



OFFICE OF SENATOR
Eulogio Shawn Gumataotao

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

MEDIA STATEMENT
For Immediate Release
August 13, 2025

The following are excerpts from Senator Shawn Gumataotao's session remarks on his budget bill amendment restoring the 4% Business Privilege Tax (BPT) effective October 1, 2026:

"This amendment does not simply reduce the BPT from 5% to 4%. It helps this Branch of Government **REGAIN** public trust by **RESTORING** the 4% BPT rate.

In addition to requiring the Governor of Guam to submit a fiscal realignment plan to the Guam Legislature reducing net appropriations for Fiscal Year 2018 by not less than \$30 million, Public Law 34-87 amended the Business Privilege Tax (BPT) statute, by **increasing the BPT rate from 4% to 5% ONLY FOR A PERIOD OF SIX (6) MONTHS** - effective April 1, 2018 until September 30, 2018.

Fast-forward to August 24, 2018 **Public Law 34-116** permanently increased the 5% BPT, **IGNORING GUAM LAW**, specifically 3 GCA § 16311 and § 16312, **which requires that no increase in business privilege tax or any locally enacted and administered tax on Guam shall go into effect without the approval of the voters of Guam in a referendum held during a general election.**

With this amendment, the FY 2026 budget bill brings our island one step closer to truly prioritizing funding for public services in education, public safety, and healthcare - and Guam's economy. We cannot and should not prioritize growing the government over helping Guam's struggling economy.

At a time when agencies continue to ask for more such as GFD, which is seeking \$5.6 million for FY 2026 compared to its authorized appropriation from just two fiscal years ago, is this legislature providing our firefighters with the resources they need to protect life and property? I think we know the answer to that question - replay the YouTube video from the June 30, 2025 public hearing on Bill 82, of the mother who shared her heartbreaking story of losing her three-year-old son.

It was through that young mother's courage in sharing her story, which highlighted serious issues involving GMHA, where the lack of GFD ambulances hit me like nothing else has in my short time in this Guam Legislature. The issue of GFD lacking enough ambulances is nothing new.

It most certainly did not come to light just during the early months of this 38th Guam Legislature - just ask Speaker Blas, who pushed last term for special procurement authority allowing GFD to purchase much-needed ambulances. Do we lack enough GFD ambulances because we did not have sufficient funds to purchase new ones in the past? I don't think so.

Clearly, this government had the money, but decision makers for many years have failed to equip our employees with the tools - the ambulances, police patrol cars, hospital beds and linens, etc. - which our agencies need in order to deliver the critical public services that our people pay for and expect.

If approved, we acknowledge through this amendment that the time for leadership to step forward is now."

For more information, please contact Senator Gumataotao's office at (671) 647-1409/1411 or via email at office.senatorshawn@guamlegislature.gov.