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
342-38 (LS)	V. Anthony Ada	AN ACT TO *ADD* A NEW § 80126 TO CHAPTER 80, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE GMH CAPITAL PRESERVATION FUND AND DEDICATING CERTAIN REVENUES COLLECTED PURSUANT TO PUBLIC LAW 38-115 FOR PERMANENT CAPITAL INFRASTRUCTURE IMPROVEMENTS AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.	7/14/26 1:19 p.m.						

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

Bill No. 342-38 (LS)

Introduced by: V. Anthony Ada

AN ACT TO *ADD* A NEW § 80126 TO CHAPTER 80, TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE *GMH CAPITAL PRESERVATION FUND* AND DEDICATING CERTAIN REVENUES COLLECTED PURSUANT TO *PUBLIC LAW 38-115* FOR PERMANENT CAPITAL INFRASTRUCTURE IMPROVEMENTS AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Intent and Findings. *I Liheslaturan Guåhan* finds that the Guam Memorial Hospital Authority ("GMHA") serves as Guam's only public civilian hospital and remains an essential component of Guam's healthcare system, emergency response capabilities, and disaster preparedness. *I Liheslaturan Guåhan* further finds that years of deferred capital investment have resulted in the deterioration of critical building infrastructure and life-safety systems necessary to ensure the continued delivery of safe, reliable, and accredited healthcare services.

The Legislature further recognizes that, while Guam continues to pursue the long-term planning, financing, and construction of a new public hospital, the existing Guam Memorial Hospital will remain the island's primary public healthcare facility for the foreseeable future. Accordingly, preserving and modernizing the hospital's critical infrastructure is essential to protecting public health, patient safety, continuity of healthcare services, and emergency preparedness.

I Liheslaturan Guåhan further finds that the Tax Amnesty Program established by Public Law 38-115 provides an opportunity to recover delinquent tax revenues that might otherwise remain uncollected. Because revenues generated through the program are uncertain and represent a one-time recovery of delinquent tax obligations, it is the public policy of Guam that such revenues should be dedicated to permanent capital improvements that provide lasting public benefit rather than recurring operational expenditures.

I Liheslaturan Guåhan further finds that although Public Law 38-115 includes Individual and Corporation income taxes, the administration and collection of Income Taxes is subject to 48 USCA § 1421i. and not *I Liheslaturan Guåhan* and therefore cannot be bound by the provisions of PL 38-115. See also *Bank of America v. Chaco*, 539 F .2d 1129 (C.A. Guam 1976) ("the Government of Guam is powerless to vary the terms of the Internal Revenue Code as applied to Guam, *except as permitted by Congress*,"

It is therefore the intent of this Act to dedicate all revenues collected pursuant to the Tax Amnesty Program established by Public Law 38-115, excluding delinquent real property taxes collected under the program, to a dedicated, non-lapsing account for the preservation, rehabilitation, modernization, and replacement of critical capital infrastructure and life-safety systems at the Guam Memorial Hospital Authority. By dedicating these one-time revenues to one-time capital investments, this Act seeks to preserve the operational integrity of Guam Memorial Hospital while the government continues its efforts to develop and construct a replacement public hospital for the people of Guam.

Section 2. A new § 80126 is hereby *added* to Chapter 80, Title 10, Guam Code Annotated to read as follows:

(a) There is hereby created, separate and apart from all other funds of the government of Guam, a non-lapsing account to be known as the "GMH Capital Preservation Fund” (the "Fund").

(b) Notwithstanding any other provision of law, rule, or regulation, all revenues collected pursuant to the Tax Amnesty Program established by Public Law 38-115, excluding delinquent income and real property taxes collected under the program, *shall* be deposited into the Fund immediately upon receipt.

(c) Monies deposited into the Fund *shall* be used solely for the planning, design, engineering, acquisition, construction, rehabilitation, replacement, modernization, and repair of permanent capital infrastructure, utility systems, building systems, and life-safety systems at the Guam Memorial Hospital Authority.

(d) Monies deposited into the Fund *shall* not be expended for recurring operational expenditures, including salaries, employee benefits, pharmaceuticals, medical supplies, administrative expenses, routine maintenance, accounts payable, or any purpose other than permanent capital improvements authorized pursuant to this Section.

(e) Monies from the Fund *shall* be expended only for capital infrastructure improvement projects approved by resolution of the Board of Trustees of the Guam Memorial Hospital Authority. In approving such projects, the Board *shall* prioritize improvements necessary to preserve patient safety, maintain critical hospital operations, protect life-safety systems, support regulatory and accreditation requirements, and preserve the long-term operational integrity of the hospital.

(f) Monies within the Fund *shall* remain available until expended and *shall* not lapse at the close of any fiscal year.

(g) The Hospital Administrator *shall* submit quarterly reports to *I Liheslaturan Guåhan* identifying:

(1) revenues deposited into the Fund;

(2) projects approved by the Board of Trustees;

(3) expenditures, including the purposes and payees made;

(4) project completion status; and

(5) anticipated project schedules.

Section 3. A new § 26812 is *added* to Article 8, Chapter 26, Title 11 Guam Code Annotated, as enacted by Public Law 38-115, to read as follows:

§ 26812 Allocation to the GMH Capital Preservation Fund

All revenues collected pursuant to the Tax Amnesty Program, except delinquent income and real property taxes are continually appropriated to and *shall* be deposited into the GMH Capital Preservation Fund.