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Chairperson

Committee on Environment, Revenue and Taxation, Labor, Procurement,
and Statistics, Research, and Planning

I Mina'trentai Sais Na Liheslaturan Guahan • 36th Guam Legislature

PRESS RELEASE

Senator Perez's Extension of Remarks Denouncing Special Interest in Cigarette Stamp Tax Program

Hagåtña, Guam, May 28, 2021 - "I want to thank you, colleagues, for your consideration of Bill 104-36, which refined past cigarette stamp tax legislation with input from our community, government agencies, wholesalers, and other stakeholders.

Each of us was elected to this body to work on behalf of our island community. We must not be bullied into protecting special interests at the expense of our people. And we must not be pitted against each other, on this issue especially.

A number of misinformed articles have been circulating on social media today insinuating this bill intends to directly benefit one enterprising family in our community and that it increases taxes. Nothing could be further from the truth. I invite the public to review the Committee Report, which includes the amended bill and testimonies from stakeholders and government officials that help to inform the change.

We must ask ourselves: Who would profit from this \$17 million contract? It most certainly is not the people that we were elected to office to work on behalf of. It is not the most vulnerable in our community. It is not the countless families who have been impacted by tobacco, and chronic illness and disease. It is not the front-liners and our nurses that we relied so heavily upon during this public health emergency. Privatization will cost our community \$17 million, and it is not the most prudent or responsible way to spend the people's money. Yes, we need to fix the system, but fixing the system should not be an opportunity to hand out million-dollar contracts to private companies at the expense of our people.

My goal with bill 104-36 has always been to work to strengthen Cigarette Stamp Tax law by providing more clarity, determining a funding source, and empowering DRT to be able to administer the cigarette tax stamp program and level the playing field for all.

If there's anything we have learned from the pandemic, it's how critical it is that we invest in the health of our people, and in our health services. Bill 104-36 most notably saves our people \$17 million over the life of the contract – \$17 million that can go toward education, cancer treatment and prevention, drug-related abuse programs, or even to the maintenance of our public health facilities.

Bill 104-36 is a responsible fix to the gaps left by previous legislation. With it, we can foster accountability and transparency in the taxation process and save the people of Guam millions each year. We can fund programs that will mitigate and prevent the harms caused by tobacco, alcohol and other substances on the people of our community.

We are all representatives of the people of Guam, and I respect the people in this hall and the voices that you represent, because they are the voices of our people—our people who are still dealing with the effects of the pandemic on our community, and our economy. Our people who, especially now, are in need of reliable and adequately-funded health services and programs."

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