

*I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN*  
2022 (SECOND) Regular Session

**Bill No.           -36 (COR)**

Introduced by:

Therese M. Terlaje

**AN ACT TO REPEAL PUBLIC LAW 34-44, RELATIVE  
TO REDUCING LIQUID FUEL TAX RATES BY FOUR  
CENTS (\$0.04) PER GALLON TO RATES PRIOR TO  
JANUARY 1, 2018.**

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

2           **Section 1.**    *I Liheslaturan Guåhan* finds that liquid fuel tax rates were  
3 increased, pursuant to Public Law 34-44 in January 1, 2018 by four cents (\$0.04)  
4 per gallon for diesel fuel from ten cents (\$0.10) per gallon to fourteen cents (\$0.14)  
5 per gallon, for all other liquid fuel except liquid fuel used for commercial aviation  
6 purposes from ten cents (\$0.11) per gallon to fourteen cents (\$0.15) per gallon, and  
7 for liquid fuel used for commercial aviation purposes from (\$0.04) per gallon to  
8 fourteen cents (\$0.08) per gallon.

9           *I Liheslaturan Guåhan* finds that revenues to the Guam Highway Fund  
10 increased in FY 2018 by \$2.9 M primarily due to the increase in the liquid fuel tax  
11 rate, according to the Guam Highway Fund FY 2018 Financial Highlights report  
12 from the Office of Public Accountability. In subsequent years after Public Law  
13 34-44, *I Liheslaturan Guåhan* appropriated additional revenues from the increased  
14 liquid fuel tax rate towards the repair of village streets and roads. As a result, 19

1 village road projects were completed in FY 2018, 11 village road projects were  
2 completed in FY 2020, and 11 village road projects in FY 2021.

3 *I Liheslaturan Guåhan* further finds that the government of Guam received  
4 \$578.7 M in American Rescue Plan Act funding in May 2021 and according to the  
5 January 2022 Allocation of the American Rescue Plan Act of 2021 Funds Report,  
6 DPW was allocated \$23 M. The government of Guam will also receive  
7 approximately \$193 M in additional federal funding from the Infrastructure  
8 Investment and Jobs Act, where an estimated \$95 M over five years may be  
9 available to rebuild Guam’s roads and bridges through the Territorial Highway  
10 Program. This additional infrastructure funding can be used directly or indirectly  
11 to support the necessary repairs of our village streets and roads presently and in the  
12 future.

13 *I Liheslaturan Guåhan* recognizes the significant increases in gasoline prices  
14 each year which are primarily due to sporadic increases in global oil prices per  
15 barrel. The price of gasoline was \$3.88 per gallon in January 2018, \$4.03 per  
16 gallon in January 2019, \$4.15 per gallon in January 2020, \$3.88 per gallon in  
17 January 2021, and \$5.04 per gallon in January 2022. These gasoline price  
18 increases are often beyond the control of the government of Guam. However, the  
19 reduction of a liquid fuel tax rate is under the purview of the Legislature and can  
20 result in lower gasoline prices.

21 It is the intent of *I Liheslaturan Guåhan* to provide some relief to taxpayers  
22 on Guam who have been experiencing price increases in various commodities,  
23 services, and transportation costs, particularly many vulnerable individuals and  
24 families struggling and most impacted by the effects of the global pandemic.

25 **Section 2.** Public Law 34-44 is hereby *repealed*:

26 ~~“AN ACT TO AMEND § 26403 OF ARTICLE 4, CHAPTER 26,~~  
27 ~~DIVISION 2, TITLE 11, GUAM CODE ANNOTATED, RELATIVE~~

1 ~~TO INCREASING THE LIQUID FUEL TAX RATES BY FOUR~~  
2 ~~CENTS (\$0.04) PER GALLON, EFFECTIVE JANUARY 1, 2018, FOR~~  
3 ~~THE PURPOSE OF FUNDING VILLAGE ROAD REPAIR AND~~  
4 ~~CONSTRUCTION PROJECTS.~~

5  
6 ~~BE IT ENACTED BY THE PEOPLE OF GUAM:~~

7 ~~Section 1.~~ § 26403 of Article 4, Chapter 26, Division 2, Title 11, Guam  
8 Code Annotated, is *amended* to read:

9 "§ 26403. — Rates.

10 ~~Notwithstanding the requirements of § 16311 of Article 3, Chapter 16,~~  
11 ~~Title 3, Guam Code Annotated, and any other provision of law, the~~  
12 ~~following rates shall apply in computing, assessing, and collecting the~~  
13 ~~liquid fuel tax, effective January 1, 2018:~~

14 (a) — a tax at the rate of Fourteen Cents (\$0.14) per gallon on diesel  
15 fuel; and

16 (b) — a tax at the rate of Fifteen Cents (\$0.15) per gallon on all other  
17 liquid fuel as defined herein except liquid fuel used for commercial  
18 aviation purposes which is taxed at a rate of Eight Cents (\$0.08) per  
19 gallon.”

20 **Section 3. Effective Date.** This Act *shall* be effective upon enactment.