, by its own terms, “*effective upon enactment*” and applies “*to tax periods beginning on or after January 1, 2025.*” Section 2 of the Act, codified at §58128.8(h) of Title 12, Guam Code Annotated, further requires that the Guam Economic Development Authority (GEDA), in consultation with the Department of Public Health and Social Services (DPHSS), promulgate rules and regulations “*within ninety (90) days of the effective date of this Act.*”

Healthcare providers on Guam have been remitting the Business Privilege Tax on Medicaid receipts for the entirety of tax year 2025 and into tax year 2026, with no operational pathway to claim the rebate that *I Liheslaturan Guåhan* and *I Maga’hågan Guåhan* jointly enacted into law nearly a year ago.

The implementation gap is not abstract. It is producing direct, measurable harm. Speaking specifically from the perspective of dental practices serving Medicaid patients, we identify three categories of injury:

First, working-capital strain. For each month that passes without rules and regulations, our clinics continue to remit BPT at the full 5% rate on every Medicaid dollar received. Dental Medicaid reimbursement on Guam is already among the lowest of any payer mix we accept; on many procedures, the post-tax margin barely covers chair time, materials, and laboratory costs. PL 38-27 was designed to

give clinics like ours room to breathe — funds we could redeploy toward staffing, equipment, and capacity. Every month of delay is a month in which that breathing room does not exist.

Second, postponed expansion of professionals and locations. The Act's tiered structure — a 20% base rebate, plus an additional 20% per qualified healthcare professional, plus an additional 20% per service location — is precisely calibrated to incentivize the hiring of additional dentists, hygienists, and dental auxiliaries registered with the Guam Allied Health Board, and to support the opening of additional service locations across the island. Each of our clinics had begun planning, in direct reliance on PL 38-27, to expand Medicaid capacity through additional qualified professionals and additional service locations. Without an operational rebate program, those plans are on hold. The Medicaid patients who would have been served by that expanded capacity remain on waiting lists — or, more often, simply unseen.

Third, patient access bottlenecks. Section 1 of PL 38-27 documents what every Medicaid-accepting clinic on Guam already knows: there are over thirty thousand (30,000) Medicaid enrollees on this island — nearly twenty percent (20%) of the population — and far too few providers willing or able to serve them. In dentistry, the gap is particularly acute. Pediatric dental care, preventive cleanings, and routine restorative work that should be readily accessible become months-long waits. Untreated dental disease in Medicaid populations does not stay confined to the mouth; it drives emergency-room utilization, contributes to chronic conditions, and — in children — affects school attendance and learning. Every month the rebate program remains inactive is a month in which the access problem the Legislature sought to solve continues to compound.

Our Position on Bill 293-38

We have followed the public discussion surrounding the implementation of PL 38-27 with care. We respectfully submit that the original Act was, on its face, clear and self-executing in its core operative provisions, and that the substantive amendments proposed in Bill 293-38 were not, in our view, strictly necessary as a matter of statutory interpretation. We recognize, however, that questions have apparently arisen during the implementation process that have prevented promulgation of the rules and regulations now seven months overdue. Bill 293-38 reflects an effort to resolve those questions and remove whatever obstacles have stood in the way. On that pragmatic basis and with the priority of finally standing up this long-delayed program in mind we support its passage.

We respectfully submit that the original definition of “*Medicaid receipts*” in §58128.8(b)(2) was clear on its face, and we read §58128.8(c)(4)'s carve-out for “*the federal share of any Medicaid payment*” as plainly referring to actual federal dollars received, not to a formulaic share of every Medicaid receipt. That said, if defining “federal share” as Bill 293-38 proposes settles the matter and removes whatever interpretive question may have given GEDA and DPHSS pause in promulgating the rules and regulations, we fully support its inclusion. Standing up this long-delayed program is the priority.

We do not, on the merits, believe that a fixed annual cap is the most prudent design for this program. PL 38-27 was structured to scale with provider participation and Medicaid utilization; if the Act works as intended, demand should grow over time as more clinics enter the Medicaid network and existing clinics expand their capacity. A fixed five-million-dollar ceiling, particularly on a first-come, first-served basis, could over time become a binding constraint that undermines the very expansion the Act was meant to incentivize and could create perverse year-end dynamics for clinics making multi-year staffing and facility commitments.

If the passage of Bill 293-38 is what is needed to unblock the long-overdue promulgation of rules and regulations under PL 38-27, then we ask that it be passed without further delay. Every additional month of legislative deliberation is another month in which our clinics cannot expand, our patients cannot be seen sooner, and the public policy goal that the Legislature has already adopted remains stalled in administrative limbo.

Conclusion

Public Law 38-27 was the right policy when it was enacted in June 2025. It remains the right policy today. But a law that has not been implemented is not yet a policy it is only a promise. We urge passage of **Bill No. 293-38 (COR)** not because we believe its substantive provisions were strictly necessary on the merits, but because if they are what is required to convert PL 38-27 from law into operational reality, then they should be enacted without further delay. We further urge that the Committee on Finance and Government Operations, in conjunction with GEDA and DPHSS, commit — in connection with passage — to a firm and public timeline for promulgating the rules and regulations that PL 38-27 has required for more than seven months.

On behalf of our two clinics, our staffs, and the Medicaid patients who depend on us for dental care, we thank Senator Sabrina Salas Matanane and Chairman Dueñas for their continued leadership on this issue and we thank the Committee for the opportunity to submit this joint testimony.

Si Yu'os Ma'åse',

For Dededo Dental Center:



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Office of Senator Christopher M. Dueñas
CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

COMMITTEE VOTE SHEET

Bill No. 293-38 (COR) - *As Introduced* – Sabrina Salas Matanane – *An Act To Add A New §58128.8(b)(5) And A New §58128.8(i) To Chapter 58, Title 12, Guam Code Annotated, And To Establish Rebate Caps Beginning January 2027, Relative To Public Law 38-27.*

Committee Members	Signature	TO DO PASS	TO NOT PASS	TO REPORT OUT ONLY	TO ABSTAIN	TO PLACE IN INACTIVE FILE
Senator Christopher M. Dueñas <i>Chairperson</i>	 9/14/26			X		
Senator V. Anthony Ada <i>Vice Chairperson</i>	E-Vote 9/14/26			X		
Senator Frank F. Blas, Jr. <i>Member</i>	E-Vote 9/14/26			X		
Senator Sabrina Salas Matanane <i>Member</i>	E-Vote 9/14/26	X				
Senator Jesse A. Lujan <i>Member</i>						
Senator Vincent A.V. Borja <i>Member</i>						
Senator Tina Rose Muña Barnes <i>Member</i>						
Senator Joe S. San Agustin <i>Member</i>	E-Vote 9/14/26			X		



Senator Chris Duenas <senator.duenas@guamlegislature.gov>

URGENT REQUEST FOR E-VOTE: Bill No. 293-38 (COR)

5 messages

Senator Chris Duenas <senator.duenas@guamlegislature.gov>
To: cmdcommittee@guamlegislature.gov

Mon, Sep 14, 2026 at 12:29 PM

Hafa adai Committee Members:

Please see attached committee report on:

Bill No. 293-38 (COR) – Sabrina Salas Matanane -
AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i) TO CHAPTER 58, TITLE 12, GUAM CODE
ANNOTATED, AND TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27.

Please indicate your preferred action, based on the following options:

- TO DO PASS
- TO NOT PASS
- TO REPORT OUT ONLY
- TO ABSTAIN
- TO PLACE IN INACTIVE FILE

Please submit your response by **ASAP**. Your responses will be logged into the vote sheet which will be submitted as part of the final Committee Report to the Committee on Rules.



Office of Senator Christopher M. Dueñas

Chairman, Committee on Finance and Government Operations

259 Martyr St., Hagatna, Guam 96910

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 **293_Route.pdf**
10550K

Joe S. San Agustin <senatorjoessanagustin@gmail.com>
To: Senator Chris Duenas <senator.duenas@guamlegislature.gov>
Cc: cmdcommittee@guamlegislature.gov

Mon, Sep 14, 2026 at 12:35 PM

To report out.

The Office of Senator Joe S. San Agustin

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Vice Speaker V. Anthony Ada <vicespeakertonyada@guamlegislature.gov>
To: Senator Chris Duenas <senator.duenas@guamlegislature.gov>
Cc: cmdcommittee@guamlegislature.gov

Mon, Sep 14, 2026 at 12:41 PM

Report out only

[Quoted text hidden]

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Office of Vice Speaker V. Anthony Ada

38th Guam Legislature

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[Quoted text hidden]

Office of Legislative Secretary Senator Sabrina Salas Matanane
<office.senatorbri@guamlegislature.gov>
To: Senator Chris Duenas <senator.duenas@guamlegislature.gov>
Cc: cmdcommittee@guamlegislature.gov

Mon, Sep 14, 2026 at 1:12 PM

To Do Pass.

On Mon, Sep 14, 2026 at 12:30 PM Senator Chris Duenas <senator.duenas@guamlegislature.gov> wrote:

[Quoted text hidden]

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Office of Legislative Secretary

SENATOR SABRINA SALAS MATANANE

I Mina'trentai Ocho Na Liheslaturan Guåhan | 38th Guam Legislature

Chairperson, Committee on Health and Veterans Affairs

163 W. Chalan Santo Papa, Hagåtña, Guam 96910

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Speaker Frank Blas Jr. <speakerblas@guamlegislature.gov>
To: Office of Legislative Secretary Senator Sabrina Salas Matanane <office.senatorbri@guamlegislature.gov>
Cc: Senator Chris Duenas <senator.duenas@guamlegislature.gov>, cmdcommittee@guamlegislature.gov

Mon, Sep 14, 2026 at 1:42 PM

To Report Out Only



Speaker, Frank F. Blas, Jr.

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COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations

Senator Christopher M. Duenas, Chairman

I. OVERVIEW

Bill No. 293-38 (COR) was introduced by Senator Sabrina Salas Matanane on March 20, 2026 and referred to the Committee on Finance and Government Operations by the Committee on Rules on March 27, 2026. The Committee held a public hearing on April 17, 2026, at 9:00 a.m. in the Guam Congress Building's Public Hearing Room.

Notices for the hearing were posted on the Government Public Notices Portal and distributed via email to all senators and major media outlets on April 10, 2026 (5-day notice) and again on April 15, 2026 (48-hour notice).

SENATORS PRESENT

Christopher M. Duenas, Chairman
Senator Sabrina Salas Matanane (Author)
Senator Eulogio *Shawn* Gumataotao
Senator Telo T. Taitague
Senator Sabina Flores Perez
Senator Therese M. Terlaje

WRITTEN TESTIMONY:

Tina Garcia, Director, Guam Economic Development Authority

APPEARED BEFORE THE COMMITTEE:

Tina Garcia, Director, Guam Economic Development Authority

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for Bill No. 293-38 (COR) was called to order at **9:00 AM**.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: *Mañana si Yu'os.* Uh welcome to uh the 38th Guam Legislature uh your Guam Legislature the people's house. *Mañana si Yu'os* once again *para todus hamyo*. Uh we begin this public hearing by first of all thanking God uh for keeping all of us uh safe during the recent passage of the storm *Sinlaku* and we also asked uh for prayers of course for our people and most especially uh for our brothers and sisters in the CNMI. Uh let's all please uh keep them in our prayers and also as time uh days go by uh whatever we can do uh to be of help. Um and so just keep everyone on your mind please and may God continue to bless us and keep us safe after the passage of this storm. This morning's public hearing is conducted by the Committee on Finance and Government Operations and is called to order at this time 09:01 on Friday, April 17, 2026. First notice of this public hearing was disseminated to all senators and media outlets on April 10, 2026, which is and its second notice disseminated on April 14, 2026. This hearing's notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's public notice portal. The committee will hear testimony on the following bills that are on the agenda. Bill number 293-38 (COR) sponsored by Senator Sabrina Salas Matanane is an act to add a new subsection 581 28 or yeah 28.8B5 and a new subsection 581 28.1I to chapter 58 title 12 Guam code annotated and to establish caps beginning January 2027 relative to public law 38-27. And we will also uh hear bill 293-38 (COR). It is an act to add a new subsection 58128.8B5 and a new subsection 58128.8I to chapter 58 title 12 Guam code annotated and it's to establish or we're going to hear that one already. Okay. So we will proceed uh with that bill and uh that bill once again is sponsored by Senator Sabrina Salas Matanane. Senator, you're recognized.

SENATOR SABRINA SALAS M. MATANANE: *Håfa Ådai*, Mr. Chair and members of the committee and all those who are present today. I am the author of public law 38-27, the Guam Medicaid Access Enhancement Act, and the author of the bill before you today seeking to amend this act. When we passed public law 38-27 earlier in this term, we did so with overwhelming bipartisan support. The purpose was clear and remains clear to incentivize our healthcare providers to participate in the Medicaid program, to expand the locations where our nearly 30,000 Medicaid enrollees can receive care, and to grow the number of qualified professionals willing to serve this population. As Governor Leon Guerrero noted in

her signing message, this legislation provides much-needed support to healthcare providers on Guam by offering unpledged BPT rebates on Medicaid receipts, ensuring that our most vulnerable populations receive timely and effective medical care. Today's bill is not a reversal or a reconsideration. It is a refinement born from the consultations that followed enactment as GEDA and public health began work of implementation due to amendments made to the original form of public law 38-27 as requested at the time by the governor. Three issues emerged those that through those consultations that require legislative action. First, we need to define federal share with precision. As my colleagues know, the Consolidated Appropriations Act of 2023 set Guam's FMAP permanently at 83%. That means 83 cents of every Medicaid dollar spent comes from the federal government. Our law already says the rebate shall not include the federal share of any Medicaid payment, and that is the correct policy. But without a clear definition, there is a risk that an overly broad interpretation could reduce the rebate eligible base by the full 83% FMAP value, effectively hollowing out the incentive before a single provider ever benefits from it. That was never the intent. The rebate is on business privileged taxes paid to the government of Guam. Local taxes on local gross receipts. What we must protect against is the use of actual federal funds to pay for these rebates. The definition we propose today does exactly that. It ensures the BPT rebate is calculated on the full gross receipt while prohibiting the rebate from being funded with any federal dollars. Second, we need to insulate subsection 58128.8 from the broader qualifying certificate framework in chapter 58. When we codified the Medicaid access enhancement act in that chapter at the request of the governor, we did so for organizational purposes. But chapter 58 carries with it a host of requirements designed for a very different kind of tax incentive program. Qualifying certificates under chapter 58 require the governor's authorization to issue rebates along with investment commitments, employment benchmarks, and other conditions that make sense for large-scale economic development projects. They do not make sense for a program specifically designed to incentivize healthcare providers to enhance accessibility to Medicaid services. If GEDA were to develop rules and regulations that imported chapter 58's unrelated QC requirements, even in good faith, it would fundamentally change the character of this act. The new subsection I, we propose today creates a clear legislative firewall. It ensures that subsection 58128.8 stands on its own terms and that any implementing regulations are drawn solely from within its four corners. Third,

fiscal responsibility demands that we establish a cap. I want to be direct with my colleagues on this point. When we passed public law 38-27, we deliberately prioritized access and provider incentivization. The \$5 million annual cap we propose for the 2027 tax year forward, provides a responsible ceiling while still delivering substantial incentive value as the estimates for program implementation do not exceed 4 million. According to GEDA. The first come first- serve structure with mandatory legislative notification gives us the data we need. If demand consistently exceeds 5 million, that tells us the program is working and we can revisit the cap accordingly. All of these recommendations originate from GEDA, the agency tasked to implement this program as a result of amendments requested by the governor relative to the original form of public law 38-27. Similar to another piece of legislation likely to be heard and brought to the floor in this ongoing session cycle, we are here today to make these changes with this bill 293-38 as a result of language originating from the administration and in the spirit of inter branch cooperation hereby seek the support of our colleagues. I urge the committee's favorable consideration of this measure and all of my colleagues to support this going into our anticipated session. Thank you, Mr. Chairman.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: *Si Yu'os Ma'åse'* Senator Sabrina Salas Matanane. I also want to recognize the colleagues that are joining us today. Uh Senator Shawn Gumataotao, Senator Perez is here and Senator Terlaje as well. I believe we have GEDA representative to testify. Miss Tina Garcia, the Director. Um would you please come forward and uh we'll receive your testimony on Bill Number 293-38. Also want to welcome my colleague Senator Taitague. Okay, you may proceed. Uh Miss Tina Garcia and prayers and hope that your family and all are safe and please proceed.

TINA GARCIA, DIRECTOR, GEDA: Thank you, Senator and *Håfa Ådai* and good morning, Senator Dueñas, Senator uh Gumataotao. Good morning to uh Senator Salas Matanane, we work very closely on this bill and I'm hoping we get through it. Um Senator Terlaje and good morning to our oversight, Senator Taitague. *Hafa Ådai* and thank you to Senator Chris Dueñas and members of the committee on finance and government operations. We appreciate the opportunity to provide this testimony on bill 293-38, an act to add a new section 58128.8B section 5 subsection 5 and a new, and a new 58128.8 subsection I to chapter 58 title 12

GCA and to establish rebate caps beginning January 27 relative to public law 38-27. The proposed bill supplements public law 38-27 which created the Guam Medicaid Access Enhancement Act. Although we support the intent of the law, below are GEDA comments submitted for your consideration. GEDA in its conversations with the Department of Public Health and Social Services finds that there are an estimated 176 current providers of Medicaid or 76% of the total 231 total medical providers in Guam who accept Medicaid patients. We further calculate that an estimated minimum of 3.2 million is the potential reduction in total annual BPT once this program is enacted. The bill proposes an annual cap of \$5 million which if successful in attracting the remaining 34% or remaining providers or I'm sorry or expanding greater participation by current providers, will negatively impact current and future programs as these credits are taken off the top of current collections and that's current BPT collections. The language in section three of the law is the proposed mechanism to exempt all requirements of the qualifying certificate law where this program currently sits. In recent discussions with GEDA's legal counsel, a blanket exemption to the QC law requirements is not the best course of action and at and that at the very least the bill should be revised to be more specific as to which sections of the QC law will not apply. Another option would be to remove the act created by public law 38-27 from the QC law 12 GCA chapter 58 in total and place it as a new article under 12 GCA chapter 77 which is entitled special projects and activities of the Guam Economic and Development Authority and is where all other tax credit programs are placed. Noteworthy, the bill does not contain a sunset clause. We ask for your consideration of a sunset clause as it may be prudent to allow for a review and analysis of the program's efficiency and will allow policymakers to fully evaluate the program's achievements. The bill will have a significant impact to GEDA's operations based on the possible volume of applications and reviews that will have to occur annually upon program launch. GEDA is evaluating the potential staffing, supply and equipment needs to implement the program. As such, providing a mechanism for GEDA to cover some of its costs, such as an application or processing fee um should be considered. I close with a final comment, not GEDA related, but based again on my discussions with the Department of Public Health and Social Services. This bill will authorize a provider to rebate all BPT paid on Medicaid reimbursements, both local and federal share. I understand DPHSS is communicating with the Centers for Medicare and Medicaid Services regarding

this tax credit program as it could possibly jeopardize future federal Medicaid reimbursements. We suggest that the committee consults with DPHSS as the bill moves through the legislative process to ensure Guam's Medicaid program is kept intact. Thank you again for the opportunity to present testimony today on bill number 293-38. And I also want to thank um specifically Senator Sabrina Salas Matanane for reaching out to GEDA and for working with us to um amend amend her bill accordingly. Again, um Senator, these are additional comments that came up after our discussions um going forward. So, thank you, Senator. And that's all I have. Ready for questions.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN:

Si Yu'os

Ma'åse', uh, Director Tina Garcia, uh, I wanted to, uh, make this announcement prior, once again, just to reiterate, uh, we, uh, reached out, of course, um, prior to this hearing and during the, uh, announcement of this public hearing, uh, to invite, and we gave the authors also the opportunity to let us know who and to invite via email. We have several follow-ups. I know that's been inclement weather, but we're carrying on the business of the legislature today. And also, just for the record, on all the bills to be heard today, I'm extending the um written testimony to 10 days. And if there's anything compelling that comes in on written testimony, uh I will consider a follow-up hearing, but other than that, we have at least two representatives here today. One representative also on the uh subsequent bills to be heard. So I wanted to make sure that was on the record for my public hearing uh knowing that I'm sure there is some difficulties for some to come forward. Uh but what's it, the record will remain open as well as uh all of the work that the committee did to make sure that uh those committees uh whose uh bills are being heard today have been afforded all the opportunity to invite their guests and invite uh testimony. With that, um, Senator Gumataotao, uh, you're recognized at this time.

SENATOR EULOGIO SHAWN GUMATAOTAO:

Yes. Thank you, Mr. Chair, and thank you, Tina, for being with us, uh, this morning. And, um, I'm hoping that you, your agency, um, in terms of the impacts from the storm, uh, uh, were not, uh, terrible like I think our friends in the CNMI have seen, and hope everything, uh fared well. Um, I only have a couple questions, Mr. chair and if I can Tina um, as of today have the rules and regulations implementing 37 or 38-27

been promulgated under the administrative adjudication law and if the 90-day deadline is passed, can you tell us today um what is causing the delay and when do you think the rules may be in effect?

TINA GARCIA, DIRECTOR, GEDA: Thank you, Senator. Um when the bill was first passed um we had to first understand the Medicaid program the process it's um going through as well as understand from public health what kind of information can be released. Again there's we have to be very sensitive to the um uh HIPPA rules. Um and so we had we had to understand that what can be released so that when we put together the rules and regs we can accommodate all of that. And so um uh we're just coming to an an agreement with public health on what can, they release. Again um whether it's a statement or or a letter of who are who are the providers and how much um Medicaid they received Um, and so we're we're working out that application process to to be able to get it through.

SENATOR EULOGIO SHAWN GUMATAOTAO: Okay. And that's kind of a well I guess I'll segue if I could. Um, based on that, uh, recognizing that the governor through her approval of the public law that you would obviously oversee the application certification process, ensuring that healthcare providers meet specific criteria to qualify for the rebates. Again, going back to some of the uh HIPPA requirements. Um, and I don't know if you can answer this, but you're going to have to engage them, but when we think of public health's implementation of audit requirements, this this goes back to an OPA report uh 2503 providers application agreements from February of last year regarding Medicaid pro uh program provider eligibility requirements. Is that going to have an impact on your analysis of the rules?

TINA GARCIA, DIRECTOR, GEDA: Um, we did review that report and just to understand uh what they looked at. Uh we're hoping that again um this program we open to those eligible uh providers that have gone through the CMS process. So that's everything before GEDA can step in meaning they have to uh complete the CMS. I understand that application process and processing of paperwork is the challenge to medical providers which is one reason why a number of existing providers may not um accept Medicaid because of that challenge. And so we're hoping that this will achieve that um going forward.

SENATOR EULOGIO SHAWN GUMATAOTAO: All right. Thank you, Tina. Uh Mr. I have two more questions. Um just sticking with that idea of the OPA um their findings of providers whose medical or maybe their DEA licenses expired, but who were paid for up to 2 years after failing to renew any of those requisite licenses. Um, and is that going to have any impact on your ability to uh maybe to set rules or could it be a provision to ensuring that they uh are in compliance uh with the audit findings from 2025?

TINA GARCIA, DIRECTOR, GEDA: Yes, in order to receive the rebate, we would ask for them to ensure that all of their um certifications are up to date.

SENATOR EULOGIO SHAWN GUMATAOTAO: Okay. Thank you for that. And then finally, uh, before the, um, bill takes effect, uh, if this, and I'm sure we're going to get it through on the other side, but are you going to ensure there's a verification mechanism? I think you mentioned that you're going to have to use to confirm that a provider applying for some level of a BPT rebate that again they're none of their licenses have expired during the period which they're going to be seeking the rebate. Do you have a I think you did this during the uh pandemic, right? This is going to be very similar?

TINA GARCIA, DIRECTOR, GEDA: Yes. So again, what we'll have to do is we'll have to have them get a certification um some certification from public health that they are up to date on all their requirements as well as from Rev and Tax to ensure that they are paying their taxes and that their BPT is being paid. Again um in our last uh comment we we make sure that there is not going to be a credit this won't be used to credit their liabilities they have to actually make the payment so all of the we we have to coordinate that um uh certification from those two key agencies in order to um issue the credit.

SENATOR EULOGIO SHAWN GUMATAOTAO: All right thank you for that and I think I agree with you that if you're going to implement this you're going to need a little bit of help having your team is not going to be just one thing to be able to just okay, I can take in forms. They're going to have to understand the forms that they're in fact looking at and then making sure they comply with any or all uh federal uh regulations. Mr. Chair, that's the only questions I had. And thank you again, Tina, for being with us this morning.

TINA GARCIA, DIRECTOR, GEDA: And I will add that Rev and Tax expressed the same thing to us that to be able to process what could be 177 applications will require um additional help and assistance.

SENATOR EULOGIO SHAWN GUMATAOTAO: All right, got it. Thanks, Tina. Thank you Mr. Chair.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: *Si Yu'os Ma'åse'* Senator Gumataotao, Senator Terlaje, you recognized.

SENATOR THERESE M. TERLJAE: Thank you and thank you for being here, Director. Can you just clarify your testimony? It says that you support the intent of the law, but below are the comments. Do you support the bill as written?

TINA GARCIA, DIRECTOR, GEDA: We support the intent of creating a program to increase medical service, Medicaid to um uh people in need. So yes, we support that intent and that's why we say to to strengthen this for GEDA program, this is what we'd like to um add or recommend on the bill.

SENATOR THERESE M. TERLJAE: All right. So public health as you've testified already has um uh 176 providers. That's 76% of all the medical providers on Guam who are currently accepting Medicaid. So do you believe that? Have you seen anything that tells you that this is going to attract any additional Medicaid providers? They're already, in other words, providing this service without this tax credit or rebate.

TINA GARCIA, DIRECTOR, GEDA: As Senator Gumataotao has said, there was an audit and a lot of existing providers are challenged with complying with Medicaid requirement reporting requirements and certifications. And so, um, we've seen, um, some providers either reduce the amount of Medicaid, um, clients that they will accept as well as, um, or or just not want to accept the program at all. Um, this incentive, this, uh, tax credit, this tax rebate may incentivize them to work harder to actually hire someone because this is money coming back to them.

SENATOR THERESE M. TERLJAE: Yeah, it looks like it's up to uh they can credit 100% of their BPT, if they have five employees, right?

TINA GARCIA, DIRECTOR, GEDA: Yeah. Well, again, it's a layered meaning they can uh apply for the credit based on how many they see, how many locations they have, you know, it's a layer. The original public law 38-27 kind of layers in all the um how they can apply for this rebate.

SENATOR THERESE M. TERLJAE: Yes. So, if they have five healthcare employees, it looks like they can get 20% for each and they can and uh up to 100%. Or could they go over 100% because they also can get 20% for location 20% for other things. So are you saying it can exceed 100%? For um you know like one clinic let's say?

TINA GARCIA, DIRECTOR, GEDA: Um shall not. The public law does state that the maximum rebate under this law cannot exceed the total BPT owed on due Medicaid receipts. So we saw that as the cap meaning yes they could get 100% but not more than 100.

SENATOR THERESE M. TERLJAE: But the BPT owed we're aren't we requiring them to pay it first? So there should be zero BPT owed um for these providers who are going to get this credit.

TINA GARCIA, DIRECTOR, GEDA: A lot of what we understand from Rev and Tax and that's with all our programs is that people file but not necessarily pay it right away and and then when they get this some kind of credit or program then they would ask to apply that credit to pass due.

SENATOR THERESE M. TERLJAE: But doesn't this program prohibit that? Isn't that what you were asking for?

TINA GARCIA, DIRECTOR, GEDA: That's what I'm asking for is is that uh we want to ensure that um they pay it first in order to get the rebate.

SENATOR THERESE M. TERLJAE: All right. Is there language that you've you're you're you are agreeing to in this bill if you don't agree to it as written?

TINA GARCIA, DIRECTOR, GEDA: Say it again, I apologize.

SENATOR THERESE M. TERLJAE: I just want to know because your testimony always uh in the session hall they are quoting you as oh you support this but uh your testimony very clearly says you support the intent and so I need to know what right.

TINA GARCIA, DIRECTOR, GEDA: So the bill as presented again we worked with um Senator Sabrina Salas Matanane on it and um we went through our requirements and um you know for instance, number one is just a comment. Um number two is just a comment and then we say that language in section three of the law um is a mechanism to exempt all requirements of the QC law which is something that we asked the Senator to work with us on and and so there is in the proposed bill there is

SENATOR THERESE M. TERLJAE: Are you talking about the bill in front of us?

TINA GARCIA, DIRECTOR, GEDA: Yes. Bill 293 says, "Notwithstanding any other provision of law, all provisions of section 58128 of this chapter shall be exempt from all other provisions of chapter 58 title 12 Guam code." Um, that is in section three. So to include the requirement and signatory approval by the governor unless specifically enumerated. So again, this kind of says the QC law requirements, the public um hearing notices, um the um uh what you know and and going through all the applications that we do, all the requirements you have to in order to get a QC, the QC was built to not reward but incentivize people to come in for new for new investments. So this kind of um where it's placed now it exempts the applicant from chapter from the requirements of the QC program. So including creation of new new um employment um uh new imports or or reducing all, right, to attract new investments the requirement to be making a new investment. So this um blanket covers it. But um again in speaking with our legal counsel in sharing our testimony he says you know we, it covers but you know he he wants to say it's not best course but at the very least we should be more specific on what sections. So, so again it's just a you know what could be a technical I'm working with him to give me what exactly we should say like this sections um uh would apply because again chapter 58 of the QC law, it covers everything from you know basic QC,

special hotel, insurance so you know every section has different requirements so we just want to make sure.

SENATOR THERESE M. TERLJAE: I understand so just I want to be very clear. So do you think we are this program is to incentivize providers who are currently unable to comply with CMS to comply with CMS? And yet you don't want them to have to go through what all the other businesses have to go through in order to be incentivized by the government of Guam?

TINA GARCIA, DIRECTOR, GEDA: We want to incentivize new Medicaid providers or expansion of the program on current Medicaid providers by having them have an ability to rebate what they're paying in taxes. Um that rebate could lead to having a dedicated employee to ensure that everything is in place so that they get that rebate. Again, for a business entity to be able to rebate taxes, um it's worthwhile for them, especially if they're paying a lot of taxes. Again, um I just want to state that for the record, hospital, uh GMH and GRMC are not paying BPT. So, this would just go primarily to clinics um and doctors and so on.

SENATOR THERESE M. TERLJAE: Yes. Who are already paying. supposed to be paying?

TINA GARCIA, DIRECTOR, GEDA: Who are already paying.

SENATOR THERESE M. TERLJAE: All right. Can you explain then when you say uh this will negatively impact current and future programs as these credits are taken off the top of current collections.

TINA GARCIA, DIRECTOR, GEDA: Right. So if applications come in, 177 to 200 come in annually and again you know we're rebating what they've paid in the previous year. So we'll see an influx in the year in the first couple of months of applications that we would need to process. Um again the um currently we have about a on the books about a million dollars in tax uh credits tax rebates um which may fall behind this and if you know we we achieve our goal of expanding the program getting more providers that 5 million could be eaten up right away. So, so again it's um 5 million is precious to the government operations as we face you know all our our growing challenges but you know so we just want to uh bring that

to your attention that um although we estimate about 3.2 million currently could be rebated this could expand to five overnight if if everybody pushes hard.

SENATOR THERESE M. TERLJAE: Yes. And so you're saying it might impact current and future programs. And which programs are you talking about?

TINA GARCIA, DIRECTOR, GEDA: Oh. Um so right now again um we use um the tax credit policy has been used for for um to incentivize various public private partnerships. Some include for instance the uh Guam Memorial Hospital medical equipment um contributions. Another is Guam National Youth Football Federation. Um and and of course um being considered um our other programs down the line..

SENATOR THERESE M. TERLJAE: Those will be negatively impacted?

TINA GARCIA, DIRECTOR, GEDA: Well, if we if the cap is 5 million for all credit programs then um and and it's eaten up. So eaten up because again the language um that caps it is for all tax credit programs.

SENATOR THERESE M. TERLJAE: Oh I see.

TINA GARCIA, DIRECTOR, GEDA: Shall not exceed. Yeah. So, so again um

SENATOR THERESE M. TERLJAE: Can you then give us a list of all the other programs?

TINA GARCIA, DIRECTOR, GEDA: Yeah.

SENATOR THERESE M. TERLJAE: And then um uh when you when GEDA went on uh you know they they did a lot of work to create that uh white paper on um diversification of Guam's industries and what we really should be focusing on. Uh, I remember some things on that list, but I I don't remember again because Medicaid, public health, has been working on getting these Medicaid providers paid promptly, paid, you know, efficiently and as we saw in the audit, it's not the public health side except for maybe monitoring that's the issue. Maybe they need more staff to monitor, but uh it's it's and we've been doing okay to get

providers for Medicaid, but um yeah, so I'm just wondering, do you agree that was not on the list of that uh ways to diversify our economy that could.

TINA GARCIA, DIRECTOR, GEDA: Well, well, um we've been in support of um expanding our medical services on the island. You know, to help the people of Guam not having to travel off island. So, so again, this could be another um highway to to getting more services available.

SENATOR THERESE M. TERLJAE: But but in those in those cases, you guys did studies and kind of did kind of predictions of how this would expand. But in this case, there was nothing done. We're just guessing.

TINA GARCIA, DIRECTOR, GEDA: Uh right.

SENATOR THERESE M. TERLJAE: All right. And then um uh the sunset clause, what what are first of all the original bill said you were going to do rules and regs in 90 days and in 90 days the rules have not been done. That's correct, right? That's why you testified earlier. And then and there also have been known applicants.

TINA GARCIA, DIRECTOR, GEDA: There have not, there is not even an application form. We're trying to complete that now.

SENATOR THERESE M. TERLJAE: All right. And then uh the sunset clause um what are you recommending?

TINA GARCIA, DIRECTOR, GEDA: Um we've done five years, we've done 10 years, I think to allow us to get to really know this program and its effectiveness, we may need up to 10 years.

SENATOR THERESE M. TERLJAE: So do you still support this bill if it could possibly jeopardize future federal Medicaid reimbursements?

TINA GARCIA, DIRECTOR, GEDA: I can't um I would not want to jeopardize that program and I'm just making a statement that um you know to

make sure that public health does make us um um is is looked at or spoken to about Medicaid in general.

SENATOR THERESE M. TERLJAE: All right. Yeah. Thank you so much.

TINA GARCIA, DIRECTOR, GEDA: Thank you, Senator.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: Senator
Terlaje, thank you. Senator Telo Taitague, you are recognized.

SENATOR TELO T. TAITAGUE: Thank you and good morning to my colleagues and good morning to those who are here today um taking the time out and especially to the listening audience. I hope everyone is okay who's able to receive communications right now and uh I just uh wish everyone the very best in recovery and of course uh keeping the CNMI as well as the other Marshall Islands uh in your prayers. Um there's been already one fatality uh in the CNMI. So please uh everyone keep them in your prayers. That being said, um just uh going back to what uh Senator Terlaje mentioned about uh the jeopardizing the Medicare, Medicaid, you know, uh reimbursement or any opportunity moving forward for that matter. Um, have you Tina, had the opportunity to really sit down and talk with uh public health as well as um do additional research on the probability of something like that happening.

TINA GARCIA, DIRECTOR, GEDA: So we have had um meetings with uh roundtable meetings and public health has been present and um and I know that they said that they had a concern that they could that they were checking with CMS and um you know because CMS has passed you know they they pass regulations on on certain things. I'm not in that environment or that world, but um um I have not received directly anything in writing from public health that says it could it will jeopardize. I just know that they did express concern.

SENATOR TELO T. TAITAGUE: How much more time are you uh do you think you need to ensure that uh we do not jeopardize those federal funds? Um I mean, have you made a phone call? I mean, today I know, you know, I'm so sorry having to be here today. I mean, people are still recovering out there and it's hard to have um people come in front of us to answer some of these very difficult

questions, questions that may lose some federal funding. And um to me, that's my greatest concern uh to even have any kind of jeopardy with regards to that. You mentioned uh Senator Terlaje mentioned well may I recommend that you as soon as you can talk with public health you know and uh especially we need to get their testimony here today which uh we understand the situation and thank the chair for allowing that extension to allow testimony to come in. However, you did mention uh again about the sunset clause. Uh you you mentioned 5 to 10 years. In the sunset clause, do you see uh as well having a certain amount of funding allowed per year? You know, like we do with tax credits, you know, we allow certain nonprofits or or even just other businesses that tax credit and we will say \$5 million and then we say, "Okay, it's a 5-year sunset clause. It's 1 million a year." That way we can kind of keep track of how much we need to deduct from our revenue projections coming in uh for the government. So do you recommend something that would work?

TINA GARCIA, DIRECTOR, GEDA: So again um it takes time for us to roll out a program like this especially when you're you're dealing with so many different um agencies to ensure the program is tight. But um and so as we start getting into the program, I know we're going to run into challenges which we, you know uh we will be reporting to the legislature annually on this program. But you know, as we go down the road and we try and smooth things out, we're going to see is this really um bringing in more providers? Is this really expanding the Medicaid program? Or is this just, you know, uh a payout to people for providing that service. And so, you know, again, um we need to carefully study the results of the program going down and then um determine as, you know, as we get closer. I mean, when you have a sunset, you know, people will rush to come in and try and comply and get their foot in the door. Um and so that's why we recommend the sunset versus, you know, every year maybe we'll get a boost here, you know, nothing here, you know, and so anything could happen. And so by getting the sunset in, we can start recording some real data.

SENATOR TELO T. TAITAGUE: That's what I'm saying. Do you recommend that we we just limit this to like it's 5 million, right? Um and limit the per year how much tax credit like we've done in other programs.

TINA GARCIA, DIRECTOR, GEDA: Yeah, we we..

SENATOR TELO T. TAITAGUE: That would be the best option.

TINA GARCIA, DIRECTOR, GEDA: Yeah, we Yeah.

SENATOR TELO T. TAITAGUE: Okay. And and it sounds to me that that makes sense too because you can do that data as we move forward. If we have to cancel something out, we can cancel something out. Um, also I know you didn't do your rules and regs. Um, I don't know if this pertains to it, but would you incorporate um, uh, like a dashboard, you know, per-se, um, to determine the month, you know, which individuals have taken advantage of it. Uh is there a monthly report that will be on the website because there's people going I mean individuals who want to take advantage of this they can actually see how far they are um and we can also determine too who's taking more advantage of this. Is this the hospitals you know um versus the smaller clinics that don't have a chance because they have so much money. So so basically it's back to the dashboard uh will there be creating a dashboard monthly uh reporting out system online?

TINA GARCIA, DIRECTOR, GEDA: I hope we can get there. I know um when we go through the first round, we're going to have to, we're going to get feedback that says, you know, I don't want this public cause it's proprietary. Um you know, so we're going to have to work that out with the business. And so, um maybe after a year or so, we can get to that dashboard, yeah.

SENATOR TELO T. TAITAGUE: Yeah. And I and I think when you say proprietary, you know, when anytime any government funds are issued or the the tax credits are given, all that is public information. And there is, you know, if they don't want to divulge information that's important for you to, you know, then um I'm sure we can be very cautious when it comes to that.

TINA GARCIA, DIRECTOR, GEDA: That's something we'd report back to the legislature to say, you know, we can't determine this amount. We can't get this certified either by them or by public health.

SENATOR TELO T. TAITAGUE: Okay. Sure. Now, as the oversight chair of GEDA, you know, my concern always is making sure your um agency

runs efficiently and I know there's going to be a cost to this, especially with applications coming in. So um and actually you put that in your testimony, you know, the um operations and possible volume of applicants and reviews and occur on top of everything else that we, we throw your way and GEDA, you know, um how much do you think this will cost? Do you, you're going to need an additional staff to do this, to monitor this? And uh what are you looking at as far as cost?

TINA GARCIA, DIRECTOR, GEDA: Well, uh, in our other program, um, for instance, the hospital tax credits, we we requested or we, the legislation allows us to charge up to 1% of the anticipated rebate to the applicant because again, they're submitting to us their paid BPT. So, it would be 1% of that would be a good start. And then you know with our annual reports we can adjust accordingly.

SENATOR TELO T. TAITAGUE: So you're recommending..

TINA GARCIA, DIRECTOR, GEDA: A 1% of the anticipated rebate.

SENATOR TELO T. TAITAGUE: 1%. Okay. To help cover the cost. I think everything should have um um an option for for um reim not reimbursement but to help cover to help pay your cover cost expenses. There's so many programs that's going like let's go to GEDA you know save the day. It doesn't necessarily work that way. And tax credits, um,

TINA GARCIA, DIRECTOR, GEDA: This scares us because you're, you know, currently there's 177 plus we have to calculate the 20%, you know, additional. I mean, so, you know, it, you have to really be careful about auditing what comes in and the requests and so, um,

SENATOR TELO T. TAITAGUE: It's not as easy as it sounds, right, at all and there's so much behind it. But, um, I greatly appreciate you being here, especially at this time. Apologize. I hope your family is well and everybody's okay.

TINA GARCIA, DIRECTOR, GEDA: Thank you. I know some of our employees are saying I'm a little late looking for water to shower and get ready, including myself. But, you know, I'm I'm glad that we're moving forward. Thank you.

SENATOR TELO T. TAITAGUE: And understandable. You know, definitely there's uh um some need still out there. So, we definitely understand and appreciate it. So, that being said, be safe and everyone out there, please be safe. Don't take chances. still very windy and out there and uh um a lot of debris on the ground. So, please again be safe and prayers to everyone. Thank you.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: Thank you, Senator. Uh Vice Speaker and Vice Chair of the Committee. Uh thank you. Any questions? No questions at this time. Uh I'll ask Senator Matanane to ask her questions and she will be provided also a close.

SENATOR SABRINA SALAS M. MATANANE: Um, I don't have any questions because we've been talking about uh this bill uh for months now. Um, thank you uh Mr. Chair and members of the committee for your time and uh attention today. Uh, thank you Tina from GEDA for being here today. Again, what today's bill does is it ensures that the act is free from inadvertent misinterpretation and works the way we intended as recommended by agencies of the government of Guam charged with its implementation. It defines federal share to prevent interpretive overreach or misinterpretation that could neutralize the rebate. It protects the model from being absorbed into the qualifying certificate process it was never designed to be. And it gives the government of Guam and this Legislature budgetary certainty through an annual cap with built-in legislative oversight. And again, I see your recommendations and we'll take a look at that and have further discussions on it. And again just to reiterate to my colleagues uh that we have been talking with the department of public health, the department of revenue and taxation as well as GEDA about this uh amendments to the to the public law and would I would also like to note for the record that this kind of refinement is not unusual as indicated in meetings with public health Rev and Tax and GEDA. The federal government itself has been actively engaged in strengthening fiscal accountability for Medicaid financing mechanism. CMS, and this is according to public health in our meetings, issued guidance in November of 2025 to strengthen oversight of Medicaid financing. Specifically to the CMS requirements tax policy relative to Medicaid and enacted before July 5th 2025 are grandfathered into their adopted changes. So thankfully we had enacted public law 38-27 beforehand and even dated its implementation into the legislation to January

2025 of that year with all benefits occurring to date. With these clarifying amendments, we avoid confusion on implementation without changing any tax policy relative to the Medicaid program. And so with that, Mr. Chairman, I respectfully move that the committee report for this measure be favorable and again encourage the support of all my colleagues. *Si Yu'os Ma'åse'*

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: *Si Yu'os Ma'åse'*
Yes, we'll uh work diligently on the committee report. *Si Yu'os Ma'åse'*. And that uh concludes the testimony that now we'll move on to uh bill number 301.

III. FINDINGS & RECOMMENDATIONS:

The Committee *finds* that Bill No. 293-38 aims to strengthen the implementation of the Guam Medicaid Access Enhancement Act by clarifying rebate requirements and establishing greater fiscal certainty.

The Committee *recognizes* the importance of expanding Medicaid provider participation while safeguarding local revenues and protecting Guam's continued eligibility for federal Medicaid funding.

The Committee *further finds* that effective implementation requires clear eligibility verification, fiscal controls, agency coordination and continued legislative oversight.

Based on the discussion, the Committee on Finance and Government Operations recommends that **Bill No. 293-38 (COR)** - Sabrina Salas Matanane - "AN ACT TO AMEND SECTION 18 OF CHAPTER II OF PUBLIC LAW 38-60, RELATIVE TO GRANTING GREATER FLEXIBILITY TO THE GUAM DEPARTMENT OF EDUCATION TO UTILIZE LAPSED FUNDS," be reported out with the recommendation " To Report Out Only "

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

Bill No. 293-38 (COR)

Introduced By:

Sabrina Salas Matanane *Smat*

**AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i)
TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND
TO ESTABLISH REBATE CAPS BEGINNING JANUARY 2027,
RELATIVE TO PUBLIC LAW 38-27.**

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 **Section 1.** *I Liheslaturan Guåhan* hereby finds that, in consultation with
3 agencies relative to P.L. 38-27, the following new provisions are necessary to ensure
4 that the full effect of the Act as intended is appropriately applied, and that
5 administrative provisions to include rules and regulations relative to the Act do not
6 include unrelated limiting factors from within the Chapter.

7 **Section 2.** A new §58128.8(b)(5) is hereby *added* to Chapter 58, Title 12,
8 Guam Code Annotated as follows:

9 “(5) “federal share” explicitly means federal dollars actually received from
10 the federal government to fund the Medicaid program; the formulaic value of

1 any Medicaid receipts inclusive of any federal share, for rebate purposes
2 pursuant to §58128.8 of this Chapter, shall be included in the full gross receipt
3 tax amount eligible for rebate as enumerated in this §58128.8, but shall not be
4 paid from any federal share.”

5 **Section 3.** A new §58128.8(i) is hereby *added* to Chapter 58, Title 12, Guam
6 Code Annotated as follows:

7 “(i) Notwithstanding any other provision of law, all provisions of §58128.8 of
8 this Chapter shall be exempt from all other provisions of Chapter 58, Title 12,
9 Guam Code Annotated, to include any requirements within Chapter 58 that
10 would require signatory approval by *I Maga’Håga / I Maga’Låhen Guåhan*,
11 unless specifically enumerated within §58128.8 of this Chapter. All Rules and
12 Regulations developed relative to this §58128.8 shall not include, directly or
13 indirectly, provisions based on any other sections within Chapter 58, Title 12,
14 Guam Code Annotated that are external to §58128.8 of this Chapter.”

15 **Section 4.** Beginning in the 2027 tax year, rebate payments by the
16 Government of Guam shall not exceed FIVE MILLION DOLLARS
17 **(\$5,000,000.00)**, and shall be awarded to eligible program applicants on a first come,
18 first served basis. *I Liheslaturan Guåhan* shall be notified by the Guam Economic
19 Development Authority in the event that any rebate requests exceed this amount.

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

1 **Section 6. Severability.** If any provision of this Act or its application to any
2 person or circumstance is found to be invalid or inorganic, such invalidity shall not
3 affect other provisions or applications of this Act that can be given effect without the
4 invalid provision or application, and to this end the provisions of this Act are
5 severable.



COMMITTEE ON RULES

Vice Speaker V. Anthony Ada, Chairperson
I Mina'trentai Ocho Na Liheslaturan Guåhan
38th Guam Legislature

April 6, 2026

To: **Rennae V. C. Meno**
Clerk of the Legislature

From: **Vice Speaker V. Anthony Ada** 
Chairperson, Committee on Rules

Subject: **Fiscal Note for Bill No. 293-38 (COR)**

Håfa Adai!

Find the attached, Fiscal Note for the following bill:

Bill No. 293-38 (COR).

I also request that the same be sent to the respective Chairperson of the Standing Committee, to which this bill has been referred. Kindly copy the same to Management Information Services (MIS) for posting on our website.



**Bureau of Budget & Management Research
Fiscal Note of Bill No. 293-38 (COR)**

AN ACT TO ADD A NEW §58128.8(b)(5) AND A NEW §58128.8(i) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, AND ESTABLISH REBATE CAPS BEGINNING JANUARY 2027, RELATIVE TO PUBLIC LAW 38-27.

Department/Agency Appropriation Information

Dept./Agency Affected: Guam Economic Development Authority	Dept./Agency Head: Christina D. Garcia, Chief Executive Officer/Administrator
Department's anticipated revenues to date:	\$4,404,743
Department's appropriation(s) to date:	<u>\$0</u>
Total Department/Agency revenues to date:	\$4,404,743

Fund Source Information of Proposed Appropriation

	General Fund:	(Specify Special Fund):	Total:
FY 2025 Unreserved Fund Balance		\$0	\$0
FY 2026 Adopted Revenues	\$0	\$0	\$0
FY 2026 Appro. (P.L. 38-60)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$0	\$0	\$0

Estimated Fiscal Impact of Bill

	One Full Fiscal Year	For Remainder of FY 2026 (if applicable)	FY 2027	FY 2028	FY 2029	FY 2030
General Fund 1/	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund 1/	\$0	\$0	\$0	\$0	\$0	\$0
Total 1/	\$0	\$0	\$0	\$0	\$0	\$0

- | | | | |
|---|------------|-------------------------------|----------------------------|
| 1. Does the bill contain "revenue generating" provisions?
If Yes, see attachment | | / / Yes | /X/ No |
| 2. Is amount appropriated adequate to fund the intent of the appropriation?
If no, what is the additional amount required? \$ _____ | /X/ N/A | / / Yes | / / No |
| 3. Does the Bill establish a new program/agency?
If yes, will the program duplicate existing programs/agencies?
Is there a federal mandate to establish the program/agency? | /X/ N/A | / / Yes
/ / Yes
/ / Yes | /X/ No
/ / No
/X/ No |
| 4. Will the enactment of this Bill require new physical facilities? | | / / Yes | /X/ No |
| 5. Was Fiscal Note coordinated with the affected dept./agency? If no, indicate reason:
/ / Requested agency comments not received by due date | / / Other: | /X/ Yes | / / No |

Analyst: <u>Joaquin A.J. Guerrero II</u>	Date: <u>4/3/26</u>	Director: <u>Lester L. Carlson, Jr.</u>	Date: <u>APR 06 2026</u>
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Notes:
1/ See attached comments.

Bureau of Budget and Management Research
Comments on Bill No. 293-38 (COR)

The proposed legislation intends to add new §§ 58128.8(b)(5) and 58128.8(i) to Chapter 58, Title 12 of the Guam Code Annotated. These amendments set to mandate an annual rebate cap of \$5 Million on total Business Privilege Tax (BPT) rebates beginning in January 2027 relative to Public Law 38-27, which established an unpledged BPT rebate on Medicaid receipts.

Per comments provided by the Guam Economic Development Authority (GEDA), in their conversations with the Department of Public Health and Social Services (DPHSS), they were informed that approximately 177 current Guam providers accept Medicaid patients, with an estimated annual BPT tax liability of \$3.2 Million. A sunset clause, which the bill currently does not contain, may be prudent to allow for a review and analysis of the program's efficacy and permit policy makers to fully evaluate the program's achievements. Further, the bill will pose a significant impact to GEDA's operations, based on the possible volume of applicants and reviews that may occur annually upon the launch of the program. GEDA is evaluating the potential staffing, supply, and equipment need to implement the program. As such, providing a mechanism for GEDA to cover some of its costs, such as an application or processing fee should be considered.

GEDA, DPHSS, and the Department of Revenue and Taxation have had some exploratory conversations regarding the mechanics of this program. It will be crucial that the rebates only apply to Medicaid receipts that have already been duly filed with all requisite BPTs paid. This program will not provide a tax credit for any current BPT taxes due that are derived from Medicaid receipts.