



Office of the Governor of Guam

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Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

Honorable Edward J.B. Calvo
Acting Speaker
I Mina' Bente Nuebe Na Liheslaturan Guåhan
155 Hesler Place
Hagåtña, Guam 96910

29-07-0879
SEP 29 2007

Office of the Speaker

MARK FORBES

Date: 10/1/07

Time: 10:55

Rec'd by:

Print Name: Ed Calvo

Dear Senator Calvo:

Please find attached Bill No. 174 (EC), "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE, LEGISLATIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2008, MAKING OTHER APPROPRIATIONS, AND ENACTING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS," which I have signed into law as Public Law 29-19.

With less than one week remaining until the start of Fiscal Year 2008, the Guam Legislature transmitted to my office the final, passed and approved budget plan for the government of Guam for Fiscal Year 2008. As this budget plan represents a significant departure from the comprehensive plan I submitted with the revised Fiscal Year 2008 budget, there are several issues of concern that have yet to be addressed in order to prepare this government and our island for the economic growth anticipated over the next decade and beyond. However, I have signed Bill No. 174 (EC) into law to prevent the shutdown of this government on October 1, 2007.

As well, I believe that this budget is an important first step in the right direction toward addressing the serious and difficult issues of paying down the \$524 million deficit and strengthening this government's ability to support and encourage sustainable economic growth for Guam.

This first step must be followed by a collaborative commitment to address the structural imbalances that remain in the budgeting practices of the government in a comprehensive manner that must include targeted growth in expenditure levels in critical need areas, an expansion of the government's revenue base to support the growing demand for services, and a long-term plan to pay down the deficit.

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Operational Shortfalls

Based on my Administration's analysis of this budget, even before one dollar is spent for Fiscal Year 2008, this budget is deficient over \$50 million for the fiscal year. Cuts to critical health, safety and education agencies and programs amount to more than \$45 million; \$33.5 million in cuts to healthcare, \$4.3 million in cuts to safety and \$7.2 million to education.

Health:

GMH	\$ 3,766,838
Public Health	\$ 1,605,668
Mental Health	\$ 750,000
Mental Health (Permanent Injunction)	\$ 3,000,000
MIP	\$ 6,538,600
Medicaid	\$ 8,413,415
Retirement (Health Insurance cost increase)	\$ 8,514,009
Chief Medical Examiner	\$ 3,1047
TOTAL HEALTH CUTS:	\$33,563,453

Safety:

Agriculture (Conservation Officers)	\$ 598,608
DOC	\$ 2,691,753
DPR (Park Patrol)	\$ 118,018
GPD	\$ 778,935
DYA	\$ 179,601
TOTAL SAFETY CUTS:	\$ 4,366,915

Education:

GPSS	\$ 7,268,067
KGTF	\$ 22,238
TOTAL EDUCATION CUTS:	\$ 7,290,305

GRAND TOTAL IN CUTS TO CRITICAL AREAS: \$45,220,673

The budget also failed to address the \$11.5 million needed for the EITC settlement. In addition, against strong warnings from Standard & Poor's, the government's financial advisors and the bond underwriters, the Legislature has authorized \$13.4 million in carry-over appropriations from FY 2007 for spending in FY 2008. Given our deficit position, these carry-over authorizations will negatively impact the cash flow and can only add to the deficit and operational funding shortfalls in future years.

While authority to refinance a portion of the government's deficit has been provided within this budget act, it does not make any provisions to cover the debt service. The GRT pledge for the bond debt service will cause a void in the resources directly attributed to critical areas, such as education, health, and safety. In addition, this budget requires the use of \$14 million in bond proceeds to cover operational requirements for

Fiscal Year 2008. This could be viewed by Standard & Poor's and the entire financial market as a blatant disregard of the chronic structural imbalance that has led to exactly our present situation.

Deficit Refinancing

The deficit refinancing component of this budget, without any initiative to address the debt service impact, and the absence of any revenue enhancement initiatives, demonstrates the unwillingness of the Guam Legislature to acknowledge the impact the deficit is having on basic operations of this government as well as our ability to prepare for the growth in demand for government services in the coming years.

I have been a strong proponent of refinancing in order to begin to pay down the government's huge deficit, improve our assets, and to begin creating reserves for our government. The refinancing of the 93 General Obligation Bond and the additional \$115 million in deficit refinancing takes us in that direction. However, the inclusion of FY 2008 operational funding in the bond proceeds simply delays the inevitable which is the need to bring revenues in line with the cost of providing basic operations to our people. Furthermore, relying on floating a bond to fund critical operational needs is risky as we saw how the government failed to secure \$35 million in bond financing for GPSS in FY 2007 which has translated to the present depressed state of affairs with education

The refinancing addressed in this budget has several benefits, addressing the court ordered COLA payments, paying out a portion of prior years' tax refunds, addressing capital needs for GPSS and GMH and partially funding the permanent injunction for DMHSA and DISID. However, refinancing as the single component towards deficit reduction is not enough and initiatives that borrow for operations only takes the structural imbalance from bad to worse.

I have also attached several correspondence from Bank of America Securities, UBS and CitiCorp again reiterating the vital need to bring structural balance to the budget and to provide a comprehensive and detailed deficit elimination plan that addresses both the short-term and long-term commitments of this government (both Executive and Legislative) to the fiscal discipline necessary to put our financial house in order.

Comprehensive Deficit Elimination Plan

I was encouraged by the healthy and open debate that took place during the Committee of the Whole during this past budget session. The transparency in discussing the realities we face, the financial challenges before us led to the acknowledgement by several members of the Legislature, as well as economists from UOG and GDOL, that cutting government at a time when we are preparing for the largest economic growth since World War II, lacks vision and not a direction that makes sense at this juncture of our development . Now is the time to strengthen government services in the areas that will encourage greater and more sustainable growth for decades to come.

Adjustments to the deficit elimination pro-forma reflecting the adopted revenues, the spending plan, and the bond initiatives contained in Bill 174 show that by Fiscal Year 2014, this government will still be facing a deficit close to \$400 million. This represents a projection that could conceivably increase if nothing else is done to give this government the resources it needs to meet both past and current obligations. My deficit elimination plan would have seen the deficit substantially reduced and begin to create reserves by Fiscal Year 2014. The longer the Legislature waits to address the ongoing structural imbalance, the larger the deficit growth potential and the more severe the consequences will be to our overall economic viability.

I am encouraging you and the members of the Legislature to work with my Administration to develop a deficit elimination and economic development plan that puts the future of our people as its highest priority. Let us continue the open dialogue you started and begin to address the difficult issues now. We are at the crossroads where we must bear some sacrifices today, so our people will reap the benefits of those sacrifices sooner rather than later.

While you have extended the deadline for the Tax Review Commission until June 2008, I urge you to begin that work immediately so that we can review all possible alternatives to expanding the revenue base of this government in a comprehensive and transparent manner.

Also, as many members of the Legislature have only now received the deficit elimination plan I transmitted to you with my revised Fiscal Year 2008 budget (Bill No. 143), I encourage you to facilitate open discussions to continue to adjust and develop a comprehensive deficit elimination plan that is mutually acceptable and that will serve as a blueprint for collaborative efforts going forward. It is a necessary component of all future financial planning and is critical to the success of all future bonds. I look forward to beginning work on the deficit elimination plan immediately as it may affect this government's ability to issue the bonds authorized in this budget act.

Sustainable Economic Growth

A few weeks ago, the Department of Defense hosted an industry forum on that was attended by more than 800 off-island and on-island investors. The mood of the participants was very positive and all were bullish about Guam's future. On October 8 and 9, 2007 the Department of Interior will be hosting an investment conference here, as well, which is anticipated to draw even more national and international participants.

Clearly there will be growth in our economy from the military build-up, the re-positioning of our tourism industry and other multi-million dollar investments. There is little doubt that in the next decade we will see tremendous economic activity with accelerated construction activities and development industries presence.

The question before us all, as leaders on this island, is whether we have the collective will today to make the difficult decisions and take the necessary actions to bring this

government's finances in to order so that we can begin to prepare our people not just for the opportunities of the next decade, but for sustainable economic growth beyond the construction boom. Already our social, physical and regulatory infrastructures are taxed beyond their capacity.

It is our responsibility to strengthen these areas to meet the current demand and to prepare for significant growth in that demand. Services in education, health and safety are critical. But if this government is to facilitate sustainable growth, we also must shore up our regulatory functions within the Guam Environmental Protection Agency, the Department of Public Health and Social Services, the Department of Customs and Quarantine, the Department of Labor and the Department of Revenue and Taxation.

We must fund the development of strong workforce development programs to prepare our people for highly skilled technical jobs that will be in demand in our new economy. Our roads, water system, power system and seaport must be improved and expanded. More doctors, nurses, teachers, police officers, fire fighters, corrections offices, customs officers, environmental specialists, health inspectors, data managers, revenue agents, engineers and so many others must be hired and trained to ensure that as investments come to our island and our population increases, this government is facilitating economic growth not impeding it.

I also strongly urge the Legislature to reconsider the moratorium placed on the issuance or renewal of all Qualifying Certificates, with the exception of those for Captive Insurance, found in Section 73 of Chapter IV of this act.

This section poses many challenges and falls far short of the intended purpose of reexamining and strengthening the Qualifying Certificate (QC) program. First, this moratorium offers no provision that would take into account those qualifying certificate applications that have been submitted and are under processing. Placing a moratorium on these applications may place the government of Guam and the Guam Economic Development and Commerce Authority (GEDCA) into litigation once Bill 174 (EC) is signed into law.

Additionally, the qualifying certificate program is the "only" investment tool Guam offers in the now highly competitive global market. The suspension of the QC program, albeit temporary will send a negative message to potential investors that Guam is no longer a friendly investment domicile during a time when Guam has increased its profile globally.

While I agree that a review of the program is necessary to refocus investment incentives for the new economy, such a review does not require a suspension of the program during this critical time of economic development. In fact, GEDCA has been conducting an internal review of the program and is preparing draft amendments to the current QC law and rules. Their review, conducted under the auspices of the administrative adjudication law, requires that GEDCA recommendations go through the public hearing process and inevitably the legislative process providing ample opportunity for collaborative input

from the public and private sectors to update the QC program in order to balance the needs of new investors and the island community.

The QC program has and will continue to be a vital marketing tool that Guam can use to create long-term sustainable industries to complement our tourism and military but that would also result in the creation of employment with higher paying, family supporting wages and benefits. Placing a moratorium on the program now would only be robbing our island of this effective investment incentive and the opportunities that new investments bring to our people.

I anticipate that it may be necessary to revisit the Fiscal Year 2008 budget. The Fiscal Realignment Plan requirement contained in the budget is a welcomed provision as it will allow for spending adjustments when revenues fall short of expectations. However, more than \$40 million of critical funding needs are not even a part of the spending plan contained in this budget and, therefore, not supported by the revenues adopted therein. These include \$11.5 million for the EITC settlement, \$8.4 million for retirees' insurance increase, \$15 million for the MIP / Medicaid Program, and \$4.6 million of interest only payments on behalf of GPSS and GMH. Demands in these areas in FY 2008 will severely compromise the government's financial stability and ability to maintain critical services.

In closing, I would like to note that a technical amendment is required. Section 91 of Chapter VI refers to sums appropriated in Section 28 of this Chapter in order to appropriate \$3.1 million to Public Health. However, Section 28 of this Chapter or Chapter VI is not an appropriation provision but rather an administrative provision related to government audits. The correct reference should be Section 28 of Chapter V and not this Chapter,

Again, I have signed Bill No. 174 (EC) into law as Public Law 29-19, but much work still lies ahead for all of us. I look for meaningful, collaborative, and constructive discussions in the coming months to deal with our financial challenges.

Sinseru yan Magãhet,

A handwritten signature in black ink, appearing to read 'F. Camacho', with a long horizontal flourish extending to the right.

FELIX P. CAMACHO

I Maga'låhen Guåhan

Governor of Guam

cc: The Honorable Ray Tenorio
Senator and Legislative Secretary

Public Finance
NY1-633-29-07
1633 Broadway, 29th Floor
New York, NY 10019



September 21, 2007

Memorandum

To: Anthony C. Blaz, GEDCA Administrator
Tina Garcia, GEDCA Deputy Administrator

From: Margaret Guarino, Managing Director
Aulii Limtiaco, Vice President

Cc: The Honorable Felix P. Camacho, Governor
The Honorable Michael W. Cruz, M.D., Lt. Governor
The Honorable Senators of the 29th Guam Legislature

Re: Deficit Financing

To reiterate our comments over the last few days, any deficit bonds should be issued in combination with a coherent fiscal plan to eliminate the accumulated deficit and prevent additional deficits from recurring. Lack of an ongoing deficit reduction plan will make obtaining a decent rating and marketing of the bonds more difficult and will likely result in increased interest cost to the Government, as well as negatively impact GovGuam's current rating.

It is apparent that, absent this borrowing, the Government has no opportunity to pay these debts and stop the interest accrual that is accumulating. It is also apparent that the development of a plan to pay back the debt service on the bonds, as well as pay down the remainder of the obligations owed, continues to be a work-in-progress that cannot be done in a vacuum. Authorization of the borrowing, as one of the components of a deficit reduction plan, should demonstrate a clear intent and commitment to the market and to the people of Guam. The rest of the deficit elimination plan should be developed in conjunction with the Legislature and other representatives of Guam's community in order to provide the most comprehensive plan possible. Thus, we believe that legislation recognizing the need to borrow to pay these obligations, whatever the final amount may be, is a step toward progress.

The Government's ability to pay debt service on the bonds is obviously dependent on projections of revenue growth that will occur in Guam in both the near term and over the life of the bonds. If expenditures grow slower than revenues (and if expenditures are capped at a percentage of revenues) then the structural deficit will be automatically eliminated and the accumulated deficit will automatically decrease. We have received feedback from Standard & Poor's, UBS Investment Bank and Citigroup, two of the Government's senior underwriters on these matters. Standard & Poor's agreed that a political consensus toward implementation of a fiscal plan is a step in the right direction and that the rating committee understands that the plan is a work in progress. They caveat, however, that the "devil is in the details" and that any plan must have specific details on the tough decisions that must be made in order to address these liabilities. Both UBS Investment Bank and Citigroup (the top two municipal bond underwriters nationwide) agree that a deficit reduction plan is a critical component to the issuance of any bonds as a component of the plan. It is important to remember that, in a sense, this is GovGuam's last shot

at borrowing to pay these types of obligations; therefore, we must ensure that these liabilities do not further accrue.

If the deficit bond issue is authorized by the Legislature in this Budget Bill, we can then work with the Administration and Legislature to develop a plan that is prudent, marketable and in Guam's best interest. We do not recommend actually going to market until both the Administration and the Legislature sign off on a comprehensive plan. As development of plan is underway, approximately \$36 million of tax refunds and COLA payments will circulate in the economy, as authorized under the budget-neutral restructuring of the 1993 General Obligation Bonds. We believe this is a good start to addressing the problem, but it does not address the entire problem, nor does it prevent future problems.

With respect to some of the provisions in the proposed legislation, we recommend keeping the GRT security and structure in place, as well as the other transaction parameters, until we have a draft plan that will allow us to structure the financing around the Government's needs. In addition, we recommend that some of the proposed provisions are included in any deficit reduction plan considered by the Government and the Legislature. These include an expenditure cap based on projected and/or actual revenues and the creation of reserves for emergency and liquidity purposes. We also recommend enhancing allotment controls and elimination of carry over appropriations, to the extent possible. Given GovGuam's historic performance of spending beyond its means, fiscal measures such as these are critical to enforcing any deficit reduction plan.

In conclusion, the Government and Legislature should bear in mind several factors when considering passage of the Budget Bill with an authorization to borrow for these obligations:

- GovGuam does not otherwise have the funds to pay the obligations and with respect to the COLA payments, GovGuam is mandated to pay these amounts in full
- GovGuam continues to accrue interest at higher rates than it can borrow in the bond market (latest figures include approximately \$42 million in interest from Dept. of Revenue and Taxation)
- In order to successfully issue the bonds and improve the Government's credit rating for the long term, the Government must have a plan in place to address the remainder of the deficit as well as prevent future deficits
- This plan must include projections of revenue growth, impact of any reorganization, ongoing cost containment and expenditure limitation provisions and any planned revenue enhancements (if necessary)
- The plan must be signed off on by the Legislature and the Administration, and adopted as policy
- The plan can be altered as Guam's economic condition improves, and as the need for expenditure cuts and/or revenue increases changes
- *An initial consensus that any deficit reduction plan includes a borrowing component, and passage of that component, shows progress toward a common goal and would likely be viewed as a "credit positive" which will assist in maintenance of the Government's rating in the near future*



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September 21, 2007

Mr. Tony Blaz
Acting Administrator

Ms. Tina Garcia
Acting Deputy Administrator
Guam Economic Development and Commerce Authority
ITC Building, Suite 511
590 South Marine Corps Drive
Tamuning, Guam 96913

Dear Mr. Blaz and Ms. Garcia:

UBS, as the senior manager for the Government's deficit bond issue, agrees with Bank of America's marketing and structuring recommendations for the proposed bond sale. Importantly, it is critical for the Government to devise an overall deficit elimination plan (of which the deficit borrowing is only one component) to instill confidence from the investor community. Such a plan would demonstrate the Government's willingness and ability to address the ongoing fiscal imbalance it has faced. While the proposed GRT-backed security pledge is attractive to investors, that structure alone will not lead Guam back to an investment grade rating – which must be the ultimate objective.

Respectfully,

Handwritten signature of Frank X. Lauterbur in black ink.

Frank X. Lauterbur
Managing Director

Handwritten signature of James E. Scott in black ink.

James E. Scott
Executive Director

Handwritten signature of Russell C. Reyes in black ink.

Russell C. Reyes
Executive Director

cc: Margaret Guarino, Bank of America



September 21, 2007

Mr. Anthony Blaz
Acting Administrator
Guam Economic Development & Commerce Authority
ITC Building, Suite 511
590 South Marine Corps Drive
Tamuning, Guam 96913

Dear Tony,

We are writing to provide our thoughts and comments to the ongoing budget discussions, the development of a deficit reduction plan and the potential issuance of bonds in the coming months relating to those issues.

We believe the first step in the process of officially presenting the Government's credit in the coming months is the passage of a sound budget that addresses the current financial situation. A well-formulated budget that provides the tools to address the deficit situation will be critical to that process. As currently contemplated, those budget tools include the issuance of bonds to help the Government effectively manage the current deficit situation.

While not necessarily required as part of the budget passage, we would anticipate a comprehensive deficit reduction plan be prepared by the Government to facilitate the issuance of bonds as part of managing the current financial situation. Our experience with credit analysts and potential investors has been that specific details for any deficit reduction plan are a helpful component to their acceptance of the issuance of any bonds as a component of an overall plan. These details typically include specific expenditure reductions, specific revenue enhancements (if any), and very specific mechanics on capturing certain revenues for debt repayment.

We look forward to continuing our work with the Government and encourage the timely completion of the budget process as the important first step. We will continue to work with the Government on a comprehensive deficit reduction plan and look forward to presenting that plan to the market as a part of the issuance of any bonds to facilitate that plan.

We hope this input is helpful in your discussions. Please do not hesitate to contact either of us if you have any questions or if we can be of further assistance.

Sincerely,

Nicholas G. Fluehr
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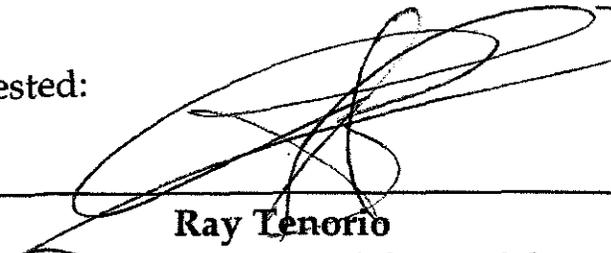
cc: Margaret Guarino, Banc of America Securities
Aulii Limtiaco, Banc of America Securities

I MINA'BENTE NUEBI NA LIHESLATURAN GUÅHAN
2007 (FIRST) Regular Session

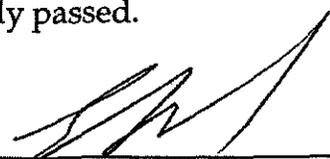
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that Bill No. 174 (EC), "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE, LEGISLATIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2008, MAKING OTHER APPROPRIATIONS, AND ENACTING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS," was on the 23rd day of September, 2007, duly and regularly passed.

Attested:

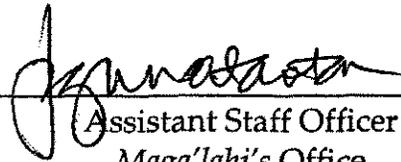


Ray Tenorio
Senator and Secretary of the Legislature



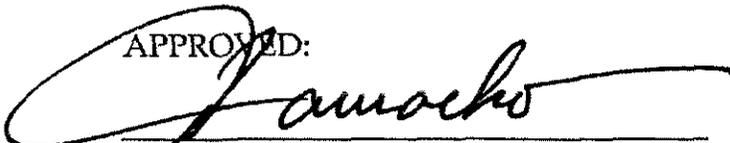
Edward J.B. Calvo
Acting Speaker

This Act was received by I Maga'lahaen Guåhan this 24 day of Sept, 2007, at
600 o'clock P.M.



Assistant Staff Officer
Maga'lahaen's Office

APPROVED:



FELIX P. CAMACHO
I Maga'lahaen Guåhan

Date: 29 September 2007

Public Law No. 29-19

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I MINA'BENTE NUEBI NA LIHESLATURAN GUÅHAN
2007 (FIRST) Regular Session

Bill No. 174 (EC)

As amended in the
Committee of the Whole.

Introduced by:

Committee on Finance, Taxation,
Commerce & Economic Development

**AN ACT MAKING APPROPRIATIONS FOR THE
OPERATIONS OF THE EXECUTIVE, LEGISLATIVE AND
JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2008,
MAKING OTHER APPROPRIATIONS, AND ENACTING
MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

CHAPTER I

GENERAL PROVISIONS

Section 1. Short Title. This Act *shall* be known as the "*General Appropriations Act of 2008*". Except as otherwise provided by this Act, the appropriations made by this Act *shall* be available to pay for obligations incurred on or after October 1, 2007 but *no later than* September 30, 2008. If any appropriation in this Act is found contrary to federal law, all other portions of this Act *shall* remain valid.

Section 2. Estimated Revenues for Fiscal Year 2008. *I Liheslaturan Guåhan*, the Guam Legislature, adopts the following revenue estimates for Fiscal Year 2008 as the basis for the appropriations contained in this Act.

I. GENERAL FUND REVENUES

AMOUNT

A. TAXES

1	Income Tax	
2	Corporate	\$89,361,412
3	Individual	\$75,915,467
4	Withholding Taxes, Interest and Penalties	\$164,478,331
5	Provision for Tax Refund	(\$76,600,000)
6	TOTAL INCOME TAXES	\$253,155,210
7	Business Privilege Tax	\$178,875,492
8	Other Taxes	<u>\$2,453,981</u>
9	TOTAL TAXES	\$434,484,683
10	B. FEDERAL SOURCES	\$41,886,802
11	Federal Income Tax Collection (Section 30 Funds);	
12	Immigration Fees and Indirect Cost	
13	C. USE OF MONEY AND PROPERTY	\$891,855
14	D. LICENSES, FEES AND PERMITS	\$10,738,606
15	E. DEPARTMENT CHARGES	<u>\$1,850,544</u>
16	TOTAL GENERAL FUND REVENUE	\$489,852,490
17	II. SPECIAL FUND REVENUES APPROPRIATED IN THIS ACT	
18	A. Air Pollution Control Special Fund	\$223,394
19	B. Better Public Service Fund	\$742,500
20	C. Chamorro Land Trust Operations Fund	497,189
21	D. Corrections Revolving Fund	1,554,525
22	E. Customs, Agriculture and Quarantine	
23	Inspection Services Fund	8,249,159
24	F. Enhanced 911 Emergency Reporting System Fund	2,103,615
25	G. Environmental Health Fund	645,000
26	H. Fire, Life and Medical Emergency Fund	1,347,140
27	I. Guam Board of Accountancy Fund	417,500

1	J.	Guam Contractors License Board Fund	521,595
2	K.	Guam Environmental Trust Fund	193,730
3	L.	Guam Highway Fund	15,478,121
4	M.	Guam Plant Inspection and Permit Fund	44,952
5	N.	Healthy Futures Fund	10,772,121
6	O.	Judicial Building Fund	20,000
7	P.	Land Survey Revolving Fund	2,879,492
8	Q.	Manpower Development Fund	1,200,000
9	R.	Police Services Fund	811,955
10	S.	Professional Engineers, Architects and Land	
11		Surveyors Board Fund	203,843
12	T.	Public Recreation Services Fund	300,000
13	U.	Safe Streets Fund	236,000
14	V.	School Lunch/SAE/Child Nutritional Meal	
15		Reimbursement Fund	7,500,000
16	W.	Solid Waste Operations Fund	5,880,808
17	X.	Street Light Fund	3,952,056
18	Y.	Territorial Education Facilities Fund	20,483,647
19	Z.	Tourist Attraction Fund	20,700,000
20	AA.	Water Protection Fund	54,784
21	BB.	Water Research and Development Fund	<u>80,313</u>
22		TOTAL SPECIAL FUND REVENUE	\$107,093,439

1	III. FEDERAL MATCHING GRANTS-IN-AID REVENUES	
2	Federal Grants-In-Aid Requiring Local Match:	
3	A. Agriculture	\$455,600
4	B. Guam Council on the Arts and Humanities Agency	241,300
5	C. Guam Mass Transit Authority	859,915
6	D. Guam Police	615,860
7	E. Integrated Services for Individuals with Disabilities	2,382,160
8	F. Judiciary of Guam	395,855
9	G. Labor	34,200
10	H. Law	5,416,467
11	I. Military Affairs	952,975
12	J. Public Health and Social Services	22,328,194
13	K. University of Guam	<u>1,508,000</u>
14	TOTAL FEDERAL MATCHING GRANTS-IN-	
15	AID REVENUE	\$35,190,526
16	IV. OTHER SOURCES OF FUNDING	
17	A. UOG Higher Education Endowment Fund,	
18	Series 2001B (Interest)	\$232,426
19	B. GCC Endowment Fund, Series 2001B (Interest)	\$140,047
20	C. Government of Guam Health and Human	
21	Services Fund, Series 2001B (Interest)	\$209,473
22	D. Health Securities Trust Fund, Series 2001B	
23	(Interest)	<u>\$743,437</u>
24	TOTAL OTHER SOURCES OF FUNDING	\$1,325,383
25	REVENUE SUMMARY:	
26	TOTAL GENERAL FUND REVENUE	\$489,852,490
27	TOTAL SPECIAL FUND REVENUE	\$107,093,439

1	TOTAL FEDERAL MATCHING GRANTS-IN-	
2	AID REVENUE	\$35,190,526
3	TOTAL OTHER SOURCES OF FUNDING	<u>\$1,325,383</u>
4	GRAND TOTAL	\$633,461,838

5 **Section 3. Debt Service Continuing Appropriation.** The following are
6 continuing appropriations for debt service requirements:

7 **A. GENERAL OBLIGATION BONDS 1993 SERIES A**
8 (For education capital projects; Real Property Taxes pledged;
9 due FY 2018 as final year; P.L. 22-19 and P.L. 22-24, net
10 of UOG Bond Payment Obligation \$2,027,377) \$10,591,974 1/

11 **1/ Territorial Education Facilities Fund**

12 **B. LIMITED OBLIGATION HIGHWAY REFUNDING**
13 **BOND 2001 SERIES A**
14 (P.L. No. 24-70; due FY 2012 as the final year;
15 source of payment from Liquid Fuel Taxes) \$6,030,463 2/

16 **2/ Guam Highway Fund**

17 **C. LIMITED OBLIGATION (SECTION 30) BONDS**
18 **SERIES A 2001 (SECTION 30 FUNDS)**
19 (Water System Revenue Bond; P.L. 26-58, amended
20 by P.L. 25-59; Section 30 fund pledged; due FY 2012
21 as final year) \$9,825,780 3/

22 **3/ Section 30 Funds**

23 **D. 2002 SHORT TERM FINANCING (SECTION 30 FUNDS)**
24 (Line of Credit; P.L. 26-84 amended by P.L. 26-122
25 and P.L. 26-130; due FY 2012 as the final year; source
26 of payment Section 30 Funds) \$1,281,818 4/

27 **4/ Section 30 Funds**

1	E. LIMITED OBLIGATION INFRASTRUCTURE	
2	IMPROVEMENT BONDS, 1997 SERIES A (TAF)	
3	(Tumon Redevelopment; payment from the Tourist	
4	Attraction Fund, pursuant to P.L. 24-111)	\$7,243,351 5/
5	5/ Tourist Attraction Fund	
6	6/ General Fund	
7	GRAND TOTAL	<u>\$34,973,386</u>

1 System for Health and Physical Education programs, intramural sports, and
2 similar activities.

3 (d) **School Nutritional Meals.** The sum of Seven Million Five
4 Hundred Thousand Dollars (\$7,500,000) is appropriated from the School
5 Lunch/SAE/Child Nutritional Meal Reimbursement Fund to the Guam
6 Public School System for non-personnel operating expenses incurred
7 pursuant to the guidelines established for said programs.

8 (e) **Summer School.** From the Summer School Fund established
9 pursuant to §6119 of Article 1 of Chapter 6 of Division 1 of Title 17 Guam
10 Code Annotated, such sums as are necessary to fund the operations of the
11 2008 Summer School Program are appropriated to the Guam Public School
12 System. The Superintendent of Education *shall* submit a detailed report to *I*
13 *Maga'lahaen Guåhan* and the Speaker of *I Liheslaturan Guåhan* regarding
14 the receipt and expenditure of said funds *no later than* thirty (30) days after
15 the close of summer school and post the same on the GPSS website. Such
16 report *shall* include the following:

- 17 (1) total revenues received, including identification of
18 each revenue source;
- 19 (2) total expenditures and encumbrances by object
20 classification and by school; and
- 21 (3) the fund balance.

22 (f) **Textbooks and Collateral Materials.** The following are
23 appropriations to the Guam Public School System for the purchase of
24 textbooks, e-book readers and collateral materials, to include software, sheet
25 music and music books, in accordance with the following terms and
26 conditions:

1 (1) The sum of Two Million Dollars (\$2,000,000) is
2 appropriated from the General Fund from Fiscal Year 2009 revenues
3 to the Guam Public School System for the purchase of textbooks, e-
4 book readers and related classroom instructional materials to include
5 software, sheet music and music books. The Superintendent may, *if*
6 necessary, through agreements with textbook vendors, defer payment
7 for said materials until *after* October 1, 2008, but *no later than*
8 December 31, 2008, with the full faith and credit of the government of
9 Guam.

10 (2) The Superintendent of the Guam Public School System
11 *shall* order materials funded by this Section for Fiscal Year 2009 *no*
12 *later than* March 1, 2008. The Bureau of Budget and Management
13 Research *shall* release such allotments as are necessary to ensure that
14 said materials are ordered by March 1, 2008. The Superintendent
15 *shall* receive said materials and distribute them to schools *no later*
16 *than* thirty (30) days before the start of the school calendar established
17 pursuant to Title 17 Guam Code Annotated §4111. All funds
18 appropriated for said materials *shall not* be used for any other
19 purpose.

20 (3) On the first (1st) day of each fiscal quarter of FY 2008,
21 the Superintendent of Education *shall* provide to *I Maga'lahren*
22 *Guåhan* and the Speaker of *I Liheslaturan Guåhan*, and post on the
23 GPSS website, a detailed report regarding all receipts and
24 expenditures for textbooks, e-book readers and collateral classroom
25 instructional materials to include software, sheet music and music
26 books. Said report *shall* be accompanied by the certified list of

1 textbooks approved by the Guam Education Policy Board and all
2 purchase orders issued. The report *shall* summarize:

3 (A) purchases by allotment account number, unit cost and the
4 total cost of books charged against an appropriation account,
5 the vendor, quantity, title, copyright date and ISBN number of
6 books ordered, the allocation of such books by school and
7 grade, whether books are for teachers or students, and whether
8 books are textbooks *or* e-books;

9 (B) the number of textbooks and e-book readers lost *or*
10 damaged, the amounts collected for such lost *or* damaged items
11 and the amount of receivables due for such lost *or* damaged
12 items for the preceding fiscal year and the current fiscal year by
13 month; and

14 (C) other information that may be useful *or* that is requested
15 by *I Liheslaturan Guåhan* regarding the funds appropriated
16 herein.

17 Non-compliance with these reporting requirements by the Superintendent of
18 Education *shall* result in the sanctions and penalties imposed by this Act.

19 **Section 2. Appropriation for Textbooks.** Section 2(g)(1) of Part I
20 of Chapter II of Public Law 28-149 is *amended* to read:

21 “(1) For Fiscal Year 2007, the sum of One Million Five Hundred
22 Thousand Dollars (\$1,500,000) is appropriated from the General Fund from
23 Fiscal Year 2008 revenues to the Guam Public School System textbook
24 obligations incurred in previous years.”

25 **Section 3. Website Posting.** The Superintendent of Education *shall*
26 post and maintain on the GPSS website:

- 1 (a) All payments for prior year obligations to be paid by current
- 2 appropriations, salary adjustments by position and the
- 3 funding source for each, by month.
- 4 (b) Cash Disbursement Schedules created pursuant to this Act.
- 5 (c) Number of filled FTEs, costs and funding sources by school
- 6 and division by month.
- 7 (d) Number of vacant FTEs, costs and funding sources by
- 8 school and division by month.

1 allocate this appropriation in order to fund said student scholarships,
2 financial assistance programs and program administration.

3 (2) **Dr. Antonio C. Yamashita Educator Corps.** The sum
4 of One Million Three Hundred Fourteen Thousand Six Hundred
5 Ninety-six Dollars (**\$1,314,696**) is appropriated from the General
6 Fund to the University of Guam for Fiscal Year 2008. The President
7 of the University of Guam *shall* disburse, pursuant to the directives
8 and policies of the Educator Corps Council, stipends for the Dr.
9 Antonio C. Yamashita Educator Corps and funds for the
10 administration of said program pursuant to Title 17 GCA Chapter 18
11 and §15107 of Title 17 of the Guam Code Annotated, as *amended*.

12 The President of the University of Guam *shall* post on the
13 University of Guam's website all reports mandated by this Act regarding the
14 Dr. Antonio C. Yamashita Educator Corps.

15 (d) **Appropriation for the Aquaculture Development and**
16 **Training Center.** The sum of One Hundred Forty Thousand Dollars
17 (**\$140,000**) is appropriated from the General Fund to the University of Guam
18 for the *sole* purpose of funding the continued operations of the Aquaculture
19 Development and Training Center. Said funds *shall* not be transferred *or*
20 used for any other purpose.

21 (e) **Guam Hydrologic Survey.** The sum of Two Hundred Four
22 Thousand Two Hundred Dollars (**\$204,200**) is appropriated from the
23 General Fund to the UOG for the *sole* purpose of funding the Guam
24 Hydrologic Survey (GHS) administered by the Water and Environmental
25 Research Institute of the Western Pacific (WERI). WERI *shall* continue to
26 administer the GHS for those purposes previously established by Guam law.
27 Such funds *shall not* be transferred *or* used for any other purpose.

1 **(f) Comprehensive Water Resource Monitoring Program.** The
2 sum of One Hundred Seventy-three Thousand Nine Hundred Forty-eight
3 Dollars **(\$173,948)** is appropriated for Fiscal Year 2008 from the General
4 Fund to the University of Guam (UOG) to fund the Water and
5 Environmental Research Institute of the Western Pacific (WERI). Such
6 funds *shall* be used for the *sole* purpose of matching the Federal funding for
7 the Comprehensive Water Resource Monitoring Program. WERI *shall*
8 continue to administer the Comprehensive Water Resource Monitoring
9 Program for those purposes previously established by Guam law. Such
10 funds shall *not* be transferred *or* used for any other purpose.

11 **(g) University of Guam for the College of Natural and Applied**
12 **Sciences.** The sum of One Hundred Twenty-five Thousand Dollars
13 **(\$125,000)** is appropriated from the General Fund for Fiscal Year 2008 to
14 the University of Guam for the College of Natural and Applied Sciences,
15 provided that said amount *shall* be divided equally between the Northern and
16 Southern Soil and Water Conservation District Programs. Such funds shall
17 *not* be transferred *or* used for any other purpose.

18 **(h) University of Guam for KPRG (Public Radio).** The sum of
19 One Hundred Thousand Dollars **(\$100,000)** is appropriated from the General
20 Fund to the University of Guam for KPRG (Public Radio) operations. The
21 President of the University of Guam *shall* disburse the funds to KPRG.

22 *No later than* thirty (30) days after the close of each fiscal quarter of
23 FY 2008, the General Manager of KPRG *shall* submit to the President of the
24 University of Guam, and post on KPRG's website, all reports mandated by
25 this Act.

26 **(i) University of Guam for Hero Scholarship Program.** The
27 sum of Twenty Thousand Dollars **(\$20,000)** is appropriated from the Judicial

1 Building Fund to the University of Guam for the Hero Scholarship Program
2 for Fiscal Year 2008. Such funds *shall* not be transferred *or* used for any
3 other purpose.

4 **(j) UOG Higher Education Endowment Fund, Series 2001B.**

5 The sum of Two Hundred Thirty-two Thousand Four Hundred Twenty-six
6 Dollars (\$232,426) is appropriated from the interest earned on the UOG
7 Higher Education Endowment Fund, Series 2001B, to the University of
8 Guam for the purchase, repair and upgrade of learning resources and
9 technology for Fiscal Year 2008.

10 **Section 2. Program Revenue and Expenditure Reports.** Beginning in
11 Fiscal Year 2008, thirty (30) days after the end of each fiscal quarter, the President
12 of the University of Guam *shall* post on the University of Guam's website and
13 submit to *I Maga'lahañ Guåhan* and the Speaker of *I Liheslaturan Guåhan*
14 quarterly revenue and expenditure reports for the Aquaculture Development and
15 Training Center, WERI Guam Hydrologic Survey, WERI Comprehensive Water
16 Resource Monitoring Program, Northern and Southern Soil and Water
17 Conservation District Programs and KPRG. Said reports *shall* be in the format of
18 basic financial statements *or* such format as may be prescribed by *I Liheslaturan*
19 *Guåhan*.

20 **Section 3. Program Annual Reports.** Beginning in Fiscal Year 2008,
21 the President of the University of Guam *shall* post on the University of Guam's
22 website and shall submit to *I Maga'lahañ Guåhan* and the Speaker of *I*
23 *Liheslaturan Guåhan* annual reports for: Aquaculture Development and Training
24 Center, WERI Guam Hydrologic Survey, WERI Comprehensive Water Resource
25 Monitoring Program, Northern and Southern Soil and Water Conservation District
26 Programs and KPRG. At a minimum, said reports *shall* include: program mission
27 statements, objectives, sources of revenue, expenditures by budget classification,

1 number of employees, contracts and *shall* describe program accomplishments in
2 the fiscal year reported.

3 **Section 4. Scholarships, Financial Assistance and other Reports.**

4 Beginning in Fiscal Year 2008, sixty (60) days after the end of fiscal year 2007, the
5 President of the University of Guam *shall* submit to *I Maga'lahaen Guåhan* and the
6 Speaker of *I Liheslaturan Guåhan*, and post on the University of Guam's website,
7 a report of expenditures from appropriations made in this Act for student
8 scholarships, student financial assistance, the Dr. Antonio C. Yamashita Educator
9 Corps and the Educator Corps Council. Said report *shall* include each program's
10 name, the number of scholarships *or* loans issued by each program, the date the
11 scholarship *or* loan was awarded, the anticipated date of cohort graduation, the
12 total amount of awards *or* loans, the total amount of loans repaid to date, the
13 balance of the outstanding awards *or* loans, the amount of collections to date for
14 outstanding loans and repayments due, the number of awards for each field of
15 study, and the number of recipients working to complete their academic and
16 financial obligations.

1 **Section 2.** Beginning in Fiscal Year 2008, the President of the Guam
2 Community College *shall* submit quarterly reports to *I Maga'lahen Guåhan* and
3 the Speaker of *I Liheslaturan Guåhan* thirty (30) days after the end of each fiscal
4 quarter and post said report on the Guam Community College's website. Said
5 reports *shall* include, but *are not limited to*, the number of participants in each
6 GCC program, the amounts expended from appropriations in this Act by object
7 classification, a description of each program, the academic courses offered, and the
8 requirements for participation in each program.

1 Fiscal Year 2008 to the Department of Public Health and Social Services'
2 Community Health Centers for the purchase of medicines.

3 **(f) Catastrophic Illness Program.** The sum of One Hundred Thousand
4 Dollars (**\$100,000**) is appropriated from the General Fund for Fiscal Year 2008 to
5 the Department of Public Health and Social Services for the *sole* purpose of
6 funding the Catastrophic Illness Program. Said funds shall not be transferred *or*
7 used for any other purpose.

8 **(g) Enhanced Allotment Plan.** The sum of Four Hundred Sixty-nine
9 Thousand Seven Hundred Three Dollars (**\$469,703**) is appropriated from the
10 General Fund to the Department of Public Health and Social Services for the
11 Enhanced Allotment Plan (Medicaid Part D) for Fiscal Year 2008.

12 **(h) Foster Homes.** The sum of One Hundred Sixty-five Thousand Three
13 Hundred Seventy-five Dollars (**\$165,375**) is appropriated from the General Fund to
14 the Department of Public Health and Social Services for payments of stipends and
15 fees for Foster Home care for Fiscal Year 2008.

16 **Section 2. Special Funds Appropriations for Operations.** The
17 following appropriations, totaling Seven Million Six Hundred Seventy Thousand
18 Six Hundred Twenty-seven Dollars (**\$7,670,627**), are made to the Department of
19 Public Health and Social Services for Fiscal Year 2008 from the following Special
20 Funds:

21 **(a) Healthy Futures Fund Appropriation.** Notwithstanding §26603(d),
22 Chapter 26 of Title 11, Guam Code Annotated, the sum of Seven Million Twenty-
23 five Thousand Six Hundred Twenty-seven Dollars (**\$7,025,627**) is appropriated
24 from the Healthy Futures Fund to the Department of Public Health and Social
25 Services for its operations in Fiscal Year 2008, including the Community Health
26 Centers' operations, and DPHSS education, treatment, and prevention programs.
27 This appropriation *shall* also be used to revise the Public Assistance Program

1 Tables, including the Basic Needs Standard Table and the Standard Utility and
2 Shelter Allowances Table, and to compute the amounts of public assistance and
3 amounts from public welfare programs paid to program participants.

4 **(b) Environmental Health Fund Appropriation.** The sum of Six
5 Hundred Forty-five Thousand Dollars (**\$645,000**) is appropriated from the
6 Environmental Health Fund to the Department of Public Health and Social
7 Services for its operations in Fiscal Year 2008. The unexpended balance of the
8 Environmental Health Fund as of September 30, 2007 is appropriated to the
9 Department of Public Health and Social Services Division of Environmental
10 Health for Fiscal Year 2008.

11 **Section 3. Government of Guam Health and Human Services Fund,**
12 **Series 2001B.** The sum of Two Hundred Nine Thousand Four Hundred Seventy-
13 three Dollars (**\$209,473**) is appropriated from the interest earned on the
14 Government of Guam Health and Human Services Fund, Series 2001B, to the
15 Department of Public Health and Social Services for capital improvement projects
16 for Fiscal Year 2008.

17 **Section 4. Federal Matching Funds.** The sum of Twenty-two Million
18 Three Hundred Twenty-eight Thousand One Hundred Ninety-four Dollars
19 (**\$22,328,194**) is authorized from Federal Matching Grants-in-Aid to the
20 Department of Public Health and Social Services for its operations in Fiscal Year
21 2008.

22 **Section 5. MIP and Medicaid Carry-Over Authorization.** The
23 unexpended balance of appropriations from the General Fund to the Department of
24 Public Health and Social Services for the MIP and Medicaid Programs for Fiscal
25 Year 2007 *shall not* revert to the General Fund and is available for Fiscal Year
26 2008 to be expended according to the original purposes of said appropriations for
27 FY 2007. The Director of DPHSS *shall* submit a report to the Speaker of I

1 *Lihe slaturan Guåhan* regarding the allocation, demographics and expenditures of
2 the appropriations contained herein *no later than* thirty (30) days after the end of
3 each quarter and post the same on DPHSS's website. The Director of
4 Administration *shall* pay MIP and Medicaid vendors on a first in – first out basis.

1 to the Speaker of *I Liheslaturan Guåhan* on expenditures of the appropriations in
2 this Subsection and post the same on the Department's website.

3 (c) The sum of Six Hundred Thousand Dollars (**\$600,000**) is appropriated
4 from the General Fund to the Department of Mental Health and Substance Abuse
5 for Fiscal Year 2008 for outsourcing of drug and alcohol detoxification,
6 rehabilitation, and prevention services, *provided* that the expenditure of such funds
7 shall comply with Title 48 USC §1421b(p).

1 **CHAPTER III**

2 **Part V – GUAM ENVIRONMENTAL PROTECTION AGENCY**

3 **Section 1. Guam Environmental Protection Agency.**

4 **(a) Air Pollution Control Special Fund.** The sum of Two Hundred
5 Twenty-three Thousand Three Hundred Ninety-four Dollars (**\$223,394**) is
6 appropriated from the Air Pollution Control Special Fund (Title 10 GCA
7 §49107(f)) to the Guam Environmental Protection Agency for Fiscal Year 2008
8 for equipment, supplies, utilities, miscellaneous expenses, contractual services,
9 and capital outlay. This appropriation *shall not* lapse and *shall* apply to all
10 operations of the Agency.

11 **(b) Guam Environmental Trust Fund.** The sum of One Hundred
12 Ninety-three Thousand Seven Hundred Thirty Dollars (**\$193,730**) is
13 appropriated from the Guam Environmental Trust Fund (Title 10 GCA, Chapter
14 45, §45200) for Fiscal Year 2008 to the Guam Environmental Protection
15 Agency for contractual services, equipment, miscellaneous expenses and capital
16 outlay.

17 **(c) Water Research and Development Fund.** The sum of Eighty
18 Thousand Three Hundred Thirteen Dollars (**\$80,313**) is appropriated from the
19 Water Research and Development Fund (Title 10 GCA Chapter 46, §46116) to
20 the Guam Environmental Protection Agency for Fiscal Year 2008 for
21 contractual services, supplies, equipment, miscellaneous expenses and capital
22 outlay.

23 **(d) Water Protection Fund.** The sum of Fifty-four Thousand Seven
24 Hundred Eighty-four Dollars (**\$54,784**) is appropriated from the Water
25 Protection Fund (P.L. 25-152, GEPA Soil Erosion and Sedimentation Control
26 Regulations, §10108(G)) to the Guam Environmental Protection Agency for

1 Fiscal Year 2008 for contractual services, equipment, supplies and capital
2 outlay.

3 **(e) Transfer Exemption.** The funds appropriated by this Section are
4 *not* subject to *I Maga'lahaen Guåhan's* transfer authority.

- 1 I of Public Law 29-03 *shall* not lapse and *shall* be available to the Guam Police
- 2 Department for the original purposes of that Section, until fully expended.

1 **Section 3. Temporary Employment of Retired Guam Firemen.** The
2 Guam Fire Department may hire retired GFD firefighters if a critical need arises
3 because of military activation of GFD firefighters. The retirees hired *shall* fill
4 such a vacant position and *shall* be terminated when the incumbent returns from
5 military service. Retired fire personnel may be hired *only* at the ranks of Fire
6 Specialist and below, only at Step I, and shall *not* receive sick and annual leave.
7 Retired firefighters hired under this Section *shall* first meet the requirements,
8 *except* for written examinations, for the position in question and the Fire Chief
9 *shall* certify that every retiree hired is fit for duty. Notwithstanding Title 4
10 GCA §8121(a), retirees hired temporarily pursuant to this Section may continue
11 to receive retirement benefits.

- 1 (g) Department of Public Works (General Fund - \$8,702,545, of which
2 \$600,000 shall be used for School Bus Fuel); (Guam Highway Fund -
3 \$6,947,658); (Solid Waste Operations Fund - \$5,880,808).
- 4 (h) Department of Labor (General Fund - \$1,705,185); (Manpower
5 Development Fund - \$360,000); (Federal Matching Grants-In-Aid -
6 \$34,200).
- 7 (i) Department of Agriculture (General Fund - \$2,190,808); (Guam Plant
8 Inspection and Permit Fund - \$44,952); (Federal Matching Grants-In-
9 Aid - \$455,600).
- 10 (j) Department of Land Management (Land Survey Revolving Fund -
11 \$2,879,492).
- 12 (k) Department of Parks and Recreation (General Fund - \$3,325,263);
13 (Public Recreation Services Fund - \$300,000).
- 14 (l) Guam Council on the Arts and Humanities Agency (General Fund -
15 \$330,318); (Federal Matching Grants-In-Aid - \$241,300).
- 16 (m) Department of *Chamorro* Affairs (General Fund - \$879,991).
- 17 (n) Guam Election Commission (General Fund - \$339,536).
- 18 (o) Commission on Decolonization (General Fund - \$111,107).
- 19 (p) Guam Ancestral Lands Commission (General Fund - \$229,823).
- 20 (q) *Chamorro* Land Trust Commission (*Chamorro* Land Trust Operations
21 Fund - \$497,189).
- 22 (r) Office of *I Maga'lahaen Guåhan* and Office of *I Segundo Na*
23 *Maga'lahaen Guåhan* (General Fund - \$4,919,231).
- 24 (s) Guam State Clearinghouse (General Fund - \$315,000).
- 25 (t) Office of Veteran's Affairs (General Fund - \$297,463).
- 26 (u) Medical Referral Office (General Fund - \$635,748).

- 1 (v) Guam Board of Accountancy (Guam Board of Accountancy Fund -
2 \$417,500).
- 3 (w) Guam Contractors License Board (Guam Contractors License Board
4 Fund - \$521,595).
- 5 (x) Board of Professional Engineers, Architects and Land Surveyors
6 (Professional Engineers, Architects and Land Surveyors Board Fund -
7 \$203,843).

1 separate bank account that *shall* continue to be administered by the Director of
2 Administration and *shall not* be subject to *I Maga'lahaen Guahan's* transfer
3 authority.

4 (e) For Fiscal Year 2008, the Guam Power Authority, the A. B. Won Pat
5 International Airport Authority, Guam, the Guam Economic Development and
6 Commerce Authority, the Guam Housing Corporation, the Government of Guam
7 Retirement Fund, the Jose D. Leon Guerrero Commercial Port, the Guam
8 Waterworks Authority and the Guam Visitors Bureau *shall* remit to the
9 Department of Administration an amount equal to the number of retirees eligible
10 pursuant to subsection (a) hereof who have retired from that entity multiplied by
11 Four Thousand Two Hundred Thirty-eight Dollars (\$4,238). Said remittances
12 *shall* be paid in two (2) equal installments on *or* before October 10, 2007 and April
13 15, 2008, respectively. Said remittances *shall not* be subject to *I Maga'lahaen's*
14 transfer authority.

15 (f) The sum of Eight Million Dollars (\$8,000,000) is appropriated from
16 the General Fund to the Government of Guam Retirement Fund to pay the
17 following two (2) items for current retirees for Fiscal Year 2008:

- 18 (1) Retiree group health, dental and life insurance premiums (to
19 continue existing programs currently contained in the semi-
20 monthly payments); and
21 (2) Retiree life insurance subsidy (to continue existing programs
22 currently contained in the semi-monthly payments).

23 (g) For Fiscal Year 2008, the Guam Power Authority, the A. B. Won Pat
24 International Airport Authority, Guam, the Guam Economic Development and
25 Commerce Authority, the Guam Housing Corporation, the Government of Guam
26 Retirement Fund, the Jose D. Leon Guerrero Commercial Port, the Guam
27 Waterworks Authority and the Guam Visitors Bureau *shall* remit to the

1 Government of Guam Retirement Fund payments for medical, dental and life
2 insurance payments for retirees who have retired from those respective agencies.
3 Said remittances *shall* be paid in two (2) equal installments on *or* before October
4 10, 2007 and on *or* before April 1, 2008, respectively. The agencies' remittances
5 for medical, dental and life insurance mandated herein are *ex gratia* payments and
6 are for Fiscal Year 2008 *only*.

7 (h) For Fiscal Year 2008, the sum of Six Hundred Eighty-four Thousand
8 Dollars (**\$684,000**) is appropriated from the General Fund to the Government of
9 Guam Retirement Fund to pay the cost of Medicare premiums for government of
10 Guam retirees and their survivors who are eligible to receive Social Security
11 income benefits and who are required by the government of Guam Group Health
12 Insurance Program to pay said premiums to participate therein.

13 (i) For Fiscal Year 2008, the sum of One Hundred Forty-five Thousand
14 Dollars (**\$145,000**) is appropriated from the General Fund to the Government of
15 Guam Retirement Fund for *I Maga'lahi* and *I Segundu Na Maga'lahi/I Segundu Na*
16 *Maga'haga* pensions.

17 (j) For Fiscal Year 2008, the sum of Five Hundred Thousand Seven
18 Hundred Twelve Dollars (**\$500,712**) is appropriated from the General Fund to the
19 Government of Guam Retirement Fund for retirement annuities for former judges
20 and justices of the Superior Court and Supreme Court of Guam.

21 (k) The Government of Guam Retirement Fund Board of Trustees *shall*
22 enact and, *if* necessary, amend administrative regulations that establish procedures
23 to ensure the proper submission, receipt and accounting of all sums remitted
24 pursuant to Subsections (e) and (g) hereof.

25 **Section 2. Survivor Supplemental Annuity Additions.** Title 4 GCA
26 §8135(d)(6) is *amended* to read:

1 “(6) the prospective payment of supplemental benefits for the
2 period of October 1, 2007, through September 30, 2008, for survivors
3 of those employees who retired *prior* to October 1, 1995, to be paid in
4 the following manner:

5 (i) Four Thousand Two Hundred Thirty-eight Dollars
6 (\$4,238.00) in Retiree Supplemental Annuity
7 Benefits, known as the sum of One Thousand Two
8 Hundred Dollars (\$1,200.00), One Thousand five
9 Hundred Dollars (\$1,500.00), Seven Hundred
10 Dollars (\$700.00), and Eight Hundred Thirty-eight
11 Dollars (\$838.00) in annual benefits formerly
12 authorized by various General Appropriation Acts.

13 (ii) *No* person eligible for Retiree Supplemental
14 Annuity Benefits provided for in this Section *shall*
15 receive said benefits *if* his regular annual
16 retirement annuity *exclusive* of the supplemental
17 amounts authorized hereby exceeds Forty
18 Thousand Dollars (\$40,000.00). No persons
19 eligible for Retiree Supplemental Annuity Benefits
20 *shall* receive more than the sum of Forty Thousand
21 Dollars (\$40,000.00) in combined retirement
22 annuities and supplemental retirement annuities.”

23 **Section 3. Disability Supplemental Annuity Additions.** Title 4 GCA
24 §8129(g) is *amended* to read:

25 “(g) Any disability retirement annuitant who commenced
26 receiving a disability retirement annuity *prior* to October 1, 1995, and
27 who is entitled to disability retirement benefits under this Chapter

1 *shall* receive, during the period commencing on October 1, 2007, and
2 ending on September 30, 2008, prospective non-cumulative
3 supplemental annuity benefits as follows:

4 (1) Four Thousand Two Hundred Thirty-eight Dollars
5 (\$4,238.00) in Retiree Supplemental Annuity
6 Benefits, known as the sum of One Thousand Two
7 Hundred Dollars (\$1,200.00), One Thousand Five
8 Hundred Dollars (\$1,500.00), Seven Hundred
9 Dollars (\$700.00), and Eight Hundred Thirty-eight
10 Dollars (\$838.00) in *annual* benefits formerly
11 contained in various General Appropriation Acts.

12 (2) *No* persons eligible for Retiree Supplemental
13 Annuity Benefits provided for in Paragraph (g) of
14 this Section *shall* receive such benefit *if* their
15 regular annual retirement annuity, *excluding*
16 survivor benefits, *prior* to the supplemental
17 amounts herein exceeds Forty Thousand Dollars
18 (\$40,000.00). No Persons eligible for Retiree
19 Supplemental Annuity Benefits shall receive more
20 than the sum of Forty Thousand Dollars
21 (\$40,000.00) in combined retirement annuities and
22 supplemental retirement annuities.”

23 **Section 4. Retiree Supplemental Annuity Additions.** Title 4 GCA
24 §8122(d)(6), is hereby *amended* to read:

25 “(6) Any retirement annuitant who commenced receiving a
26 retirement annuity *prior* to October 1, 1995, and who is entitled to
27 retirement benefits under this Chapter, *shall* receive, during the period

1 commencing on October 1, 2007 and ending on September 30, 2008,
2 prospective, non-cumulative supplemental annuity benefits as follows:

3 (i) Four Thousand Two Hundred Thirty-eight Dollars
4 (\$4,238.00) in Retiree Supplemental Annuity
5 Benefits, known as the sum of One Thousand Two
6 Hundred Dollars (\$1,200.00), One Thousand Five
7 Hundred Dollars (\$1,500.00), Seven Hundred
8 Dollars (\$700.00), and Eight Hundred Thirty-eight
9 Dollars (\$838.00) in annual benefits formerly
10 contained in various General Appropriation Acts.

11 (ii) *No* retiree who is eligible for Retiree Supplemental
12 Annuity Benefits provided for in this Section *shall*
13 receive such benefit *if* his regular annual
14 retirement annuity, excluding the supplemental
15 amounts authorized herein and survivor benefits,
16 exceeds Forty Thousand Dollars (\$40,000.00). A
17 retiree who is eligible for Retiree Supplemental
18 Annuity Benefits shall receive *no more than* Forty
19 Thousand Dollars (\$40,000.00) in combined
20 retirement annuities and supplemental retirement
21 annuities.”

22 **Section 5. Appropriation for Cost of Living Allowance (COLA).** *I*
23 *Maga'lahaen Guåhan* shall provide, by a single lump sum payment, a “Cost of
24 Living Allowance” (COLA) of One Thousand One Hundred Dollars (\$1,100) to
25 each annuitant of the Government of Guam Retirement Fund who is receiving an
26 annuity as of September 30, 2007, or his survivor, *no later than* November 30,
27 2007, unless the annuitant chooses in writing to receive bi-monthly payments from

1 October 1, 2007 through September 30, 2008. The sum of Six Million Five
2 Hundred Ninety-three Thousand Four Hundred Dollars (**\$6,593,400**) is
3 appropriated from the General Fund to the Department of Administration to pay
4 said Cost of Living Allowance.

5 **Section 6. Street Light Fund.** The sum of Three Million Nine Hundred
6 Fifty-two Thousand Fifty-six Dollars (**\$3,952,056**) is appropriated from the Street
7 Light Fund to the Department of Public Works to pay the Guam Power Authority
8 for the installation and operation of public streetlights in Fiscal Year 2008. The
9 Director of DPW *shall* submit a quarterly report of the expenditures from this
10 appropriation to the Speaker of *I Liheslaturan Guåhan* and post the same on the
11 Department's website.

12 **Section 7. Worker's Compensation Fund.** The sum of Eight Hundred
13 Forty-seven Thousand Nine Hundred Eighty Dollars (**\$847,980**) is appropriated
14 from the General Fund to the Department of Labor for the Worker's Compensation
15 Fund for Fiscal Year 2008 for Worker's Compensation payments pursuant to Title
16 22 GCA §9144, including obligations incurred in past years and in the future. Said
17 appropriation may be used to pay for medical, surgical, and other treatment;
18 nurses; hospital services; medical travel and per diem costs; medicine; crutches;
19 and equipment required by a claimant for such period as his injury and the
20 recovery therefrom may require. Said appropriation *shall not* be used for disability
21 compensation payments to FTEs funded by this Act. The Director of Labor may
22 use *no more than* Forty Thousand Dollars (\$40,000) from said appropriation to pay
23 for legal services for Worker's Compensation hearings.

24 **Section 8. Government Claims Fund.** The sum of One Hundred
25 Thousand Dollars (**\$100,000**) is appropriated from the General Fund to the
26 Department of Administration to the Government Claims Fund for payment of
27 approved government claims in Fiscal Year 2008. The Director of Administration

1 shall, *no later than* thirty (30) days after the end of each quarter of Fiscal Year
2 2008, submit to the Speaker of *I Liheslaturan Guåhan* a report describing all
3 expenditures made pursuant to this appropriation and post the same on the
4 Department's website.

5 **Section 9. Residential Treatment Fund.** The sum of Two Million
6 Three Hundred Ninety-seven Thousand Nine Hundred Nine Dollars (**\$2,397,909**)
7 is appropriated from the General Fund to the Department of Administration (DOA)
8 in Fiscal Year 2008 to pay the expenses of persons under the jurisdiction of the
9 Superior Court of Guam who require residential care because of physical, mental
10 *or* emotional disabilities *or* severe emotional disturbance. All such persons and
11 their escorts referred off Guam for treatment and care *shall* submit to the Director
12 of Administration appropriate documentation to justify and receive reimbursement
13 of their travel expenses. The Director of Administration *shall* submit a report to *I*
14 *Maga'lahaen Guåhan* and the Speaker of *I Liheslaturan Guåhan* a report describing
15 all expenditures made pursuant to this appropriation *no later than* thirty (30) days
16 after the end of each quarter of the fiscal year and post the same on the DOA
17 website.

18 **Section 10. Government of Guam's General Purpose Financial**
19 **Statement and Single Audit Report.** The sum of Three Hundred Seventy-five
20 Thousand Five Hundred Twenty-seven Dollars (**\$375,527**) is appropriated from the
21 General Fund to the Department of Administration for the Fiscal Year 2007 Audit
22 of the Government of Guam's General Purpose Financial Statement and the Single
23 Audit Report. The Public Auditor *shall* administer said funds and *shall* oversee the
24 annual audit.

25 **Section 11. Guam Territorial Band.** The sum of Twenty-five Thousand
26 Dollars (**\$25,000**) is appropriated from the General Fund to the Guam Council on

1 the Arts and Humanities Agency for the operations of the Guam Territorial Band in
2 Fiscal Year 2008.

3 **Section 12. Appropriations to the Judiciary.** (a) The sum of
4 Twenty Million Seven Hundred Fifty-two Thousand Two Hundred Seventy
5 Dollars (**\$20,752,270**) is appropriated from the General Fund to the Judiciary of
6 Guam for its operations in Fiscal Year 2008.

7 (b) The sum of Three Hundred Ninety-five Thousand Eight Hundred
8 Fifty-five Dollars (**\$395,855**) is authorized from Federal Matching Grants-in-Aid
9 to the Guam Judiciary for its operations in Fiscal Year 2008.

10 (c) Unexpended appropriations to the Judiciary *shall* not lapse at the close
11 of Fiscal Year 2007 *or* Fiscal Year 2008 and may be used in subsequent fiscal
12 years until all sums appropriated are expended.

13 **Section 13. Court-Appointed Attorney Fees.** The sum of Seven
14 Hundred Thousand Dollars (**\$700,000**) is appropriated from the General Fund for
15 Fiscal Year 2008 to the Judiciary of Guam for the *sole* purpose of paying court-
16 appointed attorney fees arising from the defense of indigent persons. Said funds
17 *shall* be deposited and held in the Judicial Client Services Fund account, as created
18 by Title 7 GCA, Division 1, Chapter 9.6, and *shall not* be subject to any transfer
19 authority.

20 **Section 14. Adult and Juvenile Drug Courts.** The sum of Five Hundred
21 Twenty-nine Thousand One Hundred Ninety-five Dollars (**\$529,195**) is
22 appropriated from the General Fund to the Judiciary of Guam for the operations of
23 the Adult and Juvenile Drug Courts for Fiscal Year 2008.

24 **Section 15. Family Visitation Center.** The sum of One Hundred Forty
25 Thousand Dollars (**\$140,000**) is appropriated from the Safe Streets Fund, for Fiscal
26 Year 2008, to the Judiciary of Guam to pay for contractual services for the

1 operation of the Family Visitation Center, *provided* that the Judiciary must comply
2 with Title 16 GCA §18125(c) and (d) and Title 7 GCA §9211(b).

3 **Section 16. *I Liheslaturan Guåhan* Operations.** The sum of Six Million
4 Eight Hundred Thirty-three Thousand Five Hundred Forty-six Dollars
5 **(\$6,833,546)** is appropriated from the General Fund to *I Liheslaturan Guåhan* for
6 its operations, including personnel services.

7 **Section 17. Appropriation to the Office of Finance and Budget.** The
8 sum of Four Hundred Fifty-five Thousand Seventy-one Dollars **(\$455,071)** is
9 appropriated from the General Fund to *I Liheslaturan Guåhan* for the operations of
10 the Office of Finance and Budget (OFB), including personnel services.

11 **Section 18. Mayors Council of Guam Operations.** (a) The sum of
12 Seven Million Five Hundred Ten Thousand Three Hundred Nine Dollars
13 **(\$7,510,309)** is appropriated from the General Fund to the Mayors Council of
14 Guam for personnel services, operations and utilities for Fiscal Year 2008.

15 (b) **Village Streets Maintenance and Beautification.** The sum of One
16 Million One Hundred Thousand Dollars **(\$1,100,000)** is appropriated from the
17 General Fund to the Mayors Council of Guam for Fiscal Year 2008 for the
18 maintenance and beautification of village secondary and tertiary roads. Said funds
19 shall *not* be subject to any transfer authority of *I Maga'lahen Guåhan* and shall be
20 divided among the Village Mayors as follows:

21 (1) Each Mayor shall receive the sum of Twenty Thousand Dollars
22 **(\$20,000)**; and

23 (2) The remaining balance of the fund shall be distributed to each
24 Mayor *pro rata* based on the total road mileage in his village as
25 a percentage of Guam's total road mileage in the 2006 Guam
26 Roads Pavement Inventory of the Department of Public Works.

1 (c) The sum of Four Hundred Seventy-five Thousand Dollars (\$475,000)
2 is appropriated from the General Fund to the Mayors Council of Guam, for Fiscal
3 Year 2008, to be expended in accordance with plans approved by the Village
4 Municipal Planning Council and filed with the Director of Administration, to fund
5 public safety and social education programs that enforce alcohol regulations,
6 reduce underage drinking, support traffic safety, reduce drug-related violence and
7 abuse, to support government of Guam substance abuse prevention programs, and
8 to support organized sports programs in the community.

9 (d) With the written approval of the Municipal Planning Council, a
10 Village Mayor may expend funds obtained from private contributions, donations,
11 and fundraising to supplement his village projects *or* programs, including any
12 programs using local, federal, *or* special funds. Each Mayor *shall* submit a report
13 to the Speaker of *I Liheslaturan Guåhan*, the President of the Mayors Council and
14 the Public Auditor on the fifth (5th) day of the first (1st) month of every fiscal
15 quarter (October 5th, January 5th, April 5th, July 5th) regarding the receipt,
16 expenditure, and application of said funds in the previous quarter. Said report *shall*
17 be posted on the website of the Mayors Council of Guam.

18 (e) The appropriation contained in Subsection (a) hereof *shall* provide for
19 the rental of office space by the Mayors of Inarajan and Piti.

20 **Section 19. Island-wide Village Beautification Projects.** The sum of
21 Five Hundred Thousand Dollars (\$500,000) is appropriated from the General Fund
22 to the Mayors Council of Guam for Island-wide Village Beautification Projects to
23 include:

- 24 (1) the maintenance and repair of the village's recreational facilities
25 under the jurisdiction of the Mayor; (2) the maintenance and repair of each
26 village's main roads; and (3) the planting and maintenance of each village's
27 official flower and other flowering plants, shrubs and trees adjacent to the

1 village's main roads, public restrooms and recreational facilities. A Mayor
2 may contract with a private entity to provide the services authorized by this
3 Section subject to the Guam Procurement Law, Title 5 GCA, Chapter 5.

4 **Section 20. Appropriation to Office of the Public Auditor.** (a) The
5 sum of One Million One Hundred Seventy-seven Thousand Two Hundred Thirty-
6 nine Dollars (**\$1,177,239**) is appropriated from the General Fund to the Office of
7 the Public Auditor for its operations, including personnel costs, for Fiscal Year
8 2008.

9 (b) The sum of One Hundred Seventy-three Thousand One Hundred
10 Ninety-three Dollars (**\$173,193**) is appropriated from the General Fund to the
11 Office of the Public Auditor to fund its Procurement Appeals Division for Fiscal
12 Year 2008.

13 **Section 21. Public Defender Services Corporation.** The sum of Two
14 Million Nine Hundred Twenty Thousand Eight Hundred Sixty-six Dollars
15 (**\$2,920,866**) is appropriated from the General Fund to the Public Defender Service
16 Corporation for its operations in Fiscal Year 2008.

17 **Section 22. Training of Government Accountants.** The sum of Thirty-
18 five Thousand Dollars (**\$35,000**) is appropriated from the General Fund to the
19 Department of Administration for the training and continuing education of persons
20 employed as government accountants and in related positions, provided that said
21 training and education emphasizes performance based budgeting.

22 **Section 23. Guam Election Commission.** The sum of Seven Hundred
23 Thousand Dollars (**\$700,000**) is appropriated from the General Fund to the Guam
24 Election Commission to conduct the 2008 Primary and General Elections.

25 **Section 24. Department of Agriculture – Animal Shelter.** The sum of
26 Fifty Thousand Dollars (**\$50,000**) is appropriated from the General Fund to the

1 Department of Agriculture to fund a contract with a private entity to manage and
2 operate the Yigo Animal Shelter.

3 **Section 25. (a) Appropriations to the Guam Visitors Bureau.** The
4 sum of Thirteen Million Two Hundred Ninety-one Thousand Six Hundred Forty-
5 nine Dollars (**\$13,291,649**) is appropriated from the Tourist Attraction Fund to the
6 Guam Visitors Bureau for its operations and special projects for Fiscal Year 2008.

7 **(b) Appropriation to *Pa'a Taotao Tano'*.** The sum of One Hundred
8 Thousand Dollars (**\$100,000**) is appropriated from the Tourist Attraction Fund to
9 the Guam Visitors Bureau for the operations of *Pa'a Taotao Tano'* in Fiscal Year
10 2008. Unexpended appropriations for *Pa'a Taotao Tano'* shall not lapse and shall
11 remain available for use in succeeding fiscal years until all said sums are
12 expended.

13 **(c) Appropriation to the Tourism Education Council.** The sum of
14 Forty Thousand Dollars (**\$40,000**) is appropriated from the Tourist Attraction Fund
15 to the Guam Visitors Bureau for the Fiscal Year 2008 operations of the Tourism
16 Education Council. Unexpended appropriations for Tourism Education Council
17 shall not lapse and shall remain available for use in succeeding fiscal years until
18 said sums are expended.

19 **(d) Appropriation to the Guam Community College Lodging**
20 **Management Program/ProStart Program.** The sum of Twenty-five Thousand
21 Dollars (**\$25,000**) is appropriated from the Tourist Attraction Fund to the Guam
22 Community College for the Lodging Management Program/ProStart Program.
23 Unexpended funds appropriated for the Guam Community College Lodging
24 Management Program/ProStart Program shall not lapse and shall remain available
25 for use in succeeding fiscal years until all said sums are expended.

26 **Section 26. Supplemental Appropriation to Guam Police Department.**
27 The sum of Two Hundred Sixty-eight Thousand Seven Hundred Thirty-three

1 Dollars (\$268,733) is appropriated from the General Fund to the Guam Police
2 Department to conduct the Police Cadet Cycle and for salaries and benefits of
3 Cadet Recruits in Fiscal Year 2008.

4 **Section 27. Supplemental Appropriation to Guam Community College.**

5 The sum of Two Hundred Thousand Dollars (\$200,000) is appropriated from the
6 General Fund to the Guam Community College for its operations in Fiscal Year
7 2008.

8 **Section 28. Supplemental Appropriation to Government of Guam**

9 **Retirement Fund.** The sum of Five Million Two Hundred Ten Thousand Three

10 Hundred Nine Dollars (\$5,210,309) is appropriated from the General Fund to the
11 Government of Guam Retirement Fund for the purposes of and to supplement the
12 appropriation made in Section 1(f) of Part II of Chapter V of this Act.

13 **Section 29. Prior Years' Obligations.** The sum of Two Hundred Eighty-
14 four Thousand Six Hundred Fifty-eight Dollars (\$284,658) is appropriated from
15 the General Fund to *I Liheslaturan Guåhan* to pay obligations it incurred in
16 previous fiscal years.

17 **Section 30. Customs and Quarantine Agency.** Of the sum appropriated in
18 Section 1, Part VI of Chapter IV, the sum of Thirty Thousand Dollars (\$30,000)
19 may be used to employ a part-time attorney for the Customs and Quarantine
20 Agency of Guam.

21 **Section 31. Guam Medical Referral Office.** Of the sum appropriated in
22 Section 28 of this Chapter to the Government of Guam Retirement Fund, Seventy-
23 five Thousand Dollars (\$75,000) *shall* be transferred to the Guam Medical Referral
24 Office to purchase vehicles.

25 **Section 32. Veterans Memorial Cemetery.** Of the sum appropriated in
26 Section 28 of this Chapter to the Government of Guam Retirement Fund, One

- 1 Hundred Thousand Dollars (\$100,000) *shall* be transferred to the Office of
- 2 Veterans Affairs for the maintenance of the Veterans' Memorial Cemetery.

1 every current employee and his position title, salary, increment costs and benefit
2 costs, as well as the funding source for his salary and benefits.

3 **(b) Electronic Data.** In addition to the written document required by
4 Subsection (a) hereof, reports *shall* be submitted in electronic format (including,
5 but *not limited to*, diskettes, CD, and/or email) to the Speaker of *I Liheslaturan*
6 *Guåhan*.

7 **Section 4. Revenue Tracking Report.** The Director of the Bureau of
8 Budget and Management Research, in collaboration with the Director of Revenue
9 and Taxation and the Director of Administration, *shall* determine, *no later than*
10 thirty (30) days after the end of each month of Fiscal Year 2008, the revenue
11 tracking for the balance of the fiscal year, based upon the actual collections of the
12 preceding month, and prepare a statement comparing “actual” and “projected”
13 revenues. Said statement *shall* be certified as to its accuracy by each of the
14 aforementioned Directors, and submitted to the Speaker of *I Liheslaturan Guåhan*
15 *no later than* thirty (30) days after the end of each month of the fiscal year. Said
16 statements *shall* be submitted in written and electronic format and *shall* be posted
17 quarterly on the Bureau of Budget and Management Research’s website.

18 **Section 5. Autonomous Agency Revenues and Expenditures**
19 **Reported to *I Liheslaturan Guåhan*.** Notwithstanding any other provision of
20 law, every autonomous and semi-autonomous agency *or* public corporation in the
21 government of Guam *shall* report all revenues and expenditures for all funds under
22 its purview and administration to the Speaker of *I Liheslaturan Guåhan* on a
23 monthly basis and post the same on its website.

24 **Section 6. Quarterly Reports of Medical Referral Offices.** Each of
25 the Medical Referral Offices funded by this Act *shall* provide quarterly reports on
26 its activities and expenditures, to include, but *not limited to*:

27 (a) number of referred patients served;

- 1 (b) number of patient escorts *or* accompanying family members served;
- 2 (c) average cost per patient referral incurred during that quarter;
- 3 (d) actual office expenditures for the quarter, including fuel costs; and
- 4 (e) a description of services provided during the quarter.

5 The quarterly reports required by this Section *shall* be submitted to *I*
6 *Maga'lahaen Guåhan*, the Speaker of *I Liheslaturan Guåhan*, and the Office of the
7 Public Auditor within thirty (30) days after the end of each quarter of the fiscal
8 year, and *shall* be posted on the Offices' websites.

9 **Section 7. Volunteers and Donations for Skinner Plaza, Plaza De**
10 **Espana and Guam Congress Building.** The Executive Director of *I Liheslaturan*
11 *Guåhan* may receive donations, including, but *not* restricted to, donations of goods,
12 materials and services, for the purpose of maintaining and renovating Skinner
13 Plaza, the Plaza De Espana, and the Guam Congress Building (also known as the
14 Old Legislative Building).

15 **Section 8. Special Fund Transfer.** *I Maga'lahaen Guåhan* is authorized
16 to transfer to the General Fund any cash available from any appropriated Special
17 Fund *or* Revolving Fund to fund the appropriations authorized by this Act,
18 provided that such authority *shall not* extend to Trust Funds; the Historic
19 Preservation Trust Fund; the Tourist Attraction Fund; Customs, Agriculture and
20 Quarantine Inspection Services Fund; Healthy Futures Fund; Wildlife
21 Conservation Fund; Special Funds under the purview of the Guam Environmental
22 Protection Agency; and funds under the purview and administration of *I*
23 *Liheslaturan Guåhan*, the Judiciary, the Guam Memorial Hospital Authority, the
24 Guam Public School System and those funds, accounts, departments and agencies
25 exempted by this Act from *I Maga'lahaen Guåhan's* transfer authority.

1 All cash from Special funds *or* Revolving funds transferred to cover the
2 appropriations authorized by this Act *shall* be promptly reimbursed to the Special
3 *or* Revolving Fund from which it was withdrawn as cash becomes available.

4 *I Maga'lahaen Guåhan shall* submit a report to the Speaker of *I Liheslaturan*
5 *Guåhan* on the fifth (5th) day of every month on all transfers made pursuant to this
6 Section. Said report *shall* enumerate the amount of each transfer, identify the
7 funds to and from which the transfer was made and state the purpose of each
8 transfer.

9 **Section 9. Transfer Authority of *I Maga'lahaen Guåhan*.** *I Maga'lahaen*
10 *Guåhan* is authorized to transfer funds between Fiscal Year 2008 General Fund
11 Executive Branch appropriations, but *shall* not transfer appropriations made to the
12 Judiciary, *I Liheslatura*, the Office of Finance and Budget, Department of Law, the
13 Mayor's Council, the University of Guam, the Guam Community College, the
14 Guam Public School System and the Guam Public School System Operations
15 Fund.

16 **Section 10. Secondary and Tertiary Road Projects.** *I Maga'lahaen*, after
17 consultation with the Village Mayors, may delete and add secondary and tertiary
18 road repair projects to the list in Part IV of Chapter II of Public Law 28-68, if such
19 amendment is necessitated by changes in cost estimates, availability of funds *or*
20 critical needs, provided that the repair of potholes on primary and secondary roads
21 *shall* remain a high priority and *shall* commence as soon as practicable.

22 **Section 11. Transfer Authorization for the Department of Public**
23 **Health and Social Services.** The Director of Public Health and Social Services
24 may transfer funds between appropriations made in this Act for the Department of
25 Public Health and Social Services, provided that he notifies *I Maga'lahaen Guåhan*
26 and the Speaker of *I Liheslaturan Guåhan* no later than fifteen (15) working days
27 before the transfer is made.

1 **Section 12. Authorization for Legal Services for the Department of**
2 **Public Works.** The Department of Public Works may retain its own attorney, *or*
3 firm of attorneys, to provide such advice and assistance as may be necessary. The
4 Attorney General *shall* represent the Department of Public Works in all litigation
5 in which the Department of Public Works is a party, provided that the Attorney
6 General *shall* designate the attorney employed by the Department pursuant hereto a
7 Special Assistant Attorney General in that litigation.

8 **Section 13.** Section 1 of Public Law 28-38 is hereby *amended* to read as
9 follows:

10 **“Section 1. Special Retirement Provisions for GPSS and GMHA.**
11 On the first (1st) day of the first (1st) month following the enactment hereof
12 and on every first (1st) day of every month thereafter, with a grace period of
13 *no more than* ten (10) days, the Treasurer of Guam *shall* pay “interest only”
14 payments in the sum of One Hundred Ninety-two Thousand Nine Hundred
15 Fifty-five Dollars and Seven Cents (\$192,955.07) for the Guam Public
16 School System’s (GPSS) deficiency to the Government of Guam Retirement
17 Fund (GGRF) and the Treasurer of Guam *shall* pay interest only payments
18 in the sum of One Hundred Ninety Thousand Five Hundred One Dollars and
19 Nineteen Cents (\$190,501.19) for the Guam Memorial Hospital Authority’s
20 (GMHA) deficiency to the GGRF on the first (1st) day of the first (1st) month
21 following the enactment hereof and on the first (1st) day of every month
22 thereafter. These interest only payments *shall* be paid automatically each
23 month by a cash draw down.

24 Said interest only payments *shall* continue until satisfaction of both
25 GPSS’s deficiency, in the amount of Seventeen Million One Hundred Fifty-
26 four Thousand Six Hundred Eight Dollars and Seventy-five Cents
27 (\$17,154,608.75), and GMHA’s deficiency, in the amount of Sixteen

1 Million Eight Hundred Sixty Thousand One Hundred Forty-two Dollars and
2 Twenty-two Cents (\$16,860,142.22). *If* the GPSS and GMHA deficiencies
3 are not satisfied within ten (10) years following enactment hereof, payments
4 for GPSS and GMHA principal *shall* resume and proceed as provided in
5 Title 4 GCA §8137.

6 After the Treasurer of Guam has made the first (1st) monthly payment
7 pursuant to this Section, the Government of Guam Retirement Fund *shall*
8 accept and approve for retirement any eligible employee of the Guam
9 Public School System *or* the Guam Memorial Hospital Authority *if* the
10 applicable employer and employee contributions to the Fund for the current
11 fiscal year are current and paid in full, as provided in P.L. 27-106, Chapter
12 VI, Section 13, including interest and penalties incurred pursuant to Title 4
13 GCA §8137(c) and interest at the actuarial rate determined in the latest
14 actuarial valuation prepared for the Board of Trustees by the actuary
15 appointed by the Board which is seven and one half percent (7.5%). *If* the
16 Treasurer of Guam fails to make payments as required by this Section *or* if
17 GPSS *or* GMH fails to make payments for the current fiscal year, the Fund
18 *shall* cease processing applications from employees of that agency until all
19 payments are made in full.”

20 **Section 14. Modification of Planned Expenditures.** §4109(c)(3) of Title
21 5 GCA is *amended* to read:

22 “(3) Modify *or* withhold the planned expenditures at any time during
23 the appropriation period *if* the Bureau of Budget and Management Research
24 finds that such expenditures are greater than those necessary to execute the
25 programs at the level authorized by *I Maga’lahi* (the Governor) and *I*
26 *Liheslatura* (the Legislature), *or* that the receipts and surpluses will be
27 insufficient to meet the authorized expenditure levels, provided that no

1 planned expenditures necessary to provide every public school student an
2 adequate public education *shall* be modified *or* withheld. The Director of
3 the Bureau of Budget and Management Research, in collaboration with the
4 Director of Revenue and Taxation and the Director of Administration, *shall*
5 determine revenue tracking for every fiscal year based on the actual
6 collections of every preceding month, and prepare monthly Comparative
7 Revenue and Expenditure Analysis Reports that compare the budgeted and
8 actual revenues and departmental program appropriations with expenditures
9 and encumbrances. *If* revenues are tracking below projected revenues for
10 the year, the Bureau of Budget and Management Research *shall* adjust and
11 sequester an amount of the remaining allotments equal to the percentage of
12 revenues that are below the fiscal year's projected revenues. The Director of
13 the Bureau of Budget and Management Research, the Director of
14 Administration, and the Director of Revenue and Taxation *shall* certify said
15 reports, which *shall* be transmitted to *I Maga'lahen Guåhan* and the Speaker
16 of *I Liheslaturan Guåhan* no later than fifteen (15) days after the end of
17 each month.”

18 **Section 15.** §52101(b), (c) and (d) of Chapter 52 of 11 GCA are *amended*
19 to read:

20 “(b) The Superintendent of Education *shall* create and submit to the
21 Speaker of *I Liheslaturan Guåhan*, *I Maga'lahen Guåhan*, the Public
22 Auditor and the Director of Administration projected schedules of monthly
23 cash disbursements for each school, division and program, by expenditure
24 category, for the fiscal year. Such projected disbursements *shall not exceed*
25 the total amount appropriated by *I Liheslaturan Guåhan* for such
26 appropriation. The Public Auditor *shall* review the schedules and provide
27 comments *or* recommendations thereon to the Director of Administration

1 and the Superintendent of Education. The Director of Administration *shall*
2 approve the schedules after he reviews and considers the Public Auditor's
3 comments and recommendations.

4 (c) Thirty (30) days after the Director of Administration approves the
5 cash disbursement schedules required by subsection (b) hereof, the
6 Superintendent of Education *shall* certify and submit to the Speaker of *I*
7 *Liheslaturan Guåhan*, *I Maga'lahaen Guåhan*, and the Public Auditor a
8 revised budget document, in the format of the FY 2008 Budget Call forms of
9 the Bureau of Budget and Management Research, including appropriations
10 necessary to comply with Title 1 GCA §715 Item 12 (a) through (n), that
11 *shall* reflect *all* adjustments to the detailed breakdown contained in the
12 original GPSS budget submission to *I Liheslaturan Guåhan*, to be consistent
13 with the amounts allocated for each school and division in the GPSS
14 projected cash disbursement schedules prepared by the Superintendent and
15 approved by the Director of Administration. *All* quantities and items must be
16 adjusted accordingly. The revised budget document will be a guide for
17 every school, division and program, as well as *I Liheslaturan Guåhan*, *I*
18 *Maga'lahaen Guåhan*, the Director of Administration and the Public Auditor,
19 to ensure that appropriated funds are used for the purposes intended. The
20 revised budget document *shall* be posted, in its entirety, on the GPSS
21 website and *shall* be updated each quarter. Penalties imposed for non-
22 compliance with reporting requirements *shall* apply to this requirement.

23 (d) The Director of Administration *shall* deposit, on the last day of
24 each month, a sum equal to the amount required by the projected schedules
25 of cash disbursements prepared by the Superintendent, into the Guam Public
26 School System Operations Fund, *except* that the Director of Administration,
27 for the first (1st) month of the fiscal year, on the first (1st) Friday of

1 October, shall make a deposit equal to the amount required for the first (1st)
2 month of the fiscal year, as reflected in the Guam Public School System's
3 projected monthly schedules of cash disbursements, from the prior month's
4 General Fund revenue collections."

5 **Section 16.** §52101(e) of Chapter 52 of 11 GCA is *repealed* in its entirety."

6 **Section 17.** §52102 of Chapter 52 of 11 GCA is *amended* to read:

7 "§52102. **Appropriation to the Guam Public School System**
8 **Operations Fund.** The contents of the Guam Public School System
9 Operations Fund are appropriated to the Guam Public School System for the
10 operations of the Guam Public School System and for such improvements of
11 the Guam Public School System, including capital improvements, as may be
12 found necessary by the Superintendent of Education. This appropriation is
13 continuous and is contingent on the annual submission of a detailed budget,
14 in accordance with Chapter 3 of Title 17 of the Guam Code Annotated, to *I*
15 *Liheslaturan Guåhan*, notwithstanding any other provision of law. *I*
16 *Liheslaturan Guåhan* may appropriate supplemental amounts to the Guam
17 Public School System. All appropriations to the Guam Public School System
18 shall not be subject to the allotment process administered by the Bureau of
19 Budget and Management Research (BBMR), but *shall* be subject to Title 5
20 GCA §4109(c)(3). The Superintendent of Education *shall* submit a detailed
21 quarterly report to *I Liheslaturan Guåhan* on the receipt and expenditure of
22 said funds *no later than* thirty (30) days after the end of each fiscal quarter
23 and post the same on the GPSS website."

24 **Section 18. Contracts Exceeding Funds Restriction.** No agency *shall*
25 contract or agree to spend any money in *excess* of the amount allotted to that
26 agency for that agreement by BBMR. Any contract *or* agreement made in
27 violation hereof *shall* be void. Any agency head *or* certifying officer who

1 knowingly contracts or agrees to spend any money in *excess* of said allotments
2 *shall* be guilty of a misdemeanor.

3 **Section 19. Restrictions on Executive Branch Hiring of Unclassified**
4 **Employees.** *No* government funds of any kind *or* description may be expended
5 for the employment *or* hiring of unclassified employees in the Executive Branch of
6 the government of Guam, *except* for the following:

- 7 (a) Certified persons in the Guam Public School System as identified in
8 Subsection (12) of §715 of Chapter 7 of Title 1 of the Guam Code
9 Annotated;
- 10 (b) Academic personnel positions at the University of Guam and the
11 Guam Community College;
- 12 (c) Nurses, doctors, licensed health professionals and ancillary health
13 employees necessary for clinical purposes at the Department of Public
14 Health and Social Services, the Department of Mental Health and
15 Substance Abuse, the Office of the Chief Medical Examiner, the
16 Guam Memorial Hospital Authority, the Guam Police Department,
17 and the Department of Integrated Services for Individuals with
18 Disabilities;
- 19 (d) Department of Labor Survey Workers;
- 20 (e) Systems and Programming Administrator, Junior Systems
21 Programmer, Senior Programmer Analyst, Junior Application
22 Analyst, Junior Programmer Analyst and Junior Application
23 Programmer at the Department of Revenue and Taxation;
- 24 (f) Federally-funded positions (matching and up to 100%);
- 25 (g) Persons filling temporary vacancies created by the call to active
26 military duty of employees who are members of the reserve
27 components of the Department of Defense and the Department of

1 Transportation including, *but not limited to*, the United States Army,
2 United States Navy, United States Marine Corps, United States Air
3 Force, the Army National Guard, the Air National Guard, and the
4 United States Coast Guard; and

5 (h) Positions within the Office of *I Maga'lahaen Guåhan*, the Office of *I*
6 *Segundu Na Maga'lahaen Guåhan* and the Guam State Clearinghouse and
7 department *or* agency heads, deputies and private secretaries.

8 **Section 20. Contracts.** (a) *Except* for positions filled in accordance
9 with the merit system at the University of Guam, the Guam Community College,
10 the Guam Public School System, the Judiciary of Guam, the Department of Law,
11 the Guam Police Department, *I Liheslaturan Guåhan*, and licensed health
12 professionals at the Guam Memorial Hospital, the Department of Public Health
13 and Social Services and the Department of Mental Health and Substance Abuse,
14 positions in the classified and unclassified service *shall* not be filled pursuant to a
15 contractual arrangement. The Judiciary may hire judges and justices pro tem, law
16 clerks and legal interns by contract. The University of Guam, the Guam Public
17 School System and the Guam Community College may hire retired faculty by
18 contract.

19 (b) Subject to Title 5 GCA Chapter 5, government of Guam departments
20 and agencies may contract with independent contractors, provided that *no* agency
21 may contract for services customarily provided by employees in the classified
22 service *except* as permitted by statute.

23 (c) This section *does not* prohibit the use of contracts to obtain commonly
24 recognized professional services such as licensed health professionals, licensed
25 architects, licensed engineers, legal services, actuarial services and auditing
26 services (to include the Government of Guam Annual Financial Audit) by those
27 agencies that *do not* customarily obtain such services through an employee.

1 (d) The Attorney General may contract with attorneys as independent
2 contractors who can provide assistance in areas in which it is impracticable for the
3 Department of Law to proceed with its existing civil service attorneys such as anti-
4 trust, maritime and admiralty law, patent and copyright law, prosecution of white
5 collar crime, utilities regulation, the issuance of bonds, special tax issues, and
6 complex civil litigation. The Attorney General *shall* file a copy of every such
7 contract with the Chief Procurement Officer and the Director of Administration
8 together with a written certification stating why it was impracticable to handle the
9 matter with the Department's civil service attorneys and justifying the hiring of an
10 independent contractor.

11 **Section 21. Temporary Employment of Retired Corrections Officers.**
12 The Department of Corrections may hire retired Guam Corrections Officers *if* a
13 critical need arises. Retired corrections officers hired under this Section may
14 receive their retirement annuity while employed on this temporary basis. Officers
15 may *only* be hired under this section only to fill positions left vacant because of
16 military activation of corrections officers filling those positions and *shall* be
17 terminated when the incumbent returns from military service. Retired officers may
18 be hired *only* in the ranks of Corrections Officers Supervisor I, at Step I only, and
19 *shall not* receive sick and annual leave. Officers hired under this section *shall*
20 meet requirements for the position in question *except* for written examinations and
21 the Director of Corrections *shall* certify that every retiree hired is fit for duty.
22 Notwithstanding Title 4 GCA §8121(a), a retiree hired pursuant to this Section
23 may continue to receive his annuity.

24 **Section 22. Transfer Authority of the Judiciary of Guam.** The
25 Judiciary of Guam is authorized to transfer funds between Fiscal Year 2008
26 Judicial Branch appropriations.

1 **Section 23. Health Care Service Provider.** A new §26216 is hereby
2 *added* to Article 2 of Chapter 26 of Title 11 of the Guam Code Annotated to read:

3 **“§26216. Health Care Service Provider. (a) Offset Against**
4 **Business Privilege Taxes for Past Due Medically Indigent Program**
5 **Billings.**

6 (1) If the Medically Indigent Program (MIP) fails to pay a claim
7 for services and products for more than ninety (90) days after
8 receiving an invoice, the health care provider, unless he has a
9 qualifying certificate, that provided said services or products *shall* be
10 entitled to an offset equal to the value of unpaid for MIP services it
11 provides against the Business Privilege Taxes it owes for any given
12 month. The value of said services and products *shall* be the MIP rates
13 for the provider’s claims that are approved by the MIP.

14 (2) Any unused offset authorized by this Section against
15 Business Privilege Taxes owed for any given month may be carried
16 over into subsequent months until said offset is exhausted.

17 (3) The government *shall not* pay health care providers for
18 services *if* an offset against total Business Privilege Taxes has been
19 exercised.

20 (4) Any health care service provider that claims an offset
21 against Business Privilege Taxes pursuant hereto must “participate”
22 and continuously provide services to MIP recipients to qualify for said
23 offsets for any given month. The term “participate” in this subsection
24 means that ten percent (10%) of the patients *or* clients serviced by the
25 provider in a given month must be recipients of the Medically
26 Indigent Program.

1 (5) “*Health Care Service Provider*”, in this subsection means
2 a properly licensed business that provides medical equipment *or*
3 supplies; pharmaceutical health care services and products; medical
4 health care services; dental health care services; behavioral health care
5 services; and allied health care services, including a clinic, hospital,
6 specialized health care facility, licensed practitioner, hospital or health
7 care providers to recipients of the Medically Indigent Program.

8 **(b) Reimbursements.** The Director of Administration *shall* reduce
9 the amount of a provider’s MIP payables by the amount of Business
10 Privilege Taxes offset it exercises. Tax offsets exercised by a provider *shall*
11 constitute final payment of MIP obligations. The appropriations for MIP for
12 a fiscal year *shall* be automatically reduced by the amount of any tax offsets
13 taken in that year.

14 **(c) Coordination.** To avoid double payment to providers, the
15 Director of Revenue and Taxation *shall* immediately notify the Director of
16 Administration and the appropriate department *or* agency when a health care
17 service provider claims an offset pursuant to this section.

18 **(d) Administrative Rules and Regulations.** The Director of
19 Revenue and Taxation *shall*, pursuant to the Administrative Adjudication
20 Law, enact rules and regulations to implement this Section within ninety
21 (90) days after enactment hereof.”

22 **Section 24. Locum Tenens Exemption during the Absence of the Chief**
23 **Medical Examiner.** The Office of the Chief Medical Examiner is exempt from
24 the government of Guam Procurement Law in contracting for the professional
25 services of a qualified medical examiner to be provided when the Chief Medical
26 Examiner is absent from work.

1 **Section 25. Air Ambulance Service Trust Account.** One Million
2 Dollars (\$1,000,000) of the Fiscal Year 2008 appropriation to the Medically
3 Indigent Program Fund *shall* be deposited and held in a separate trust account to be
4 used exclusively to pay for authorized air ambulance services. Allotments to the
5 Medically Indigent Program *shall* be made simultaneously with a proportional
6 allotment to the Air Ambulance Service Trust Account, and vice versa. The Air
7 Ambulance Service Trust Account *shall* not lapse and *shall* be available for vendor
8 payment until it is exhausted and *shall* not be pledged as collateral, reprogrammed
9 *or* transferred for any other use. Said Trust Account funds *shall* be disbursed *only*
10 to transport qualified MIP patients whose prognosis for survival and recovery, as
11 certified by an attending physician, requires immediate medical services not
12 available on Guam, but that are readily available at the nearest JCAHO *or* Joint
13 Commission Accredited medical facility.

14 **Section 26. Advance Payments for Medical Services.** In order to
15 expedite acceptance of MIP clients by facilities in California, Hawaii or Manila for
16 medical treatment approved by the Medically Indigent Program, the Director of
17 Public Health and Social Services may advance payments for said medical
18 treatment, and may establish escrow accounts for immediate and advance payment
19 of medical treatment at those Joint Commission Accredited hospitals determined
20 by the Director to be best able to serve Medically Indigent Program clients.

21 **Section 27. Disbursements from the Tourist Attraction Fund.** For
22 Fiscal Year 2008, the Director of Administration *shall* allocate and disburse
23 monthly releases from the Tourist Attraction Fund according to the following
24 priorities:

- 25 1st Priority – Debt Service for the 1997 Infrastructure Improvement Bond;
26 2nd Priority – FY 2008 appropriations to the Guam Visitors Bureau;

1 3rd Priority – All other FY 2008 appropriations.

2 **Section 28. Audit Supplementary Information.** The Public Auditor and
3 the Director of Administration *shall* ensure that the audit of the government of
4 Guam Financial Statements contains the following supplementary information:

5 (a) A Schedule of Personnel Count indicating the number of filled
6 positions by department, fund source and amount expended as of
7 September 30, 2007; and

8 (b) A Combined Schedule of Expenditure, Encumbrances and
9 Continuing Appropriations by department, fund source and object
10 classification as of September 30, 2007.

11 **Section 29. COLA Payment Option and COLA Payments by**
12 **Autonomous Agencies.** (a) The A. B. Won Pat International Airport Authority,
13 Guam, the Guam Economic Development and Commerce Authority, the Guam
14 Housing Corporation, and the Government of Guam Retirement Fund *shall* pay a
15 “Cost of Living Allowance” (COLA) in a single payment of One Thousand One
16 Hundred Dollars (\$1,100) to every Government of Guam Retirement Fund
17 annuitant who retired from each respective aforementioned agency who were
18 receiving COLA as of September 30, 2007, *or* their survivors.

19 (b) Each agency mentioned in subsection (a) *shall* reimburse the General
20 Fund for any COLAs paid by the Fund in Fiscal Year 2008 to annuitants who have
21 retired from that agency and their survivors.

22 (c) All COLA recipients, regardless of fund source, *shall* be paid by lump
23 sum payment *no later than* November 30, 2007, unless the annuitant chooses in
24 writing to receive bi-monthly payments from October 1, 2007 through September
25 30, 2008.

1 **Section 30. No Use of Public Assistance Funds for the Purchase of**
2 **Alcoholic Beverages and Tobacco Products.**

3 (a) The use of public welfare
4 assistance program funds for the purchase of alcoholic beverages *or* tobacco
5 products is prohibited.

6 (b) A welfare recipient who violates subsection (a) hereof *shall* be
7 penalized as follows:

8 (1) A first offense *shall* result in the revocation of benefits from the
9 program in question for a period *not to exceed* three (3) months.

10 (2) A second offense *shall* result in the revocation of benefits from
11 the program in question for a period *not to exceed* six (6) months.

12 (3) A third offense *shall* result in the permanent revocation of benefits
13 from the program in question.

14 (c) A business vendor who violates subsection (a) hereof *shall* be
15 penalized as follows:

16 (1) A first offense *shall* result in a penalty of Two Hundred Dollars
17 (\$200.00) for each violation.

18 (2) A second offense *shall* result in a penalty of Five Hundred
19 Dollars (\$500.00) for each violation.

20 (3) A third offense *shall* result in a penalty of One Thousand Dollars
21 (\$1,000.00) for each violation.

22 (4) A fourth offense *shall* result in the permanent revocation of the
23 vendor's right to participate in the program in question.

24 (d) The Director of Public Health and Social Services *shall* enforce this
25 Section. The Director *shall* approve the imposition of the aforementioned
26 penalties as well as the reconsideration of said penalties following an appeal. The
Director *shall* use existing appeal procedures when applicable.

1 (e) The Director *shall* periodically review each program and its
2 beneficiaries and vendors regarding compliance herewith.

3 (f) The Director *shall* notify current public welfare recipients and
4 vendors, in writing, regarding the prohibitions and penalties imposed by this
5 Section. Said notice *shall* include, but *not* be limited to, news media sources and
6 electronic means.

7 **Section 31. Executive Branch Travel Restrictions.** Funds appropriated
8 by this Act *shall not* be used for off-island travel *or* per diem expenses by
9 executive branch employees and officials except for:

- 10 (a) Travel that is federally funded;
- 11 (b) Travel that is specifically required to administer *or* secure
12 federal grants;
- 13 (c) Travel by *I Maga'lahren Guåhan, I Segundu Na Maga'lahren*
14 *Guåhan*, Mayors and Vice-Mayors, and other officials to
15 represent the people of Guam at meetings and functions
16 determined critical to the welfare of Guam by *I Maga'lahren*
17 *Guåhan*, provided that the Director of Administration *shall*
18 provide a monthly report to the Speaker of *I Liheslaturan*
19 *Guåhan* on such travel expenses by the fifth (5th) day of each
20 subsequent month thereafter;
- 21 (d) Travel to promote tourism on Guam, provided that such travel
22 is paid for by the Tourist Attraction Fund and is restricted to the
23 General Manager *or* his designee, Board Members, professional
24 staff of the Guam Visitors Bureau, and those individuals
25 required for promotional activities;
- 26 (e) Travel by law enforcement personnel conducting an official
27 investigation and law enforcement personnel providing escort

1 services for criminal suspects, detainees, and convicted felons
2 being returned to Guam for judicial proceedings *or* being
3 transferred to off-island correctional facilities;

4 (f) Travel by medical personnel providing escort services for
5 patients requiring off-island medical treatment, and other
6 escorts as specifically authorized by the Department of Public
7 Health and Social Services pursuant to Guam law;

8 (g) Travel necessary for the enforcement of court orders;

9 (h) Travel under the Residential Treatment Fund; or

10 (i) Travel required for employees requiring professional
11 certification and training.

12 **Section 32. Wireless Communications Restrictions.** No government of
13 Guam funds, regardless of source and including funds expended by autonomous
14 agencies, *shall* be expended for the use of cellular telephones, cellular telephone
15 services and other wireless telephone services unless the government of Guam will
16 be reimbursed from Federal funds *or* other grants. This Section *shall not* apply to *I*
17 *Maga'lahaen Guåhan*, *I Segundu Na Maga'lahaen Guåhan*, the Speaker of *I*
18 *Liheslaturan Guåhan*, the Chief Justice of the Supreme Court of Guam, the
19 Presiding Judge of the Superior Court of Guam, official use of the Crisis Hotline
20 Program of the Department of Mental Health and Substance Abuse, law
21 enforcement officials, and on-call health professionals at the Guam Memorial
22 Hospital Authority, the Department of Mental Health and Substance Abuse, the
23 Department of Public Health and Social Services, the Village Mayors and Vice
24 Mayors, GFD and EMS officials, on-call emergency management personnel and
25 the Chief Medical Examiner.

26 **Section 33. LSRF Appropriation Provision.** Notwithstanding §60602,
27 Chapter 60 of Title 21 GCA, the appropriation made to the Department of Land

1 Management by Section 1(j) of Part I of Chapter V of this Act may be expended
2 for the Department of Land Management's operations.

3 **Section 34.** Section 49, Chapter VI of Public Law 29-02 is *amended* to
4 read:

5 **"Section 49. Review of Business Privilege Tax Exemptions.** Each
6 business privilege tax exemption authorized in §26203 of Title 11 GCA
7 *shall* be evaluated by the Legislative Tax Review Commission pursuant to
8 Chapter 11 of 2 GCA, using the principles of economic efficiency, equity,
9 simplicity, administrative feasibility, accountability and regarding the
10 purpose of economic growth. The Commission *shall* provide its evaluation
11 of said exemptions and make recommendations for permanent repeal *or*
12 reauthorization thereof to *I Maga'lahaen Guåhan* and *I Liheslatura* no later
13 *than* June 1, 2008."

14 **Section 35.** §20101 of Chapter 20 of Title 11 of the Guam Code
15 Annotated is *amended* to read:

16 **"§20101. Realty Conveyance: Amount.** A tax is established on all
17 conveyances, deeds, instruments, *or* writings whereby any lands, tenements,
18 *or* other realty *shall* be sold, granted, transferred, *or* otherwise conveyed to
19 the purchaser *or* purchasers, *or* to any other person *or* persons designated by
20 such purchaser *or* purchasers, as follows: Two Dollars and Fifty Cents
21 (\$2.50) for each One Thousand Dollars (\$1,000.00) *or* fraction thereof on
22 the true consideration *or* value received for such realty. Provided, that in
23 sales of encumbered property, the tax *shall* be collected on the net amount of
24 the consideration after deducting the amount of the encumbrance."

25 **Section 36. Transfer of Employees.** Notwithstanding any other
26 provision of law, and in recognition of personnel shortages in certain areas, *I*

1 *Maga'lahaen Guåhan* is authorized to transfer employees within *or* between any
2 department *or* agency of the government of Guam, *except* that:

3 (a) This Section shall *not* apply to any employee of the Legislative *or*
4 Judicial Branches of government, the Guam Public School System, the Guam
5 Police Department, the Attorney General's Office, the Office of the Public
6 Auditor, the University of Guam and the Guam Community College;

7 (b) The transfer of an employee shall *not* result in a loss of pay *or*
8 salary;

9 (c) *No* employee shall be transferred if the employee has filed a viable
10 grievance with the Civil Service Commission for discrimination based on political
11 affiliation, gender, *or* sexual harassment, *unless* the employee consents to said
12 transfer;

13 (d) No employee of an autonomous agency may be transferred to a line
14 department *or* agency;

15 (e) *I Maga'lahi* shall transfer the funding authorized for that employee's
16 position from the transferor agency to the transferee agency, including GMHA,
17 DPHSS, DMHSA, unless the transfer is from a line agency to an autonomous
18 agency; and

19 (f) This Section shall *not* be used to transfer employees acting in good
20 faith who report *or* expose bad business practices, illegal activities, *or*
21 inappropriate conduct by public officials.

22 **Section 37. Limited-Term Appointment Moratorium.** For Fiscal Year
23 2008, notwithstanding §4102 of Title 4 of the Guam Code Annotated, *or* any other
24 provision of law, *no* person may be employed on a temporary *or* limited-term basis
25 by an instrumentality of the government of Guam, *except* for the following:

- 1 (a) Certified persons in the Guam Public School System as identified in
2 Subsection (12) of §715 of Chapter 7 of Title 1 of the Guam Code
3 Annotated;
- 4 (b) Attorneys at the Department of Law (within staffing pattern funding
5 levels);
- 6 (c) Nurses and doctors (within staffing pattern funding levels);
- 7 (d) Temporary survey workers employed by the Department of Labor and
8 the Bureau of Statistics and Plans for the purpose of conducting
9 employment surveys (within staffing pattern funding levels);
- 10 (e) Licensed healthcare professionals and other ancillary service
11 personnel employed at the Guam Memorial Hospital Authority, the
12 Department of Mental Health and Substance Abuse, and the
13 Department of Public Health and Social Services (all within staffing
14 pattern funding levels);
- 15 (f) Academic positions at the University of Guam and the Guam
16 Community College (within their appropriated funding levels);
- 17 (g) Substitute school bus drivers;
- 18 (h) Persons filling temporary vacancies created by the call to active
19 military duty of employees who are members of the reserve
20 components of the Department of Defense and the Department of
21 Transportation including, *but not limited to*, the United States Army,
22 United States Navy, United States Marine Corps, United States Air
23 Force, the Army National Guard, the Air National Guard, and the
24 United States Coast Guard;
- 25 (i) Federally-funded positions (matching and up to 100%);

- 1 (j) Temporary Solid Waste Technicians employed by the Division of
2 Solid Waste Management of the Department of Public Works for the
3 purpose of collecting residential solid waste; and
4 (k) Licensed professional engineers employed by the Department of
5 Public Works and the Guam Environmental Protection Agency.

6 **Section 38. Board and Commission Meeting Stipends.** Any
7 compensation *or* stipend owed to a Board *or* Commission member for attending a
8 regular *or* special meeting *shall* be paid from the budget of the department *or*
9 agency responsible for the administrative support and operations of such Boards *or*
10 Commissions. However, Board and Commission members may elect to *not*
11 receive said compensation.

12 **Section 39.** §§24306 and 24307 of Article 3, Chapter 24, Division 2 of
13 Title 11 GCA are hereby *amended* to read as follows:

14 “§24306. **Same: Valuation.** For the calendar year 1977, the
15 valuation of all property *shall* be the 1978 valuation as shown on the
16 assessment roll of the government for 1976, provided, however, that in
17 instances where property has been either improved *or* suffered loss in 1977,
18 the assessor *shall* take into consideration such improvement *or* loss and
19 adjust the assessment roll for such property accordingly. Commencing with
20 the first Monday in March of 1978 and continuing every five (5) years
21 thereafter, the assessor *shall* re-ascertain the value of all property in Guam
22 and such valuation *shall* be used as the basis for assessment during the
23 annual adjustments for property which has been either improved *or* suffered
24 loss, as provided by §24307. Notwithstanding any other provision of law, *if*
25 the valuation provided for in this §24306 is not re-ascertained every five (5)
26 years as required by this Section, then the last completed valuation as

1 supplemented by the annual adjustments provided for in §24307 *shall* be the
2 property tax valuation used under this Chapter.

3 **§24307. Same: Intervening Year.** In each year other than the year
4 of the five (5) year valuation the assessor *shall* ascertain the value of all
5 property as of the first Monday in March which *shall* have become taxable
6 since the last valuation, including new improvements *or* additions to old
7 improvements, *or* which *shall* change in value because of a change in use;
8 and in case of the destruction *or* injury by fire, flood, typhoon, storm *or*
9 otherwise, *or* removal of any improvements of any kind, *or* of orchards,
10 timber, *or* ornamental trees, the value of which *shall* have been included in
11 the former valuation of the property, the assessor *shall* determine the value
12 of such loss and reduce the valuation accordingly.”

13 **Section 40. Five (5) Year Property Value Assessment.** The Director of
14 Revenue and Taxation *shall* conduct the five (5) year valuation of real property
15 mandated by §§24306 and 24307 of Article 3, Chapter 24, Division 2 of Title 11
16 GCA, in Fiscal Year 2008.

17 **Section 41.** §§13107 and 13108, Chapter 13, Title 2 of the Guam Code
18 Annotated are hereby *amended* to read:

19 “**§13107. Special Accounting Service.** There is hereby established a
20 Special Accounting Service work group comprised of a senior staff member
21 of *I Liheslaturan Guåhan*'s Office of Finance and Budget; the Controller of
22 the Department of Administration; the Chief of the Taxpayer Services
23 Administration Branch of the Department of Revenue and Taxation; the
24 Budget Analyst Supervisor of the Bureau of Budget and Management
25 Research; the Chief Planner of the Bureau of Statistics and Plans; and the
26 Chief Information Officer (CIO) of the Bureau of Information Technology
27 (BIT). Said Service *shall* meet from time to time to discuss and develop

1 recommendations on fiscal policy, provide technical assistance to the Office
2 of Finance and Budget, and share information relative to government
3 finances. The senior staff member of *I Liheslaturan Guåhan's* Office of
4 Finance and Budget *shall* serve as Chairperson of the Special Accounting
5 Service.

6 **§13108. Special Economic Service.** There *shall* be a Special
7 Economic Service work group comprised of the Chairman of *I Liheslaturan*
8 *Guåhan's* Committee on Ways and Means, *or* equivalent Standing
9 Committee; the Director of the Office of Finance and Budget; the Public
10 Auditor; the Director of the Bureau of Budget and Management Research;
11 the Director of Revenue and Taxation; the Director of Administration; the
12 Administrator of the Guam Economic Development and Commerce
13 Authority; the Chief Economist of the Department of Labor; the Chief
14 Economist of the Bureau of Statistics and Plans; and the Administrator of
15 Research and Evaluation (Research Manager) of the Guam Visitors Bureau.
16 Said Service *shall* meet from time to time to discuss and develop
17 recommendations on economic policy, provide technical assistance to the
18 Office of Finance and Budget, and share information relative to the state of
19 the economy. The Chairperson of the Committee on Ways and Means, *or*
20 equivalent Standing Committee, *shall* serve as Chairperson of the Special
21 Economic Service.”

22 **Section 42. Guam Public School System to Develop and Implement**
23 **Performance Based Budgeting.** A new §3132 is *added* to Chapter 3, Title 17
24 GCA to read:

25 “§3132. **Central Office Budgeting.** Guam Public School System
26 (GPSS) *shall* develop and implement Performance Based Budgeting for all
27 Central Office Operations *no later than* September 30, 2009. Appropriate

1 GPSS employees *shall* attend all workshops and training opportunities
2 offered by the Department of Administration regarding Performance Based
3 Budgeting.”

4 **Section 43.** A new Section 4118 is *added* to Chapter 4 of Title 5 GCA to
5 read:

6 **“§4118. Development and Implementation of Performance Based**
7 **Budgeting.** The heads of the Department of Administration, the Bureau of
8 Budget and Management Research, the Department of Revenue and
9 Taxation, the Department of Public Works, the Department of Parks and
10 Recreation, the Department of Land Management, the Department of
11 Agriculture, and the Bureau of Statistics and Plans *shall* develop and
12 implement Performance Based Budgeting *no later than* September 30, 2009.
13 Appropriate employees of said agencies *shall* attend all workshops and
14 training opportunities regarding Performance Based Budgeting offered by
15 the Department of Administration.”

16 **Section 44. Appropriation for Department of Revenue and Taxation**
17 **Computer Systems Upgrade and Integration.** Section 8 of Chapter I of P.L. 29-
18 03 is hereby *amended* to read:

19 **“Section 8. Appropriation for Department of Revenue and**
20 **Taxation Computer Systems Upgrade and Integration.** The sum of One
21 Million Two Hundred Sixty-one Thousand Dollars (**\$1,261,000**) is
22 appropriated from the General Fund to the Department of Revenue and
23 Taxation for computer system upgrades and hardware and software
24 integration at the Department of Revenue and Taxation. Said General Fund
25 appropriation *shall* come from the approximately Twenty-one Million
26 Dollars (\$21,000,000) received by the government of Guam from the federal
27 government for tax reimbursements. The funds appropriated herein *shall* be

1 available to the Department of Revenue and Taxation beginning in Fiscal
2 Year 2007 and *shall* not lapse and *shall* remain available to the Department
3 until fully expended.”

4 **Section 45.** §72108 of Chapter 72 of Title 11 of the Guam Code
5 Annotated is *amended* to read:

6 “**§72108. Retail License.** A retail license must be obtained by every
7 person who engages in the business of selling tangible property to others for
8 the consumption *or* use by the purchaser, and not for resale. The annual fee
9 for a retail license *shall* be based on the annual gross revenue of each retail
10 location operated by an applicant as follows:

11	From \$ 1.00 to \$ 250,000.00	\$ 100.00
12	\$ 250,001.00 to \$ 500,000.00	\$ 200.00
13	\$ 500,001.00 to \$1,000,000.00	\$ 400.00
14	\$1,000,001.00 to \$2,000,000.00	\$ 800.00
15	Exceeding \$2,000,000.00	\$1,000.00”

16 **Section 46. Fiscal Realignment Plan.** Section 5(b) of Chapter V of
17 Public Law 28-150, as *amended* by Section 1 of Public Law 29-01, is *enacted* as a
18 new Title 5 GCA, Chapter 4, §4109(f) to read:

19 “(f) **Fiscal Realignment Plan.** Thirty (30) days after the close of
20 each quarter of the fiscal year, the Directors of the Department of
21 Administration, Department of Revenue and Taxation, and the Bureau of
22 Budget and Management Research *shall* determine whether actual revenues
23 collected for that quarter are consistent with the projected revenues for the
24 fiscal year. *If* said Directors determine that projected fiscal year revenues,
25 based on actual revenues collected, are three percent (3%) *or* more less than
26 revenue projections adopted by the annual Budget Act, *I Maga'lahaen*
27 *Guåhan shall* submit to the Speaker of *I Liheslaturan Guåhan* a Fiscal

1 Realignment Plan that *shall* address the revenue disparity. Said Plan may
2 include, but is *not limited to*, cost-containment and austerity measures,
3 governmental reorganization plans and other such actions. *I Maga'lahi shall*
4 submit to the Speaker of *I Liheslaturan Guåhan* proposed legislation, in a
5 bill format, to implement the Fiscal Realignment Plan *if* legislative action is
6 required."

7 **Section 47. Manpower Development Fund.** §7120 of Article 1, Chapter
8 7 of Title 22 of the Guam Code Annotated is *amended* to read:

9 "§7120. **Manpower Development Fund.** There is hereby created
10 in the Guam Department of Labor a Manpower Development Fund (MDF),
11 which *shall* remain separate and apart from any other funds of the
12 government of Guam. The MDF is created *solely* for the purpose of
13 receiving territorial, Federal, and private money and revenues from
14 registration fees on non-immigrant temporary workers.

15 (a) Thirty percent (30%) of the annual revenues generated *shall* be
16 allocated to the Guam Department of Labor. The Department of Labor
17 allocation in the MDF *shall* be expended exclusively to fund the following:

18 (1) One Hundred Thousand Dollars (\$100,000.00) *shall* be
19 allocated annually to produce the quarterly "The Unemployment
20 Situation on Guam" report; and

21 (2) the remaining balance of the Department of Labor's MDF
22 allocation *shall* be used for administrative and operational purposes as
23 may be determined by the Director of Labor.

24 (b) Seventy percent (70%) of the annual revenues generated *shall*
25 be allocated to the Apprenticeship Training Program at the Guam
26 Community College. The Guam Community College allocation in the MDF
27 *shall* be paid out by the Treasurer of Guam to the Apprenticeship Training

1 Program at Guam Community College, which *shall* be expended exclusively
2 to fund the following, which *shall* be subject to legislative appropriation:

3 (1) the administrative and instructional costs for the operation
4 of the apprenticeship training programs;

5 (2) the advertising and outreach programs for the promotion of
6 the apprenticeship training programs; and

7 (3) direct financial assistance to students enrolled in the
8 apprenticeship program. Any unused portion of this allocation under
9 this Subsection *shall* be returned to the MDF.

10 The MDF *shall* not be used for any purposes other than those
11 enumerated in this Section.”

12 **Section 48.** Title 5 GCA §34119.3(a) is hereby *amended* to read:

13 “**§34119.3. Voluntary Acknowledgment of Paternity.** (a) The
14 Department *or* the parent of a child born out of wedlock may establish
15 paternity by filing with the Department of Public Health and Social Services,
16 Vital Statistics, *either* a notarized statement that contains the social security
17 numbers of both parents that is signed by both parents and that
18 acknowledges paternity *or* a separate but substantially similar notarized
19 statement by the father that acknowledges paternity. A voluntary
20 acknowledgement of paternity may also be executed pursuant to Title 6
21 GCA §4308, provided that it is witnessed by an employee of the Guam
22 Memorial Hospital Authority *or* an employee of the Department of Public
23 Health and Social Services, Vital Statistics, who is not related to either
24 parent. A voluntary acknowledgement of paternity *shall* constitute a legal
25 finding of paternity and has the same force and effect as a Superior Court
26 judgment, subject to the right of any signatory to rescind the
27 acknowledgment within sixty (60) days of his signature *or*

1 before the initiation of an administrative *or* judicial proceeding relating to
2 the child, including a proceeding to establish a support order, to which the
3 signatory is a party, whichever is sooner.”

4 **Section 49.** Title 5 GCA §34118(f) is *amended* to read:

5 “(f) Either parent of a child for whom child support has been
6 previously ordered may petition the Family Court, Hearings Division or the
7 Child Support Enforcement Agency *not* more than once every three (3) years
8 for review and adjustment of the child support order without having to show
9 a change of circumstances. Either parent may petition the Family Court,
10 Hearings Division *or* the Child Support Enforcement Agency for review and
11 adjustment of the child support order more than once in any three (3) year
12 period *if* the second *or* a subsequent request is supported by proof of a
13 substantial *or* material change of circumstances. *If* the custodial parent is
14 receiving *or* has received assistance from a state program funded by Title
15 IV, Part A of the Social Security Act, the Child Support Enforcement
16 Agency *shall* review, and, *if* appropriate, *shall* file in Superior Court either a
17 motion *or* stipulation to adjust the order. Regardless of whether the
18 custodial parent is receiving *or* has received public assistance, the Child
19 Support Enforcement Agency *shall* review, and, *if* warranted, *shall* file in
20 Superior Court a motion *or* stipulation to adjust an order by applying the
21 Child Support Enforcement Agency guidelines *or* by applying a Cost of
22 Living Adjustment to the order. The Child Support Enforcement Agency
23 may use automated methods to identify orders to review and adjust pursuant
24 hereto.”

25 **Section 50.** Section 11 of Public Law 29-03 is *amended* to read;

26 “**Section 11. Appropriation to the Department of Revenue and**
27 **Taxation.** The sum of Three Hundred Thousand Dollars (\$300,000) is

1 appropriated from the General Fund to the Department of Revenue and
2 Taxation to pay for legal services provided by the Office of the Attorney
3 General pursuant to Section 41 of Chapter VI of Public Law No. 29-02 and
4 to fund the Office of the Principal Guam Income Tax Attorney pursuant to
5 Title 11 GCA, Division 1, Chapter 1, §1106.1. Said General Fund
6 appropriation *shall* come from the approximately Twenty-one Million
7 Dollars (\$21,000,000) received by the government of Guam in Fiscal Year
8 2007 from the federal government for tax reimbursements. The funds
9 appropriated herein *shall* be available to the Department of Revenue and
10 Taxation beginning in Fiscal Year 2007 and *shall* not lapse and *shall* remain
11 available to the Department until fully expended.”

12 **Section 51.** Title 5 GCA §3102 is *amended* to read:

13 “§3102. **Office of the Attorney General.** There is within the
14 Executive Branch of the government of Guam, the Office of the Attorney
15 General. The Attorney General is head of the Office of the Attorney
16 General and Chief Legal Officer of the government of Guam.”

17 **Section 52.** Title 5 GCA §30101(a) is hereby *amended* to read:

18 “§30101. **Attorney General.** (a) The Office of the Attorney General
19 of the government of Guam *shall* be administered by the Attorney General
20 of Guam, who *shall* be elected by the people of Guam for a term of four (4)
21 years.”

22 **Section 53.** Title 5 GCA §32201(c)(21)(iii) is *amended* to read:

23 “(iii) *If* Condition of Readiness 1, 2 or 3, *or* an equivalent condition is
24 declared, *or* after a disaster which damages two hundred (200) *or* more of
25 the permanent residential units on the island, *or* after a typhoon brings
26 sustained winds to Guam of one hundred (100) miles per hour *or more, or*
27 after an earthquake with a reading on Guam greater than 7.0 on the Richter

1 Scale, *I Maga'lahi* may, by Executive Order, freeze mark-ups and prices on
2 designated goods and services which he finds to be in short supply *or* in
3 danger of being in short supply as a result of the disaster to markups and
4 prices in effect the day before the disaster, for up to thirty (30) days after the
5 disaster. Said freeze *shall* not be extended. A merchant may add to the
6 normal sales prices of the goods the increased import cost of the goods, for
7 all goods normally imported by sea, and incremental freight costs caused as
8 a result of air freight actually incurred.”

9 **Section 54.** Title 5 GCA §32201 (c) (21) (v) is *amended* to read:

10 “(v) The price on all wholesale and retail goods *shall* be frozen
11 whenever *I Maga'lahen Guåhan* declares Guam to be in Condition of
12 Readiness 1 *or* 2, *or* their equivalent, and *shall* continue to be frozen until
13 seventy-two (72) hours after Guam returns to Condition of Readiness 4, *or*
14 its equivalent. The normal sales prices of goods *shall* include the increased
15 import costs of the goods for all goods normally imported by sea, and
16 incremental freight costs caused as a result of air freight actually incurred.”

17 **Section 55.** Title 11 Guam Code Annotated §72102(c) is *amended* to read
18 as follows:

19 “(c) The Banking and Insurance Commissioner is hereby authorized
20 to assess each bank licensed in Guam a fee of \$0.022 for every One
21 Thousand Dollars (\$1,000) of its total assets. The total assets of the bank
22 *shall* be determined from the audited financial statement *or* from the call
23 report *or* financial statement for the period ending December 31st of each
24 year it is filed with the Banking and Insurance Commissioner. The
25 assessment for each national, *or* state, *or* foreign bank that operates a branch
26 bank on Guam *shall* be computed on the total assets of the branch bank in

1 Guam. The assessment for each locally chartered bank *shall* be computed
2 on the total assets of all its branches on Guam."

3 **Section 56. Temporary Employment of Retired Customs and**
4 **Quarantine Officers.** The Customs and Quarantine Agency may hire retired
5 Customs and Quarantine Officers when a critical need arises as a result of military
6 activation of Customs officers *or* when vacancies cannot be filled within six (6)
7 months because of the lack of qualified applicants. The retired officer *shall* fill
8 such a vacant position and *shall* be terminated when the incumbent returns from
9 military service *or* when a fully-qualified applicant is available. Retired officers
10 may be hired *only* in the ranks of Customs Officer III and below, only at Step I,
11 and *shall* not receive sick and annual leave. Retirees hired pursuant to this Section
12 *shall* meet requirements for the position in question, *except* for written
13 examinations, and the Director of Customs *shall* certify that every retiree hired is
14 fit for duty. The requirements of Title 17, Article 3, Chapter 32 are waived for
15 employment pursuant hereto *except* for §32304(b)(4). Notwithstanding Title 4
16 GCA §8121(a), retirees hired temporarily pursuant hereto may continue to receive
17 their retirement benefits.

18 **Section 57.** Title 5 GCA §34114(a) is *amended* to read:

19 "§34114. **Late Charges.** (a) Effective January 1, 2008, interest *shall*
20 accrue at the rate of six percent (6%) per annum on a non-custodial parent's
21 unpaid balance as of the last day of the previous month. Said balance *shall*
22 be the arrearage shown on the records at the Office of the Attorney General
23 unless the arrearage is corrected by the court. Payments on arrearages *shall*
24 be applied to interest first, then to principal."

25 **Section 58. Uniform Allowance.** All law enforcement and public safety
26 uniformed personnel, as defined by Title 4 GCA §8104(p), *shall* receive a 'uniform
27 allowance' of *not less than* Three Hundred Fifty Dollars (\$350) per year *no later*

1 *than* December 31st of each fiscal year. An agency may provide uniforms in lieu of
2 said allowance, but *shall* provide the uniform *no later than* December 31st of each
3 fiscal year.

4 **Section 59.** A new §3101.1 is *added* to Article 1, Chapter 3 of Division 1,
5 Title 5 Guam Code Annotated, to read:

6 **“§3101.1. Public Transportation Services.** There is, within the
7 Department of Administration, a Division of Public Transportation Services.
8 The Director of Administration *shall* be the only government official to
9 provide and contract for public transportation on Guam’s roads and
10 highways.

11 (a) Any individual, business *or* organization providing
12 public transportation services pursuant to a contract with the Division
13 of Public Transportation Services of the Department of
14 Administration *shall*:

15 (1) Ensure that each of its employees, e.g. driver,
16 dispatcher, *or* transport care attendant, who works directly with
17 the public complete, within six (6) months after it executes said
18 contract, a minimum of sixteen (16) hours of passenger
19 assistance training. Said training *shall* ensure that the employee
20 possesses a general knowledge and understanding of working
21 with public, to include the proper treatment of customers,
22 including children, senior citizens, disabled persons and others
23 users of the public transportation;

24 (2) Ensure that each of its employees who work directly
25 with the public complete a passenger assistance training course
26 every year following the initial training mandated by subsection
27 (1) hereof, of *no less than* four (4) hours of training on the

1 proper provision of services, changes in relevant law, changes
2 in applicable technology and the like.

3 (3) Ensure that no employee who has not completed
4 the training required by subsections (1) and (2) hereof works
5 directly with the public.

6 (4) Provide the Director of Administration with a
7 police clearance for each employee who works directly with the
8 public.

9 (5) Bear the cost of providing the training required by
10 this section.

11 (b) The Director of Administration *shall* incorporate the
12 training and certification required by subsection (a) hereof in all bids
13 and contracts regarding transportation services. Non-compliance by a
14 contractor with said requirements *shall* be grounds for the termination
15 of such a contract.

16 (c) The Director of Administration and the University of
17 Guam and the Guam Community College *shall* cooperate to create the
18 training programs required by subsection (a) hereof. The University
19 or College *shall* provide a written certificate to persons who complete
20 said programs, their respective employers and the Director of
21 Administration.

22 (d) The Director of Administration, through the Division of
23 Public Transportation Services, *shall* ensure compliance with this
24 section and *shall* annually assess the contractor's compliance
25 herewith. The Director *shall* report on said compliance and *shall*
26 transmit said report to the contractor, *I Maga'lahaen Guåhan* and *I*
27 *Lihselaturan Guåhan no later than January 30th of each year.*"

1 **Section 60.** Title 4 GCA §4109(a) is *amended* to read:

2 “**§4109. Annual Leave.** (a) Annual leave *shall* be granted to
3 employees occupying permanent positions, except personnel of the Guam
4 Public School System, the Guam Community College *or* the University of
5 Guam, who are employed on a school year basis, in accordance with the
6 following schedule:

7 (1) One-half day (4 hours) for each full bi-weekly pay period
8 in the case of employees with *less than* five (5) years of service;

9 (2) Three-fourths day (6 hours) for each bi-weekly pay
10 period in the case of employees with five (5) years of service but *less*
11 *than* fifteen (15) years of service.

12 (3) One (1) day (8 hours) for each full biweekly pay period
13 in the case of employees with fifteen (15) years *or* more service.

14 For purposes of this Subsection (a), all elected officials except
15 members of the Guam Education Policy Board, and the Consolidated
16 Commission on Utilities *shall* be deemed employees occupying permanent
17 positions.”

18 **Section 61.** Section 10(b) of Part IV of Chapter II of P.L. 28-150, as
19 *amended* by Section 3 of Chapter VI of P.L. 29-02, is *repealed*.

20 **Section 62. Temporary Employment of Retired Department of Revenue**
21 **and Taxation Employees.** The Department of Revenue & Taxation may hire
22 retired employees of the Department of Revenue & Taxation when a critical need
23 arises in the areas of Tax Collection, Taxpayer Assistance, Tax Investigation,
24 Auditing, and Tax Processing. Said retirees *shall* be hired at Step I for the position
25 in question and *shall* not receive sick and annual leave. Notwithstanding Title 4
26 GCA §8121(a), retirees hired temporarily pursuant hereto may continue to receive
27 their retirement benefits.

1 **Section 63.** A new §6205.2 is *added* to Chapter 6, Title 4 GCA as follows:

2 “**§6205.2. No Recruitment or Compensation Above Step 10.** (a)

3 No agency, department, autonomous agency, public corporation, *or* other
4 instrumentality of the government of Guam *shall* authorize compensation
5 above Step 10 for the initial appointment, hiring *or* recruitment of an
6 employee. This Section *shall* not apply to the Office of *I Maga’lahen*
7 *Guåhan*, Office of *I Segundo Na Maga’lahen Guåhan*, Guam State
8 Clearinghouse, *I Liheslaturan Guåhan*, to any agency whose governing
9 board has exclusive authority over compensation, *or* to any positions
10 specifically exempted by law.

11 (b) Notwithstanding any other provision of law, the Director of
12 Administration *shall* adjust the compensation of an unclassified employee
13 who was hired above Step 10 before enactment hereof effective the date of
14 this enactment. Failure to comply with this Section *shall* result in the de-
15 appropriation of the total amount of compensation paid in violation hereof
16 from the budget of the non-compliant agency.”

17 **Section 64. Abandoned Vehicles & White Goods.** From the amounts
18 appropriated to the Department of Public Works by Section 1(g) of Chapter 5, Part
19 I of this Act, the sum of Three Hundred Thousand Dollars (\$300,000) *shall* be used
20 to pay for obligations of the Department of Public Works arising from the island-
21 wide collection and off-island disposal of abandoned vehicles, white goods, tires,
22 and batteries program pursuant to GSA Bid No. 038-05.

23 **Section 65. Continuing Appropriation for Mayors Council of Guam**
24 **and Village Streets Maintenance and Beautification.** The appropriation made
25 for Mayors Council of Guam Operations and Village Streets Maintenance and
26 Beautification by Sections 19 and 20 of Chapter IV Part II, Miscellaneous
27 Appropriations of Public Law 28-150, as amended by Sections 18 and 19 of

1 Chapter IV of P.L. 29-02, *shall* continue until all sums appropriated therein are
2 expended and *shall* not lapse.

3 **Section 66. Foreign Degrees Recognized.** Title 17 Guam Code Annotated,
4 Chapter 3 §3104 is *amended* to read as follows:

5 **"§3104. Qualifications for the Superintendent of Education and**
6 **Deputy Superintendent of Education.** (a) The Guam Education Policy
7 Board (Board) *shall* adopt the qualifications and compensation for the
8 Superintendent of Education and Deputy Superintendent of Education, *or*
9 any amendments thereto, provided that such qualifications must not be in
10 conflict with the minimum qualifications established in this Section. The
11 Superintendent of Education *shall*, at a minimum, possess the following
12 qualifications:

13 (1) A Master's Degree in Education, Business, Public
14 Administration, *or* other related field from a college *or* university
15 accredited by a United States accrediting body recognized by the
16 Council on Higher Education Accreditation (CHEA) *or* its successor,
17 *or* an equivalent foreign university. A foreign degree is equivalent to
18 a degree granted by a college *or* university accredited by a CHEA
19 recognized accrediting body when any of the following applies: (a)
20 such degree qualifies the degree-holder for enrollment in a graduate *or*
21 post-graduate program in a college *or* university accredited by a
22 CHEA recognized accrediting body; (b) such degree qualifies the
23 degree-holder for employment in a faculty *or* academic administrative
24 position in a college *or* university accredited by a CHEA recognized
25 accrediting body; *or* (c) the degree was conferred by a foreign
26 institution recognized by the United States Department of Education
27 at the time such degree was conferred;

1 (2) Five (5) years experience in the field of educational leadership,
2 public administration management, *or* other related field; and

3 (3) Good moral character and never convicted of a felony *or* any
4 crime involving moral turpitude.

5 (b) The Board may add additional qualifications provided that such
6 qualifications are consistent with the Minimum Knowledge, Abilities and
7 Skills (KAS) required for such job and do not violate the Equal Employment
8 Opportunity Act (42 U.S.C.). Any additional qualifications must be
9 included in the published job description.

10 (c) *If* the Board hires a Deputy Superintendent, it *shall* use the same
11 voting and public hearing procedures for adoption of the positions
12 qualifications and compensation as it uses for the position of Superintendent.
13 The minimum qualifications of the Deputy Superintendent *shall* be identical
14 to those for the Superintendent.

15 (d) In determining the salary of the Superintendent and Deputy
16 Superintendent, the Board may consider: (1) salaries for similar positions in
17 other United States school districts that have a similar number of students;
18 (2) the complexity, in terms of problem solving, accountability and expertise
19 of the job compared to positions of a similar level in other government
20 agencies; and (3) the complexity, in terms of the problem solving,
21 accountability and expertise of the job compared to positions of a similar
22 level in other education agencies within the government of Guam.”

23 **Section 67.** Title 4 GCA, Chapter 4, §4101(a) is *amended* to read:

24 “**§4101. Personnel Policy.** (a) Employment in the service of the
25 government of Guam *shall* be based upon merit, and selection and
26 promotion of employees *shall* be free of personal *or* political consideration.
27 No person *shall* be discriminated against in an application for employment

1 or promotion or dismissed from employment on account of race, color, age,
2 religion, sex, national origin or physical or mental impairment. No person
3 shall be discriminated against in an application for employment or
4 promotion or dismissed from employment because of the country where the
5 college or university from which he received any degree or training is
6 located. All personnel actions, including appointments and promotions,
7 shall be based, insofar as practicable, on competitive practical tests and
8 evaluations. Continuity of employment shall be dependent upon good
9 behavior, satisfactory performance and availability of funds.”

10 **Section 68.** Title 5, Guam Code Annotated Chapter 4, §4103 is amended to
11 read:

12 **“§4103. Responsibilities of I Maga’Lahen Guåhan.** I Maga’Lahen
13 Guåhan shall direct the preparation and administration of the Annual
14 Operating Budget for the government of Guam. He shall evaluate the long
15 range program plans, request budget and alternatives to agency policies and
16 programs; and formulate, and recommend for consideration, a financial plan
17 which shall cover estimated receipts, not to include proposed new or
18 increased fees, taxes or other revenue enhancements, and expenditures of the
19 government of Guam for the General Fund and all special funds whether or
20 not their resources are annually appropriated by I Liheslatura, including all
21 grants, loans and moneys received from the Federal government or other
22 agencies both governmental and nongovernmental. No such
23 recommendation shall exceed the estimated revenues adopted pursuant to
24 Title 2 GCA §13106(b). Revenue derived from any tax or fee increase or
25 other revenue enhancement created or initially imposed by an Annual or
26 Supplemental Operating Budget Bill shall not be considered in creating the
27 revenue estimates for that Annual or Supplemental Operating Budget.”

1 **Section 69.** A new Title 2 Guam Code Annotated, Chapter 9, §9101.1 is
2 *added* to read:

3 **“§9101.1. Revenue Estimates and Appropriations Not to Include**
4 **New *or* Increased Revenue Enhancements.**

5 (a) Revenue estimates contained in any Annual *or* Supplemental
6 Operating Budget Bill for the government of Guam *shall* not include
7 revenues derived from new *or* increased taxes, fees *or* other revenue
8 enhancements authorized by the same bill.

9 (b) Appropriations contained in any Annual *or* Supplemental
10 Operating Budget Bill for the government of Guam *shall* not be based on
11 revenues derived from new *or* increased taxes, fees *or* other revenue
12 enhancements authorized by the same bill.”

13 **Section 70.** A new Title 2 Guam Code Annotated, Chapter 9, §9110 is
14 *added* to read:

15 **“§9110. Deposit of New *or* Increased Revenue Enhancements.** All
16 revenue derived from new *or* increased taxes, fees *or* other revenue
17 enhancements *shall*, for the first year of collection thereof, be deposited in
18 the Deficit Elimination Fund, provided that *if* there is no deficit *or* debt of
19 the government of Guam, said revenues *shall* be deposited in the Rainy Day
20 Fund.”

21 **Section 71.** Title 2 Guam Code Annotated, Chapter 13, §13106 is *amended*
22 to read:

23 **“§13106. Duties of Office.** The Office of Finance and Budget *shall*:

24 (a) develop and adopt a model for Guam's existing and
25 projected economy that simulates the effect of revenue raising, the
26 effect of any proposed benefits to said economy, optional revenue
27 generation and the utility thereof;

1 (b) compile and provide to *I Liheslaturan Guåhan*, *I*
2 *Maga'lahi* and the public forecasts of revenue that do not consider
3 new *or* increased taxes, fees *or* other revenue enhancements
4 authorized by an Annual *or* Supplemental Operating Budget Bill, but
5 that do consider current and prior year expenditures, surpluses and
6 deficits;

7 (c) assess the impact of federal expenditures on Guam; and

8 (d) perform such other duties as are assigned to it by the
9 Standing Rules of *I Liheslaturan Guåhan* *or* the Chairperson of the
10 Committee on Ways and Means *or* the equivalent committee.”

11 **Section 72. Modernization and Rightsizing Commission (COMRIGHT-**
12 **21).**

13 (a) Chapter 12 of Title 5 Guam Code Annotated is *repealed*.

14 (b) Chapter 13 of Title 5 Guam Code Annotated is *repealed*.

15 (c) A new Chapter 12 is *added* to Title 5 of the Guam Code Annotated
16 to read:

17 **“CHAPTER 12**

18 **MODERNIZATION AND RIGHTSIZING COMMISSION OF THE**

19 **GOVERNMENT OF GUAM FOR THE 21ST CENTURY**

20 **(COMRIGHT-21)**

21 **§12101. Title.** This Chapter *shall* be known and cited as “The
22 Government Reorganization and Program Performance Improvement Act of
23 2007.”

24 **§12102. Purpose and Policy.** The purpose of this Chapter is to
25 promote simplicity, economy, efficiency, modernization, and streamlining of
26 the delivery of services by the executive branch of the government of Guam.

1 The executive branch should pursue accelerated economic growth and
2 encourage social development by:

3 (a) Determining whether agencies and programs work and
4 recommending dissolution of those that do not work;

5 (b) Promoting the modernization and streamlining of
6 government consistent with the public service needs of the citizenry
7 by enhancing the skills of public service personnel through continuous
8 training and education;

9 (c) Eliminating duplication of services, activities, and
10 functions not necessary to the efficient conduct of government
11 through consolidation and integration;

12 (d) Determining which mandates imposed on the executive
13 branch are adequately funded, unfunded *or* under-funded; and

14 (e) Eliminating unnecessary mandates.

15 **§12103. Establishment of Modernization and Rightsizing**
16 **Commission.** There is hereby established the Modernization and
17 Rightsizing Commission of the Government of Guam for the Twenty-first
18 (21st) Century and Beyond (COMRIGHT-21) that *shall* review the
19 performance of all executive branch agencies, departments, programs,
20 boards and commissions.

21 **§12104. Membership of COMRIGHT-21.** The COMRIGHT-21
22 Commission *shall* be comprised of eleven (11) members as follows:

23 (a) Three (3) who *shall* be appointed by *I Maga'lahi*;

24 (b) Two (2) who *shall* be appointed by *I Liheslaturan*
25 *Guåhan*, one (1) of whom *shall* be appointed by the Speaker who may
26 appoint himself, and one (1) of whom *shall* be appointed by the
27 Minority Leader, who may appoint himself.

1 (c) Three (3) members from the Judiciary appointed by the
2 Chief Justice of the Supreme Court of Guam, at least one (1) of whom
3 *shall* be from the classified service of the Guam Judiciary and at least
4 one (1) of whom *shall* not be a government employee;

5 (d) One (1) member *shall* be appointed by the President of
6 the Mayor's Council, who may appoint himself;

7 (e) The Public Auditor of Guam, who *shall* serve ex officio;
8 and

9 (f) The Director of the Civil Service Commission, who *shall*
10 serve ex officio.

11 Any appointed member of the COMRIGHT-21 who fails to attend
12 three (3) consecutive regularly scheduled meetings, without being excused
13 by a motion passed by the COMRIGHT-21, *shall* be automatically
14 disqualified from serving and the respective appointing authority *shall*
15 appoint a replacement for that member. The term of any appointee *shall*
16 expire with the term in office of the respective appointing authority, unless
17 he is reappointed.

18 **§12105. Organization of COMRIGHT-21.** (a) COMRIGHT-21
19 *shall* elect from among its membership a Chairperson, Vice Chairperson,
20 Secretary and Spokesperson of COMRIGHT-21 at its first organizational
21 meeting.

22 (b) The Chairperson, with the approval of COMRIGHT-21, *shall*
23 describe in accordance with applicable Civil Service laws and personnel
24 rules, and after consultation with the officials of the various instrumentalities
25 of the government of Guam, such personnel as he deems necessary for
26 COMRIGHT-21 to perform its duties.

1 (c) The office of COMRIGHT-21 *shall* be located at the Bureau of
2 Statistics and Plans (BSP). BSP *shall* serve as the Secretariat of
3 COMRIGHT-21 and *shall* provide administrative clerical and professional
4 services to COMRIGHT-21. Logistical support and resources for the BSP in
5 support of COMRIGHT-21 *shall* be provided by the Bureau of Budget
6 Management Research (BBMR) and the Guam State Clearing House. *If*
7 necessary, BSP *shall* provide an annual budget request to *I Liheslatura* on
8 COMRIGHT-21's behalf for Fiscal Year 2008.

9 (d) The Office of the Public Auditor, the Guam Election
10 Commission and the offices of the Village Mayors are excluded from
11 COMRIGHT-21 purview.

12 **§12106. Duties of COMRIGHT-21.**

13 (a) In order to promote economy, efficiency, modernization
14 and streamlining of the government of Guam, COMRIGHT-21 *shall*
15 review and investigate the present status of the departments, agencies,
16 offices, and instrumentalities of the executive branch of government,
17 including government owned *or* controlled corporations, commissions
18 and programs according to a schedule COMRIGHT-21 *shall* prepare,
19 but *no later than* one (1) year after enactment of this act. No such
20 office, agency, program *or* function *shall* be continued beyond a
21 period authorized by law *or* beyond a time when it would have
22 terminated without COMRIGHT-21 review.

23 (b) All executive branch agencies, departments, commissions
24 and programs *shall* be realigned, modified *or* abolished one (1) year
25 after COMRIGHT-21 submits its recommendations and report thereon
26 to *I Maga'lahi* and the Speaker of *I Liheslaturan Guåhan*, unless the
27 agency *or* program is re-established by law. COMRIGHT-21 may

1 extend the deadline for abolition of an agency *or* program for one (1)
2 additional year.

3 (c) COMRIGHT-21 *shall* review all legal mandates imposed
4 on the government of Guam by existing law, including all unfunded
5 and underfunded mandates (1950 to present) and formulate policies
6 consistent with existing law that it *shall* follow in executing this
7 Chapter.

8 (d) COMRIGHT-21 *shall* conduct public hearings for the
9 purposes of consulting with public officers and their employees and of
10 reconciling conflicting interests that arise from modernization and
11 streamlining.

12 (e) In its review of government agencies and in proposing
13 reforms pursuant to this Chapter, COMRIGHT-21 *shall* consider and
14 make use of such studies and recommendations as may be presented
15 to it by *I Maga'lahi* and such other governmental units *or* agencies as
16 it may designate *or* such private entities and individuals as it may
17 deem advisable for improving the performance of the agencies *or*
18 programs.

19 (f) COMRIGHT-21 *shall* recommend to *I Maga'lahi* and *I*
20 *Liheslatura* the merger, coordination, consolidation, *or* integration of
21 departments, agencies, offices, instrumentalities, and functions of the
22 government, and the transfer of functions, appropriations, equipment,
23 property, records and personnel from one (1) department, agency,
24 office *or* instrumentality to another.

25 (g) COMRIGHT-21 *shall* recommend to *I Maga'lahi* and *I*
26 *Liheslatura* the dissolution *or* termination of departments, agencies,
27 offices, instrumentalities, programs *or* functions that are not necessary

1 for the efficient conduct of government functions, services and
2 activities.

3 (h) COMRIGHT-21 *shall* recommend to *I Maga'lahi* and *I*
4 *Liheslatura* the elimination *or* consolidation of overlapping and
5 duplicative services, functions and activities of the government.

6 (i) COMRIGHT-21 *shall* recommend to *I Maga'lahi* and *I*
7 *Liheslatura* the creation, classification and dissolution of employment
8 positions.

9 (j) COMRIGHT-21 *shall* recommend to *I Maga'lahi* and *I*
10 *Liheslatura* the standardization of salaries, materials and equipment
11 throughout the government; suggest changes to existing law; and
12 create and submit new legislation to *I Liheslatura*.

13 **§12107. Obtaining Information from Executive Branch Agencies.**

14 COMRIGHT-21 is authorized to obtain directly from any executive
15 department, bureau, agency, board, commission, office, public corporation,
16 or instrumentality of the government of Guam any and all information
17 needed to execute its functions.

18 **§12108. Exemption.** No regulations enacted in order to protect the
19 environment, health, safety, *or* civil rights shall be terminated pursuant to
20 this Chapter.

21 **§12109. Severability.** *If* any provision of this Act or its application
22 to any person *or* circumstances is held invalid, the invalidity shall *not* affect
23 other provisions *or* applications of this Act which can be given effect
24 without the invalid provision *or* application, and to this end the provisions of
25 this Act are severable.”

1 **Section 73. Temporary Moratorium on Qualifying Certificates.** A
2 temporary moratorium is hereby placed on the issuance of new Qualifying
3 Certificates pursuant to Chapter 58, Title 12 GCA and the Guam Economic
4 Development and Commerce Authority *shall* not issue *or* renew any Qualifying
5 Certificates during said moratorium. This moratorium *shall* not apply to captive
6 insurance companies writing risk outside of Guam *or* writing risk in which
7 coverage is currently not available on Guam. The Tax Review Commission *shall*
8 review and make recommendations regarding the future of the Qualifying
9 Certificate Program and report thereon to *I Liheslatura* by May 31, 2008. Said
10 moratorium *shall* expire sixty (60) days after the submission of said report *or* on
11 July 31, 2008, whichever comes first.

12 **Section 74.** §10108, Chapter 10 of Title 4 GCA is hereby *amended* to read:

13 “**§10108. Appropriate Employee Units.** For purposes of exclusive
14 recognition requested by qualified employees *or* organizations, appropriate
15 units of employees *shall* be established by government management officials
16 on any reasonable basis, such as departmental, functional, craft, *or* other
17 basis, which will assure a clear and identifiable community of interest in
18 employment conditions among the employees involved. No unit *shall* be
19 established which includes both government managerial officers, supervisors
20 *or* personnel workers in other than clerical positions, and non-supervisory
21 employees, *nor* shall a unit be established which includes both professional
22 employees and non-professional employees unless a majority of such
23 employees vote for inclusion in such unit.”

24 **Section 75. Appropriation to the Department of Agriculture.** The funds
25 appropriated to the Department of Agriculture in Public Law 28-74 for the *sole*
26 purpose of hiring an Assistant Attorney General to assist in the prosecution of

1 illegal hunting and terrestrial violations *shall* not lapse and *shall* remain available
2 to the Department until fully expended.

3 **Section 76.** The sum of One Hundred Sixty-two Thousand Four Hundred
4 Thirty-three Dollars (\$162,433) from the unappropriated Fiscal Year 2006
5 Manpower Development Fund Revenues established pursuant to §7120 of Title 22
6 GCA is appropriated to the Guam Community College.

7 **Section 77.** Section 20 of Chapter IV of Public Law 29-02 is *repealed* and
8 *reenacted* to read:

9 “**Section 26. GPSS Compensation Plan Review.** Section 2 of
10 Public Law 28-36 is hereby *amended* to read as follows:

11 **Section 2. GPSS Compensation Plan Review.** The Civil
12 Service Commission (Commission), in consultation with the Guam Public
13 School System (GPSS), *shall* immediately upon enactment hereof, and every
14 three (3) years thereafter, review and upgrade, as needed, the Compensation
15 Plans of fully certified teachers working in the Guam Public School System
16 as full-time classroom teachers, including teachers who are assigned to work
17 as guidance counselors and school librarians, to be competitive with the U.S.
18 national average. Only fully certified teachers assigned to work in the Guam
19 Public School System as full-time classroom teachers, including teachers
20 who are assigned as guidance counselors and school librarians, *shall* receive
21 additional compensation pursuant to this Section *or* the Commission’s
22 enactment of the GPSS Compensation Plan. The Commission *shall* enact
23 the Compensation Plan within sixty (60) days after commencement of its
24 review.”

25 **Section 78. GPSS Budget.** §3121 of Chapter 3 of Title 17 GCA is
26 *amended* to read:

1 “§3121. **Budget.** The Superintendent of Education *shall* prepare the
2 GPSS fiscal year budget, giving the highest priority to budgetary items that directly
3 affect teaching and learning. The Board *shall* approve the proposed budget and its
4 funding priorities by resolution. The budget request for the non-personnel
5 categories of each and every decentralized school *shall* be submitted as a separate
6 line-item. After Board approval, the Superintendent *shall* submit the proposed
7 GPSS fiscal year budget to *I Liheslaturan Guåhan*, and a courtesy copy to *I*
8 *Maga'lahren Guåhan*, no later than the thirtieth (30th) day of January. The budget
9 *shall* be in the format of the Budget Call issued by the Bureau of Budget and
10 Management Research and *shall* describe GPSS' budget requests to federal
11 agencies for federal grant awards by object classification and by grant, including
12 each grant's staffing pattern, both current and proposed, and such information as
13 may be requested by *I Liheslaturan Guåhan*.”

14 **Section 79. Restriction on Executive Branch Hiring of Unclassified**
15 **Employees.** Section 19 of this Chapter *shall* not apply to the Mayors Council of
16 Guam.

17 **Section 80. Adequate Education Compliance.** §12108.1(a) of Title 7
18 GCA is hereby *amended* as follows:

19 “(a) A public school student *shall* have a claim and standing to sue
20 the government of Guam and any officer of the Executive Branch of the
21 government of Guam in his official capacity only for the purpose of
22 enjoining such officer from failing to provide an adequate public education
23 to that public school student but *not* for money damages, provided that the
24 student must exhaust the administrative process mandated by Title 17 GCA
25 Chapter 11.”

26 **Section 81.** §1116 of Title 19 GCA is hereby *amended* as follows:

1 (c) The Education *Suruhanu* shall have:

2 (1) Master's Degree in Education, Business, Public
3 Administration, *or* related field from a college *or* university accredited
4 by a accrediting body recognized by the Council on Higher Education
5 Accreditation (CHEA) *or* its successor, *or* an equivalent foreign
6 university. A foreign degree *shall* be equivalent to a degree granted
7 by a college *or* university accredited by a CHEA recognized
8 accrediting body *if* one (1) of the following applies:

9 (a) The degree qualifies the holder for enrollment in a
10 graduate *or* post-graduate program in a college *or* university
11 accredited by a CHEA recognized accrediting body;

12 (b) The degree qualifies the degree-holder for
13 employment in a faculty *or* academic accrediting body;

14 (c) The degree was conferred by a foreign institution
15 recognized by the United States Department of Education when
16 it was conferred;

17 (2) Five (5) years experience in the field of educational
18 leadership, public administration, management, *or* a related field; and

19 (3) Good moral character and no convictions of a felony *or*
20 any crime involving moral turpitude.

21 **§1102. Removal and Termination.** (a) The Board may terminate
22 the Education *Suruhanu* by an affirmative vote of six (6) members, but only
23 for cause. Upon passage of a resolution to terminate, the Chairperson *shall*
24 notify the Education *Suruhanu* of the Board's action in writing and *shall*
25 state expressly therein the grounds for termination. Upon service of said
26 notice, the Education *Suruhanu* *shall* be placed on administrative leave until
27 he is either reinstated *or* terminated and *shall* be replaced by an acting

1 *Suruhanu* appointed by the Board Chairperson. The Board *shall* meet with
2 the terminated *Suruhanu*, in executive session, within three (3) working days
3 after service, to informally discuss the termination. *If* the Board decides to
4 proceed, it *shall* conduct a public hearing on the termination within seven (7)
5 days after its decision. At said hearing, the Board *shall* fully disclose the
6 cause for termination and, at the request of the terminated *Suruhanu*, receive
7 public testimony. The terminated *Suruhanu* may testify.

8 (b) *Only* the following are cause for termination:

9 (1) holding financial interests that conflict with the
10 conscientious performance of job duties;

11 (2) engaging in financial transactions using confidential *or*
12 non-public GPSS information *or* allowing the improper use of such
13 information to further any private interests;

14 (3) solicitation *or* acceptance of any item of value from any
15 person *or* entity seeking official action from, doing business with, *or*
16 conducting activities regulated by GPSS, *or* from persons whose
17 financial interests may be substantially affected by the performance of
18 the *Suruhanu's* duties *or* the functions of GPSS;

19 (4) knowingly making commitments *or* promises that
20 purport to bind GPSS except as permitted by law;

21 (5) using his position for his private gain *or* that of others;

22 (6) failing to disclose waste, abuse and corruption to the
23 appropriate authorities;

24 (7) failing to respect the rights and privacy of others and
25 using his position *or* authority to injure another person for personal
26 reasons *or* malicious purposes;

1 (8) committing fraud *or* misrepresentation in securing his
2 appointment;

3 (9) refusal *or* failure to perform duties mandated by law;

4 (10) unlawful use, possession *or* sale of illegal drugs and
5 alcohol;

6 (11) criminal acts involving moral turpitude;

7 (12) political activity prohibited by law;

8 (13) misuse, misappropriation or theft of government property
9 *or* funds;

10 (14) prohibited acts of discrimination, including sexual
11 harassment; *or*

12 (15) abandonment of his position.

13 **§1103. Term of Office.** The Education *Suruhanu* shall be appointed
14 by the Board and hired by contract for a term of three (3) years, provided
15 that said contract provides that the Education *Suruhanu*'s employment may
16 only be terminated for *cause* pursuant to §1102, supra. The *Suruhanu* may
17 be reappointed for additional terms.

18 **§1104. Salary.** The salary of the Education *Suruhanu* shall be
19 established by a majority vote of the Guam Education Policy Board at the
20 time of his appointment, but shall not exceed Step 4 of a Principal's Salary.
21 During his term of office, the *Suruhanu*'s salary may be increased only by
22 Board resolution *or* by statute. The *Suruhanu*'s salary shall not be reduced
23 during his term of office *except* as part of a government-wide reduction of
24 salaries of all elected officials and appointed officers of the Government.
25 The *Suruhanu* and his staff may participate in any employee benefit *or*
26 retirement plan available to government of Guam employees.

1 **§1105. Powers.** The Education *Suruhanu shall* have the following
2 powers:

3 (a) To investigate complaints made pursuant to Public Law
4 28-45, 'Every Child is Entitled to an Adequate Public Education Act'.

5 (b) To enact, amend and rescind rules and regulations
6 required for the discharge of his duties, including procedures for
7 receiving and processing complaints, conducting investigations and
8 reporting his findings, provided that he *shall* not charge fees for the
9 submission *or* investigation of complaints.

10 (c) To examine the records and documents of the Guam
11 Public School System (GPSS) except those records and documents
12 specifically exempted from inspection because of their confidential
13 nature.

14 (d) To enter and inspect without notice the premises of any
15 GPSS school, office, *or* facility.

16 (e) To subpoena any employee *or* agent of the government
17 of Guam to appear and give sworn testimony *or* to produce
18 documentary *or* other evidence that is material to an inquiry.

19 (f) To administer oaths and affirmations to witnesses.

20 (g) To undertake, participate in *or* cooperate with persons
21 and agencies in such conferences, inquiries, meetings *or* studies as
22 might improve compliance with Public Law 28-45.

23 (h) To obtain such information and make such inquiries from
24 any agency *or* person as required to discharge his duties.

25 (i) To maintain confidentiality with respect to all matters
26 and the identities of the complainants *or* witnesses coming before
27 him.

1 (j) To strengthen procedures and practices that lessen the
2 risk of objectionable administrative acts.

3 (k) To retain legal counsel and to bring civil actions in any
4 appropriate court *or* tribunal to enforce this Chapter.

5 **§1106. Rights of Complainant – Communication with Complainant.**

6 (a) When the Education *Suruhanu* receives a complaint, he *shall* so
7 inform the complainant and *shall, if* asked by the complainant, report
8 to him regarding the status of his investigation.

9 (b) The *Suruhanu shall*, within twenty (20) days after completing
10 an investigation, inform the complainant of his conclusion *or*
11 recommendation, and, *if* appropriate, any action taken *or* to be taken
12 by the agency involved.

13 (c) No person who files a complaint pursuant to this Chapter *shall*
14 be penalized or sanctioned because of the complaint.

15 **§1107. Investigation of Complaints.**

16 (a) The Education *Suruhanu shall* investigate every complaint
17 alleging that an agency's action is:

18 (1) contrary to *or* inconsistent with law, regulation *or* agency
19 practice;

20 (2) based on mistaken facts *or* irrelevant considerations;

21 (3) inadequately explained *or* justified when the reasons for
22 said action should have been revealed;

23 (4) inefficiently performed; *or*

24 (5) unreasonable, unfair *or* otherwise objectionable, even
25 though in accordance with law.

26 (b) The Education *Suruhanu* may decide not to investigate a
27 complaint because:

1 (1) the complainant should pursue another legal remedy,
2 provided that the Education *Suruhanu shall* instruct the complainant
3 in writing as to how to proceed; or

4 (2) the complaint is trivial, frivolous, vexatious *or* not made
5 in good faith;

6 (3) the complaint is too tardy to justify present examination;
7 and

8 (4) the *Suruhanu's* resources are insufficient for adequate
9 investigation, in which he *shall* refer the complaint to the proper
10 legislative committee for investigation.

11 (c) *If* the Education *Suruhanu* declines to investigate a complaint,
12 he may nevertheless review on his own initiative agency actions not
13 included in the complaint that come to his attention.

14 **§1108. Reports.** The Education *Suruhanu shall* report monthly on
15 his activities to *I Maga'lahen Guåhan* and *I Liheslaturan Guåhan*.

16 **§1109. Relation to Other Laws.** This Chapter does not restrict *or*
17 modify any other statute that creates other rights and procedures. The
18 Education *Suruhanu* may act notwithstanding any provision in law that an
19 administrative action *shall* be final *or* unappealable.

20 **§1110. Budget Requirements.** The Guam Public School System
21 *shall* provide the Education *Suruhanu* with the resources needed, including
22 clerical services and office space, to fulfill his duties. A budget request
23 prepared by the Education *Suruhanu shall* be included in the annual GPSS
24 budget submission.

25 **§1111. Severability.** *If* any part of this Chapter *shall* be declared
26 invalid, all other parts *shall* remain in full force and effect; the provisions of
27 this Chapter are severable.”

1 **Section 83.** Item (o) of § 3103 of Article 1 of Chapter 3 of Title 17 of the
2 Guam Code Annotated is hereby *amended* to read:

3 “(o) **Adequate Public Education Reporting Requirements.** The
4 Superintendent of Education *shall* submit a monthly report of all funds
5 available to the Guam Public School System, whether *or* not their resources
6 require appropriations by *I Liheslaturan Guåhan*. The report *shall* also
7 contain a detailed accounting of all expenditures of funds relating such
8 expenditures to the criteria established in Title 1 GCA §715 and the status of
9 compliance with the Adequate Education Act. The report is to be completed
10 *no later than* fifteen (15) calendar days after the end of each month and *shall*
11 be certified by the Superintendent acknowledging compliance with Title 1
12 GCA §715 and in meeting the objectives of §3125 of this Chapter. The
13 report *shall* be submitted to the Guam Education Policy Board, the Speaker
14 of *I Liheslaturan Guåhan* and *I Maga’lahen Guåhan*.”

15 **Section 84. GPSS Management Audit.** Item (q) of Title 17 GCA, Chapter
16 3, §3103 is *amended* to read:

17 “(q) Conduct periodic assessments and management and curriculum
18 audits of the Guam Public School System for the following purposes:

19 (1) To ascertain whether the System is providing an adequate
20 public education as defined by Title 1 GCA §715;

21 (2) To evaluate the effectiveness of GPSS administrators in
22 implementing board policy and in fulfilling assigned objectives;

23 (3) To evaluate the effectiveness of GPSS instructional
24 personnel and their ability to meet curriculum goals; and

25 (4) To recommend alternatives to correct systemic
26 deficiencies and to improve the ability of GPSS personnel to fulfill
27 assigned objectives.

1 Said audits *shall* also identify and assess deficiencies in GPSS
2 organizational structure; compliance with federal and local laws and with
3 board policies; physical and operational security; workflow designs and
4 management; internal controls; staffing levels and competencies;
5 management levels and competencies; management practices; training
6 standards and practices; adequacy of facilities; physical plant management;
7 technical and administrative infrastructure; redundancy of systems and
8 procedures; productivity and quality standards; recruitment, certification
9 training of teachers, and recruitment, training and staff development. Said
10 audits *shall* be conducted at intervals determined by the Guam Education
11 Policy Board of *not less than* three (3) years and *no more than* five (5) years.

12 The Guam Education Policy Board *shall* solicit audit proposals for
13 said audits both locally and nationally. The Board *shall* create and maintain
14 a list of qualified auditing firms that specialize in management and
15 curriculum audits of schools and school districts. The Board *shall* transmit
16 Requests for Proposals to all known qualified auditing firms and solicit
17 through local and national publications.”

18 **Section 85.** (a) Of the sum appropriated in Section 28, Part II of Chapter V
19 to the Government of Guam Retirement Fund, Seven Hundred Fifty Thousand
20 Dollars (\$750,000) *shall* be transferred to the Department of Mental Health and
21 Substance Abuse to supplement its operations for Fiscal Year 2008.

22 (b) The sum of Seven Hundred Fifty Thousand Dollars (\$750,000) from the
23 appropriations contained in Section 1(a) of Part III of Chapter III of this Act *shall*
24 be used for the operations and support of the Child Mental Health Initiative
25 Program, *I Famagu'on-ta* System of Care, to support children and adolescents
26 under twenty-two (22) years of age with serious emotional disturbances and their
27 families.

1 **Section 86. HLATTE Program.** From the appropriations made to the
2 University of Guam contained in Section 1(a), Part II, Chapter II of this Act, the
3 sum of Sixty-five Thousand Four Hundred Eleven Dollars (\$65,411.00) *shall* fund
4 the Center of Excellence in Management in Health for the Pacific at the University
5 of Guam, known as "HLATTE", for FY 2008. The appropriations made to support
6 this program in Public Law 28-150, as *amended* by Public Law 29-02, *shall* not
7 lapse and *shall* continue until expended.

8 **Section 87.** Title 5 GCA §5212(c) is hereby *amended* to read:

9 “(c) **Release of Bid Security.** The bid security required above
10 under any applicable Invitation for Bid *shall* not be released upon award of
11 the bid, but instead *shall* continue in full force and effect until delivery of the
12 supplies or services required by any contract awarded to contractor under the
13 associated Invitation for Bid is completed, *except* that the bid security for a
14 lease of real property *shall* be released upon the government’s execution of
15 the lease and taking possession of the property. The Director of
16 Administration *shall* review all bid security for existing leases and *shall*
17 release said bid security if a lessor is in compliance with the lease.”

18 **Section 88. Freedom of Information Posted on the Internet.** §10305 of
19 Chapter 10, Title 5 GCA is hereby *amended* as follows:

20 “**§10305. Homepage for Each Department or Agency of**
21 **Government.** Every department *or* agency of the Executive Branch of the
22 government of Guam, inclusive of all autonomous agencies, the Guam
23 Public School System, the Guam Visitors Bureau, the Guam Economic
24 Development and Commerce Authority, the Guam Waterworks Authority
25 and the Guam Power Authority, *shall* develop and post on the Internet a
26 homepage *or* website. Each homepage *or* website *shall* be designated as the
27 official website *or* homepage for such department, agency, autonomous

1 agency or public corporation and no information posted thereon *shall* be
2 restricted by user status, passwords, or the assessment of dues, membership
3 fees or registration fees. This Section, and §10306 of this Chapter *shall*
4 apply to *I Liheslaturan Guåhan* as a single agency and the Judiciary of
5 Guam as a single agency.

6 (b) All finalized reports, studies, and plans initiated, contracted for or
7 conducted by any department or agency, except criminal investigative and
8 security-related reports, studies, and plans, *shall* be posted on the agency
9 Homepage. By January 1, 2008, copies of all such reports, studies, and
10 plans held in the records of all departments and agencies *shall* be posted on
11 the agency Homepage.”

12 **Section 89. Limited-Term Appointment Moratorium.** Section 37 of this
13 Chapter *shall* not apply to the Jose D. Leon Guerrero Commercial Port.

14 **Section 90.** *I Maga'lahaen Guåhan* may transfer funds saved because of
15 changes in coverage by active employees to the Government of Guam Retirement
16 Fund to supplement the payment of Retiree group health and dental insurance
17 premiums.

18 **Section 91. Department of Public Health and Social Services.** Of the
19 sum appropriated in Section 28 of this Chapter to the Government of Guam
20 Retirement Fund, Three Million One Hundred Three Thousand Four Hundred
21 Sixty Dollars (\$3,103,460) *shall* be transferred to the Department of Public Health
22 and Social Services for its operations for Fiscal Year 2008.

23 **Section 92. Authorization to Pay for Prior Years' Medicare**
24 **Reimbursement.** The Government of Guam Retirement Fund *shall* use the
25 appropriation contained in subsection (h) of Section 1 of Part II of Chapter V of
26 this Act to pay:

1 (a) The sum of Thirty-two Thousand Dollars (\$32,000) to fund the
2 shortfall of the FY 2007 Medicare Reimbursement.

3 (b) The sum of Twenty-three Thousand Dollars (\$23,000) to fund
4 the shortfall of the FY 2006 Medicare Reimbursement.

5 **Section 93.** Of the sum appropriated to the Department of Administration
6 (DOA) for training of Government Accountants in Section 22 of Part II of Chapter
7 V of this Act, the sum of Ten Thousand Dollars (\$10,000) *shall* be used for the
8 DOA's Division of Training and Development for training equipment, replacement
9 of damaged chairs and tables, and repair of its training room. This appropriation
10 *shall* not be subject to *I Maga'lahi's* transfer authority.

11 **Section 94.** *I Maga'lahaen Guåhan shall* transfer, pursuant to the transfer
12 authority provided by this Act, Ninety-six Thousand Dollars (\$96,000) from FY
13 2008 General Fund Executive Branch appropriations to the Guam Fire Department
14 for the pay differentials of firefighters trained at EMT-I Level, in order to
15 implement Public Law 28-54.

16 **Section 95. Guam Education Policy Board *Shall* Re-apportion.** The
17 Guam Education Policy Board *shall* perform the duties required by Title 17 GCA
18 §3113(d) for the 2000 census no later than March 31, 2008.

19 **Section 96. Volunteer Transfer of Annual Leave.** §4109.2(b) of Chapter
20 4 of Title 4 of the Guam Code Annotated is hereby *amended* to read:

21 **“(b) Voluntary Transfer of Sick Leave or Annual Leave.** *If* a
22 government of Guam employee desires to transfer a number of hours of
23 earned sick leave *or* annual leave to another employee in any department *or*
24 agency of the government, the recipient must first exhaust all his accrued
25 annual and sick leave and compensatory time for the purposes of a medical
26 emergency *or* for personal reasons. Leave transferred from donors whose
27 hourly rates of pay *or* salaries are lower than the recipient *shall* be paid at

1 the hourly rate *or* salary of the donor. Leave transferred from donors whose
2 hourly rates of pay *or* salaries are higher than the recipient, *shall* be paid at
3 the hourly rate *or* salary of the recipient. A formal written request *shall* be
4 made by the donor employee to that person's payroll supervisor, stating the
5 name of the recipient, the number of hours of leave to be transferred and the
6 type of leave. No transfer may be made by any employee to that person's
7 supervisor, *or* to any person above that employee in the supervisory chain,
8 *or* to a member of the supervisor's *or* such supervisory person's immediate
9 family. *If* the donor has sufficient hours of leave accrued to cover the
10 donation, the payroll supervisor *shall* notify the Payroll Division to transfer
11 the approved number of hours to the recipient. Upon receipt of the notice of
12 transfer, the receiving employee may then submit a leave request for the
13 number of hours of leave, sick *or* annual, that the employee needs and the
14 department head *shall* then approve the leave request. Leave may not be
15 transferred to another employee *if* as a recipient that employee intends to use
16 it for credit towards retirement *or* accumulated leave. This transfer of leave
17 *shall* be strictly on a voluntary basis. Leave transferred *shall* be used as
18 leave by the person to whom it is transferred, and *if* it is not used in its
19 entirety, it may be re-transferred to the person who originally earned it. In
20 no event *shall* transferred leave be converted to cash *or* retirement credit by
21 the person to whom it is transferred. Participation in the leave sharing
22 program *shall not exceed* ninety (90) working days, *shall* require a
23 certification from the attending medical doctor that the recipient of the leave
24 needs additional time for medical treatment *or* recovery from a medical
25 illness and is physically unable to return to work due to the medical illness.
26 An additional ninety (90) working days may be granted upon similar
27 certification from the attending medical doctor made within two (2) weeks

1 of the first ninety (90) day period. A final period of thirty (30) working days
2 may be granted upon an additional certification from the attending medical
3 doctor that additional time is needed for recovery.

4 (1) Employees of the government of Guam *shall* not transfer
5 their unused annual leave *or* sick leave to another employee in
6 exchange for any money, favors, *or* items of value. Employees
7 who transfer or receive annual *or* sick leave in violation of this
8 provision *shall* be guilty of official misconduct pursuant to Title
9 9 GCA §49.90.

10 (2) This provision *shall* apply to all government employees
11 in the classified, appointed, elected, and unclassified positions,
12 and all branches of the government of Guam, including line
13 departments and agencies, autonomous agencies, public
14 corporations, and all other government instrumentalities.”

15 **Section 97.** The appropriation in Section 24 of Chapter IV, Part II of P.L.
16 28-150, *shall* not lapse and shall continue until all sums appropriated therein are
17 expended. The Mayor of Agat may use said funds to repair and maintain the Agat
18 Basketball Court and adjacent restroom facility.

19 **Section 98. Expenditure of Public Funds for Landfill. (a) Legislative**
20 **Findings and Intent.** *I Liheslaturan Guåhan* finds that the government’s proposed
21 landfill site identified as *Dandan or Layon* is privately owned and that the
22 government of Guam, upon final selection thereof, must purchase it. Failure to
23 acquire the property before the government solicits a landfill design specific to that
24 site will increase the market value of the property.

25 *I Liheslaturan Guåhan* additionally finds that a site-specific fiscal
26 plan must be prepared that describes all the costs of the landfill project, including
27 property acquisition; site mitigation requirements; infrastructure needs such as

1 power, water, wastewater and roadways; construction of the landfill itself; and a
2 detailed personnel budget. Therefore, *I Liheslaturan Guåhan* intends to save
3 millions of dollars by ensuring that the government acquires the property for a new
4 landfill before making site-specific expenditures and to determine the total cost of
5 constructing a landfill and preparing it for use.

6 **(b) Prohibition on Expending Public Funds.** All government of Guam
7 agencies, departments, bureaus, boards, commissions, public corporations,
8 autonomous and semi-autonomous agencies, including the A. B. Won Pat
9 International Airport Authority, Guam, the Guam Power Authority, the Guam
10 Housing and Urban Renewal Authority, the Guam Housing Corporation, the Guam
11 Economic Development and Commerce Authority, the Guam Memorial Hospital
12 Authority, the University of Guam, the Jose D. Leon Guerrero Commercial Port,
13 the Guam Waterworks Authority, the Government of Guam Retirement Fund, and
14 the Guam Visitors Bureau, and all other government instrumentalities, *shall* not
15 expend funds on site-specific preparation, design work, mitigation, infrastructure
16 upgrade *or* installation, *or* construction of a new landfill, *unless* the government of
17 Guam has acquired and recorded fee simple ownership of the property in question.

18 **(c)** Within sixty (60) days of the effective date of this Act, the Director of
19 Public Works *shall* submit to *I Maga'lahaen Guåhan* and *I Liheslaturan Guåhan* a
20 financing plan enumerating in detail all costs associated with the new landfill,
21 including, but *not limited to*:

- 22 (1) purchase of the property;
- 23 (2) environmental mitigation within the landfill footprint, buffer
24 zone, and other affected areas, including, *but not limited to*, water
25 sources, rivers, streams, tributaries, wetlands, surface water, ground
26 water, drainage, and erosion;

1 (3) infrastructure needs, including, *but not limited to*, power, water,
2 wastewater and roadways, including climbing lanes for trucks,
3 mitigation of blind-curves and other hazards, shoulder widening,
4 roadway widening, addition of new traffic lanes, traffic management,
5 drainage and storm drainage improvements, access and utility roads,
6 upgrading road markings and signage, and upgrading bridges;

7 (4) landfill construction; and

8 (5) annual landfill operation and maintenance costs.

9 (d) The Director of Public Works, the Administrator of the Guam
10 Environmental Protection Agency, and any other head of an executive
11 branch *or* agency that has expended funds on a new landfill *shall*, within
12 thirty (30) days of passage of this Act, submit a report regarding the purpose,
13 amount and source of that expenditure to the Speaker of *I Liheslatura*
14 *Guåhan*.

15 **Section 99. Guam State Clearinghouse.** (a) Title 5 Guam Code Annotated
16 §2101.1(e) is *amended* to read as follows:

17 “(e) Perform cost analysis on all Federal aid programs, grants, loans,
18 contracts, contributions, advances, direct Federal development *or* other
19 Federal funding for the financial impact on the government of Guam’s
20 General Fund *or* special funds used to fund the local matching requirement
21 as prescribed by Federal law; and the financial impact on the government of
22 Guam of continuing the Federal program by the government of Guam *if* the
23 Federal funding expires. Said analysis *shall* describe the indirect costs the
24 grantee is eligible for, the amounts applied for and received from each grant,
25 the previous year’s funding level and funding estimate for future years. Said
26 analyses *shall* be performed as an integral part of the state clearinghouse
27 process and submitted to the Speaker of *I Liheslaturan Guåhan*, the

1 Chairperson of the Special Accounting Service, the Chairperson of the
2 Special Economic Service and the Director of the Bureau of Budget and
3 Management Research within fifteen (15) days after completion. The cost
4 analyses required hereby *shall* be included in *I Maga'lahi's* Executive
5 Budget request pursuant to Title 5 GCA §4107(b).”

6 (b) Title 5 Guam Code Annotated §2101.1(g) is *repealed*.

7 **Section 100. Approval of Rules and Regulations by the Department of**
8 **Public Works relative to the Recycling Revolving Fund.** Notwithstanding
9 Section 9301, Chapter 9 of Title 5 GCA, *I Liheslaturan Guåhan* hereby approves
10 and enacts into law the rules and regulations promulgated by the Department of
11 Public Works as detailed in Attachment B of this Act in their entirety, pursuant to
12 Section 51507(c) of Article 5, Chapter 51, Title 10 GCA relative to the Recycling
13 Revolving Fund.

14 **Section 101. Continuing Appropriation for *I Liheslaturan Guåhan*.** The
15 unexpended balance of funds appropriated to *I Liheslaturan Guåhan* for Fiscal
16 Year 2007 *shall* not lapse and is available to *I Liheslaturan Guåhan* for
17 expenditures in Fiscal Year 2008.

18 **Section 102. Continuing Appropriation for the Office of Finance and**
19 **Budget.** The unexpended balance of funds appropriated to *I Liheslaturan Guåhan*
20 for the Office of Finance and Budget for Fiscal Year 2007 *shall* not lapse and is
21 available to *I Liheslaturan Guåhan* for the Office of Finance and Budget for
22 expenditures in Fiscal Year 2008.

1 **(b)** The director of any government agency receiving funds pursuant to this
2 Act, regardless of the source of the agency's appropriations and revenue, *shall*
3 have his gross salary per pay period and the gross salaries per pay period of his
4 deputy and Chief Financial Officer reduced by twenty percent (20%) for the
5 remainder of the Fiscal Year 2008 for failing to comply with any reporting
6 requirements mandated by this Chapter. Copies of any personnel actions
7 evidencing said salary reductions *shall* be provided to the Speaker of *I Liheslatura*,
8 and the Public Auditor and posted on the agency's website. Beginning with the
9 first quarter of Fiscal Year 2008, the Public Auditor *shall* notify all directors of
10 their responsibility under this Section three (3) days before the end of each quarter.
11 The Public Auditor *shall* prepare a memorandum attesting to a failure to comply
12 that caused a salary reduction pursuant hereto for placement in each of the
13 aforementioned officials' respective personnel files. For the purposes of this
14 Section, a director *shall* include the head of a department, agency, autonomous
15 agency, semi-autonomous agency, *or* public corporation, including, *but not limited*
16 to, the Superintendent of Education, the President of the University of Guam, the
17 President of Guam Community College, the General Manager of the Guam
18 Educational Telecommunications Corporation, the Director of the Guam Public
19 Library System, the Executive Director of the Mayors Council of Guam, the
20 Executive Director of *I Liheslaturan Guåhan* and the Administrator of the Courts
21 of Guam.

22 Any official who undergoes a reduction in salary pursuant hereto and who is
23 transferred to a position in another department, agency, *or* instrumentality of the
24 government of Guam that has a greater gross salary per pay period, *shall* not be
25 paid a salary greater than the reduced salary resulting from the application of this
26 Section for the remainder of Fiscal Year 2008.

1 **Section 3. Authorization for Matching Requirements for Federal**
2 **Grants-In-Aid.** All departments are authorized to expend funds appropriated in
3 this Act for matching requirements of Federal grants.

4 **Section 4. Carryover of Local and Federal Matching Program Funds**
5 **for Grants.** The Local and Federal Matching Funds for programs whose
6 expiration dates extend *beyond* September 30, 2007 *shall* not lapse and may be
7 expended throughout the period of the grant award.

8 **Section 5. Federal Reimbursements.** *Except* as provided by Title 12
9 GCA §5104(38), *if* the government of Guam expends any funds that are
10 subsequently reimbursed by the Federal Government, the reimbursement *shall* be
11 promptly deposited in the General Fund or the Special Fund from which the
12 expenditure was made.

13 **Section 6. Reporting Requirements for Non-Profit Organizations.**
14 All non-profit organizations that receive funds pursuant to this Act *shall* maintain
15 financial records that accurately account for said funds and *shall* provide a
16 budgetary breakdown by object category to the department *or* agency that oversees
17 the appropriation. The non-profit organization *shall* also provide to said
18 department:

19 (a) A quarterly report describing its activities during the reporting
20 period and the results it achieved *no later than* twenty (20) days after
21 the end of each quarter;

22 (b) Notification of all procurement of equipment and services of
23 Five Thousand Dollars (\$5,000) *or* more prior to awarding the
24 contract therefor;

25 (c) Access to the overseeing department *or* agency's duly
26 authorized representative, and Government of Guam auditors, to
27 appropriate records for the purpose of audit and examination of books,

1 documents, papers and records of funds expended under the
2 appropriation;

3 (d) Submission of a detailed inventory listing of each year's
4 purchases, as certified by its certifying officer; and

5 (e) A Final Report to the overseeing department *or* agency for
6 submission to *I Liheslaturan Guåhan* containing a full disclosure of
7 all expenditures of funds appropriated by this Act *no later than*
8 November 15, 2008. The overseeing department *or* agency *shall* post
9 the same on its website.

10 (f) Non-compliance with these reporting requirements will subject
11 the non-profit organization to a three percent (3%) reduction of its
12 appropriation(s) and the overseeing agency's contract with the
13 organization *shall* so provide.

14 **Section 7. Appropriations from the Guam Contractors License**
15 **Board Fund and Professional Engineers, Architects and Land Surveyors**
16 **Board Fund to revert to the General Fund for Fiscal Year 2008.** At the end of
17 Fiscal Year 2008, any unexpended *or* unencumbered appropriations to the Guam
18 Contractors License Board (GCLB) Fund and the Professional Engineers,
19 Architects and Land Surveyors (PEALS) Board Fund *shall* revert to the General
20 Fund. Any revenues collected in excess of the appropriations to these funds *shall*
21 revert to the General Fund.

22 **Section 8.** *Unless* otherwise specified in this Act:

23 (a) **General Fund Reversion.** All unexpended *or* unencumbered
24 appropriations made from the General Fund pursuant to this Act *shall* revert
25 to the General Fund on the last day of Fiscal Year 2008;

26 (b) **Tourist Attraction Fund Reversion.** All unexpended *or*
27 unencumbered appropriations made from the Tourist Attraction Fund

1 pursuant to this Act *shall* revert to the Tourist Attraction Fund on the last
2 day of fiscal year 2008.

3 (c) **Healthy Futures Fund Reversion.** All unexpended *or*
4 unencumbered appropriations made from the Healthy Futures Fund pursuant
5 to this Act *shall* revert to the Healthy Futures Fund on the last day of fiscal
6 year 2008.

7 **Section 9. Restriction on the Home Use of Government of Guam**
8 **Vehicles.** Except when *expressly* permitted by Title 4 GCA §1103(c), *no*
9 government of Guam owned, leased *or* rented vehicles may be driven home by an
10 employee *unless* such employee is on call as an emergency first responder.

11 **Section 10. Temporary Moratorium on Tax and Fee Increases.**

12 (a) The government of Guam *shall* impose *no* tax increases without
13 the approval of the voters of Guam in a referendum.

14 (b) The government of Guam *shall* impose *no* fee increases unless
15 it proceeds according to Chapter 9 of Title 5 of the Guam Code Annotated,
16 Administrative Adjudication Law.

17 **Section 11.** Item (1) of §22425(k) of Chapter 22, Title 5 GCA is hereby
18 *amended* as follows:

19 “(1) On a day when monies are remitted from the General Fund to any
20 trustee, co-trustee *or* paying agent for the bonds to either pay the principal of
21 and interest on the bonds issued for the capital project described in
22 subsection (m) item (5) or to accumulate the amounts necessary to pay the
23 principal of *or* interest on said bonds, there *shall* immediately be transferred
24 from the University of Guam (UOG) Bond Fund to the General Fund an
25 amount equal to, but not in excess of, the amount remitted from the General
26 Fund. *If* the amount so transferred is not sufficient to fully reimburse the
27 remittance, the amount of the deficiency *shall* be transferred immediately as

1 it becomes available in the UOG Bond Fund, together with interest from the
2 remittance date to the date of transfer at a rate equal to the yield on the
3 bonds. Such transfers *shall* continue until November 15, 2018 *or* until a date
4 mutually agreed upon by the University of Guam and *I Maga'lahaen Guåhan*.
5 Payments pursuant hereto made from the UOG Bond fund *shall* be adjusted
6 downwards to reflect the interest rates of refinanced bonds *if* said interest
7 rates are lower.”

8 **Section 12.** Items (2), (3) and (4) of §13109(a) of Title 2 GCA, Chapter 13
9 is hereby *amended* as follows:

10 “(2) On January 30, 2008 and July 1, 2008, and on a semiannual basis
11 thereafter, the impact of federal expenditures, including projections of
12 federal expenditures on Guam, on Guam’s economic growth, employment,
13 tax revenues, and other variables, for the next year compared with the
14 previous five (5) years; identify significant federal expenditures *or* potential
15 expenditures on Guam affecting military bases, installations, active duty and
16 retired military personnel within Guam, as well as any impact of the changes
17 in these expenditures. Such information *shall* be compiled in a report,
18 certified by a majority of the members of the Special Economic Service, and
19 submitted to the Speaker of *I Liheslaturan Guåhan*;

20 (3) On January 30, 2008 and July 1, 2008, and on a semiannual basis
21 thereafter, the impact of tourism expenditures on Guam’s economy and
22 employment, including projections of tourism expenditures on Guam, on
23 Guam’s economic growth, employment, tax revenues, and other variables,
24 for the next year compared with the previous five (5) years; identify
25 significant tourism expenditures *or* potential expenditures coming into
26 Guam affecting tourism as well as the impact of the changes in these
27 expenditures. Such information *shall* be compiled in a report, certified by a

1 majority of the members of the Special Economic Service, and submitted to
2 the Speaker of *I Liheslaturan Guåhan*; and

3 (4) Long-range forecasts of revenues and expenditures for each of the
4 five (5) years immediately beyond the budget year. Such information *shall*
5 be compiled in a report, certified by a majority of the members of the
6 Special Economic Service and submitted to the Speaker of *I Liheslaturan*
7 *Guåhan*.”

8 **Section 13.** Notwithstanding Section 9 of Chapter VI of this Act, *I*
9 *Maga’lahen Guåhan* is authorized to transfer *not more than* fifteen percent
10 (15%) of the Fiscal Year 2008 General Fund appropriations made to the
11 Office of the Attorney General, the University of Guam, the Guam
12 Community College, the Guam Public School System, and the Guam Public
13 School Systems Operations Fund. *I Maga’lahen Guåhan shall* provide a
14 monthly report to the Speaker of *I Liheslaturan Guåhan* on all transfers
15 made pursuant to this Section during the previous month. Said report *shall*
16 include, but not be limited to, amounts transferred, agencies or special funds
17 from which funds are transferred to or from, and the reason for the transfer.

18 **Section 14.** Heads of the departments and agencies that receive bond
19 proceeds pursuant Title 5 GCA §22435(k) to *shall* report to *I Liheslaturan*
20 *Guåhan* regarding the expenditure of said funds thirty days after the end of
21 every fiscal quarter and *shall* provide a close-out to *I Liheslaturan Guåhan*
22 upon the completion of projects listed in that subsection. *If* such proceeds
23 are not sufficient to complete the project, the agency head *shall* advise *I*
24 *Liheslaturan Guåhan* in writing regarding the amount of funds necessary for
25 completion.

1 per annum. The annual debt service for any of the government of Guam
2 General Obligation Bonds, 1993 Series A, to remain outstanding, together
3 with the annual debt service on the bonds authorized by this Section, for any
4 given year *shall* not exceed the aggregate annual debt service for said bonds
5 for the previous year or the next succeeding year by more than one percent
6 (1%); provided that no repayment of principal of the bonds authorized by
7 this Section *shall* be required during the first two (2) years after their
8 issuance.

9 **(c) Valid and Binding General Obligations.** The bonds
10 authorized by this Section *shall* constitute valid and binding general
11 obligations of the government of Guam. The government of Guam pledges
12 its full faith and credit for the punctual payment of both the principal and
13 interest on the bonds. There *shall* be collected annually, in the same manner
14 and at the same time as government revenue for other purposes is collected,
15 a sum adequate to pay the principal of and interest on the bonds. All officers
16 charged by law with any duty in the collection of government revenues from
17 which debt service on the bonds will be paid *shall* do every lawful thing
18 necessary to collect such sum. The validity of said bonds shall *not* be
19 affected by the validity *or* regularity of any proceedings for the payment of
20 the General Fund expenses paid *or* to be paid with bond proceeds.

21 **(d) Appropriations from the General Fund.** There is hereby
22 appropriated from the General Fund an amount sufficient to pay the
23 principal and interest on said bonds.

24 **(e) Additional Bonds.** Nothing herein *shall* be construed to
25 prohibit the government of Guam from issuing, after appropriate enabling
26 legislation, other obligations of the government secured by the general
27 obligation of the government on a parity with *or* subordinate to the bonds

1 authorized hereby on such terms as are created by the bond indenture *or*
2 certificate. Nothing herein *shall* be construed to prohibit the government of
3 Guam from issuing, after appropriate enabling legislation, other obligations
4 of the government secured by Real Property Tax Revenues.

5 **(f) Waiver of Immunity; Submission to Jurisdiction.**

6 Notwithstanding Chapter 6 of Title 5 Guam Code Annotated, the
7 government of Guam hereby waives immunity from any suit *or* action in
8 contract based on the said bonds, but does *not* waive immunity regarding the
9 personal liability of elected officials and employees of the government of
10 Guam. Any such action may be brought in the District Court of Guam.

11 **(g) No Personal Liability.** *No* employee *or* elected official of the

12 government of Guam *shall* be personally liable for the payments due on the
13 bonds issued pursuant hereto, *or* for any other liability arising in connection
14 with the bonds; provided that nothing herein relieves any employee *or*
15 elected official from the performance of a ministerial duty required by law.

16 **(h) Form of Bonds; Covenants; Appointment of Fiduciaries.**

17 The technical form and language of the bonds, including provisions for
18 execution, exchange, transfer, registration, paying agency, lost *or* mutilated
19 bonds, negotiability, cancellation and other terms *or* conditions *not*
20 inconsistent with this Section, including covenants relating to the collection
21 of revenues, *shall* be as specified in the certificate *or* indenture executed by
22 *I Maga'lahaen Guåhan* authorizing issuance of the bonds. The Trustees on
23 the prior bonds *shall* remain as Trustees on the refunding bonds. The
24 Trustee, Co-Trustee or other fiduciaries are authorized to receive and hold in
25 trust the proceeds of the bonds, the revenues and other moneys relating
26 thereto, to protect the rights of bondholders and to perform such other duties
27 as may be specified by the certificate or indenture.

1 *I Maga'lahaen Guåhan* may execute, on behalf of the government of
2 Guam, any appropriate agreements, certificates *or* other instruments relating
3 to the bonds and the sale of bonds.

4 **(i) Authorization for Credit Enhancement.** *I Maga'lahaen*
5 *Guåhan* is authorized to enter into such contracts *or* agreements with such
6 banks, insurance companies *or* other financial institutions as he determines
7 are necessary *or* desirable to improve the security and marketability of the
8 bonds issued under this Section. Such contracts *or* agreements may contain
9 an obligation to reimburse, with interest, any such bank, insurance company
10 *or* other financial institution for advances it makes to pay the principal of *or*
11 interest on the bonds and to indemnify any such bank, insurance company *or*
12 other financial institution for costs and expenses incurred in connection with
13 any such advance. Any such reimbursement obligation and any other
14 obligations of the government under such contracts or agreements *shall* be
15 general obligations of the government of Guam and any such advance, *if*
16 necessary, *shall* be treated for Organic Act purposes as creating an
17 obligation issued to refund the bonds.

18 **(j) Use of Proceeds from the Sale of the Bonds.** The proceeds
19 from the sale of the bonds *shall* be used and are hereby appropriated to (1)
20 refinance the General Fund obligations and to fund the capital projects and
21 other purposes described in subsection (k) hereof; (2) establish necessary
22 reserves; (3) pay expenses relating to the authorization, sale and issuance of
23 the bonds, including, without limitation, printing costs, costs of reproducing
24 documents, credit enhancement fees, underwriting, legal, financial advisory
25 and accounting fees and charges, fees paid to banks or other financial
26 institutions providing credit enhancement, costs of credit ratings and other
27 costs, charges and fees in connection with the issuance, sale and delivery of

1 the bonds; and (4) fund capitalized interest on the bonds issued for the
2 purposes described in subsection (k)(1) hereof for a period ending *not later*
3 *than* thirty (30) months from the receipt of proceeds.

4 (k) **Use of Proceeds of Bonds.** The proceeds of said bonds are
5 appropriated as follows:

6 (1) to fund an escrow account to pay debt service on all *or* a
7 portion of the Government of Guam General Obligation Bonds, 1993
8 Series A.

9 (2) **Twenty-nine Million Five Hundred Four Thousand**
10 **Dollars (\$29,504,000)** to fund the capital expense items and capital
11 improvement projects of the Guam Public School System needed to
12 comply with the *Every Child is Entitled to an Adequate Public*
13 *Education Act* as listed in **Attachments A and A-1.**

14 (3) **Sixteen Million Dollars (\$16,000,000)** to fund payments
15 to COLA Class awardees as ordered by the Judgment in *Rios v.*
16 *Camacho*, Superior Court Case No. SP0206-93.

17 (4) **Twenty-one Million One Hundred Ninety-six**
18 **Thousand Dollars (\$21,196,000)** to fund past due Income Tax
19 Refunds.

20 (5) **Two Million Six Hundred Forty Thousand Dollars**
21 **(\$2,640,000)** to fund capital improvement projects of the Guam
22 Memorial Hospital and **Three Hundred Sixty Thousand Dollars**
23 **(\$360,000)** for the University of Guam to fund renovations and
24 expansion of the Nursing/Health Science Building.

25 (6) **Two Million Dollars (\$2,000,000)** to meet obligations
26 imposed by the Permanent Injunction (District Court of Guam CIV01-
27 00041) on the Department of Integrated Services for Individuals with

1 Disabilities, provided that said funds *shall* only be made available to
2 the Department if the District Court approves its revised Guam
3 Comprehensive Integration Plan.

4 (7) **Four Million Dollars (\$4,000,000)** to meet obligations
5 imposed by the Permanent Injunction (District Court of Guam CIV01-
6 00041) on the Department of Mental Health and Substance Abuse,
7 provided that said funds *shall* only be made available to the
8 Department *if* the District Court approves its revised Guam
9 Comprehensive Integration Plan.

10 (8) **One Million Dollars (\$1,000,000)** to fund the
11 assessment of real property by the Department of Revenue and
12 Taxation pursuant to §§24306 and 24307 of Article 3, Chapter 24,
13 Division 2 of Title 11 GCA in Fiscal Year 2008.

14 (9) **Three Hundred Thousand Dollars (\$300,000)** to the
15 Guam Public School System for school water tanks and water
16 fountains.

17 (10) The remaining balance of the bond proceeds *shall* be
18 used first to fund up to **Two Million Dollars (\$2,000,000)** for the
19 Department of Law's APASI system and second to fund the capital
20 and operating expenses of the Guam Memorial Hospital.

21 (l) **Permitted Investments.** The proceeds of the bonds and any
22 revenues from the such bonds *shall* be invested *only* in investments
23 authorized by the certificate *or* indenture pursuant to which the bonds are
24 issued.

25 (m) **Approval by the Guam Economic Development and**
26 **Commerce Authority.** *No* bonds authorized by this Section *shall* be sold

1 until the Board of Directors of GEDCA has adopted a resolution approving
2 the sale.

3 **(n) Approval of Voters Not Required.** Notwithstanding Title 3
4 Guam Code Annotated §§17311 and 17312, the issuance of the bonds
5 authorized hereby shall *not* be subject to the approval of the voters of
6 Guam.”

7 **Section 2. Territorial Educational Facilities Fund Amendment.**

8 Subsection (l) of §22425, Chapter 22 of Title 5 Guam Code Annotated, is hereby
9 *amended* to read as follows:

10 **“(l) Territorial Educational Facilities Fund.** There is continued
11 in existence, separate and apart from other funds of the government of
12 Guam, a fund known as the 'Territorial Educational Facilities Fund' (the TEF
13 Fund). The TEF Fund shall *not* be commingled with the General Fund *or*
14 any other fund of the government of Guam. The TEF Fund *shall* be held in
15 an account *or* accounts at a Guam financial institution *or* institutions
16 separate and apart from all other accounts and funds of the government of
17 Guam. All real property tax revenues received by *or* on behalf of the
18 government of Guam pursuant to §24103, Title 11, Guam Code Annotated,
19 *shall* be deposited in the TEF Fund and *shall* be accounted for and used
20 periodically *only* for the following purposes and in the following order:

21 (1) On the dates on which monies are remitted from the
22 General Fund to any trustee, co-trustee *or* paying agent for bonds
23 issued pursuant to this Section *or* pursuant to §22435, Chapter 22 of
24 Title 5 Guam Code Annotated, for the purpose of either (A) paying
25 the principal of and interest on the bonds designated as having been
26 issued for the capital projects enumerated in items (1), (2), (3), (4),
27 (6), (7) and (8) of subsection (m) of this Section, *or* paying the

1 principal of and interest on the bonds issued pursuant to §22435,
2 Chapter 22 of Title 5 Guam Code Annotated, *or* (B) accumulating the
3 amounts necessary to pay the principal of *or* interest on such bonds,
4 there *shall* be transferred from the TEF Fund to the General Fund
5 amounts equal to, but *not* in excess of, the amounts remitted from the
6 General Fund for such purposes, and in the event that the amount so
7 transferred on any such date is insufficient to fully reimburse the
8 amount so remitted, the amount of the insufficiency *shall* be
9 transferred as soon thereafter as it becomes available in the TEF Fund,
10 together with interest from such remittance date to such date of
11 transfer at a rate equal to the yield on the bonds.

12 (2) On the dates on which monies are transferred to the
13 General Fund pursuant to paragraph (1) of this subsection (1) of this
14 Section, *if* such transfer is sufficient to fully reimburse the General
15 Fund, (with interest, *if* required), the balance remaining in the TEF
16 Fund *shall* remain in the TEF Fund and shall *only* be appropriated by *I*
17 *Liheslatura* for the purpose of constructing, refurbishing, replacing
18 and funding educational facilities and to fund the operations of the
19 Guam Community College.

20 Such tax collections shall *not* be pledged to the payment of amounts
21 due on such bonds and this subsection (1) may be amended at any time by
22 subsequent act of *I Liheslatura*. Nothing in this Section *or* §22435 of
23 Chapter 22 of Title 5 Guam Code Annotated *shall* be construed to prevent
24 the government of Guam from issuing, after appropriate enabling legislation,
25 for the benefit of the government of Guam, other general obligations *or*
26 revenue obligations of the government secured by said real property tax
27 revenues.

1 The repayment obligation of the University of Guam described Title 5
2 GCA §22425(k) *shall* continue.”

3 **Section 3. Local Sales of Bonds.** *I Maga'lahren Guåhan shall* use his best
4 efforts to cause a portion of any bonds issued pursuant to Title 5 GCA §22435, to
5 be offered for sale to residents of Guam, *if* and to the extent that said offer and
6 sales do *not* increase the costs to the government of Guam of issuing and repaying
7 such bonds.

8 **Section 4. Approval of Bonds.** *I Liheslaturan Guåhan,* pursuant to Title
9 12 GCA §50103(k), hereby approves the issuance and sale by the government of
10 Guam of bonds for the purposes and in the principal amounts mandated by Title 5
11 GCA §22435; *provided* that the bonds are issued and sold subject to the
12 requirements and limitations mandated therein.

13 **Section 5. Early Redemption of Bonds.** The certificate or indenture
14 authorized by Title 5 GCA §22435 *shall* authorize the early redemption of the
15 bonds authorized thereby. Fifty percent (50%) of any amount in excess of One
16 Hundred Million Dollars (\$100,000,000) paid to the government of Guam by the
17 Government of the United States pursuant to Section 30 of the Organic Act, Title
18 48 U.S. Code §1421h, *shall* be used for the early redemption of said bonds.

19 **Section 6. Bond Proceeds Not Subject to Transfer Authority.** The
20 proceeds of the bonds authorized by Title 5 GCA §22435 *shall not* be subject to
21 any transfer authority of *I Maga'lahren Guåhan.*

22 **Section 7.** Title 5 Guam Code Annotated §22415 is *amended* to read:

23 “§22415. **Promissory Note; Issuance to Creditors.** (a) Any
24 creditor of the government of Guam (other than a tort claimant with an
25 unadjudicated claim) who is not paid within thirty (30) days of filing his
26 claim may request that the Director of Administration issue a registered,
27 nontransferable promissory note in the amount of his claim from the

1 government of Guam, bearing interest at six percent (6%) per annum and
2 maturing one year from its date of issue. Within thirty (30) days of the
3 request, the Director of Administration *shall* either issue said promissory
4 note *or shall* deliver to the claimant a statement that part *or* all of the claim
5 is disputed. *If* only part of the claim is disputed, a promissory note *shall* be
6 issued for the undisputed portion. The Director *shall*, in the statement that
7 part *or* all of the claim is disputed, designate a hearing officer for a hearing
8 pursuant to the Administrative Adjudication Law, set a hearing date *not less*
9 *than* thirty (30) days *nor* more than sixty (60) days from the date of the
10 statement, and indicate with particularity the reasons the claim is disputed. *If*
11 no such statement of disputed claim is issued within thirty (30) days, the
12 claim *shall* be deemed undisputed.

13 (b) The amount of promissory notes issued in a fiscal year pursuant to
14 subsection (a) hereof shall *not exceed* two percent (2%) of the total revenues
15 projected pursuant to Title 2 Guam Code Annotated Chapter 13 for the General
16 Fund for that fiscal year.”

1 **CHAPTER IX**

2 **AUTHORIZATION TO ISSUE BONDS FOR REFINANCING**

3 **TOBACCO SETTLEMENT ASSET-BACKED BONDS**

4 **Section 1.** A new Section 81113 of Chapter 81 of Division 2 of Title 12 is
5 hereby *enacted* to read, and Sections 81113 and 81114 thereof are accordingly
6 renumbered as Sections 81114 and 81115, respectively:

7 **“§81113. Bond Proceeds to Refund the Guam Economic**
8 **Development and Commerce Authority Tobacco Settlement Asset-**
9 **Backed Bonds, Series 2001A and Series 2001B, and for other purposes.**

10 (a) Notwithstanding any other Sections in this Chapter, including
11 §81104(b), *or* Article 13 of Chapter 22 of Division 2 of Title 5 of the Guam
12 Code Annotated, the proceeds of bonds issued pursuant to this Chapter to
13 refund the Authority’s Tobacco Settlement Asset-Backed Bonds, Series
14 2001A and Series 2001B (the Prior Bonds) *shall* be used to: (1) refund the
15 Prior Bonds; (2) pay costs arising from issuance of the bonds; (3) fund any
16 required reserve or operating funds for the bonds; and (4) provide a
17 minimum of Seven Million Dollars (\$7,000,000) for transfer from the
18 Authority to the General Fund for the payment of the expenditures listed in
19 subsection (b).

20 (b) (1) **Two Million Dollars (\$2,000,000)** for radiation therapy
21 for cancer treatment provided through the Medically Indigent Program
22 (MIP). The Guam Memorial Hospital Authority *shall* enter into a contract
23 *or* a public-private partnership agreement for the operation of a Radiation
24 Therapy Machine. Said contract *or* public-private partnership agreement
25 *shall* provide for the care of indigent patients under the Medically Indigent
26 Program (MIP) and Medicaid Program and *shall* require that invoices for
27 cancer treatment be paid within sixty (60) days after receipt.

1 (2) **Six Million Dollars (\$6,000,000)** to the Department of Public
2 Health and Social Services to fund the renovation and capital improvement
3 needs of the Southern Regional Health Center.

4 (c) To the extent that the bond proceeds available for the purposes
5 of subsection (a) are *more or less* than the sum of the amounts in subsection
6 (b), the amounts in subsection (b) *shall* be increased *or* decreased, as
7 applicable, pro rata.”

8 **Section 2.** Subsection (k) of Section 81103 of Chapter 81 of Division 2 of
9 Title 12 is hereby *amended* to read as follows:

10 “(k) *Tobacco trust funds* means the funds specified in §221303 of
11 Title 5 of the Guam Code Annotated.”

12 **Section 3.** Subsection (b) of Section 81110 of Chapter 81 of Division 2 of
13 Title 12 is hereby *amended* to read as follows:

14 “(b) the pledge described in §81106(e), and the full and timely
15 application of the pledged property as provided in the indenture for bonds
16 issued under this Chapter. None of the property described in the first
17 sentence of §81104(a) *shall* be subject to garnishment, execution, attachment
18 *or* other process, writ *or* remedy in connection with the assertion *or*
19 enforcement of any debt, claim, settlement *or* judgment against the
20 government *or* the Authority, *except* as provided in the indenture for bonds
21 issued under this Chapter.”

22 **Section 4. Local Sales of Bonds.** The Authority *shall* use its best efforts to
23 cause a portion of any bonds issued pursuant to this Chapter to be offered for sale
24 to residents of Guam, *if* and to the extent that said offer and sales do *not* increase
25 the costs to the Authority of issuing and repaying such bonds.

26 **Section 5. Approval of Bonds.** *I Liheslaturan Guåhan*, pursuant to
27 §50103(k), hereby approves the issuance and sale by the Authority of bonds for the

1 purposes set forth in Title 12 GCA §81113 in an initial principal amount *not to*
2 *exceed* Forty-five Million Dollars (\$45,000,000); *provided* that the conditions
3 imposed by this Act to the issuance of such bonds are met, that such bonds have a
4 final maturity date *not later than* fifty (50) years after their date of issuance, and
5 that the bonds bear interest at such rate and are sold for such price or prices as *shall*
6 result in a yield to the bondholders *not to exceed* seven and one-half percent (7.5%)
7 per annum.

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CHAPTER X

AUTHORIZATION TO ISSUE GENERAL OBLIGATION BONDS

Section 1. A new §1512.1 is *added* to Title 5 Guam Code Annotated to read as follows:

“§1512.1. Authorization to Issue Bonds for Deficit Financing.

(a) Authorization of Issuance of Bonds. *I Maga’lahen Guåhan* is authorized to issue one or more series of bonds of the Government of Guam as provided in this Section, in an aggregate principal amount not to exceed the amount necessary to provide One Hundred Fifteen Million Dollars (\$115,000,000) for the payment of authorized expenses listed in subsection (k) hereof, also to fund necessary reserves and pay expenses incurred in connection with the issuance of such bonds not already included in an existing appropriation for or the regular budget of any government agency or instrumentality or public corporation providing any service in connection with the issuance of such bonds; *provided, however,* that bonds may not be issued in an amount that would cause a violation of the debt limitation provisions of 48 USC 1423a (§11 of the Organic Act of Guam).

(b) Terms and Conditions Determined by Certificate or Indenture. The terms and conditions of the bonds *shall* be as determined by *I Maga’lahen Guåhan*, and approved by *I Liheslaturan Guåhan*, by the execution of a certificate *or* indenture authorizing the issuance of the bonds prior to the issuance of the bonds; *provided,* however, that such terms and conditions *shall* be consistent with this Section, and that the bonds *shall* mature not later than the date thirty (30) years after their date of issuance and *shall* bear interest at such

1 rates and be sold for such price *or* prices as *shall* result in a yield to
2 the bondholders that does *not exceed* six and ninety five hundredths
3 percent (6.95%) per annum.

4 **(c) Valid and Binding.** The bonds authorized by this Section
5 *shall* constitute the valid and binding general obligations of the
6 government of Guam and shall be secured by a pledge of the revenues
7 described in subsection (d) hereof. The government of Guam pledges
8 its full faith and credit for the punctual payment of both principal of
9 and interest on the bonds and covenants that there *shall* be collected
10 annually in the same manner and at the same time as government
11 revenue for other purposes is collected, such sum as is required to pay
12 the principal of and interest on the bonds. There are hereby
13 appropriated from the General Fund such sums as may be necessary in
14 each year in addition to the amounts appropriated under subsection (e)
15 of this Section to equal the amount of money necessary to pay the
16 principal and interest on such bonds. The certificate *or* indenture may
17 require interest only payments for Fiscal Years 2008 and 2009. All
18 officers charged by law with any duty in the collection of the revenues
19 of the government from which debt service on the bonds will be
20 payable *shall* do every lawful thing necessary to collect such sum.
21 The validity of any such bonds *shall* not be affected by the validity *or*
22 regularity of any proceedings for the payment of the General Fund
23 expenses paid *or* to be paid with the proceeds of the bonds.

24 **(d) Source and Security for Payment.** The bonds *shall* be
25 secured by a first lien pledge of any *or* all of the revenues derived by
26 the government of Guam from taxes against persons on hereafter
27 imposed *or* levied by the government pursuant to Article 2 of Chapter

1 26 of Division 2 of Title 11, Guam Code Annotated, also known as
2 the Business Privilege Tax, *or* any successor provision of law (the
3 Revenues). This pledge *shall* be valid and binding from the time the
4 bonds are issued. The Revenues pledged and thereafter received by
5 the government of Guam *or* by any trustee, depository *or* custodian
6 *shall* be deposited in a separate account and *shall* be immediately
7 subject to said lien and pledge without physical delivery thereof *or*
8 further act, and said lien and pledge *shall* be valid and binding against
9 all parties having claims of any kind in tort, contract *or* otherwise
10 against the government of Guam *or* such trustee, depository *or*
11 custodian, regardless of whether the parties have notice hereof. The
12 indenture *or* certificate by which the bonds are issued and said pledge
13 is created need not be recorded. Said pledge *shall* be a first lien, and
14 *shall* not be subordinate to any other use of said Revenues.

15 **(e) Appropriation of Revenues.** All said Revenues are hereby
16 appropriated to pay the principal and interest on the bonds issued
17 pursuant to this Section and the obligations incurred by the
18 government pursuant to subsections (i) and (j) hereof, provided that
19 the Revenues from Fiscal Years 2008 and 2009 are hereby
20 appropriated to pay interest only. Revenues released from said lien
21 shall be available for appropriation by *I Liheslaturan Guåhan* for any
22 lawful purpose.

23 **(f) Additional Bonds.** This Section does not prohibit the
24 government of Guam from issuing, after appropriate enabling
25 legislation, other obligations of the government secured by Revenues
26 on a parity with *or* subordinate to the bonds authorized by this Section
27 on such terms as are created by the indenture *or* certificate pursuant to

1 which the bonds are issued. This Section does not prohibit the
2 government of Guam from issuing, after appropriate enabling
3 legislation, other obligations of the government secured by the general
4 obligation of the government on a parity with *or* subordinate to the
5 bonds authorized by this Section on such terms as are created by the
6 indenture *or* certificate pursuant to which the bonds are issued.

7 **(g) Waiver of Immunity; Submission to Jurisdiction.**

8 Notwithstanding any substantive *or* procedural provision of Chapter 6
9 of Title 5, Guam Code Annotated, the government of Guam waives
10 immunity from any suit or action in contract on the bonds, but does
11 not waive immunity as to the personal liability of elected officials and
12 employees of the government of Guam. Any such suit *or* action *shall*
13 be brought in the District Court of Guam.

14 **(h) No Personal Liability.** No employee *or* elected official
15 of the Government of Guam *shall* be individually or personally
16 liable for the payment of any amounts due on any bonds issued
17 under this Section, *or* for any other liability arising in connection
18 with the bonds; provided, however, that nothing in this Section *shall*
19 relieve any employee *or* elected official from the performance of a
20 ministerial duty required by law.

21 **(i) Form of Bonds; Covenants; Appointment of**
22 **Fiduciaries.** The technical form and language of the bonds, including
23 provisions for execution, exchange, transfer, registration, paying
24 agency, lost *or* mutilated bonds, negotiability, cancellation and other
25 terms *or* conditions not inconsistent with this Section, including
26 covenants relating to the collection of Revenues, *shall* be as specified
27 in the certificate *or* indenture executed by *I Maga'lahañ Guåhan*

1 authorizing issuance of the bonds. Said certificate *or* indenture *shall*
2 appoint one *or* more trustees, co-trustees *or* other fiduciaries
3 authorized to receive and hold in trust the proceeds of the bonds, the
4 Revenues and other moneys relating thereto, to protect the rights of
5 bondholders and to perform such other duties as may be specified in
6 the indenture. *I Maga'lahaen Guåhan* is also authorized to execute any
7 appropriate agreements, certificates *or* other instruments relating to
8 the bonds and the sale of bonds.

9 **(j) Authorization for Credit Enhancement.** *I Maga'lahaen*
10 *Guåhan* is authorized to enter into such contracts *or* agreements with
11 such banks, insurance companies or other financial institutions as he
12 determines are necessary *or* desirable to improve the security and
13 marketability of the bonds issued under this Section. Such contracts
14 *or* agreements may obligate the government to reimburse, with
15 interest, any such banks, insurance companies *or* other financial
16 institutions for advances they make to pay principal of *or* interest on
17 the bonds and to indemnify any such banks, insurance companies *or*
18 other financial institutions for costs and expenses incurred in
19 connection with any such advance. Any such reimbursement
20 obligation and any other obligations of the government under such
21 contracts *or* agreements *shall* be general obligations of the
22 government of Guam and *shall* be secured by a pledge of Revenues,
23 and *shall* be treated, under §11 of the Organic Act, as creating an
24 obligation issued to refund the bonds.

25 **(k) Use of Proceeds from the Sale of the Bonds.** The
26 proceeds from the sale of the bonds shall be used and are hereby
27 appropriated to (i) pay the General Fund expenses described below in

1 this subsection, (ii) establish necessary reserves, (iii) pay expenses
2 relating to the authorization, sale and issuance of the bonds, including,
3 without limitation, printing costs, costs of reproducing documents,
4 credit enhancement fees, underwriting, legal, financial advisory and
5 accounting fees and charges, fees paid to banks or other financial
6 institutions providing credit enhancement, costs of credit ratings and
7 other costs, charges and fees in connection with the issuance, sale and
8 delivery of the bonds, and (iv) fund capitalized interest on the bonds
9 for a period ending not later than thirty (30) months after their
10 issuance.

11 The General Fund expenses authorized to be paid with the
12 proceeds of the bonds are as follows:

- 13 (i) Cost of Living Adjustment (COLA) to finally and
14 permanently discharge the obligations of the government
15 incurred pursuant to the settlement agreement entered
16 into between the Government of Guam and the COLA
17 Class as ordered by the Judgment in Rios v. Camacho,
18 Superior Court Case No. SP0206-93:

19 \$92,000,000;

- 20 (ii) 2005 and prior year individual and corporate tax refunds:

21 \$12,000,000;

- 22 (iii) Health Care Capital Improvement Projects at the Guam
23 Memorial Hospital \$11,000,000

24 Total \$115,000,000

25 Payments made pursuant to this subsection *shall* apply to any
26 other appropriations for the same items and *shall* not constitute double
27 appropriations.

1 **(l) Permitted Investments.** The bond proceeds and any
2 revenues generated by said bonds *shall* be invested only in those
3 investments permitted by the certificate *or* indenture pursuant to
4 which such bonds are issued.

5 **(m) Approval by Guam Economic Development and**
6 **Commerce Authority.** No bonds authorized by this section *shall* be
7 sold until the Board of Directors of GEDCA has approved the sale by
8 resolution.

9 **(n) Approval of Voters Not Required.** The issuance of
10 bonds pursuant to this section *shall* not be subject to the approval of
11 the voters of Guam.”

12 **Section 2. Local Sales of Bonds.** *I Maga’lahen Guåhan shall* use his best
13 efforts to cause a portion of any bonds issued pursuant to Title 5 GCA §1512.1 to
14 be offered for sale to residents of Guam *if* and to the extent that said offer and sales
15 do not increase the cost to the government of Guam of issuing and repaying said
16 bonds.

17 **Section 3. Deposit of Bond Proceeds to Pay Income Tax Refunds.** The
18 portion of the bond proceeds authorized by Title 5 GCA §1512.1 that is mandated
19 by Title 5 GCA §1512.1 to pay tax refunds *shall* be transferred immediately after
20 receipt thereof by the bond trustee into the Income Tax Reserve Fund.

21 **Section 4. Bond Proceeds Not Subject to Transfer Authority.** The
22 proceeds of the bonds authorized by Title 5 GCA §1512.1 *shall* not be subject to
23 any transfer authority of *I Maga’lahen Guåhan*.

24 **Section 5.** §24102(f), §24110 and §24112 of Article 1 Chapter 24 Division
25 2 of Title 11 GCA are hereby *amended* to read as follows:

26 “**§24102(f).** *Value, full cash value, fair market value, and cash value*
27 *mean seventy percent (70%) of the appraised value; appraised value means*

1 the amount at which property would be taken in payment of a just debt from
2 a solvent debtor as determined by the last completed valuation conducted
3 pursuant to Title 11 GCA §24306, as amended by the annual adjustments
4 mandated by this Chapter.”

5 “§24110. **Reduced Tax Rates of Senior Citizens.** A senior citizen,
6 who is defined for purposes of this Title as a person fifty-five (55) years of
7 age or older, who is the head of a household and who currently resides in
8 and owns his *or* her home, and has lived on Guam for five (5) preceding
9 consecutive years *shall* pay a real property tax on such personal residential
10 property at twenty percent (20%) of the yearly real estate tax based on the
11 latest five (5) year tax assessment levied on such property owned by the
12 respective senior citizen, provided such property is his *or* her place of
13 primary residence.”

14 “§24112. **Reduced Tax for U.S. Citizens with Disabilities and**
15 **Heads of Households with Dependents with Disabilities.** (a) A U.S.
16 Citizen with disabilities *or* a head of household with dependents with
17 disabilities, who is defined for purposes of this Title as a U.S. Citizen aged
18 eighteen (18) years *or* over who has lived on Guam for the preceding five
19 (5) consecutive years and who currently resides in his *or* her own home, and
20 meets the definition of permanent disability as established by the
21 Department of Integrated Services for Individuals with Disabilities (DISID),
22 *shall* pay a real property tax at twenty percent (20%) of the yearly real estate
23 tax based on the latest five (5) year tax assessment levied on such property
24 owned by the respective U.S. Citizen *if* the property is his primary
25 residence.”

26 **Section 6. Repeal of Aggregate Tax Valuation.** §24102(1), Article 1,
27 Chapter 24, Title 11 Guam Code Annotated is hereby *repealed*.

1 **Section 7.** §24103 of Article 1, Chapter 24, Division 2 of Title 11 GCA is
2 hereby *amended* to read:

3 “**§24103. Levy.** There is hereby levied on all land property in Guam
4 a yearly tax at the rate of one-eighth percent (1/8%) of the value thereof and
5 one half percent (1/2%) of the value of the improvements thereon. Such tax
6 shall be assessed and collected in the manner prescribed in this Chapter. All
7 proceeds derived by the government under any provision of this Chapter
8 shall be deposited in the Treasury of Guam to the credit of the General
9 Fund.”

10 **Section 8. Procurement of Financial Services.** All procurement laws
11 relative to procuring professional services for the government of Guam *shall*
12 be followed when procuring financial services for the bond authorized by
13 this Act.

Guam Public School System

ADA Compliance	\$	5,242,175
Asbestos Abatement	\$	2,571,080
Intercom, Security & Fire Alarm Systems	\$	3,049,055
General CIP (Facility Repair/Replacement)	\$	8,966,690
A/C Replacement	\$	350,000
A/C Maintenance & Repairs	\$	500,000
Recreational Facility Upgrade & Replacement	\$	3,000,000
Physical Infrastructure	\$	1,000,000
RFP for Meal Reimbursement Program comparable to Hawaii and Alaska	\$	250,000
Teacher Reclassification and employee salary increments	\$	1,200,000
Prior Years Vendor Payables	\$	3,000,000
Management Audit	\$	375,000
TOTAL	\$	29,504,000

ATTACHMENT A-1

1 Funds provided to Guam Public School System (GPSS) from the
2 Bond proceeds for capital improvement projects and facilities repair, shall be
3 held in reserve until such time as an assessment of the facilities is conducted
4 by an outsourced engineering firm. The Superintendent of Education is
5 authorized to use bond funding for the outsourcing of the assessment.
6 Upon completion of the assessment, the Superintendent shall ensure that
7 funds are expended in accordance with the recommendations contained in
8 the assessment.

ATTACHMENT B

GUAM'S RECYCLING RULES AND REGULATIONS

APPROVED AND ADOPTED BY

DEPARTMENT OF PUBLIC WORKS

Approval and Adopted Date: _____

**LAWRENCE P. PEREZ,
DIRECTOR,**

EFFECTIVE DATE: _____

**GUAM'S RECYCLING
RULES AND REGULATIONS
Title 22, Division 4, Chapter 23, Article 5**

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- 1 (e) "Recycling fee" shall mean The annual fee levied upon the registered owner of a
2 motor vehicle to assist in the recycling and disposal of motor vehicles and other
3 recyclable materials in accordance with this article.
4
- 5 (f) "Enameled White Goods" or "White Goods" shall mean appliances, with or
6 without enamel, for home or commercial use including, but not limited to,
7 refrigerators, water heaters, air conditioners, washers, dryers, and stoves
8
- 9 (g) "GEPA" shall mean the Guam Environmental Protection Agency.
10
- 11 (h) "Gross Vehicle Weight" or "Gross Vehicle Weight Rating" shall mean the value
12 specified by the manufacturer as the loaded weight of a single vehicle
13
- 14 (i) "Heavy Equipment" shall mean any equipment, motor vehicle or motor carrier,
15 or non-road motor vehicle with a gross weight or gross vehicle weight of five (5)
16 tons or more.
17
- 18 (j) "Junk Vehicles" means a motor vehicle, regardless of operating condition that
19 the registered owner has declared to have no value or no use, or that is
20 abandoned by being placed, discarded, or disposed of on public or private
21 property without approval by owners of said property for more than seven (7)
22 calendar days. Or that is no longer registered in accordance with Chapter 7 of
23 Title 16 GCA.
24
- 25 (k) "Motor Vehicle" or "motorized vehicle" shall mean automobiles, automobile
26 truck, automobile wagon, buses, trucks, motorcycles or other self propelled
27 wheeled conveyance that will be primarily for use on Guam's public streets,
28 roads, and highways that are required to be registered with the Motor Vehicles
29 Division, Department of Revenue and Taxation, Government of Guam.
30
- 31 (l) "Municipal Solid Waste" is a subset of solid waste and is defined as durable
32 goods (e.g., appliance, batteries, tires), nondurable goods (e.g., newspapers,
33 books, magazines), containers and packaging, food wastes, yard trimmings, and
34 miscellaneous organic wastes from residential, commercial and industrial non-
35 process sources.
36
- 37 (m) "Imported Vehicle" or "Imported Motor Vehicle" shall mean a motor vehicle
38 that has no prior record of having been registered in Guam.
39

- 1 (n) "Person" shall mean any individual, partnership, co-partnership, firm,
2 company, corporation, association, joint stock company, trust, estate, or any
3 agency, department, or instrumentality of the Federal or local government, or
4 any other legal representatives, agents or assigns.
5
- 6 (o) "Recovered Resources" shall mean material or solid waste that has been
7 diverted from disposal for the purpose of recycling or bioconversion. This term
8 does not include those materials that are generated and normally reused on-site
9 for manufacturing purposes.
10
- 11 (p) "Recycle" or "Recycling" means the method by which recovered resources are
12 converted for use as raw materials or feedstock to make new products as defined
13 in §51102(35) of Chapter 52 of Title 10 GCA.
14
- 15 (q) "Recyclable Materials" means materials that still have useful physical or
16 chemical properties after serving a specific purpose for the same or other
17 purpose. Recyclable materials are as follows:
18 (1) Batteries (i.e., lead-acid, portable computer batteries, nickel-cadmium,
19 sealed types for power backup);
20 (2) Automobiles, buses, and trucks or any form of motorized vehicle;
21 (3) Tires (passenger/commercial);
22 (4) Enameled white goods;
23 (5) Home appliances (other small appliances that are not considered
24 enameled white goods);
25 (6) Glass and plastic bottles;
26 (7) Foam padding;
27 (8) Lead;
28 (9) Metals (ferrous/non-ferrous);
29 (10) Organic material (i.e., tree trimmings, palm fronds, grass, food waste,
30 soiled cardboard);
31 (11) Paper products;
32 (12) Wood pallets and scrap wood;
33 (13) Construction and demolition debris ("C&D");
34 (14) X-ray film;
35 (15) Automobile oil and fluids;
36 (16) Freon and other refrigerant gases;
37 (17) Electronic waste (i.e., computers, circuit boards, televisions, and portable
38 phones);
39 (18) Heavy equipment; and

1 (19) Other recyclable materials deemed recyclable by GEPA pursuant to this
2 Article.

3 (r) "Recycling Company" shall mean any business licensed by the Department of
4 Revenue and Taxation, and issued a permit, as required in Section 51104 of
5 Chapter 51 of Title 10 of the Guam Code Annotated, from the Guam
6 Environmental Protection Agency to conduct business on Guam.

7
8 (s) "Recycling Facility" shall mean all contiguous land, structures, and other
9 appurtenances, and improvements on the land used for the collection,
10 separation, recovery, and sale or reuse of recovered resources that would
11 otherwise be disposed of as municipal solid waste, and is an integral part of a
12 manufacturing process aimed at producing a marketable product made of post
13 consumer material. Recycling Facility may be considered a "recycling center"
14 upon DPW's approval.

15
16 (t) "Responsible Official" shall mean

17 (1) For a corporation: a president, secretary, treasurer, or vice-president of
18 the corporation in charge of a principal business function, or any other
19 person who performs similar policy or decision - making functions for the
20 corporation, or an authorized representative of such person if the
21 representative is responsible for the overall operation of one (1) or more
22 manufacturing, production or operation facilities applying for or subject
23 to the requirements of this Article;

24
25 (2) For a partnership or sole proprietorship: a general partner of the
26 proprietor, respectively; or

27
28 (3) For a municipality, state, federal, or other public agency: a principal
29 executive officer, ranking elected official, or an authorized representative
30 as approved by the Administrator.

31
32 **Section 23501.3 Compliance and Inspections**

33
34 (a) DPW and GEPA are authorized to conduct inspections of recycling centers,
35 recycling facilities, and inspect and obtain records of importers and dealers, and any
36 applicable facility or documentations required to verify compliance with this Article.
37 Inspections shall be conducted by DPW and GEPA during the company's normal hours
38 of operation.

1 **Section 23501.4 Penalties and Fines**

2
3 (a) Any person who violates any provision of this Article shall be subject to the
4 penalties provided for in Section 51115 of Article 1, Chapter 51, Division 2, Part 2 of
5 Title 10 of the Guam Code Annotated.
6

7 **Part B**

8 **Section 23502 Recycling Revolving Fund**

9 **Section 23502.1 Administration of Recycling Revolving Fund**

10 The administration of the recycling revolving fund as authorized in §51504 of Article 5
11 of Chapter 52 of Division 2 of title 10, GCA, which was repealed and reenacted by
12 Public Law 28-171, and is as follows:
13

14 (a) The Director of Public Works shall administer the fund and shall encumber all
15 amounts available in the fund as expeditiously as possible for the purpose of assisting
16 and encouraging recycling of recyclable materials.
17

18 (b) Monies in the Fund shall be used to cause the following material/waste to be
19 recycled or otherwise disposed according to the following priority:

- 20 (1) First priority – junk vehicles, tires, batteries, waste oil, white
21 goods/appliances,
22 (2) Second priority – paper, cardboard, plastic and glass,
23 (3) Third priority – other recyclable materials as determined by the director.
24 (4) Not more than one (1) FTE employee at Guam Environmental Protection
25 Agency to administer this article.
26

27 (c) The Director, no later than ten (10) days after each end of each fiscal year, shall
28 transfer from the recycling Revolving Fund three percent (3%) of the total amount
29 collected during the first fiscal year to fund (1) FTE at the Guam Environmental
30 Protection Agency. The funds shall be subject to audits by the public auditor.
31

32 (d) All revenues generated by the collection of the recycling fees in accordance with
33 Section 23503.2 of this Article, shall be deposited into the "Recycling Revolving Fund",
34 hereinafter referred to as "Fund".
35

36 (e) Monies in the Fund shall be administered, managed, and maintained by the
37 Director of Public Works, or his designee, for the implementation of this Article.

1
2 (f) DPW is authorized, in accordance with the applicable procurement laws, to enter
3 into contract with recycling companies for the collection, recycling ,disposal and
4 processing or any combination thereof , of recyclable materials as stated in article "

5
6 (g) Monies in the Fund shall be used to fund recycling operations, recycling events,
7 and recycling projects, including contracts with recycling companies, project
8 management, administrative, and public outreach.
9

10 **Section 23502.2 Adjustment of Recycling Fees**

11 This section shall be implemented in accordance with §51508 Article 5 of Chapter 51 of
12 Division 2 , Title 10, GCA, which was repealed and reenacted by Public Law 28-171.

13 **Part C**

14 **Section 23503 Recycling Fees**

15 **Section 23503.1 Schedule of Recycling Fees**

16
17 (a) The recycling fees shall be implemented in accordance with §51508 Article 5 of
18 Chapter 51 of Division 2 , Title 10, GCA, which was repealed and reenacted by Public
19 Law 28-171, and are imposed as follows:

20
21 (1) Twenty Five Dollars (\$25.00) annually for each automobile, bus
22 and truck registered by the Department of Revenue and
23 Taxation through the annual vehicle registration system.

24
25 (2) Three Dollars (\$3.00) for each motorcycle and trailer registered
26 by the Department of Revenue and Taxation through annual
27 vehicle registration system.

28
29 (3) Thirty Dollars (\$30.00) for each piece of heavy equipment
30 registered by the Department of Revenue and Taxation through
31 annual vehicle registration system.

32 **Section 23503.2 Collection of Fees**

33
34 (a) Department of Revenue and Taxation Division of Motor Vehicles hereinafter
35 referred to as "DRT" shall be responsible for the collection of the recycling fees as

1 specified on Section 23503.1 of this article on persons who are renewing their annual
2 motor vehicle registration through the vehicle registration system.

3
4 (b) Payment of recycling fees shall be in accordance with Section 23504.1 of this
5 Article.

6
7 (c) DRT shall collect fees during the registration process and annual renewal of
8 vehicle registration.

9
10 (d) DRT shall record all payments of fees and provide a record copy of the paid fee
11 through the vehicle registration form

12
13 (e) DRT shall transmit all fees collected to DPW in compliance with §51505 Article 5
14 of Chapter 51 of Division 2 , Title 10, GCA, which was repealed and reenacted by Public
15 Law 28-17.

16
17 (f) Director of DPW shall deposit the monies transmitted by DRT in the Recycling
18 Revolving Fund in in compliance with §51505 Article 5 of Chapter 51 of Division 2 ,
19 Title 10, GCA, which was repealed and reenacted by Public Law 28-17.

20 .
21 **Section 23503.3 Notice of Recycling Fee Payment**

22 (a) Vehicle Registration form(s) issued to a person shall reflect,as a line item, the
23 recycling fee that has been paid by the person as specified in Section 23503.1 of this
24 article .

25
26 **Part D**

27 **Section 23504 Payment of Recycling Fees**

28 **Section 23504.1 Dealers of Automobiles, Bus, Trucks, Motorcycles, Heavy**
29 **Equipments and other Motor Vehicles**

30
31 (a) Upon the effective date of this Article, dealers shall be responsible for the
32 payments of the recycling fee as established through this article for imported
33 automobiles, bus, trucks, motor cycles, heavy equipments and other motor vehicles,
34 upon registration of the motor vehicles.

- 1 (1) The recycling fee identified in Section 23503.1 shall be paid to the
2 Department of Revenue and Taxation, Division of Motor Vehicles.
3
4 (2) All checks must be payable to Treasurer of Guam c/o the Recycling
5 Revolving Fund
6
7 (3) Payment must be made prior to obtaining vehicle registration and
8 Certificate of Ownership issued by the Department of Revenue and
9 Taxation, Division of Motor Vehicles.
10
11 (4) In accordance with Section 23503.3, a statement of proof that such
12 recycling fee has been paid on the vehicle must appear as a separate
13 line item on every Annual Vehicle Registration Form and the
14 Certificate of Ownership Form issued for the vehicle by the
15 Department of Revenue and Taxation, Division of Motor Vehicle. The
16 statement on these forms must be substantially equivalent to the
17 following:

18 "Recycling Fee Paid per Article 5 of Chapter 51 of 10 GCA"
19

20 **Section 23504.2 Annual Renewals of Vehicle Registration**

21 (a) Upon the effective date of this Article, person(s) who owns a motorized vehicle shall
22 be responsible for the payments of the recycling fee, as established through this article,
23 upon the annual renewal of the registration of the motor vehicles.
24

- 25 (1) The recycling fee identified in Section 23503.1 shall be paid to the
26 Department of Revenue and Taxation, Division of Motor Vehicles.
27
28 (2) All checks must be payable to Treasurer of Guam c/o the Recycling
29 Revolving Fund
30
31 (3) Payment must be made prior to obtaining vehicle registration and
32 Certificate of Ownership issued by the Department of Revenue and
33 Taxation, Division of Motor Vehicles.
34
35 (4) In accordance with Section 23503.3, a statement of proof that such
36 recycling fee has been paid on the vehicle must appear as a separate
37 line item on every Annual Vehicle Registration Form and the
38 Certificate of Ownership Form issued for the vehicle by the
39 Department of Revenue and Taxation, Division of Motor Vehicle. The

1 statement on these forms must be substantially equivalent to the
2 following:

3 **"Recycling Fee Paid per Article 5 of Chapter 51 of 10 GCA"**

4 **Section 23504.3 Recordkeeping Requirements**

5
6 (a) DRT shall maintain records for at least five (5) years reflecting the following:

7
8 (1) Number of motor vehicles registered during the fiscal year according to
9 the motor vehicle and recycling fee identified on Section 23503.1

10
11 (2) Transmittal records of recycling fees transmitted by DRT to DPW

12
13 (b) DPW shall maintain records of transmittals and receipt copies for at least (5)
14 years reflecting the following:

15
16 (1) Transmittal records of fees transmitted by DRT to DPW

17
18 (2) Receipts copies for deposits of the fees in the Recycling
19 Revolving Fund

20
21 (c) Records shall be made available, upon request, for inspection and copying by
22 DPW or the Public Auditor's or its representative. Any information marked or
23 clearly labeled proprietary information shall be kept confidential by DPW or the
24 Public Auditor and shall not be disclosed to any person, except as otherwise
25 permitted by law.
26

27 **Section 23504.4 Reporting Requirements**

28
29 (a) DRT shall submit to DPW, on or before January 15th of each year, annual
30 summary reports of the records required to be kept in Section 23504.3 (a)(1) for the
31 previous year.
32

1 **Part E**

2 **Section 23505 Importers of Tires, Batteries, Motorized Vehicle, Heavy Equipments,**
3 **and White Goods for Resale**

4 **Section 23505.1 Registration Requirement**

5
6 (a) Within 30 days upon the effective date of this Article, all importers of white
7 goods, batteries, tires, motorized vehicles including but to limited to heavy equipments
8 for the purpose of resale, shall register with the DPW using the DPW Registration
9 Forms, and shall notify the DPW of any change in address, or responsible official.

10
11 (b) Any person who desires to import white goods, batteries, tires, motorized
12 vehicles including but to limited to heavy equipments for the purpose of resale shall
13 register with the DPW using the DPW Registration Forms no later than one month prior
14 to the commencement of the business.

15
16 (c) DPW Registration Forms shall include, but is not limited to, the following
17 information:

- 18
19 (1) The legal name (s), mailing address, business address, contact person's
20 name and position title, and telephone and fax numbers of the owner and,
21 if applicable, or its duly authorized representative;
22
23 (2) Tax Identification Number of Business;
24
25 (3) Copy of Guam's Business License;
26
27 (4) Types of recyclable material imported for resale by your company;
28
29 (5) Process of receipt of payment to consumer upon sale of recyclable
30 material; and
31
32 (6) Print and Signature of the businesses' "Responsible Official".
33

34 (d) Upon review of Registration Request and documentations received, DPW shall,
35 within 30 days, approve and issue a DPW Registered Recycling Material Importer of the
36 specified recyclable material as stated in registration request.
37

1 **Section 23505.2 Recordkeeping Requirements**

2
3 (a) Records shall be maintained for at least five (5) years reflecting the following:

4
5 (1) Quantities and type of recyclable materials imported. Copies of shipment
6 records may be use to satisfy this requirement;

7
8 (2) Copies of paid receipts from CQA;

9
10 (3) Quantities and type of recyclable materials exported for distribution to
11 other islands. Copies of shipment records that verify date, type, and
12 quantity exported out of Guam may be used to satisfy this requirement;

13
14 (4) Quantities and type of recyclable materials exported for remanufacturing.
15 Copies of shipment records for these shipments that verify date, type, and
16 quantity exported may be use to satisfy this requirement. In addition,
17 copies of receipt by company receiving recyclable materials for
18 remanufacturing may be used to satisfy this requirement; and

19
20 (5) Quantities of remanufactured recyclable materials imported for resale.
21 Copies of shipment records for these shipments that verify date, type, and
22 quantity imported may be used to satisfy this requirement.

23
24 (b) These records shall be made available, upon request, for inspection and copying
25 by DPW, or its representative. Any information marked or clearly labeled proprietary
26 information shall be kept confidential by DPW and shall not be disclosed to any person,
27 except as otherwise permitted by law.

28
29 **Section 23505.3 Reporting Requirements**

30
31 Importers shall submit, on or before January 15th of each year, annual summary reports
32 of the records required to be kept in Section 23505.3 for the previous year.
33

1 Part F

2 Section 23506 Recycling Centers

3 Section 23506.1 Acceptance of Recyclable Materials for Recycling

4
5 (a) Effective 12 months after the implementation of this Article, DPW certified
6 recycling centers shall accept recyclable materials for the purpose of recycling by
7 persons who verifies proof of payment of recycling fee on said recyclable material.

8 Section 23506.2 Requirements for Certified Recycling Centers

9
10 (a) Recycling centers shall be certified by the Department of Public Works, Solid
11 Waste Management Division.

12
13 (b) Recycling centers shall have GEPA Solid Waste Management Permits issued in
14 accordance to Section 51114 of 10 GCA Chapter 51. GEPA Solid Waste Management
15 Permits applicable to the operations of the Certified Recycling Center, includes, but not
16 limited to, collections and storage permits.

17
18 (c) Certification shall be effective for a period of five (5) years following the date of
19 approval by DPW.

20
21 (d) Applicants shall re-certify the recycling center thirty (30) days before expiration
22 of the current certification.

23 Section 23506.3 Application for Certification

24
25 (a) Upon the effective date of this Article, all proposed recycling centers must
26 submit an application for certification for each Recycling Center site. Applications for
27 certification shall be prepared on forms provided by DPW and shall include, but not
28 limited to, the following information:

29
30 (1) All application forms must be completed and signed by the *responsible*
31 *official* of the recycling center. The application form must include, but is not
32 limited to, the following information:

- 33
34 i. The legal name(s), mailing address, street address, contact person's
35 name and position title, and telephone and fax numbers of the
36 owner and, if applicable, its duly authorized representative;

1 (f) Applicants shall notify DPW thirty (30) days prior to voluntary termination of
2 certified recycling center activities.

3
4 (g) The certificate shall be kept on file at the recycling center site.

5
6 (h) The certificate is property of DPW and shall be returned to the department upon
7 decertification, revocation, invalidation, expiration of certification, or voluntary
8 termination.

9
10 **Section 23506.4 Posting of Certification**

11
12 (a) Copies of DPW Certification of Recycling Centers shall be prominently displayed
13 where costumers approaching the center can view it.

14
15 (b) A certification sign shall not be displayed at a recycling center that is not certified
16 by DPW.

17
18 **Section 23506.5 Load Inspection Requirements**

19
20 (a) Recycling Centers staff shall visually inspect each load of recyclable materials for
21 which is to be accepted by the recycling center. All inspections shall be recorded in an
22 incoming log sheet with the following information:

- 23
24 (1) Date and Time of incoming load;
25
26 (2) Vehicle license no. and license no. of the operator of the vehicle;
27
28 (3) Type and Quantity of recyclable material being returned for refund; and
29
30 (4) Name and signature of person inspecting load.

31
32 **Section 23506.6 Transport of "recyclable materials" to Recycling Centers for**
33 **Export**

1 (a) Final dispositions of collected and process recyclable materials shall be at any
2 DPW Solid Waste Management Storage or Processing Permitted Facility, or off-island to
3 a recycling company. Recycling Centers shall provide documentation as to the final
4 disposition of recyclable material collected from recycling centers.

5
6 (b) Recycling centers that transport recyclable materials to recycling facilities or for
7 shipment shall do so in accordance with the DPW Solid Waste Management
8 Certification for Collection, or may contract a DPW Solid Waste Management Facility
9 permitted for collection.

10
11 (c) All transport of recyclable materials outside of the Recycling Center or for
12 shipment, shall record the date, time, recyclable material type and quantity being
13 removed from recycling center. Record of receipt of recyclable material by Recycling
14 Facility must be signed by a responsible official, or his or her designee. Trip Tickets
15 may be used to satisfy this requirement if the information specified are recorded.

16
17 **Section 23506.6 Recordkeeping Requirements**

18
19 (a) Records shall be maintained for at least five (5) years reflecting the following:

20
21 (1) Log sheets of incoming recyclable materials received by the recycling
22 company to include the information required of this Article;

23
24 (2) Quantities of recyclable material, weight, and type of recyclable materials
25 transported out of the certified recycling center to a DPW certified
26 recycling facility or transported for shipment to off- island recycling
27 companies. Copies of trip tickets, shipment records, and receipt records
28 from the DPW certified facility or off-island recycling company of final
29 disposition, that verify date, type, and quantity may be used to satisfy this
30 requirement.

31
32 (b) These records shall be made available, upon request, for inspection and copying
33 by DPW, or its representative. Any information marked or clearly labeled proprietary
34 information shall be kept confidential by DPW and shall not be disclosed to any person,
35 except as otherwise permitted by law.

1 **Section 23506.7 Reporting Requirements**

2
3 (a) On a monthly basis, recycling centers shall submit monthly summary reports to
4 GEPA and DPW using report forms prescribed by the Department. Report information
5 shall include, but not be limited to, the following:

- 6
7 (1) The quantity or weight of each type of recyclable material accepted at the
8 recycling facility for the previous month;
9
10 (2) A summary of the quantity or weight of each recyclable material type
11 transported out of the recycling center and received by a DPW certified
12 Recycling Facility; or exported to a recycling company.
13
14
15
16
17

18 **Part G**

19
20 **Section 23507 Recycling Facilities**

21 **Section 23507.1 Permit Requirements**

22
23 (a) All recycling facilities receiving recyclable materials from recycling centers shall
24 have GEPA Solid Waste Management Permits issued in accordance to Section 51114 of
25 10 GCA Chapter 51. GEPA Solid Waste Management Permits applicable to the
26 operations of the Recycling Facility, includes, but not limited to, collections, storage,
27 and processing permits.
28

29 **Section 23507.2 Load Inspections Requirements**

30
31 (a) Recycling facilities staff shall visually inspect each load of recyclable materials
32 for which is to be accepted by the recycling facilities. All inspections shall be recorded
33 in an incoming log sheet with the following information:
34

- 35 (1) Date and Time of incoming load;
36
37 (2) Vehicle license no. and license no. of the operator of the vehicle;

1 (2) A summary of the quantity or weight of each recyclable material type
2 transported out of the recycling facility and received by a DPW Certified
3 Recycling Facility, or exported to an off-island recycling company.
4

1
2 (3) Type and Quantity of recyclable material being returned for refund; and

3
4 (4) Name and signature of person inspecting load.

5 **Section 23507.3 Recordkeeping Requirements**

6
7 (a) Records shall be maintained for at least three (3) years reflecting the following:

8
9 (1) Log sheets of incoming recyclable materials received by the recycling
10 facility from a certified recycling center to include the information
11 required in Section 23507.2 of this Article;

12
13 (2) Quantities of recyclable material, by weight, and type of recyclable
14 materials received by certified recycling center; and

15
16 (3) Quantities of recyclable material, by weight, and type of recyclable
17 material, transported to a DPW certified recycling facility or transported
18 for shipment to off-island recycling companies. Copies of trip tickets,
19 shipment records, and receipt records from the DPW certified facility or
20 off-island recycling company of final disposition, that verify date, type,
21 and quantity may be used to satisfy this requirement.

22
23 (b) These records shall be made available, upon request, for inspection and copying
24 by DPW, or its representative. Any information marked or clearly labeled proprietary
25 information shall be kept confidential by DPW and shall not be disclosed to any person,
26 except as otherwise permitted by law.

27
28 **Section 23507.4 Reporting Requirements**

29
30 (a) On a monthly basis, recycling facilities shall submit monthly summary reports to
31 DPW using report forms prescribed by the DPW. Report information shall include, but
32 not be limited to, the following:

33
34 (1) A summary of the quantity or weight of each type of recyclable material
35 accepted at the recycling facility for the previous month from certified
36 recycling centers; and
37

- 1 ii. A copy of the Guam business license;
- 2 iii. The specific type of *recyclable material* that will be accepted and
- 3 provided a refund value; and
- 4 iv. Operation Plans of the Recycling Center must include, but not
- 5 limited to the following:
- 6
- 7 1. Map identifying location of the recycling center;
- 8 2. Recycling center site layout;
- 9 3. Method of Incoming load inspection;
- 10 4. Location and storage of recyclable materials redeemed;
- 11 5. Good House Keeping Practices;
- 12 6. Recordkeeping and reporting;
- 13 7. Packaging, transport, and delivery to recycling centers for
- 14 processing and shipment;
- 15 8. Other applicable scope of services provided; and
- 16 9. Other information the Director of DPW determines to be
- 17 appropriate.
- 18

19 (b) DPW Director shall approve or deny application request, if the application and
20 supporting information clearly shows that the issuance, thereof, does not pose a threat
21 to the environment, public health or welfare, or compliance with the implementation of
22 this Article.

23
24 (c) The DPW issued certification is neither transferable nor assignable to any other
25 person, company, recycling center, or location.

26
27 (d) Applicants shall submit new applications to DPW if:

- 28 (1) The location of a recycling center changes;
- 29 (2) The operator, owner, or responsible official changes; or
- 30 (3) Changes occur in operations of a redemption center, and
- 31 (4) Request must be submitted in forms established by DPW and must be
- 32 signed by a Responsible Official.
- 33
- 34
- 35
- 36
- 37

38 (e) New applications shall be approved by DPW before the recycling center changes
39 its operations.

40



I Mina' Bente Nuebi Na Liheslaturan Guåhan
TWENTY-NINTH GUAM LEGISLATURE

Senator Edward J.B. Calvo
ACTING SPEAKER

Chairman, Committee on Finance, Taxation, Commerce & Economic Development
OFFICE OF FINANCE AND BUDGET

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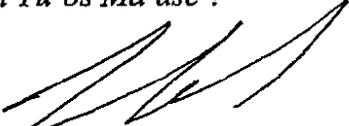
Telephone: (671) 475-8801
Facsimile: (671) 475-8805

September 22, 2007

All Senators
Mina' Bente Nuebi na Liheslaturan Guåhan
155 Hesler Place
Hagåtña, GU 96910

Hafa Adai! Pursuant to the authority vested in me by Title 2 G.C.A §2103(a) and Section 7.04 of Rule VII of *I Mina' Bente Nuebi na Liheslaturan Guåhan's* Standing Rules, I hereby waive the public hearing requirements and those prescribed under 5 G.C.A., sections 8107 and 8108, as permitted by my authority as Acting Speaker of *I Liheslaturan Guåhan* and under the emergency requirements issued by Attorney General Opinion 78-02, for Bill Number 174 (EC), "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE, LEGISLATIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2008, MAKING OTHER APPROPRIATIONS, AND ENACTING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS". I hereby certify that an emergency condition exists that threatens the public health and safety in that there are only eight (8) days left in the fiscal year and no budget act for fiscal year 2008 has been passed. The aforementioned bill will be heard by *I Liheslaturan Guåhan* on September 22, 2007.

Si Yu'os Ma'åse'!



EDWARD J.B. CALVO
Acting Speaker

cc: Protocol
Audio/Visual