

***I MINA 'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2025 (FIRST) Regular Session***

Bill No. -38 ()

Introduced by:

Eulogio Shawn Gumataotao

AN ACT TO ADD A NEW § 70133 AND RENUMBER THE EXISTING § 70133 TO § 70134, ALL OF CHAPTER 70, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO EXPANDING HOUSING AVAILABILITY BY AUTHORIZING THE DEPARTMENT OF REVENUE AND TAXATION TO ISSUE TEMPORARY BUSINESS LICENSES FOR RESIDENTIAL UNITS THAT MEET INSPECTION REQUIREMENTS ESTABLISHED BY A CERTIFIED HOME INSPECTOR LICENSED BY THE GOVERNMENT OF GUAM.

BE IT ENACTED BY THE PEOPLE OF GUAM:

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that the price and availability of residential units remain a challenge for individuals
4 and families across our island. *I Liheslatura* finds that the average cost of a single-
5 family home in Guam is reported to have doubled over the past 10 years. According
6 to a local media report from November of 2024, at a Society of American Military
7 Engineers Guam Post Forum, Cornerstone Valuation Guam Inc. informed those in
8 attendance that what used to be about \$213,600 for that home costs \$420,000 in
9 today's dollars. Additionally, the Guam Housing and Urban Renewal Authority
10 (GHURA) has stated publicly that outside of housing supply and demand issues, the
11 overseas housing allowance provided to military service members is artificially
12 inflating the cost of housing in Guam. GHURA expects that as of 2025 Guam faces

1 a demand for 9,908 additional housing units, driven by population growth, pent-up
2 demand and hidden homelessness.

3 Through information provided by GHURA regarding housing affordability, *I*
4 *Lihe slatura* acknowledges the difficulties that individuals and families continue to
5 face in securing a home, particularly at a time when individuals cannot afford to live
6 independently, and families are unable to find available units for sale or rent within
7 their price range.

8 Accordingly, *I Lihe slaturan Guåhan* intends through this Act to expand
9 housing availability in Guam by providing property owners with the option to obtain
10 a temporary business license under certain conditions. If approved, this Act allows
11 a residential unit to be rented if the property meets inspection requirements
12 established by a Certified Home Inspector licensed by the Government of Guam.

13 **Section 2.** A new § 70133 of Chapter 70, Title 11, Guam Code Annotated,
14 is *added* to read:

15 **“§ 70133. Temporary Business License Authorized for**
16 **Residential Units.**

17 (a) Notwithstanding any other provision of law, the Department of
18 Revenue and Taxation shall issue a Temporary Business License for
19 residential units located on an A (Rural Zone), R1 (One-Family Dwelling
20 Zone), R2 (Multiple Dwelling Zone), or C (Commercial Zone) property
21 pursuant to the requirements herein. For the purposes of this Section, a
22 Temporary Business License shall mean and include the permission granted
23 by the Government of Guam, under the authority of the Department of
24 Revenue and Taxation, conferring upon the licensee the right to rent real
25 property for a period not to exceed one (1) year from the date of issuance,
26 which without such authorization and permission would be illegal; it shall

1 also, when the context so requires, mean and include the written evidence of
2 such permission.

3 (1) The property owner or an authorized representative shall
4 provide an affidavit to the Department of Revenue and Taxation
5 declaring that the residential unit will be rented for residential purposes;

6 (2) The residential unit shall meet the inspection requirements
7 established by a Certified Home Inspector licensed by the Government
8 of Guam, including those related, but not limited to, electrical,
9 plumbing, HVAC (Heating, Ventilation and Air Conditioning),
10 environmental, security and egress, and the exterior condition of the
11 residential dwelling. For the purposes of this Section, a Certified Home
12 Inspector means an individual who is certified by the International
13 Association of Certified Home Inspectors (InterNACHI) or another
14 similar certifying authority recognized by the Government of Guam;
15 and,

16 (3) A copy of the Certification of Suitability for Occupancy
17 issued by a Certified Home Inspector must be provided to the
18 Department of Revenue and Taxation.

19 (b) A Temporary Business License shall be valid for a period not to
20 exceed one (1) year from the date of issuance during which time the licensee
21 shall complete all requirements to obtain a business license. Failure to obtain
22 a Guam business license within the validity period of the Temporary Business
23 License shall result in penalties established pursuant to § 70117(b) of this
24 Chapter.

25 (c) A Temporary Business License shall apply only to residential
26 units located on an A (Rural Zone), R1 (One-Family Dwelling Zone), R2
27 (Multiple Dwelling Zone), or C (Commercial Zone) property.

(d) The fee for a Temporary Business License shall not be less than the fee charged for a Guam business license for the rental of real property.

(e) The Temporary Business License shall mirror information contained in a non-temporary business license issued by the Department of Revenue and Taxation for the rental of real property, provided that the word “TEMPORARY” shall be printed on the Temporary Business License with emphasis.

(f) If a residential unit is found in violation of any provision of Title 21 GCA Division 2 (Regulation of Real Property Uses) or any health or safety regulations after a Temporary Business License is issued, the Director of Revenue and Taxation shall immediately revoke the Temporary Business License issued pursuant to this Section.

(g) Rental agreements executed under this Section are subject to 21 GCA Chapter 48, Guam Tenant and Rental Act of 2018, except as may conflict with this Section.

(h) All provisions in Guam law relating to fair housing and taxes including, but not limited to, income taxes, property taxes, gross receipts taxes, insurance, and rentals shall apply, except as may conflict with this Section.

(i) Notwithstanding any other provision of law, rule, or regulation, the Government of Guam shall not be held liable for any injury, death, or legal or financial obligation arising from a rental agreement authorized pursuant to this Section.

§ 70134. Reproduction; Certified Copies and Authentication: Fees.

The fees for the reproduction of copies, certified copies and authentication for the following documents shall be as follows:

1	(a)	Copy of each business license	\$ 3.00
2	(b)	Certificate of Existence	\$10.00
3	(c)	Certificate of Good Standing	\$25.00
4	(d)	Certificate of Exemption	\$20.00
5	(e)	Fee for an authentication or certification of any documents that are filed with the General Licensing Branch:	\$10.00
7	(f)	Copy of each page of any other document that is filed with the General Licensing Branch in which the fee for each copy is not provided by law	\$1.00
10	(g)	Replacement of Corporate Certificate	\$25.00
11	(h)	Copy of any other compliance, regulatory, enforcement, testing or study guide pamphlet.	\$ 5.00"

13 **Section 3. Effective Date.** The provisions of this Act shall be effective upon
14 enactment.