

116TH CONGRESS
1ST SESSION

H. R. 4409

To require approval through referendum for any increases to any locally enacted and administered taxes or issuances of any municipal bond in an amount greater than \$25,000,000, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 19, 2019

Mr. SAN NICOLAS introduced the following bill; which was referred to the
Committee on Natural Resources

A BILL

To require approval through referendum for any increases to any locally enacted and administered taxes or issuances of any municipal bond in an amount greater than \$25,000,000, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “People Empowerment
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds as follows:

1 (1) The Guam Legislature enacted Guam Pub-
2 lic Law 24–222 in 1998, requiring voter referendum
3 for any tax increases and any issuance of General
4 Obligation Bond in an amount greater than
5 \$25,000,000.

6 (2) The Guam Legislature has circumvented
7 Guam Public Law 24–222, passing local tax in-
8 creases and entered into 28 General Obligation
9 Bonds, 16 of which were in excess of \$25,000,000
10 without ratification by the voters of Guam.

11 (3) When public laws expressly mandate the in-
12 volvement of the electorate with their vote on spe-
13 cific matters of law, such laws must be respected,
14 and the people must be afforded the opportunity to
15 vote.

16 (4) Congress will act to protect the people of
17 Guam’s authority in determining increases in taxes
18 paid to their local government by ratifying such
19 power in the Organic Act of Guam.

20 **SEC. 3. VOTER APPROVAL REQUIRED FOR CERTAIN REV-**
21 **ENUE LAWS.**

22 The Organic Act of Guam (48 U.S.C. 1421 et seq.)
23 is amended by inserting after section 11, the following:

1 “CONDITIONS FOR LAWS RELATED TO TAXATION AND
2 ISSUANCE OF BONDS

3 “SEC. 11A. (a) Notwithstanding section 11, a law en-
4 acted by the Government of Guam that provides for
5 issuance of municipal bonds in an amount greater than
6 \$25,000,000, an increase in a tax, or the imposition of
7 a new tax—

8 “(1) shall not contain any provision except
9 those necessary to enact the issuance, increase, or
10 imposition; and

11 “(2) shall not take effect until after the law is
12 approved by a simple majority of voters on a ref-
13 erendum on the law held in accordance with this sec-
14 tion.

15 “(b) Not more than 10 days after a law that provides
16 for issuance of a municipal bond in an amount greater
17 than \$25,000,000, an increase in a tax, or the imposition
18 of a new tax is enacted, the Secretary of the Guam Legis-
19 lature shall transmit to the Guam Election Commission
20 the full text of the law.

21 “(c) The question of whether the voters of Guam ap-
22 prove or disapprove of the law transmitted under sub-
23 section (b) shall be placed on the ballot at the next General
24 Election that is 90 days or more after such transmission.

1 “(d) Not less than 30 days before a General Election
2 described in subsection (c), the Guam Election Commis-
3 sion shall—

4 “(1) cause to appear in a daily periodical of
5 mass publication on Guam the full text of the law
6 transmitted under subsection (b); and

7 “(2) ensure that the following is included in the
8 voter education packet sent to voters before the Gen-
9 eral Election for which the referendum on the law is
10 included on the ballot:

11 “(A) The full text of the law transmitted
12 under subsection (b).

13 “(B) An explanation of the pros and cons
14 of each position on the question of the law
15 transmitted under subsection (b).

16 “(C) Other information necessary for vot-
17 ers to arrive at an informed position on the
18 question of the law transmitted under sub-
19 section (b).

20 “(e) This section may be waived during a state of
21 emergency declared by a two-thirds vote of the Guam Leg-
22 islature and signed by the Governor of Guam. A waiver
23 under this subsection shall only apply during such state
24 of emergency. A tax or increase instituted during a waiver
25 under this subsection shall not be valid or enforceable

1 after the state of emergency has ended, except to the ex-
2 tent that amounts were due and not paid under that tax
3 or increase during the state of emergency.

4 “(f) This section shall not be interpreted to require
5 voter ratification of a tax increased or imposed or a bond
6 issued by the Government of the United States of Amer-
7 ica.

8 “(g) This section shall continue to apply after de-link-
9 age of the Guam income tax from the Internal Revenue
10 Code of 1986 (or a successor Federal tax code), should
11 such a de-linkage occur.”.

○