



Office of the Governor of Guam

P.O. Box 2950 Hagåtña, Guam 96932
TEL: (671) 472-8931 • FAX: (671) 477-4826 • EMAIL: governor@mail.gov.gu

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Bureau of Budget & Mgmt. Research

Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

JUN 22 2007

The Honorable Mark Forbes
Speaker
Mina' Bente Nuebi Na Liheslaturan Guahan
Twenty-Ninth Guam Legislature
155 Hessler Street
Hagåtña, Guam 96910

Office of the Speaker

MARK FORBES

Date: 6/22/07

Time: 5:58 pm

Rec'd by: [Signature]

Print Name: Carl [Signature]

Dear Speaker Forbes:

Hafa Adai! As required by law, I presented the Executive Budget proposal for Fiscal Year 2008 on January 31, 2007. Since that time, a revised Executive Budget for Fiscal Year 2007 was deliberated, passed and signed into law.

The attached revised Fiscal Year 2008 budget contains the same basic budgetary and fiscal components that we have been attempting to set in place since the start of my first term in office to restore fiscal discipline into the government of Guam.

While I believe we, as elected leaders, share the common goal of establishing long term fiscal discipline and structural balance to the government of Guam, there has been much debate over the past several months as to the means by which we are to achieve this goal and prepare for the certain economic growth of the near future. There have been differing opinions as to the need to structurally increase the tax base, the means of increasing efficiencies and reducing the cost of services and the way in which we are to resolve the long-standing and growing deficit. However, one thing cannot be denied: we must bring institutional order, discipline and proper planning into this budget process and I look forward to the healthy debate that is sure to come as you and your colleagues confront the many challenges that next fiscal year's budget present.

I have maintained that investing in the hard decisions today and making the tough political choices now will bear greater and more sustained fruit from the economic upswing that is coming to our island. The role of government in the extent and sustainability of the economic boom cannot be underestimated, nor can we simply sit back and wait for increased economic activity to solve the problems of government.

In fact, it is our duty to bring discipline to the process now, so we can plan for longer term investments in our people and our resources when the revenues begin to grow. That is why my

Administration has put together the fiscal recovery and deficit elimination plan upon which the revised Fiscal Year 2008 budget is based. I firmly believe the budget process must entail a larger vision than funding the upcoming fiscal year. It must be the spending plan that establishes and commits to long-term policy direction; rather than simply meeting the needs of today, the budget must anticipate the needs of tomorrow and set in-place policies that will prepare our government to meet those needs in all areas of government service.

Viewed in the broader context of my fiscal recovery and deficit elimination plan, the revisions to the Fiscal Year 2008 budget lay the foundation for a smaller, more efficient government prepared to respond to the growing demands on government services that will surely come as our economy grows. This plan represents the combination of cost containment, restoration of our revenue base and deficit refinancing that are the cornerstone of responsible fiscal management, as highlighted by Standard & Poor's in the notice released yesterday regarding removal of the CreditWatch on the government, *"The governor intends to propose a fiscal recovery plan along with the fiscal 2008 budget; the proposal should include a deficit bond financing, continued revenue enhancements, and cost-containment measures."*

The major goals of this plan include the restoration of budgetary and structural balance, the funding of reserves (Rainy Day Fund), management of the large unfunded long-term liabilities by shifting them to funded long-term debt, improvement of revenue forecasting and tracking in order to identify shortfalls sooner (through the Special Accounting Service), restoration of the full revenue base and restoration of full executive allotment control. All of these are in-line with Standard & Poor's recommended practices for improving our financial position and credit worthiness.

My fiscal recovery and deficit elimination plan, including the provisions of the revised Fiscal Year 2008 budget, will allow this government to eliminate the deficit by Fiscal Year 2014 and set the government of Guam on firm footing to ensure the delivery of all critical services as we begin to receive thousands of military personnel and their families to our island.

#### ***Cost-Reductions in government operations***

The revised Fiscal Year 2008 budget contains appropriations for the operations of the government of Guam that reflect an overall reduction of ten percent from the current operational spending rate. However, this plan prioritizes the areas of education, health and safety by establishing higher funding levels for Fiscal Year 2008. The Guam Public School System will receive \$20 million in additional funds. The Guam Fire Department and the Department of Corrections have received a restoration of the \$6 million and \$3 million in appropriations reduced by the Legislature in Public Law 29-02. Additionally, the Medically Indigent Program/Medicaid funding has been increased to reflect the true requirements of these services. All of this while maintaining zero growth in the overall spending.

I also have provided separate appropriations to the Department of Mental Health and Substance Abuse (\$7 million) and the Department of Integrated Services for Individuals with Disabilities (\$2 million) to address the court ordered Permanent Injunction.

*Restoration of Revenue base to refinance government deficit and augment education funding*

Proposed within the revised Fiscal Year 2008 budget are revenue enhancements that will allow this government to address the projected \$524 million deficit, much of which represents outstanding debts incurred prior to either my Administration or your tenure in this Legislature. Nonetheless, these issues must be addressed and payments made to the taxpayers, retirees, the Retirement Fund and the businesses that have provided critical services and supplies to this government.

*Removal of tax exemptions.* In anticipation of the findings of the Legislative Tax Review Commission, which I expect to receive on or before September 1, 2007, (pursuant to Section 49 of Public Law 29-02), included in the revised Fiscal Year 2008 budget is a removal of Business Privilege tax exemptions.

For the record, I am a proponent of tax exemptions as a means of encouraging new investments and industries to our island, fostering growth in start-up industries or supporting struggling industries that serve the needs of our people. And I will continue to support any and all efforts on this front. However, there are currently exemptions to the Business Privilege Taxes for industries that are already established and strengthening as our economy grows and stand to benefit greatly from the economic boom that is coming. It is the removal of these exemptions that my administration is seeking to restore equity to the tax base.

My Administration's Fiscal Year 2008 revised budget proposes to remove those exemptions and to ask these corporate citizens of our island to contribute their fair share to the tax base. Wholesalers, contractors and professionals such as architects, engineers and attorneys have enjoyed the privilege of exemption from taxes while every other business and resident of our island is asked to pay taxes. It is time to bring equity into the tax base, ensure that all citizens of our island, individual and corporate, contribute to the common good and provide the level of critical services our people require from their government.

I, too, have been approached by members of the business community who have expressed their opposition to the removal of the exemptions, with the primary arguments being:

1. Government should reduce its costs before it increases taxes
2. Removing the exemptions would only pass the cost to consumers.

To address this first concern let me say that over the course of my first term in office, we substantially reduced the cost and size of government. We brought the operating expenses of this government from more than \$512 million to \$479 million level proposed it is today. Additionally, this revised Fiscal Year 2008 budget reflects no growth from this level. This amounts to a reduction of \$33 million, even as we increase funding to the critical areas of health, safety and education.

As for the issue of who truly bears the burden of the removal of these exemptions, it is disingenuous for any business to make a statement that they would be forced to pass the costs of the exemption removal to their consumers without first acknowledging that they pass all their costs to their consumers; it is a basic practice of business. However, as we look back in our

island's history, we saw no noticeable reduction in the cost of goods and services when these exemptions were effectuated. Nor did we see a noticeable decrease in pricing after the roll-back of the 2% GRT increase in 2004. Ours is a free market, price-competitive economy. Increases and decreases in pricing will continue to be dictated by consumer demand and I am confident that removal of these exemptions will ultimately result in a stabilizing of pricing based on market forces, not government policy decisions.

What I have proposed in the Fiscal Year revised 2008 budget is restoration of equity across the tax base so that no industry enjoys advantage over any other, and no business is given the special privilege of doing business on our island, taxing our infrastructure and services, without contributing to the payment of those services. And I am pleased to know that many of your colleagues share this sentiment and as such have mandated the change of all references to the "Gross Receipts Tax" to no read "Business Privilege Tax" (Section 28 of Public Law 29-02) to more accurately reflect its purpose.

I am not proposing an increase in tax rates, simply a restoration of equity to the tax base so that everyone is treated equally and all share the responsibility of contributing to the payment of critical services.

*Adjustment to assessed value for property taxes.* Also included in the revised Fiscal Year 2008 is a proposed adjustment to the assessed value for property taxes from 35% to 70%. An adjustment of the assessed value will increase the debt ceiling for the government's financing capacity more in par with other jurisdictions in the nation, as suggested in the US Supreme Court decision. It would also provide an additional \$20 million to the Territorial Education Facilities Fund to support the capital needs of the Guam Public School System as they move toward compliance with the Every Child is Entitled to and Adequate Education Act.

***Deficit Financing to pay past due tax refunds, outstanding COLA payments (court ordered) and the Government of Guam Retirement Fund***

The final major component of the revised Fiscal Year 2008 budget is the deficit financing proposal. This is not new debt. It is simply a mechanism for shifting the burden of the debt from the tax payers and man'amko of our island to the financial market at an interest rate lower than currently accruing on these outstanding obligations.

As you know, nearly half of the current deficit is attributed to circumstances beyond our control. While revenues into this government will continue to increase, this outstanding deficit will continue to create cash flow crises, the delay in payment to critical vendors for medical supplies and services and continued threats of payless paydays for government employees. This deficit is not manageable and will continue to directly affect the delivery of critical health, safety and education services unless it is converted to long-term financing.

I recognize that there are many difficult decisions before the Legislature as a whole. It is my sincere hope that as you deliberate on the proposed revisions to the Fiscal Year 2008 budget as submitted by my Administration, you do so with the understanding that the hard decisions we make today will translate into greater opportunities for sustained economic benefit to all our

people. We must get a handle on the finances of this government now, instill the institutional discipline necessary to ensure more efficient and effective delivery of services, and put forth a comprehensive spending plan that looks beyond the upcoming fiscal year.

The revised budget for 2008 continues the work done over the last four fiscal years to hold the line on spending, restore fiscal discipline to this government and address the concerns raised by the bond ratings agency, Standard & Poor's (S&P). This revised Fiscal Year 2008 budget addresses the liquidity problems that currently challenge this government's ability to continue providing critical services to our people and takes the necessary steps to address the government of Guam's growing General Fund deficit. I am extremely pleased that the plan I presented to Standard & Poor's resulted in the lifting of the "CreditWatch" with negative implications.

Since 2004, my administration has reduced overall expenditures, overall payroll and line agency employees. We have also increased past due tax collections and have made significant efforts to pay down the growing deficit which has restored a level of fiscal stability not seen in a decade.

It was my strong desire that the Chairman of the Legislative Committee on Finance, Taxation, Commerce and Economic Development, be a part of the presentation as S&P requested. Unfortunately, he had made the choice not to be there.

Standard & Poor's has continually expressed its concerns regarding the level of cooperation and political will to instill the discipline necessary to return our government to stable fiscal footing. I believe the revised Fiscal Year 2008 budget I have submitted provides a realistic and achievable plan to begin down the road to recovery outlined in the accompanying fiscal recovery and deficit elimination plan.

As the policy makers of our island, we now look to members of the Guam Legislature to affirm our commitment to fiscal discipline in this government which I believe is critical as we prepare for the significant growth our economy will experience in the years to come.

In closing, I would like to encourage the Legislature to immediately convene the Special Accounting Service, as mandated by Public Law 29-02, to carefully review the revenue projections for the coming fiscal year. At your continued urging, I have instructed my fiscal team to provide the revised Fiscal Year 2008 budget based on my Administration's revenue projections rather than continue to wait on the revenue projections that the Office of Finance and Budget as mandated in Section 29 of Public Law 29-02.

With the enactment of this public law, it is now the responsibility of the Office of Finance and Budget, with the assistance of the Special Accounting Service (SAS) to provide the revenue projections for the revised Fiscal Year 2008 budget. To date, my Administration has yet to receive a revenue projection and to my knowledge, the Special Accounting Service has not been convened.

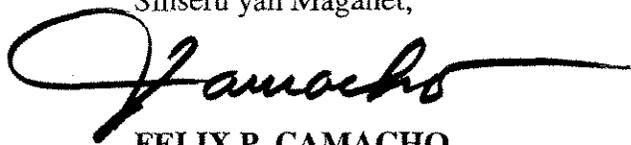
Until the SAS has reviewed and made recommendations regarding the revenue projections, I caution that any issues raised regarding the projections in the revised Fiscal Year 2008

budget first be addressed to the Office of Finance and Budget as, in accordance to Public Law 29-02; their responsibility to provide revenue projections has yet to be met.

Again, as we proceed with budget hearings on the revised Fiscal Year 2008 budget, I urge you to immediately convene the Special Accounting Service (SAS) as mandated in Public Law 29-02 to produce and adopt the revenue projections.

Thank you for your cooperation in helping us reach consensus regarding the many issues facing this government that require political will and courage to resolve. I look forward to productive dialogue in the coming months on the specifics of the revised revenue and expenditure plan Fiscal Year 2008.

Sins eru yan Magâhet,

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

**FELIX P. CAMACHO**  
*I Maga' Lâhen Guahan*  
Governor of Guam

**Office of the Speaker**

MARK FORBES

Date: 6/22/07

Time: 5:38 pm

Rec'd by: [Signature]

Print Name: Carl Quirata

~~Office of the Speaker~~

~~MARK FORBES~~

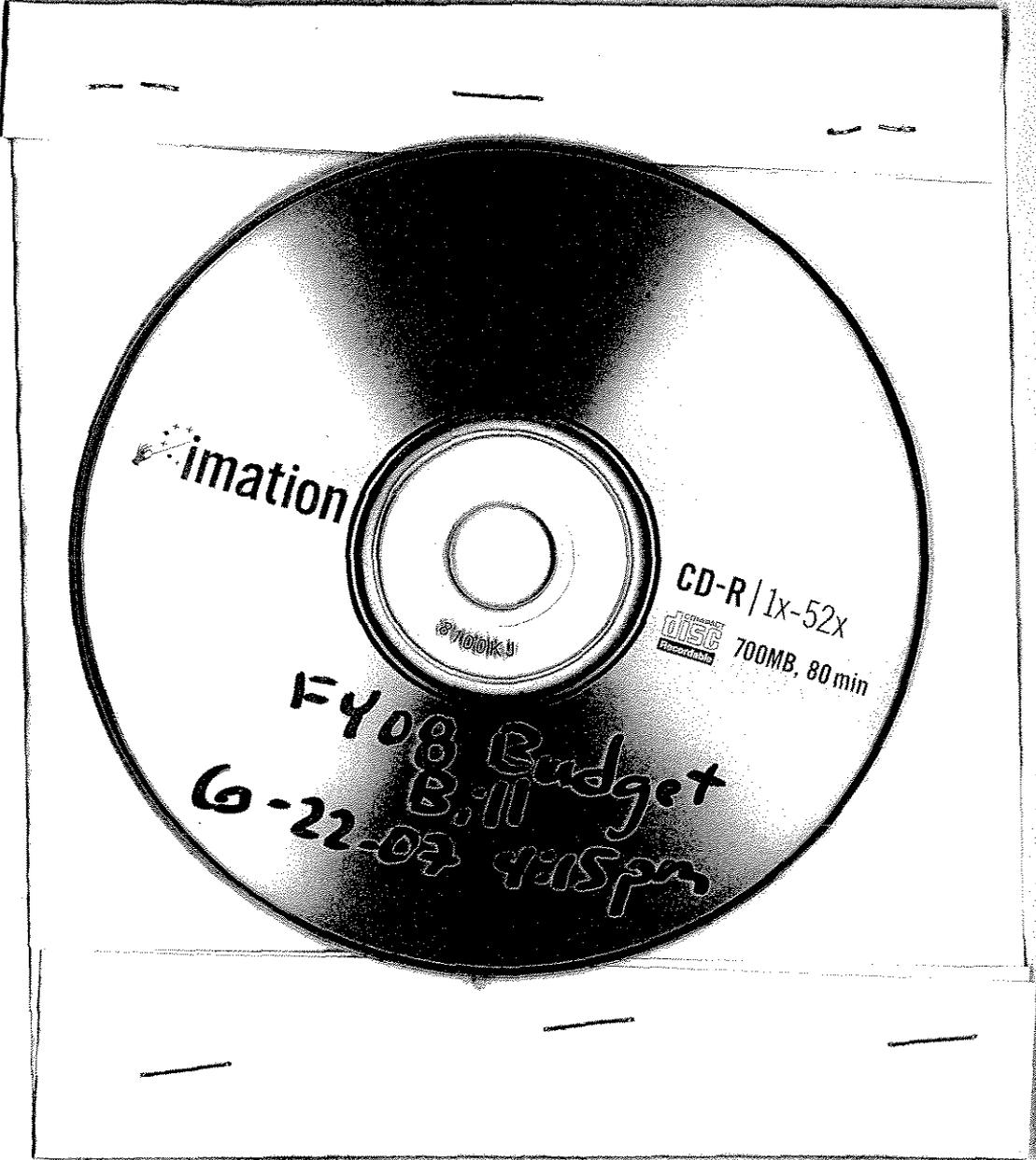
~~Date: 6/22/07~~

~~Time: 5:38 pm~~

~~Rec'd by: [Signature]~~

~~Print Name: Carl Quirata~~

6/22/07



I MINA'BENTE NUEBI NA LIHESLATURAN GUÅHAN  
TWENTY-NINTH GUAM LEGISLATURE  
2007 (FIRST) REGULAR SESSION

BILL NO. \_\_\_\_\_

Introduced by:

by request of *I Maga'lahaen Guåhan*,  
the Governor of Guam, in accordance  
with the Organic Act of Guam.

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS  
OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF  
GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2008 AND  
MAKING OTHER APPROPRIATIONS, AND ESTABLISHING  
MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 CHAPTER I

3 GENERAL PROVISIONS

4 Section 1. **Short Title.** This Act shall be known as the "*General Appropriations*  
5 *Act of 2008*". Except as otherwise provided by this Act, the appropriations made by this  
6 Act shall be available to pay for obligations incurred on or after October 1, 2007 but no  
7 later than September 30, 2008. In the event that any appropriation of this Act is found  
8 contrary to federal law, all portions not so found shall remain valid.

9 Section 2. **Estimated Revenues for Fiscal Year 2008.** *I Liheslaturan Guåhan*,  
10 the Guam Legislature, adopts the following revenue estimate for Fiscal Year 2008 which  
11 shall be utilized for appropriations contained in this Act.

1	<b>I. GENERAL FUND REVENUES</b>	<b><u>AMOUNT</u></b>
2	<b>A. TAXES</b>	
3	Income Tax	
4	Corporate	\$ 88,061,775
5	Individual	\$ 72,928,752
6	Withholding Taxes, Interest and Penalties	\$157,010,666
7	Provision for Tax Refund	(\$76,600,000)
8	Earned Income Tax Credit (EITC) Settlement	<u>(\$11,490,000)</u>
9	<b>TOTAL INCOME TAXES</b>	<b>\$229,911,193</b>
10	Gross Receipts Tax	\$180,924,947
11	Repeal of Tax Exemptions	\$22,000,000
12	Amendment to Banks and Financial Institutions	\$4,500,000
13	Amendment to Tax on Tobacco and Alcohol	\$4,000,000
14	Other Taxes	<u>\$1,654,385</u>
15	<b>TOTAL TAXES</b>	<b>\$442,990,525</b>
16	<b>B. FEDERAL SOURCES</b>	<b>\$46,057,970</b>
17	Federal Income Tax Collection (Section 30 Funds);	
18	Immigration Fees and Indirect Cost	
19	<b>C. USE OF MONEY AND PROPERTY</b>	<b>\$3,256,386</b>
20	<b>D. LICENSES, FEES AND PERMITS</b>	<b>\$9,835,939</b>
21	<b>E. DEPARTMENT CHARGES</b>	<b>\$2,181,582</b>
22	<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$504,322,402</b>
23	<b>II. SPECIAL FUND REVENUES APPROPRIATED IN THIS ACT</b>	

1	<b>A.</b> Air Pollution Control Special Fund	\$223,394
2	<b>B.</b> Chamorro Land Trust Operations Fund	497,189
3	<b>C.</b> Corrections Revolving Fund	1,554,525
4	<b>D.</b> Customs, Agriculture and Quarantine Inspection	
5	Services Fund	8,249,159
6	<b>E.</b> Enhanced 911 Emergency Reporting System Fund	2,103,615
7	<b>F.</b> Environmental Health Fund	645,000
8	<b>G.</b> Fire, Life and Medical Emergency Fund	1,347,140
9	<b>H.</b> Guam Board of Accountancy Fund	335,000
10	<b>I.</b> Guam Contractors License Board Fund	338,250
11	<b>J.</b> Guam Environmental Trust Fund	193,730
12	<b>K.</b> Guam Highway Fund	15,478,121
13	<b>L.</b> Guam Plant Inspection and Permit Fund	44,952
14	<b>M.</b> Healthy Futures Fund	10,772,121
15	<b>N.</b> Land Survey Revolving Fund	2,879,492
16	<b>O.</b> Manpower Development Fund	1,200,000
17	<b>P.</b> Police Services Fund	811,955
18	<b>Q.</b> Professional Engineers, Architects and	
19	Land Surveyors Board Fund	203,843
20	<b>R.</b> Public Recreation Services Fund	300,000
21	<b>S.</b> Safe Streets Fund	100,000
22	<b>T.</b> School Lunch/SAE/Child Nutritional Meal	
23	Reimbursement Fund	6,500,000

1	U. Solid Waste Operations Fund	5,880,808
2	V. Street Light Fund	3,952,056
3	W. Territorial Education Facilities Fund	40,967,296
4	X. Tourist Attraction Fund	23,331,000
5	Y. Water Protection Fund	54,784
6	Z. Water Research and Development Fund	<u>80,313</u>
7	<b>TOTAL SPECIAL FUND REVENUE</b>	<b>\$128,043,743</b>
8	<b>III. FEDERAL MATCHING GRANTS-IN-AID REVENUES</b>	
9	<b>Federal Grants-In-Aid Requiring Local Match:</b>	
10	A. Agriculture	\$376,500
11	B. Guam Council on the Arts and Humanities Agency	241,300
12	C. Guam Mass Transit Authority	859,915
13	D. Guam Police	615,860
14	E. Integrated Services for Individuals with Disabilities	2,382,160
15	F. Labor	34,200
16	G. Law	3,665,624
17	H. Military Affairs	613,685
18	I. Public Health and Social Services	22,328,194
19	J. University of Guam	<u>1,396,000</u>
20	<b>TOTAL FEDERAL MATCHING GRANTS-IN-</b>	
21	<b>AID REVENUE</b>	<b>\$32,513,438</b>
22		
23	<b>REVENUE SUMMARY:</b>	

1	<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$504,322,402</b>
2	<b>TOTAL SPECIAL FUND REVENUE</b>	<b>\$128,043,743</b>
3	<b>TOTAL FEDERAL MATCHING GRANTS-IN-</b>	
4	<b>    AID REVENUE</b>	<b><u>\$32,513,438</u></b>
5	<b>GRAND TOTAL</b>	<b><u>\$664,879,583</u></b>

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

8       **A. GENERAL OBLIGATION BONDS 1993 SERIES A**

9           (For education capital projects; Real Property Taxes pledged;

10          due FY 2018 as final year; P.L. 22-19 and P.L. 22-24, net

11          of UOG Bond Payment Obligation \$2,027,376)                   \$10,591,975 1/

12          1/ Territorial Education Facilities Fund

13       **B. LIMITED OBLIGATION HIGHWAY REFUNDING**

14           **BOND 2001 SERIES A**

15           (P.L. No. 24-70; due FY 2012 as the final year;

16          source of payment from Liquid Fuel Taxes)                   \$6,030,463 2/

17          2/ Guam Highway Fund

18       **C. LIMITED OBLIGATION (SECTION 30) BONDS**

19           **SERIES A 2001 (SECTION 30 FUNDS)**

20           (Water System Revenue Bond; P.L. 26-58, amended

21          by P.L. 25-59; Section 30 fund pledged; due FY 2012

22          as final year)   \$9,825,780 3/

23          3/ Section 30 Funds

1	<b>D. 2002 SHORT TERM FINANCING (SECTION 30 FUNDS)</b>	
2	(Line of Credit; P.L. 26-84 amended by P.L. 26-122	
3	and P.L. 26-130; due FY 2012 as the final year; source	
4	of payment Section 30 Funds)	\$1,281,818 4/
5	4/ Section 30 Funds	
6	<b>E. LIMITED OBLIGATION INFRASTRUCTURE</b>	
7	<b>IMPROVEMENT BONDS, 1997 SERIES A (TAF)</b>	
8	(Tumon Redevelopment; payment from the Tourist	
9	Attraction Fund, pursuant to P.L. 24-111)	\$7,243,351 5/
10	5/ Tourist Attraction Fund	
11	<b>F. 2007 SHORT TERM FINANCING (SECTION 30 FUNDS)</b>	
12	(Line of Credit, pursuant to §22413 of Article 4,	
13	Chapter 22 of Division 2 of 5 GCA)	<u>\$6,237,042</u> 6/
14	6/ General Fund	
15	<b>GRAND TOTAL</b>	<b>\$41,210,429</b>



1 **CHAPTER II**

2 **APPROPRIATIONS FOR EXECUTIVE BRANCH OPERATIONS**

3 **Section 1. Executive Branch Appropriations.** Four Hundred Eighty Three  
4 Million Three Hundred Four Thousand Seven Hundred Eighty Nine Dollars  
5 (\$483,304,789) are appropriated for the operations of the Executive Branch for fiscal year  
6 ending September 30, 2008. This sum is composed of Three Hundred Sixty Two Million  
7 Nine Hundred Sixteen Thousand One Hundred Fifty One Dollars (\$362,916,151) from  
8 the General Fund; Eighty Seven Million Eight Hundred Seventy Five Thousand Two  
9 Hundred Dollars (\$87,875,200) from Special Funds; and Thirty Two Million Five  
10 Hundred Thirteen Thousand Four Hundred Thirty Eight Dollars (\$32,513,438) from  
11 Federal Matching Grants-in-Aid. The appropriation shall be expended as follows:

	<b>General</b>	<b>Special</b>	<b>Federal Fund</b>	<b>Total</b>
	<b>Fund</b>	<b>Fund</b>	<b>Match</b>	
14 <b>I. EXECUTIVE DIRECTION</b>				
15 <b>A. Office of I Maga'laha</b>				
16 <b>Guahan and I Segundu</b>				
17 <b>Na Maga'laha Guahan</b>	\$5,973,357			\$5,973,357
18 <b>B. Bureau of Budget and</b>				
19 <b>Management Research</b>	1,399,126			1,399,126
20 <b>C. Bureau of Statistics</b>				
21 <b>and Plans</b>	1,107,622			1,107,622
22 <b>D. Military Affairs</b>	445,520		613,685	1,059,205

	<b>General</b>	<b>Special</b>	<b>Federal Fund</b>	<b>Total</b>
	<b>Fund</b>	<b>Fund</b>	<b>Match</b>	
3	<b>E. Veterans Affairs</b>	297,463		297,463
4	<b>F. Civil Service</b>			
5	Commission	674,712		674,712
6	<b>G. Guam Election</b>			
7	Commission	339,536		339,536
8	<b>H. Commission on</b>			
9	Decolonization	111,107		111,107
10	<b>TOTAL EXECUTIVE</b>			
11	<b>DIRECTION</b>	<b>\$10,348,443</b>	<b>\$</b>	<b>\$613,685</b>
12	<b>II. PUBLIC SAFETY</b>			
13	<b>A. Guam Police</b>	23,218,948	811,955 1/	24,646,763
14	<b>B. Guam Fire</b>	22,010,691	3,450,755 2/	25,461,446
15	<b>C. Corrections</b>	15,671,731	1,554,525 3/	17,226,256
16	<b>D. Youth Affairs</b>	3,513,878	300,000 4/	3,813,878
17	<b>E. Chief Medical</b>			
18	Examiner	377,393		377,393
19	<b>TOTAL PUBLIC</b>			
20	<b>SAFETY</b>	<b>\$64,792,641</b>	<b>\$6,117,235</b>	<b>\$615,860</b>
21	<b>III. HOMELAND SECURITY</b>			
22	<b>A. Customs and Quarantine</b>		8,249,159 5/	8,249,159

	<b>General</b>	<b>Special</b>	<b>Federal Fund</b>	<b>Total</b>	
	<b>Fund</b>	<b>Fund</b>	<b>Match</b>		
3	<b>TOTAL HOMELAND</b>				
4	<b>SECURITY</b>	\$	<b>\$8,249,159</b>	\$	<b>\$8,249,159</b>
5	<b>IV. HEALTH</b>				
6	<b>A. Integrated Services for Individuals</b>				
7	with Disabilities	1,754,007	739,938 4/	2,382,160	4,876,105
8	<b>B. Medical Referral</b>				
9	Offices	635,748			635,748
10	<b>C. Mental Health and</b>				
11	Substance Abuse	5,609,984	1,873,106 4/		7,483,090
12	<b>D. Public Health and</b>				
13	Social Services	19,395,235	7,670,627 6/	22,328,194	49,394,056
14	<b>E. Guam Memorial Hospital</b>				
15	Authority	14,839,231			14,839,231
16	<b>TOTAL HEALTH</b>	<b>\$42,234,205</b>	<b>\$10,283,671</b>	<b>\$24,710,354</b>	<b>\$77,228,230</b>
17	<b>V. EDUCATION</b>				
18	<b>A. Guam Public School</b>				
19	System	172,397,860	26,983,648 7/		199,381,508
20	<b>B. University of Guam</b>				
21	<b>C. Guam Community</b>				
22	College	5,543,897	7,467,173 9/		13,011,070

	<b>General</b>	<b>Special</b>	<b>Federal Fund</b>	<b>Total</b>	
	<b>Fund</b>	<b>Fund</b>	<b>Match</b>		
3	<b>D. Guam Educational Telecommunications</b>				
4	Corporation	557,722	50,582 8/	608,304	
5	<b>E. Guam Public Library</b>	1,076,346	720,172 8/	1,796,518	
6	<b>TOTAL EDUCATION</b>	<b>\$203,644,000</b>	<b>\$37,958,716</b>	<b>\$1,396,000</b>	<b>\$242,998,716</b>
7	<b>VI. FINANCE AND ADMINISTRATION</b>				
8	<b>A. Administration</b>	7,707,557		7,707,557	
9	<b>TOTAL FINANCE AND</b>				
10	<b>ADMINISTRATION</b>	<b>\$7,707,557</b>	<b>\$</b>	<b>\$</b>	<b>\$7,707,557</b>
11	<b>VII. NATURAL RESOURCES</b>				
12	<b>A. Agriculture</b>	2,748,146	44,952 10/	376,500	3,169,598
13	<b>B. Chamorro Land Trust</b>				
14	Commission		497,189 11/		497,189
15	<b>C. Guam Environmental</b>				
16	Protection Agency		552,221 12/		552,221
17	<b>D. Land Management</b>		2,879,492 13/		2,879,492
18	<b>E. Ancestral Lands</b>				
19	Commission	229,823			229,823
20	<b>F. Parks and Recreation</b>	3,375,263	400,000 14/		3,775,263
21	<b>TOTAL NATURAL</b>				
22	<b>RESOURCES</b>	<b>\$6,353,232</b>	<b>\$4,373,854</b>	<b>\$376,500</b>	<b>\$11,103,586</b>

	<b>General</b>	<b>Special</b>	<b>Federal Fund</b>	<b>Total</b>
	<b>Fund</b>	<b>Fund</b>	<b>Match</b>	
<b>VIII. LABOR</b>				
<b>A. Contractor's License</b>				
Board		338,250 15/		338,250
<b>B. Licensing and Professional</b>				
Labor Regulations				
(PEALS, etc.)		203,843 16/		203,843
<b>C. Labor</b>	1,739,385	360,000 17/	34,200	2,133,585
<b>TOTAL LABOR</b>	<b>\$1,739,385</b>	<b>\$902,093</b>	<b>\$34,200</b>	<b>\$2,675,678</b>
<b>IX. TRANSPORTATION</b>				
<b>A. Public Works</b>	8,920,057	16,780,522 18/		25,700,579
<b>B. Guam Mass Transit</b>				
Authority/DOA		2,500,000 19/	859,915	3,359,915
<b>TOTAL</b>				
<b>TRANSPORTATION</b>	<b>\$8,920,057</b>	<b>\$19,280,522</b>	<b>\$859,915</b>	<b>\$29,060,494</b>
<b>X. TOURISM AND CULTURE</b>				
<b>A. Cultural Heritage and the Arts (Chamorro</b>				
Affairs, etc)	579,991	300,000 20/		879,991
<b>B. Guam Council on the Arts and Humanities</b>				
Agency		409,950 20/	241,300	651,250
<b>TOTAL TOURISM AND</b>				
<b>CULTURE</b>	<b>\$579,991</b>	<b>\$709,950</b>	<b>\$241,300</b>	<b>\$1,531,241</b>

	General	Special	Federal Fund	Total
	Fund	Fund	Match	
<b>XI. REVENUE AND TAXATION</b>				
A. Revenue & Taxation	9,396,640	21/		9,396,640
<b>TOTAL REVENUE AND</b>				
<b>TAXATION</b>	<b>\$9,396,640</b>	<b>\$</b>	<b>\$</b>	<b>\$9,396,640</b>
<b>XII. JUSTICE</b>				
A. Law	7,200,000		3,665,624	10,865,624
<b>TOTAL JUSTICE</b>	<b>\$7,200,000</b>	<b>\$</b>	<b>\$3,665,624</b>	<b>\$10,865,624</b>
<b>GRAND TOTAL</b>	<b>\$362,916,151</b>	<b>\$87,875,200</b>	<b>\$32,513,438</b>	<b>\$483,304,789</b>

11 **NOTES:**

12 1/ Police Services Fund

13 2/ Enhanced 911 Emergency Reporting System Fund (\$2,103,615) and Fire, Life and  
14 Medical Emergency Fund (\$1,347,140)

15 3/ Corrections Revolving Fund

16 4/ Healthy Futures Fund

17 5/ Customs, Agriculture and Quarantine Inspection Services Fund

18 6/ Environmental Health Fund (\$645,000) and Healthy Futures Fund (\$7,025,627)

19 7/ School Lunch/SAE/Child Nutritional Meal Reimbursement Fund (\$6,500,000) and  
20 Territorial Education Facilities Fund (\$20,483,648)

21 8/ Territorial Education Facilities Fund

22 9/ Manpower Development Fund (\$840,000); Territorial Education Facilities Fund  
23 (\$6,383,778); and Tourist Attraction Fund (\$243,395)

24 10/ Guam Plant Inspection and Permit Fund

25 11/ Chamorro Land Trust Operations Fund

- 1    **12/ Air Pollution Control Special Fund (\$223,394); Guam Environmental Trust Fund**
- 2       **(\$193,730); Water Research & Development Fund (\$80,313); and Water Protection**
- 3       **Fund (\$54,784)**
- 4    **13/ Land Survey Revolving Fund**
- 5    **14/ Public Recreation Services Fund (\$300,000) and Tourist Attraction Fund (\$100,000)**
- 6    **15/ Guam Contractors License Board Fund**
- 7    **16/ Professional Engineers, Architects and Land Surveyors Board Fund**
- 8    **17/ Manpower Development Fund**
- 9    **18/ Guam Highway Fund (\$6,947,658); Solid Waste Operations Fund (\$5,880,808); and**
- 10       **Street Light Fund (\$3,952,056)**
- 11    **19/ Guam Highway Fund**
- 12    **20/ Tourist Attraction Fund**
- 13    **21/ Includes \$700,000 appropriated from the Better Public Service Fund**



1           **Section 2.     Appropriation for Aquaculture Development and Training**  
2 **Center.** The sum of Seventy Six Thousand One Hundred Eighty Two Dollars (\$76,182)  
3 is appropriated from the General Fund to the University of Guam for Fiscal Year 2008  
4 for the *sole* purpose of funding the continued operations of the Aquaculture Development  
5 and Training Center. Such funds shall *not* be transferred or used for any other purpose.

6           **Section 3.     Appropriation for WERI’s Guam Hydrologic Survey.** The sum  
7 of One Hundred Twenty Four Thousand Eight Hundred Seventy Three Dollars  
8 (\$124,873) is appropriated from the General Fund to the University of Guam for Fiscal  
9 Year 2008 to fund the Water and Environmental Research Institute of the Western Pacific  
10 (“WERI”) for the *sole* purpose of funding the Guam Hydrologic Survey (“GHS”). WERI  
11 shall continue to administer the GHS for the same purposes that have previously been  
12 established by the laws of Guam. Such funds shall *not* be transferred or used for any  
13 other purpose.

14           **Section 4.     Appropriation for WERI’s Comprehensive Water Resource**  
15 **Monitoring Program.** The sum of One Hundred One Thousand Nine Hundred Twenty  
16 Nine Dollars (\$101,929) is appropriated from the General Fund to the University of  
17 Guam for Fiscal Year 2008 to fund the Water and Environmental Research Institute of  
18 the Western Pacific (“WERI”). Such funds shall be used for the *sole* purpose of  
19 matching the Federal funding for the Comprehensive Water Resource Monitoring  
20 Program. WERI shall continue to administer the Comprehensive Water Resource  
21 Monitoring Program for the same purposes that have previously been established by the  
22 laws of Guam. Such funds shall *not* be transferred or used for any other purposes.

1           **Section 5. University of Guam for the College of Natural and Applied**  
2 **Sciences.** The sum of Fifteen Thousand One Hundred Sixty Nine Dollars (\$15,169) is  
3 appropriated from the General Fund to the University of Guam for Fiscal Year 2008 for  
4 the College of Natural and Applied Sciences which shall be divided equally between the  
5 Northern and Southern Soil and Water Conservation Districts Programs. Such funds  
6 shall *not* be transferred or used for any other purpose.

7           **Section 6. University of Guam for KPRG (Public Radio).** The sum of  
8 Seventy Five Thousand Eight Hundred Forty Four Dollars (\$75,844) is appropriated from  
9 the General Fund to the University of Guam for Fiscal Year 2008 for the KPRG (Public  
10 Radio) operations.

11           **Section 7. Guam Community College LPN and Vocational Guidance**  
12 **Programs.** The sum of Four Hundred Forty Seven Thousand Six Hundred Fifty Dollars  
13 (\$447,650) is appropriated from the General Fund to the Guam Community College for  
14 Fiscal Year 2008 to support the operational requirements of the Licensed Practical  
15 Nursing Program and Vocational Guidance Program.

16           **Section 8. Appropriations for Sliding Scale Supplemental Annuity**  
17 **Benefits and for Other Costs.**

18           (a) The sum of Five Million Two Hundred Fifty Eight Thousand One  
19 Hundred Ninety Four Dollars (\$5,258,194) is appropriated from the General Fund, and  
20 the sum of One Million Five Hundred Fifty Three Thousand Seven Hundred Two Dollars  
21 (\$1,553,702) is appropriated from the remittance per Subsection (c) of Section 8 of  
22 Chapter III of this Act, to the Supplemental Annuity Benefits Special Fund for the period  
23 October 1, 2007 to September 30, 2008, for direct payment to those employees who

1 retired *prior* to October 1, 1995, or their survivors, for the continuing provisions of Items  
2 (1) through (4), below.

3 (1) Four Thousand Two Hundred Thirty-eight Dollars (\$4,238) for  
4 supplemental annuity benefits, consisting of the sums of One Thousand Two  
5 Hundred Dollars (\$1,200), One Thousand Five Hundred Dollars (\$1,500), Seven  
6 Hundred Dollars (\$700), and Eight Hundred Thirty-eight Dollars (\$838) in  
7 annual benefits formerly contained in various General Appropriation Acts, for  
8 those retirees or their survivors with a base annuity of Ten Thousand Dollars  
9 (\$10,000) or less.

10 (2) Three Thousand Thirty-eight Dollars (\$3,038) for supplemental  
11 annuity benefits, comprised of the sum of One Thousand Five Hundred Dollars  
12 (\$1,500), Seven Hundred Dollars (\$700), and Eight Hundred Thirty-eight Dollars  
13 (\$838) in annual annuity benefits formerly contained in various General  
14 Appropriation Acts, for those retirees or their survivors with a base annuity  
15 between Ten Thousand One Dollars (\$10,001) to Twenty Thousand Dollars  
16 (\$20,000).

17 (3) Two Thousand Three Hundred Thirty-eight Dollars (\$2,338) for  
18 supplemental annuity benefits, comprised of the sum of One Thousand Five  
19 Hundred Dollars (\$1,500), and Eight Hundred Thirty-eight Dollars (\$838) in  
20 annual annuity benefits formerly contained in various General Appropriation  
21 Acts, for those retirees or their survivors with a base annuity between Twenty  
22 Thousand One Dollars (\$20,001) to Thirty Thousand Dollars (\$30,000).

1           (4)     One Thousand Five Hundred Dollars (\$1,500) for supplemental  
2 annuity benefits composed of the annual sum of One Thousand Five Hundred  
3 Dollars (\$1,500) in annual annuity benefits, formerly contained in various General  
4 Appropriation Acts, for those retirees or their survivors with a base annuity  
5 between Thirty Thousand One Dollars (\$30,001) to Forty Thousand Dollars  
6 (\$40,000).

7           (b) *No* persons eligible for the Retiree Supplemental Annuity Benefits  
8 provided for in Subsection (a) of this Section shall receive such benefit if their  
9 regular annual retirement annuity, *excluding* survivor benefits, exclusive of the  
10 supplemental amounts herein is more than Forty Thousand Dollars (\$40,000).  
11 Persons eligible for the Retiree Supplemental Annuity Benefits shall only receive  
12 an amount of such benefits up to the total aggregate sum of Forty Thousand  
13 Dollars (\$40,000) in combined retirement annuities and supplemental retirement  
14 annuities and *not more*.

15           (c) For October 1, 2007, to September 30, 2008, the Guam Power  
16 Authority, the A. B. Won Pat International Airport Authority Guam, the Guam  
17 Economic Development and Commerce Authority, the Guam Housing  
18 Corporation, the Government of Guam Retirement Fund, the Jose D. Leon  
19 Guerrero Commercial Port, the Guam Waterworks Authority and the Guam  
20 Visitors Bureau shall remit to the Department of Administration an amount equal  
21 to the number of eligible employees which are retired from each entity multiplied  
22 by the amounts listed in Items (1) through (4) in Subsection (a) of this Section.  
23 The remittance shall be made in two (2) equal installments on or before October

1           10, 2007, and April 12, 2008, respectively. Once remitted, this amount shall *not*  
2 be subject to *I Maga'lahañ Guåhañ's* transfer authority.

3           (d) The Department of Administration shall be the responsible entity to  
4 disburse to the retirees or their survivors the supplemental annuities pursuant to  
5 Subsection (a) of this Section. The Government of Guam Retirement Fund shall  
6 provide the necessary information for disbursement to the retirees or their  
7 survivors to the Department of Administration.

8           (e) Deposits made to the Supplemental Annuity Benefits Special Fund  
9 (“Fund”) shall *not* be commingled with the General Fund and shall continue to be  
10 kept in a separate bank account which shall continue to be administered by the  
11 Director of the Department of Administration. This Fund shall *not* be subject to *I*  
12 *Maga'lahañ Guåhañ's* transfer authority.

13           (f) The sum of Seven Million Eight Hundred Ninety Seven Thousand Fifty  
14 Dollars (\$7,897,050) is appropriated from the General Fund to the Government of  
15 Guam Retirement Fund for the payment of benefits of current retirees from  
16 October 1, 2007 to September 30, 2008, consisting of the continuing provisions of  
17 Items (1) through (2), below:

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).

1 (g) For October 1, 2007 to September 30, 2008, the Guam Power Authority,  
2 the A.B. Won Pat International Airport Authority of Guam, the Guam Economic  
3 Development and Commerce Authority, the Guam Housing Corporation, the  
4 Government of Guam Retirement Fund, the Jose D. Leon Guerrero Commercial  
5 Port, the Guam Waterworks Authority and the Guam Visitors Bureau shall remit  
6 to the Government of Guam Retirement Fund the respective share of payments for  
7 medical, dental, and life insurance payments for their respective retirees. The  
8 remittance shall be due in two (2) equal installments on or before October 10,  
9 2007, and April 1, 2008 respectively.

10 The autonomous agencies' share of payments for medical, dental, and life  
11 insurance authorized herein are *ex gratia* payments and are for Fiscal Year 2008  
12 *only*. Future medical, dental, and life insurance payments made after October 1,  
13 2008 may be addressed by future legislation.

14 (h) For October 1, 2007 through September 30, 2008, Three Hundred  
15 Eighty Seven Thousand Eight Hundred Ninety Five Dollars (\$387,895) is  
16 appropriated from the General Fund to the Government of Guam Retirement Fund  
17 to defray the cost of Medicare premiums for Government of Guam Retirees and  
18 their survivors who are eligible to receive social security income benefits and are  
19 required under the Government of Guam group health insurance program to pay  
20 such premiums in order to continue to participate in such health insurance  
21 program failing which they are excluded therefrom (to continue existing programs  
22 contained in the monthly payments).



1 (i) For Fiscal Year 2008, the sum of One Hundred Thirty Four Thousand  
2 Three Hundred Seventy Five Dollars (\$134,375) is appropriated from the General  
3 Fund to the Government of Guam Retirement Fund for *I Maga'lahi* and *I*  
4 *Segundu na Maga 'lahi/I Segundu na Maga 'haga* Pensions.

5 (j) For Fiscal Year 2008, the sum of Five Hundred Thousand Two Hundred  
6 Twenty Four Dollars (\$500,224) is appropriated from the General Fund to the  
7 Government of Guam Retirement Fund for retirement annuities for the Guam  
8 Superior Court Judges and Guam Supreme Court Justices.

9 (k) The Board of Trustees shall promulgate, maintain and amend, *if*  
10 necessary, administrative procedures to ensure the proper submission, receipt and  
11 accounting of all sums remitted in conformance with Subsections (f) and (h) of  
12 this Section.

13 **Section 9. Survivor Sliding Scale Annuity Additions.** Title 4 GCA  
14 §8135(d)(6) is hereby *repealed* and *reenacted* to read:

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

19 (i) Four Thousand Two Hundred Thirty-eight Dollars (\$4,238)  
20 in Retiree Supplemental Annuity Benefits, known as the sum of One  
21 Thousand Two Hundred Dollars (\$1,200), One Thousand Five  
22 Hundred Dollars (\$1,500), Seven Hundred Dollars (\$700), and Eight  
23 Hundred Thirty-eight Dollars (\$838) in annual benefits formerly

1 contained in various General Appropriation Acts, for survivors of  
2 those retirees with a base annuity of Ten Thousand Dollars (\$10,000)  
3 or less.

4 (ii) Three Thousand Thirty-eight Dollars (\$3,038) in  
5 prospective Retiree Supplemental Annuity Benefits comprised of  
6 the sum of One Thousand Five Hundred Dollars (\$1,500), Seven  
7 Hundred Dollars (\$700), and Eight Hundred Thirty-eight Dollars  
8 (\$838) in *annual* annuity benefits formerly contained in various  
9 General Appropriation Acts, for survivors of those retirees with a  
10 base annuity between Ten Thousand One Dollars (\$10,001) to  
11 Twenty Thousand Dollars (\$20,000).

12 (ii) Two Thousand Three Hundred Thirty-eight Dollars  
13 (\$2,338) in Retiree Supplemental Annuity Benefits, comprised of the  
14 sum of One Thousand Five Hundred Dollars (\$1,500), and Eight  
15 Hundred Thirty-eight Dollars (\$838) in *annual* annuity benefits  
16 formerly contained in various General Appropriation Acts, for  
17 survivors of those retirees with a base annuity between Twenty  
18 Thousand One Dollars (\$20,001) to Thirty Thousand Dollars  
19 (\$30,000).

20 (iv) One Thousand Five Hundred Dollars (\$1,500) in Retiree  
21 Supplemental Annuity Benefits, composed of the sum of One  
22 Thousand Five Hundred Dollars (\$1,500) in *annual* annuity benefits,  
23 formerly contained in various General Appropriation Acts, for

1 survivors of those retirees with a base annuity between Thirty  
2 Thousand One Dollars (\$30,001) to Forty Thousand Dollars (\$40,000).

3 (v) No persons eligible for the Retiree Supplemental Annuity  
4 Benefits provided for in paragraph (6) of this Section shall receive  
5 such benefit *if* their regular *annual* retirement annuity *prior* to the  
6 supplemental amounts herein is more than Forty Thousand Dollars  
7 (\$40,000). Persons eligible for the Retiree Supplemental Annuity  
8 Benefits shall *only* receive an amount of such benefits up to the total  
9 aggregate sum of Forty Thousand Dollars (\$40,000) in combined  
10 retirement annuities and supplemental retirement annuities and not  
11 more.”

12 **Section 10. Disability Sliding Scale Annuity Additions.** Title 4 GCA  
13 §8129 (g) is *repealed* and *reenacted* to read:

14 “(g) Any disability retirement annuitant who commenced receiving a  
15 disability retirement annuity prior to October 1, 1995, and who is entitled  
16 to disability retirement benefits under this Chapter shall receive, during  
17 the period commencing on October 1, 2007, and ending on September 30,  
18 2008, prospective non-cumulative supplemental annuity benefits as  
19 follows:

20 (1) Four Thousand Two Hundred Thirty-eight Dollars (\$4,238)  
21 in Retiree Supplemental Annuity Benefits, known as the sum of One  
22 Thousand Two Hundred Dollars (\$1,200), One Thousand Five  
23 Hundred Dollars (\$1,500), Seven Hundred Dollars (\$700), and Eight

1           Hundred Thirty-eight Dollars (\$838) in *annual* benefits formerly  
2           contained in various General Appropriation Acts, for those retirees  
3           with a base annuity of Ten Thousand Dollars (\$10,000) or less.

4           (2)     Three Thousand Thirty-eight Dollars (\$3,038) in Retiree  
5           Supplemental Annuity Benefits comprised of the sum of One  
6           Thousand Five Hundred Dollars (\$1,500), Seven Hundred Dollars  
7           (\$700), and Eight Hundred Thirty-eight Dollars (\$838) in *annual*  
8           annuity benefits formerly contained in various General Appropriation  
9           Acts, for those retirees with a base annuity between Ten Thousand  
10          One Dollars (\$10,001) to Twenty Thousand Dollars (\$20,000).

11          (3)     Two Thousand Three Hundred Thirty-eight Dollars  
12          (\$2,338) in Retiree Supplemental Annuity Benefits, comprised of the  
13          sum of One Thousand Five Hundred Dollars (\$1,500), and Eight  
14          Hundred Thirty-eight Dollars (\$838) in *annual* annuity benefits  
15          formerly contained in various General Appropriation Acts, for those  
16          retirees with a base annuity between Twenty Thousand One Dollars  
17          (\$20,001) and Thirty Thousand Dollars (\$30,000).

18          (4)     One Thousand Five Hundred Dollars (\$1,500) in Retiree  
19          Supplemental Annuity Benefits, composed of the sum of One  
20          Thousand Five Hundred Dollars (\$1,500) in *annual* annuity benefits,  
21          formerly contained in various General Appropriation Acts, for those  
22          retirees with a base annuity between Thirty Thousand One Dollars  
23          (\$30,001) to Forty Thousand Dollars (\$40,000) or their survivors.

1           (5) No persons eligible for the Retiree Supplemental Annuity  
2 Benefits provided for in paragraph (g) of this Section shall receive  
3 such benefit *if* their regular *annual* retirement annuity, *excluding*  
4 survivor benefits, *prior* to the supplemental amounts herein is more  
5 than Forty Thousand Dollars (\$40,000). Persons eligible for the  
6 Retiree Supplemental Annuity Benefits shall *only* receive an amount  
7 of such benefits up to the total aggregate sum of Forty Thousand  
8 Dollars (\$40,000) in combined retirement annuities and supplemental  
9 retirement annuities and *not more.*”

10       **Section 11. Retirees Sliding Scale Supplemental Annuity Additions.** Title  
11 4 GCA §8122(d)(6), is hereby *repealed* and *reenacted* to read:

12       “(6) Any retirement annuitant who commenced receiving a retirement  
13 annuity prior to October 1, 1995, and who is entitled to retirement benefits  
14 under this Chapter shall receive, during the period commencing on  
15 October 1, 2007, and ending on September 30, 2008, prospective, non-  
16 cumulative supplemental annuity benefits as follows:

17           (i) Four Thousand Two Hundred Thirty-eight Dollars  
18 (\$4,238) in Retiree Supplemental Annuity Benefits, known as the sum of  
19 One Thousand Two Hundred Dollars (\$1,200), One Thousand Five  
20 Hundred Dollars (\$1,500), Seven Hundred Dollars (\$700), and Eight  
21 Hundred Thirty-eight Dollars (\$838) in *annual* benefits formerly  
22 contained in various General Appropriation Acts, for those retirees with a  
23 base annuity of Ten Thousand Dollars (\$10,000) or less.

1                   (ii) Three Thousand Thirty-eight Dollars (\$3,038) in Retiree  
2 Supplemental Annuity Benefits comprised of the sum of One Thousand  
3 Five Hundred Dollars (\$1,500), Seven Hundred Dollars (\$700), and Eight  
4 Hundred Thirty-eight Dollars (\$838) in *annual* annuity benefits formerly  
5 contained in various General Appropriation Acts, for those retirees with a  
6 base annuity between Ten Thousand One Dollars (\$10,001) to Twenty  
7 Thousand Dollars (\$20,000).

8                   (iii) Two Thousand Three Hundred Thirty-eight Dollars  
9 (\$2,338) in Retiree Supplemental Annuity Benefits, comprised of the sum  
10 of One Thousand Five Hundred Dollars (\$1,500), and Eight Hundred  
11 Thirty-eight Dollars (\$838) in *annual* annuity benefits formerly contained  
12 in various General Appropriation Acts, for those retirees with a base  
13 annuity between Twenty Thousand One Dollars (\$20,001) to Thirty  
14 Thousand Dollars (\$30,000).

15                   (iv) One Thousand Five Hundred Dollars (\$1,500) in Retiree  
16 Supplemental Annuity Benefits, composed of the sum of One Thousand  
17 Five Hundred Dollars (\$1,500) in *annual* annuity benefits, formerly  
18 contained in various General Appropriation Acts, for those retirees with a  
19 base annuity between Thirty Thousand One Dollars (\$30,001) to Forty  
20 Thousand Dollars (\$40,000) or their survivors.

21                   (v) *No* persons eligible for the Retiree Supplemental Annuity  
22 Benefits provided for in paragraph (6) of this Section shall receive such  
23 benefit *if* their regular *annual* retirement annuity *prior* to the supplemental

1 amounts herein, but *excluding* survivor benefits is more than Forty  
2 Thousand Dollars (\$40,000). Persons eligible for the Retiree  
3 Supplemental Annuity Benefits shall *only* receive an amount of such  
4 benefits up to the total aggregate sum of Forty Thousand Dollars  
5 (\$40,000) in combined retirement annuities and supplemental retirement  
6 annuities and *not more.*”

7 **Section 12. Appropriations to the Department of Administration for**  
8 **Sliding Scale Cost of Living Allowance (COLA).**

9 (a) *I Maga’lahen Guåhan* is authorized to give a “Cost of Living Allowance”  
10 (COLA) in Fiscal Year 2008 *per retiree of the Government of Guam Retirement Fund as*  
11 *follows:*

12 (1) One Thousand One Hundred Dollars (\$1,100) for those retirees, or  
13 their survivors with a base annuity of Ten Thousand Dollars (\$10,000) or less.

14 (2) Seven Hundred Ninety-two Dollars (\$792) for those retirees, or  
15 their survivors with a base annuity between Ten Thousand One Dollars (\$10,001)  
16 to Twenty Thousand Dollars (\$20,000).

17 (3) Six Hundred Five Dollars (\$605) for those retirees, or their  
18 survivors with a base annuity between Twenty Thousand One Dollars (\$20,001)  
19 to Thirty Thousand Dollars (\$30,000).

20 (4) Three Hundred Eighty-five Dollars (\$385) for those retirees, or  
21 their survivors with a base annuity Thirty Thousand One Dollars (\$30,001) to  
22 Forty Thousand Dollars (\$40,000).

1 (b) No persons eligible for the Retiree Cost of Living Allowance (COLA)  
2 provided for in Subsection (a) of this Section shall receive such benefit if their regular  
3 annual retirement annuity, *excluding* survivor benefits, exclusive of the supplemental  
4 amounts herein is more than Forty Thousand Dollars (\$40,000). Persons eligible for the  
5 Retiree Cost of Living Allowance (COLA) shall only receive an amount of such benefits  
6 up to the total aggregate sum of Forty Thousand Dollars (\$40,000) in combined  
7 retirement annuities and supplemental retirement annuities and *not more*.

8 (c) For October 1, 2007, to September 30, 2008, the Guam Power Authority, the  
9 A. B. Won Pat International Airport Authority Guam, the Guam Economic Development  
10 and Commerce Authority, the Guam Housing Corporation, the Government of Guam  
11 Retirement Fund, the Jose D. Leon Guerrero Commercial Port, the Guam Waterworks  
12 Authority and the Guam Visitors Bureau shall remit to the Department of Administration  
13 an amount equal to the number of eligible employees which are retired from each entity  
14 multiplied by the amounts listed in Items (1) through (4) in Subsection (a) of this Section.  
15 The remittance shall be made in two (2) equal installments on or before October 10,  
16 2007, and April 12, 2008, respectively. Once remitted, this amount shall *not* be subject to  
17 *I Maga'lahaen Guahan's* transfer authority.

18 (d) The sum of One Million Three Hundred Fifty One Thousand Two  
19 Hundred Fifteen Dollars (\$1,351,215) is appropriated from the General Fund, and the  
20 sum of Three Hundred Ninety Seven Thousand Seven Hundred Twenty Six Dollars  
21 (\$397,726) is appropriated from the remittance per Subsection ( c ) of Section 12 of  
22 Chapter III of this Act, to the Department of Administration for Government of Guam

1 retirees' Cost of Living Allowance, as per subsection (a) of this Section, to be paid in  
2 Fiscal Year 2008.

3 **Section 13. Appropriation for Textbooks and Collateral Materials.** The  
4 following are appropriations to the Guam Public School System for the purchase of  
5 textbooks, e-book readers and collateral materials in accordance with the conditions and  
6 terms expressed in the following Subsections:

7 (1) For Fiscal Year 2008, the sum of Three Million Five Hundred  
8 Thousand Dollars (\$3,500,000) is appropriated from the General Fund from Fiscal  
9 Year 2009 revenues to the Guam Public School System (GPSS) for the purchase  
10 of textbooks, e-book readers and collateral classroom instructional materials.  
11 GPSS may, *if necessary*, in agreements with textbook vendors, defer payment  
12 until *after* October 1, 2008, but *not later than* December 31, 2008, with the full  
13 faith and credit of the government of Guam.

14 (2) The GPSS shall order all textbooks, e-book readers and collateral  
15 classroom instructional materials funded by this section, *no later than* March 1,  
16 2008 for Fiscal Year 2009, and the Bureau of Budget and Management Research  
17 shall release such allotments as are necessary to ensure that such textbooks, e-  
18 book readers and collateral classroom instructional materials, are ordered by this  
19 deadline. All textbooks and collateral classroom instructional materials shall be  
20 received and distributed to schools *no later than* thirty (30) days *prior* to the start  
21 of the school calendar established pursuant to Title 17 Guam Code Annotated  
22 §4111. All funds appropriated for textbooks, e-book readers and collateral  
23 classroom instructional materials, shall *not* be used for any other purpose.

1 (3) For Fiscal Year 2008, on the first (1st) day of each fiscal quarter, the  
2 Superintendent of Education shall provide a detailed report to *I Maga'lahren*  
3 *Guåhan* and the Speaker of *I Liheslaturan Guåhan* on all receipts and  
4 expenditures for textbooks, e-book readers and collateral classroom instructional  
5 materials. The report shall be accompanied by the certified list of textbooks  
6 approved by the Guam Education Policy Board and all purchase orders issued.  
7 The report shall be posted on the GPSS website. The report shall include  
8 summaries of the following information:

9 (A) purchases by allotment account number, unit cost and total cost of  
10 books charged against appropriation account, vendor, quantity, title,  
11 copyright date and ISBN number of books ordered, allocation of such  
12 books by school and grade, and statements as to whether books are for  
13 teachers or students and whether books are textbooks or e-books;

14 (B) the number of textbooks and e-book readers lost *or* damaged, the  
15 amounts collected for such lost *or* damaged items and the amount of  
16 receivables due for such lost *or* damaged items for the preceding fiscal  
17 year and the current fiscal year by month; and

18 (C) other information that may be useful, *or* requested by *I*  
19 *Liheslaturan Guåhan*, regarding an accounting for funds appropriated for  
20 such purposes.

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

1           **Section 14.     Appropriation to the Guam Public School System for**  
2 **Summer School.** For Fiscal Year 2008, there is hereby appropriated such sums as are  
3 necessary from the Summer School Fund established pursuant to §6119 of Article 1 of  
4 Chapter 6 of Division 1 of Title 17 Guam Code Annotated, to the Guam Public School  
5 System to fund the operations of the 2008 Summer School Program. The Superintendent  
6 of Education shall submit a detailed report to *I Maga'lahren Guåhan* and the Speaker of *I*  
7 *Liheslaturan Guåhan* regarding the receipt and expenditure of said funds *no later than*  
8 thirty (30) days after the close of summer school and post the same on the GPSS website.  
9 Such report shall include the following:

- 10           (1) total revenues received, including identification of each revenue source;
- 11           (2) total expenditures and encumbrance by object classification and by school;
- 12           and
- 13           (3) the fund balance.

14           **Section 15.     *Y Kuantan Salappe' Prinsepat (Principal's Fund).*** The sum of  
15 Five Hundred Fifty Five Thousand Dollars (\$555,000) is appropriated from the General  
16 Fund to the Guam Public School System for the Principal's Fund for Fiscal Year 2008.  
17 The amount appropriated herein shall be allocated per student to each school, based on  
18 the student population of each school at the end of the prior school year; provided that no  
19 school shall receive less than Five Thousand Dollars (\$5,000).

20           The Superintendent of Education shall submit a detailed quarterly report to *I*  
21 *Liheslaturan Guåhan* on the receipt and expenditure of said funds no later than thirty (30)  
22 days after the close of each quarter and post the same on the GPSS website.

1           **Section 16. School Nutritional Meals.** Up to Six Million Five Hundred  
2 Thousand Dollars (\$6,500,000), as appropriated in Chapter II, Section 1, Part V (A) of  
3 this Act, from the School Lunch/SAE/Child Nutritional Meal Reimbursement Fund is  
4 made available to the Guam Public School System for non-personnel operating expenses  
5 incurred in accordance with the established guidelines for said programs.

6           **Section 17. Interscholastic Sports Fund.** For Fiscal Year 2008, the sum of  
7 Five Hundred Nine Thousand Thirty Four Dollars (\$509,034) is appropriated from the  
8 Healthy Futures Fund to the Interscholastic Sports Fund within the Guam Public School  
9 System to fund Interscholastic Sports Programs. Expenditure of these funds shall comply  
10 with Title 17 GCA §7108.

11           **Section 18. Health and Physical Education Activities.** For Fiscal Year 2008,  
12 the sum of Three Hundred Twenty Four Thousand Four Hundred Sixteen Dollars  
13 (\$324,416) is appropriated from the Healthy Futures Fund to the Guam Public School  
14 System for Health and Physical Education programs, intramural sports, and similar  
15 activities.

16           **Section 19. Guam State Clearinghouse.** The sum of Three Hundred Twenty  
17 Five Thousand Dollars (\$325,000) is appropriated from the General Fund to the Guam  
18 State Clearinghouse for its operations in Fiscal Year 2008.

19           **Section 20. Court Appointed Attorney Fees.** The sum of Six Hundred  
20 Eighty Thousand Seven Hundred Seventy Six Dollars (\$680,776) is appropriated from  
21 the General Fund for Fiscal Year 2008 to the Judiciary, for the *sole* purpose of paying  
22 court-appointed attorney fees related to the legal defense of indigent people. Such funds

1 shall be deposited into the Judicial Client Services Fund account, as created by Title 7  
2 G.C.A. Division One, Chapter 9.6, and shall *not* be subject to any transfer authority.

3 **Section 21. Adult and Juvenile Drug Courts.** The sum of Five Hundred  
4 Thirty Two Thousand Seven Hundred Forty Three Dollars (\$532,743) is appropriated  
5 from the General Fund to the Judiciary for the operational costs of the Adult and Juvenile  
6 Drug Courts for Fiscal Year 2008.

7 **Section 22. Permanent Injunction. (a)** For Fiscal Year 2008, the sum of  
8 Two Million Dollars (\$2,000,000) is appropriated from the General Fund to the  
9 Department of Integrated Services for Individuals with Disabilities for compliance with  
10 the requirements of the Permanent Injunction Civil Case No. CV 01-00041, J.C. et al v.  
11 Governor of Guam et al.

12 (b) For Fiscal Year 2008, the sum of Seven Million Dollars (\$7,000,000) is  
13 appropriated from the General Fund to the Department of Mental Health and Substance  
14 Abuse for compliance with the requirements of the Permanent Injunction Civil Case No.  
15 CV 01-00041, J.C. et al v. Governor of Guam et al.

16 **Section 23. Youth Program Appropriation. (a)** The sum of Two Hundred  
17 Forty Four Thousand Six Hundred Sixty Two Dollars (\$244,662) is appropriated from  
18 the General Fund for Fiscal Year 2008 to the Department of Youth Affairs (DYA) to  
19 fund programs contracted out to non-governmental organizations for youths who are  
20 runaways, homeless, or victims of abuse.

21 (b) DYA shall submit a report to *I Maga'lahaen Guåhan* and the *Speaker of I*  
22 *Liheslaturan Guåhan* containing a full disclosure of all expenditures of said funds from

1 this appropriation *no later than* forty-five (45) days after the close of each quarter of the  
2 fiscal year and post the same on DYA's website.

3       **Section 24. Residential Treatment Fund. (a)** The sum of Two Million  
4 Three Hundred Ninety Seven Thousand Nine Hundred Nine Dollars (\$2,397,909) is  
5 appropriated from the General Fund to the Department of Administration to pay  
6 authorized expenses in Fiscal Year 2008 for persons under the jurisdiction of the Superior  
7 Court of Guam requiring residential care because of physical, mental or emotional  
8 disabilities or severe emotional disturbances. All patients and their escorts referred off  
9 Guam shall submit to the Director of Administration supporting documents to justify  
10 their authorized travel expenses.

11       (b) The Director of Administration shall submit a report to *I Maga'laha*  
12 *Guåhan* and the Speaker of *I Liheslaturan Guåhan* a report containing a full disclosure of  
13 all expenditures of this appropriation, *no later than* thirty (30) days after the close of each  
14 quarter of the fiscal year and post the same on its website.

15       **Section 25. Public Assistance Program Payments.** The sum of Two Million  
16 Two Hundred Fifty One Thousand Nine Hundred Dollars (\$2,251,900) is appropriated  
17 from the General Fund for Fiscal Year 2008 to the Department of Public Health and  
18 Social Services for Public Assistance Program payments.

19       **Section 26. Medically Indigent Program (MIP) and Medicaid Program**  
20 **Appropriation.** The sum of Twenty Eight Million Seven Hundred Twelve Thousand  
21 Four Hundred Thirty Three Dollars (\$28,712,433) is appropriated from the General Fund  
22 for Fiscal Year 2008 to the Department of Public Health and Social Services to be used  
23 for the following programs:

1 (a) The sum of Fifteen Million Eight Hundred One Thousand Four Hundred  
2 Thirty Three Dollars (\$15,801,433) to the Medically Indigent Program Payment  
3 Revolving Fund (MIPPR) for the Medically Indigent Program (MIP).

4 (b) The sum of Twelve Million Nine Hundred Eleven Thousand Dollars  
5 (\$12,911,000) for the Medicaid Program.

6 **Section 27. Appropriation to Catastrophic Illness Assistance Program.**

7 The sum of One Hundred Thousand Dollars (\$100,000) is appropriated from the  
8 General Fund for Fiscal Year 2008 to the Department of Public Health and Social  
9 Services for the *sole* purpose of funding the Catastrophic Illness Program. The funds  
10 appropriated herein shall *not* be subject to *I Maga'lahaen Guåhan's* transfer authority.

11 **Section 28. Government Claims Fund.** (a) The sum of One Hundred

12 Thousand Dollars (\$100,000) is appropriated from the General Fund to the Department of  
13 Administration for the Government Claims Fund for the payment of eligible and  
14 approved Government Claims for Fiscal Year 2008.

15 (b) The Director of Administration shall, *no later than* thirty (30) days after  
16 the close of each quarter for Fiscal Year 2008, submit to the Speaker of *I Liheslaturan*  
17 *Guåhan* a report containing a full disclosure of all expenditures of this appropriation and  
18 post the same on the Department's website.

19 **Section 29. Government of Guam's General Purpose Financial Statement**  
20 **and Single Audit Report.** The sum of Three Hundred Seventy Five Thousand Five

21 Hundred Twenty Seven Dollars (\$375,527) is appropriated from the General Fund to the  
22 Department of Administration for the Fiscal Year 2007 Audit of the Government of  
23 Guam's General Purpose Financial Statement and the Single Audit Report. The Office of

1 the Public Auditor shall be responsible for the administration of such funds and shall  
2 maintain oversight of the conduct of the annual audit.

3       **Section 30. Appropriation to the Worker's Compensation Fund.** (a) The  
4 sum of Eight Hundred Forty Seven Thousand Nine Hundred Eighty Dollars (\$847,980) is  
5 appropriated from the General Fund to the Department of Labor for the Worker's  
6 Compensation Fund for Fiscal Year 2008. The funds appropriated in this Section shall be  
7 utilized for worker's compensation payments for the purposes set out in §9144 of Title 22  
8 of the Guam Code Annotated to pay worker's compensation for claims by employees of  
9 the government of Guam, including outstanding prior years' obligations and future  
10 obligations associated with the provisions of this Section.

11       (b) Notwithstanding any other provision of law, the appropriation made in this  
12 Section may be used to pay for medical, surgical, and other treatment; nurses; hospital  
13 services; medical travel and/or per diem; medicine; crutches; and apparatus required by  
14 the claimant for such period as the nature of the injury, or the process of recovery, may  
15 require.

16       (c) Notwithstanding any other provision of law, the appropriation made in this  
17 Section shall *not* be expended for disability compensation payments for FTE's funded by  
18 this Act.

19       (d) Notwithstanding any other provision of law, the Director of the  
20 Department of Labor is authorized to spend *up to* Forty Thousand Dollars (\$40,000) from  
21 this fund to pay for legal services for worker's compensation hearings for Fiscal Year  
22 2008.

1           **Section 31. Family Visitation Center.** Notwithstanding any other provision  
2 of law, the sum of One Hundred Thousand Dollars (\$100,000) is appropriated from the  
3 Safe Streets Fund, for Fiscal Year 2008, to the Judiciary to pay for contractual services  
4 for the operation of the Family Visitation Center, *provided*, that the court first complies  
5 with Title 16 GCA §18125 (c) and (d) and Title 7 GCA §9211 (b).

6           **Section 32. Guam Territorial Band.** The sum of Twenty Five Thousand  
7 Dollars (\$25,000) is appropriated from the Tourist Attraction Fund, for Fiscal Year 2008,  
8 to the Guam Council on the Arts and Humanities Agency for the Guam Territorial Band.

9           **Section 33. Guam Board of Accountancy.** The sum of Three Hundred  
10 Thirty Five Thousand Dollars (\$335,000) is appropriated from the Guam Board of  
11 Accountancy Fund to the Guam Board of Accountancy for its operations in Fiscal Year  
12 2008.

13           **Section 34. Guam Memorial Hospital Authority Pharmaceuticals Fund**  
14 **Appropriation.** Pursuant to §§26208 and 26208.1 of Chapter 26, Division 2 of Title 11  
15 Guam Code Annotated, the sum of Eleven Million One Hundred Ninety Nine Thousand  
16 Two Hundred Fifty Four Dollars (\$11,199,254) as appropriated from the General Fund in  
17 Chapter II, Section 1, Part IV (E) of this Act, is hereby transferred to the Guam Memorial  
18 Hospital Authority Pharmaceuticals Fund for Fiscal Year 2008.

19           **Section 35. Guam Memorial Hospital Authority Operations.** The sum of  
20 Three Million Six Hundred Thirty Nine Thousand Nine Hundred Seventy Seven Dollars  
21 (\$3,639,977) as appropriated from the General Fund in Chapter II, Section 1, Part IV (E)  
22 of this Act, is hereby transferred to the Guam Memorial Hospital Authority for its  
23 operations in Fiscal Year 2008.

1           **Section 36. Guam Public School System Operations Fund Appropriations.**

2 Pursuant to §§52101 and 52102 of Chapter 52, Division 2 of Title 11 Guam Code  
3 Annotated, the sum of One Hundred Seventy Two Million Three Hundred Ninety Seven  
4 Thousand Eight Hundred Sixty Dollars (\$172,397,860) as appropriated from the General  
5 Fund in Chapter II, Section 1, Part V (A) of this Act, is hereby transferred to the Guam  
6 Public School System Operations Fund for Fiscal Year 2008 and the sum of Twenty  
7 Million Four Hundred Eighty Three Thousand Six Hundred Forty Eight Dollars  
8 (\$20,483,648) as appropriated from the Territorial Education Facilities Fund is hereby  
9 transferred to the Guam Public School System Operations Fund for Fiscal Year 2008.

10           **Section 37. Appropriation to Guam Public School System for Independent**

11 **Audit on Capability to Provide an Adequate Education.** The sum of One Hundred  
12 Thousand Dollars (\$100,000) is appropriated from the sums appropriated in Section 36 of  
13 Chapter III of this Act to the Guam Public School System for the purpose of contracting,  
14 pursuant to Title 17 GCA, Chapter 3, §3103, with an independent educational auditing  
15 organization to audit the Guam Public School System’s capability to provide an adequate  
16 education as that term is defined by Title 1 GCA, §715, Item 12, and to identify  
17 recommendations to remedy deficiencies. The audit report shall be transmitted by the  
18 Superintendent of Education to the Speaker of *I Liheslaturan Guåhan*, posted on the  
19 Guam Public School System’s website, and published within one hundred eighty (180)  
20 days of execution of the contract.

21           **Section 38. Appropriation to Guam Public School System (GPSS) for**

22 **Independent Audit to Conduct an Assessment on GPSS.** The sum of One Hundred  
23 Seventy Five Thousand Dollars (\$175,000) is appropriated from the sums appropriated in

1 Section 36 of Chapter III of this Act to the Guam Public School System for the purpose  
2 of contracting, pursuant to Title 17 GCA, Chapter 3, §3103, with an independent  
3 educational auditing organization to conduct an objective audit and assessment of the  
4 Guam Public School System, and to identify recommendations to remedy deficiencies in  
5 the areas of organizational structure; compliance with federal and local laws; compliance  
6 with board policies; physical and operational security; workflow designs and  
7 management; internal controls; staffing levels and competencies; management levels and  
8 competencies; management practices; training standards and practices; compliance and  
9 creation of policies and procedures; adequacy of facilities; physical plant management  
10 effectiveness and efficiency; technical and administrative infrastructure; redundancy of  
11 systems and procedures; productivity and quality standards; recruitment, certification  
12 training of teachers, and recruitment, training and staff development. Said audit report  
13 shall be transmitted by the Superintendent of Education to the Speaker of *I Lisheslaturan*  
14 *Guåhan*, posted on the Guam Public School System's website, and published within one  
15 hundred eighty (180) days of execution of the contract.

16 **Section 39. Appropriation to the Department of Revenue and Taxation for**  
17 **the Real Properties Assessment.** The sum of One Million Dollars (\$1,0000,000) is  
18 appropriated from the General Fund to the Department of Revenue and Taxation to  
19 commence the process of conducting the assessment of real properties, pursuant to  
20 §§24306 and 24307 of Article 3, Chapter 24, Division 2 of Title 11 GCA in Fiscal Year  
21 2008.

22 **Section 40. Appropriations to the Rainy Day Fund.** Notwithstanding any

1 other provisions of law, the debt service savings of approximately Two Million Dollars  
2 (\$2,000,000) realized from the 1993 General Obligation Bond Refinancing is hereby  
3 appropriated from the Territorial Education Facilities Fund to the Rainy Day Fund as  
4 created by §22901 of Chapter 22 of Title 5 Guam Code Annotated.

5 **Section 41. Department of Revenue and Taxation Better Public Service**  
6 **Fund Appropriation.** Pursuant to Subsection (b) of Chapter 161 of Title 11 Guam  
7 Code Annotated, the amount appropriated from the General Fund in Chapter II, Section  
8 1, Part XI (A) of this Act includes the sum of Seven Hundred Thousand Dollars  
9 (\$700,000) as appropriated to the Department of Revenue and Taxation from the Better  
10 Public Service Fund for Fiscal Year 2008.

11 **Section 42. Appropriation for Consent Decree.** The sum of Four Million  
12 Two Hundred Eighty Two Thousand Two Hundred Fifty Seven Dollars (\$4,282,257) is  
13 appropriated from the General Fund to the Department of Public Works for costs  
14 associated with the Consent Decree relative to closing the Ordot Dump.

15 **Section 43. Appropriation for Legal Services.** The sum of One Hundred Fifty  
16 Thousand Dollars (\$150,000) is appropriated from the General Fund to the Department of  
17 Revenue and Taxation for the payment of legal services provided by the Office of the  
18 Attorney General pursuant to Section 41 of Chapter VI of Public Law No. 29-02.

19 **Section 44. Appropriation to the Deficit Elimination Fund.** The sum of  
20 Eleven Million Two Hundred Eight Thousand Three Hundred Sixty Six Dollars  
21 (\$11,208,366) is appropriated from the General Fund to the Deficit Elimination Fund.



1           **Section 3.     Staffing Pattern Reporting.**

2           (a)     Staffing Pattern.   Beginning October 1, 2007, and continuing on each  
3     quarter thereafter, every director, administrator or head of a government of Guam agency,  
4     including line agencies, semi-autonomous agencies, public corporations, the President of  
5     the Mayors Council of Guam and the Judiciary of Guam, shall submit to the Speaker of *I*  
6     *Liheslaturan Guåhan* a current staffing pattern, with continuing updates thereafter, in the  
7     format of the Executive Branch FY 2008 Budget Call, as of the previous quarter’s  
8     ending, of employees funded by that instrumentality.  Such staffing pattern shall include,  
9     at a minimum, the name of the employee, position title, salary, increment costs and  
10    benefits costs for each employee, as well as the funding source for the salary and benefits  
11    of each employee, and shall be posted on the agency website.

12           (b)     **Electronic Data.**   In addition to the document requested in  
13    Subsection (a) of this Section, reports shall be submitted in electronic format  
14    (including, but *not limited to*, diskettes, CD, and/or email) to the Speaker of *I*  
15    *Liheslaturan Guåhan*.

16           **Section 4.     Revenue Tracking Report.**   The Director of the Bureau of  
17    Budget and Management Research, in collaboration with the Director of the Department  
18    of Revenue and Taxation and the Director of the Department of Administration *shall*  
19    determine, *no later than* thirty (30) days after the end of each month of Fiscal Year 2008,  
20    the revenue tracking for the balance of the fiscal year, based upon the actual collections  
21    of the preceding month and prepare a comparative statement of the “actual” and  
22    “projected” revenues.  Such information *shall* be compiled in a report, certified by each  
23    of the aforementioned Directors and submitted to the Speaker of *I Liheslaturan Guahån*

1 *no later than* thirty (30) days after the end of each month of the fiscal year. Such reports  
2 shall be submitted in written and electronic format and shall be posted quarterly on the  
3 Bureau of Budget and Management Research's website.

4 **Section 5. Independent Contractors.** The Office of *I Maga'lahi*, the Office  
5 of *I Segundu Na Maga'lahen Guåhan* and the Guam State Clearinghouse may enter into  
6 agreements with independent contractors pursuant to Guam procurement laws.

7 **Section 6. Autonomous Agency Revenues and Expenditures Reported to I**  
8 ***Liheslaturan Guåhan.*** Notwithstanding any other provision of law, all autonomous and  
9 semi-autonomous agencies or public corporations shall report all revenues and  
10 expenditures for all funds under its purview and administration to the Speaker of *I*  
11 *Liheslaturan Guåhan* on a monthly basis showing revenues and expenditures from *all*  
12 funds and post the same on their websites.

13 **Section 7. Quarterly Reports of Medical Referral Offices.** Each of the  
14 Guam Medical Referral Offices funded by this Act shall provide quarterly reports on  
15 their activities and expenditures. Each report shall include, but not limited, to the  
16 following:

- 17 (a) number of referred patients served;
- 18 (b) number of patient escorts or accompanying family members served;
- 19 (c) average cost per patient referral incurred by the respective office during  
20 that quarter;
- 21 (d) actual office expenditures for the quarter including fuel costs; and
- 22 (e) outline of services provided during the quarter.

1 The Quarterly Reports required by this Section shall be submitted to *I Maga'laha*  
2 *Guåhan*, the Speaker of *I Liheslaturan Guåhan*, and the Office of the Public Auditor  
3 within the thirty (30) days after the close of each quarter of the fiscal year, and shall be  
4 posted on the offices' website.

5 **Section 8. Volunteers and donations for Skinner Plaza, Plaza De Espana**  
6 **and Guam Congress Building.** Notwithstanding any provision of law to the contrary,  
7 the Executive Director or Acting Executive Director of *I Liheslaturan Guåhan* is  
8 authorized to receive donations, inclusive but not restricted to donations of goods,  
9 materials and services, for the purpose of maintaining and improving Skinner Plaza, the  
10 Plaza De Espana, and the Guam Congress Building (otherwise known as the Old  
11 Legislative Building).

12 **Section 9. Special Fund Transfer.** Notwithstanding any other provision of  
13 law, *I Maga'laha Guåhan* is authorized to transfer to the General Fund any cash  
14 available from any Special Fund or Revolving Fund to fund the appropriations authorized  
15 in this Act; *except*, that such authority shall *not* extend to Trust Funds; the Historic  
16 Preservation Trust Fund; the Tourist Attraction Fund; Customs, Agriculture and  
17 Quarantine Inspection Services Fund; Healthy Futures Fund; Wildlife Conservation  
18 Fund; Special Funds under the purview of the Guam Environmental Protection Agency;  
19 and funds under the purview and administration of *I Liheslaturan Guåhan*, the Judiciary,  
20 the Guam Memorial Hospital Authority, the Guam Public School System and those  
21 departments and agencies exempted in this Act from any Governor's transfer authority.

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

4 The Director of Administration shall submit a report to the Speaker of *I*  
5 *Liheslaturan Guåhan* on the fifteen (15<sup>th</sup>) day after the month in which a transfer has  
6 occurred pursuant to the provisions contained herein. Such report shall include detailed  
7 information on the amount of such transfers and identify the fund from which the transfer  
8 were made and the purpose of the transfers.

9 **Section 10. Transfer Authority of I Maga'lahren Guåhan.** *I Maga'lahren*  
10 *Guåhan* is authorized to transfer funds between Fiscal Year 2008 Executive Branch  
11 appropriations.

12 **Section 11. Secondary and Tertiary Road Projects.** The Director of Public  
13 Works is authorized to delete and add secondary and tertiary road repair projects to the  
14 list detailed in Part IV of Chapter II of Public Law 28-68, should such amendment be  
15 necessary due to changes in cost estimate, availability of funds or critical need, provided  
16 that the repair of potholes on primary and secondary roads must remain a top priority, and  
17 must commence as soon as is practicable.

18 **Section 12. Contracting of Deputy Tax Collectors.** A new Section 15104 is  
19 hereby added to Chapter 15 of Title 11 of the Guam Code Annotated as follows:

20 **“Section 15104.** Contracting of Deputy Tax Collectors. The Director of  
21 Revenue and Taxation is authorized to contract with private companies,  
22 associations and corporations as Deputy Tax Collectors acting on behalf of the

1 Director of Revenue and Taxation to assist in the collection of delinquent tax  
2 assessments based on the following conditions:

3 (a) Following selections by competitive means in accordance with  
4 Guam Procurement Law, the Director may enter into agreement with one or more  
5 private Guam companies, associations or corporations providing services with  
6 respect to the identification of persons or businesses who may owe taxes or  
7 other amounts, the collection of taxes, interest, additions to tax and penalties.  
8 This agreement may provide, at the discretion of the Director, the rate of payment  
9 and the manner in which to compensate for services shall be paid. The  
10 compensation may be added to the amount required to be identified or collected  
11 by the private entity, contractor or provider of these services from the tax debtor.  
12 The Director shall provide the necessary information for the contractor to fulfill  
13 its obligation under that agreement.

14 (b) For real property subject to sale by operation of law for the  
15 purpose of collecting delinquent real property tax and with the approval of the  
16 Director, the contractor may, as part of the collection process, refer to the tax  
17 debt for litigation by its legal representatives.

18 (c) When the Director engages private Guam companies, associations  
19 or corporations under the above statute, the Director shall be required to report to  
20 the Legislature on a quarterly basis the following:

- 21 1. Status of the collection efforts, and
- 22 2. The amount of tax payers' liability recovered."

1           **Section 13. Transfer Authorization for the Department of Public Health**  
2 **and Social Services.** The Director of Public Health and Social Services may transfer  
3 funds between appropriations made in this Act for the Department of Public Health and  
4 Social Services. The Director of Public Health and Social Services shall submit  
5 notification of such intent to transfer funds to *I Maga'lahañ Guåhan* and *no later than*  
6 fifteen (15) working days *prior* to the effective date of such transfer to the Speaker of *I*  
7 *Lihselaturan Guåhan*.

8           **Section 14. Environmental Health Fund.** The Department of Public Health  
9 and Social Services (“DPHSS”) is authorized to expend up to the level of revenues  
10 deposited in the Environmental Health Fund for the operations of the Environmental  
11 Health Division of the DPHSS in Fiscal Year 2008. In addition, the Controlled  
12 Substance Diversion Fund is to be maintained as a Special Fund for the Division of  
13 Environmental Health to support its efforts to implement activities and/or services related  
14 to the monitoring of dispensing of controlled substances.

15           **Section 15. Authorization for Legal Services for the Department of Public**  
16 **Works.** The Department of Public Works may retain its own attorney, or firm of  
17 attorneys, to assist in the collection of its past accounts and to provide other advice and  
18 assistance as may be necessary.

19           **Section 16. Amend Section 1 of Public Law 28-38.** Section 1 of Public 28-38  
20 is hereby amended to read as follows:

21           **“Section 1. Special Retirement Provisions for DOE GPSS and GMHA.** On  
22 the first day of the first month following the enactment hereof and on every first day of  
23 every month thereafter, with a grace period of *no more than* ten (10) days, the Treasurer

1 of Guam shall pay “interest only” payments in the sum of ~~{One Hundred Ninety-two~~  
2 ~~Thousand Nine Hundred Fifty-five Dollars and Seven Cents}~~ Seventy Three Thousand  
3 Four Hundred Seventy Eight and Ninety One Cents ~~{(\$192,955.07)}~~ (\$73,478.91) for the  
4 ~~{Department of Education}~~ Guam Public School System ~~{(DOE)}~~ (GPSS) deficiency to  
5 the Government of Guam Retirement Fund (GGRF) and the Treasurer of Guam shall pay  
6 interest only payments in the sum of ~~{One Hundred Ninety Thousand Five Hundred One~~  
7 ~~Dollars and Nineteen Cents}~~ Seventy Two Thousand Two Hundred Seventeen and Sixty  
8 One Cents ~~{(\$190,501.19)}~~ (\$72,217.61) for the Guam Memorial Hospital Authority  
9 (GMHA) deficiency to the GGRF on the first day of the first month following the  
10 enactment hereof and on every first day of every month thereafter. These interest only  
11 payments shall be paid automatically each month in the form of a cash draw down.

12 The interest only payments shall continue until satisfaction of both ~~{DOE’s}~~  
13 GPSS’s deficiency, in the amount of Seventeen Million One Hundred Fifty-four  
14 Thousand Six Hundred Eight Dollars and Seventy-five Cents (\$17,154,608.75), and  
15 GMHA’s deficiency, in the amount of Sixteen Million Eight Hundred Sixty Thousand  
16 One Hundred Forty-two Dollars and Twenty-two Cents (\$16,860,142.22), from a General  
17 Obligation Bond or alternate means. If the ~~{DOE}~~ GPSS and GMHA deficiencies are not  
18 satisfied within ~~{five (5) years}~~ ten (10) years following enactment hereof, payments for  
19 ~~{DOE}~~ GPSS and GMHA principal shall resume and proceed as provided in 4 GCA  
20 §8137.

21 After the Treasurer of Guam has made the first monthly payment pursuant to this  
22 Section, the Government of Guam Retirement Fund shall accept and approve for  
23 retirement any eligible employee of the ~~{Department of Education}~~ Guam Public School

1 System or the Guam Memorial Hospital Authority upon the condition that the respective  
2 agency's employer and employee contributions to the Fund for the applicable fiscal year  
3 are current and paid in full, ~~{as provided in P.L. 27-106, Chapter VI, Section 13,}~~  
4 including interest and penalties at a rate determined by the ten (10) year U.S. Treasury  
5 Bond ~~{pursuant to 4 GCA §8137(e) and interest at the actuarial rate determined in the~~  
6 ~~latest completed actuarial valuation prepared for the Board of Trustees by the actuary~~  
7 ~~appointed by the Board}~~, which is ~~{seven and one half percent (7.5%)}~~ 5.14%. If the  
8 Treasurer of Guam fails to make current payments as required by this Section or if ~~{DOE}~~  
9 GPSS or GMH fails to make current payments for the applicable fiscal year, the Fund  
10 shall cease processing applications from employees of that agency until payment is made  
11 in full.”

12 **Section 17. Modification of Planned Expenditures.** Section 4109(c)(3) of 5  
13 GCA is *amended* to read:

14 “(3) Modify or withhold the planned expenditures at any time during the  
15 appropriation period if the Bureau of Budget and Management Research finds that such  
16 expenditures are greater than those necessary to execute the programs at the level  
17 authorized by *I' Maga'lahi* (the Governor) and *I Liheslatura* (the Legislature), or that the  
18 receipts and surpluses will be insufficient to meet the authorized expenditure levels,  
19 ~~provided that no planned expenditures necessary to provide every public school student~~  
20 ~~an adequate public education shall be modified or withheld.~~ The members of Special  
21 Economic Service, primarily the Director of the Bureau of Budget and Management  
22 Research in collaboration with the Director of Revenue and Taxation and Director of  
23 Administration and the Director of the Office of Finance and Budget, shall determine

1 revenue tracking for every fiscal year based on the actual collections of every preceding  
2 month, and prepare monthly Comparative Revenue ~~and Expenditure~~ Analysis reports that  
3 compare budgeted and actual revenues ~~and departmental program appropriations with~~  
4 ~~expenditures and encumbrances~~ to appropriations. If revenues are tracking below  
5 projected revenues for the year, the Bureau of Budget and Management Research *shall*  
6 adjust and sequester an amount of the remaining allotments ~~except for those of the Guam~~  
7 ~~Public School System~~, equal to a percentage of revenues that are below the fiscal year's  
8 projected revenues. The Director of the Bureau of Budget and Management Research, the  
9 Director of Administration, the Director of Revenue and Taxation and the Director of the  
10 Office of Finance and Budget *shall* certify said reports, which *shall* be transmitted to *I*  
11 *Maga'lahaen Guahan* and the Speaker of *I Liheslaturan Guahan* no later than fifteen (15)  
12 days after the end of each month. ~~The Director of the Bureau of Budget and~~  
13 ~~Management Research shall be personally liable for allotments released in excess of~~  
14 ~~anticipated cash receipts for the fiscal year in which allotments are released, and shall be~~  
15 ~~subject to the liabilities and penalties imposed in Article 1 of Chapter 14 of 4 GCA.~~

16

17 **Section 18. A new Section 22907 is added to 5 GCA.**

18

19 "Section 22907. Creation of Deficit Elimination Fund

20

(a) There is hereby created a Deficit Elimination Fund.

21

(b) Beginning in fiscal year 2008 and for each fiscal year thereafter, a sum equal

22

to no less than two and a half percent of General Fund revenues for the fiscal year are

23

reserved and automatically appropriated to the Deficit Elimination Fund for the purpose

24

of retiring the cumulative general fund deficit. Such excess revenues shall be in addition

25

to any appropriations made directly to the fund. The aforementioned automatic

1 appropriation is in addition to any appropriations made directly to the Fund. The moneys  
2 in the fund are continuously appropriated and to be expended for this purpose in the  
3 amounts, at the times, and in the manner deemed appropriate by the Director of  
4 Administration. Any funds remaining in the Deficit Elimination Fund shall be  
5 transferred to the Rainy Day Fund and may be transferred to the General Fund pursuant  
6 to Section 22904.”

7 **Section 19. To amend §52101 (b) Chapter 52 of 11 GCA relative to the**  
8 **Guam Public School System Operations Fund to read:**

9 (b) The Superintendent of Education shall create and submit to the Speaker of *I*  
10 *Lihselaturan Guåhan*, *I Maga'lahren Guåhan* and the Director of Administration  
11 projected schedules of monthly cash disbursements for each school, division and  
12 program, by expenditure category, for the fiscal year. Such projected disbursements shall  
13 *not* exceed the total amount appropriated by *I Lihselaturan Guåhan* for the purpose of  
14 such appropriation. The Department of Administration ~~Public Auditor~~ shall approve the  
15 schedules.

16 **Section 20. To repeal §52101 (c) Chapter 52 of 11 GCA relative to the Guam**  
17 **Public School System Operations Fund in its entirety.**

18 **Section 21. To amend §52101 (d) Chapter 52 of 11 GCA relative to the**  
19 **Guam Public School System Operations Fund to read:**

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

1 ~~the first (1st) Friday of October, shall make a deposit equal to the amount required for the~~  
2 ~~first (1st) 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 General Fund~~  
4 ~~revenue collections. The Director of Administration shall, on the first (1st) day of each~~  
5 ~~month, transfer to the Guam Public School System all funds held in the Guam Public~~  
6 ~~School System Operations Fund, except that for the first (1st) month of Fiscal Year 2007,~~  
7 ~~on October 15, 2006, the Director of Administration shall transfer all funds contained in~~  
8 ~~the Guam Public School System Operations Fund to the Guam Public School System.~~

9 **Section 22. To repeal §52101 (e) Chapter 52 of 11 GCA relative to the Guam**  
10 **Public School System Operations Fund in its entirety.**

11 **Section 23. To amend §52102 Chapter 52 of 11 GCA relative to the**  
12 **appropriation to the Guam Public School System Operations Fund to read:**

13 The contents of the Guam Public School System Operations Fund are  
14 appropriated to the Guam Public School System for the operations of the Guam Public  
15 School System and for purposes directly associated with its operation, for the  
16 implementation of the compensation study provided for in P.L. 28-36 and P.L. 28-49,  
17 provided that the GPSS shall seek further appropriation from *I Liheslaturan Guåhan* for  
18 implementation, if needed, said implementation to be effective for School Year 2007-  
19 2008, and for improvement of the Guam Public School System, inclusive of capital  
20 improvements, as may be found necessary by the Superintendent of Education. This  
21 appropriation is continuous, and contingent on the annual submission of a detailed  
22 budget, in accordance with Chapter 3 of Title 17 of the Guam Code Annotated, to *I*  
23 *Liheslaturan Guåhan*, notwithstanding any other provision of law. Nothing herein shall

1 prohibit *I Liheslaturan Guåhan* from appropriating supplemental amounts to the Guam  
2 Public School System. All appropriations to the Guam Public School System are not  
3 subject to the allotment process administered by the Bureau of Budget and Management  
4 Research (BBMR), but shall be subject to the provisions of §4109 (c) (3) of 5 GCA ~~nor~~  
5 ~~to any budget reserve administered by BBMR.~~ The Superintendent of Education and the  
6 ~~Director of Administration~~ shall submit a detailed quarterly report to *I Liheslaturan*  
7 *Guåhan* on the receipt and expenditure of said funds *no later than* thirty (30) days after  
8 the close of each quarter and post the same on the GPSS website.

9           **Section 24. §41101 of Article 1 of Chapter 41 of Title 17 is amended to read**  
10 **as follows:**

11           §41101. Department. There is within the government of Guam an entity entitled  
12 "The Department of Integrated Services for Individuals with Disabilities  
13 (DISID)," which shall serve as the territorial clearinghouse for services and  
14 programs for individuals with disabilities and to coordinate and provide  
15 vocational rehabilitation and comprehensive community services for eligible  
16 individuals with disabilities.

17           **Section 25. §41103 (c) of Article 1 of Chapter 41 of Title 17 is amended to**  
18 **read as follows:**

19           §41103. Duties of DISID. (c) The DISID shall serve as a central clearing house  
20 for public and private activities, which address the needs of persons with  
21 disabilities in Guam, review grant applications, proposed state plans and program  
22 descriptions in matters affecting persons with disabilities prior to submittal for the

1 Governor's approval, and serve as a repository and disseminator of program  
2 information relating to persons with disabilities.

3 **Section 26. Article 3 of Chapter 41 of Title 17 is hereby repealed and**  
4 **reenacted to read as follows:**

5 "Article 3

6 §41301. Division. There is a division created within the "The Department of  
7 Integrated Services for Individuals with Disabilities (DISID)," entitled "Division  
8 of Evaluation, Compliance, Quality Assurance, And Support (DECQAS) ," and  
9 shall be responsible for the development of a community service delivery system  
10 which includes design and coordination , as well as monitoring, evaluation, and  
11 compliance with local and federal statutes and court decisions affecting programs  
12 and services of the division for persons with disabilities. DECQAS shall not  
13 duplicate services already available in the community through local and Federal  
14 funding or nonprofit organizations.

15 §41302. Definitions.

16 (a) "Active Services" means provision of services as specified in an  
17 individualized service plan. These services may include, but not limited to,  
18 residential placement services, activities, experiences and therapies which are part  
19 of a professionally developed and supervised program of health, social,  
20 habilitative and developmental services.

21 (b) "Case Management" means services to persons with disabilities that assist in  
22 gaining access to need social, medical , legal, educational and other services, and  
23 includes:

1 (1) Follow along services which assure, through a continuing relationship  
2 between an agency or provider and a person with a disability and the individual's  
3 parent, if the individual is a minor, or guardian, if a guardian has been appointed  
4 for the purpose, that the changing needs of the individual and the family are  
5 recognized and appropriately met.

6 (2) Coordinating and monitoring services provided to persons with  
7 disabilities by two (2) or more persons, organizations or agencies that are  
8 qualified or eligible under other case management programs.

9 (3) Providing information to persons with disabilities about availability of  
10 services and assisting the persons in obtaining the services.

11 (c) "Division" means the Division of Evaluation, Compliance, Quality Assurance  
12 and Support (DECQAS).

13 (d) "Individual with a Disability" means any individual who:

14 (1) Has a physical or mental impairment (a) that substantially limits one or  
15 more of the major life activities of such individual; (b) a record of such an  
16 impairment; or (c) being regarded as having such an impairment, as defined in the  
17 Americans with Disabilities Act. .

18 (e) "Administrator" means the Administrator of Division of Evaluation,  
19 Compliance, Quality Assurance and Support (DECQAS who shall represent the  
20 Department in the review functions regarding placement of individuals with  
21 disabilities in residential facilities. The Administrator must have at least a  
22 Master's Degree in Management or Research and Evaluation or related subjects in  
23 the social sciences and at least four (4) years of experience in conducting program

1 evaluation and monitoring activities , of which two (2) years shall be  
2 administrative. The position shall be of the classified service of the government of  
3 Guam. The position Classification Standard and Compensation shall be  
4 established by the Civil Service Commission.

5 (f) "Habilitation" means the process by which the staff of an agency assists an  
6 individual to cope more effectively with the demands of his or her own person  
7 and environment and to raise the level of his or her physical, mental and social  
8 functioning. Habilitation includes, but is not limited to, programs of formal  
9 structured education and treatment.

10 (g) "Individual eligible for support services" are individuals who have a disability  
11 as defined by ADA and who have severe functional limitations that are likely to  
12 continue throughout their life in three or more of the following life activity areas:

- 13 1. Self-care: a person requires assistance or training in eating, toileting,  
14 bathing, dressing , or grooming.
- 15 2. Receptive or expressive language: a person who lacks fundamental  
16 communication and does not demonstrate an understanding of simple tw-  
17 step requests
- 18 3. Learning: a person has a significantly impaired ability to cope with  
19 common life demands and lack some daily living skills expected of people  
20 in their age group and culture
- 21 4. Mobility: a person who requires assistive devices to be mobile and who  
22 cannot evacuate themselves in an emergency

1           5. Self-direction: a person who is significantly below average in making  
2           appropriate decisions relating to safety, legal, financial, or residential  
3           issues or someone who has been legally declared incompetent

4           6. Capacity to live independently: a person who does not have the basic  
5           survival skills necessary to live in the community or someone who is a  
6           significant danger to themselves or others.

7           7. Capacity to become economically sufficient: an adult who receives  
8           disability benefits or who is unable to work 20 hours a week or is paid less  
9           than minimum wage without employment support

10          (h) "Individualized service plan" means the written plan for required in Section  
11          41305.

12          (i) "Individually appropriate" means responsive to the needs of the individual, as  
13          determined through multidisciplinary assessment and provided pursuant to an  
14          individualized service plan.

15          (j) "Habilitation" means the process by which the staff of an agency assists an  
16          individual to cope more effectively with the demands of his or her own person  
17          and environment and to raise the level of his or her physical, mental and social  
18          functioning. Habilitation includes, but is not limited to, programs of formal  
19          structured education and treatment.

20          (k) "Least restrictive" means the least intrusive and least disruptive intervention  
21          into the life of an individual with a disability that represents the least departure  
22          from normal patterns of living that can be effective in meeting the person's  
23          developmental needs.

1 (l) "Inclusive environment" means that environment that represents the least  
2 departure from normal patterns of living that can be effective in meeting the  
3 individual's needs.

4 (m) "Monitor" means to conduct a systematic, coordinated, objective, qualitative  
5 review of services provided by any person, agency or organization.

6 (n) "Representative" means any individual who can advise and advocate for an  
7 individual with disabilities, who shall serve at the request and pleasure of such  
8 person; provided, that if the person with disabilities is a minor or is legally  
9 incapacitated.

10 (o) "Residence" or "residential" means the living space occupied by the individual  
11 with a disability, including single-person homes, natural family homes, care  
12 homes, group homes, foster homes, institutional facilities and all other types of  
13 living arrangements.

14 (p) "Services" means appropriate assistance provided to an individual with a  
15 disability, individually appropriate environment to provide for basic living  
16 arrangements and continuing development of independence or interdependent  
17 living skills of the person. These services include, but are not restricted to: case  
18 management, medical, education, assistive technology, advocacy, residential,  
19 developmental and vocational support; training; active services; day treatment;  
20 day activity; respite care; domestic assistance; attendant care; rehabilitation;  
21 speech, physical occupational and recreational therapy; recreational opportunities;  
22 counseling, including counseling to the person's family, guardian or other

1 appropriate representative; development of language and communications skills;  
2 interpretation; transportation and equipment, and other related services.

3 (q) "Respite Care" means in-home or out-of-home temporary, non-medical  
4 support for families with individuals with disabilities,

5 §41303. Administration. (a) All executive and administrative functions of  
6 DECQAS are vested in the Administrator. The Administrator's salary and benefits  
7 shall be established in accordance with 4 GCA Government of Guam Unified Pay  
8 Schedule.

9 (b) The authority and responsibility of the Administrator shall include the  
10 following:

11 (1) to see that all rules and regulations of DECQAS are enforced;

12 (2) to attend all scheduled meetings relative to decisions affecting  
13 individuals with disabilities that are consumers of DISID services and programs  
14 and submit a general report of the affairs to the DISID Director;

15 (3) to keep the DISID Director advised of the needs of the DECQAS;

16 (4) to devote his or her entire time to the business of the DECQAS;

17 (5) to plan, organize, coordinate and control the services of such  
18 employees as to achieve the goals of the DECQAS;

19 (6) to address the current and projected personnel training needs for the  
20 DECQAS;

21 (7) to provide for the coordination and facilitation of efforts between  
22 DECQAS and institutions of higher education and professional associations to

1 recruit, prepare and retain qualified personnel, including personnel from minority  
2 backgrounds, and personnel who are individuals with disabilities;

3 (8) to provide (as appropriate) for entering into agreements with the  
4 operators of community-based programs for the provision of services for the  
5 habilitation of individuals with disabilities;

6 (9) to provide outreach procedures to identify and serve persons with  
7 disabilities who are minorities and persons with disabilities who have been  
8 unserved or underserved;

9 (10) to develop and implement a strategic plan for expanding and  
10 improving community services for persons with disabilities;

11 (11) to develop and implement a territorial notification and tracking  
12 system for individuals with disabilities seeking services from DISID;

13 (12) to conduct monitoring and evaluation of DISID programs and  
14 services;

15 (13) to ensure compliance with the Americans with Disabilities Act, and  
16 other federal and local laws affecting individuals with disabilities;

17 (14) to develop and maintain an Annual Report Card on DISID Programs  
18 and Services with relevant indicators as may be developed in consultation with  
19 stakeholders such as DISID consumers, non-profit organizations, advocacy  
20 groups, and the Public Guardian;

21 (15) to monitor, evaluate, and report to the Legislature on the status of the  
22 individuals with Disabilities funded under the Residential Treatment Fund;

1 (16) to represent the Department at local, national, and international  
2 conferences for individuals with disabilities and be the territory's representative to  
3 the National Association of ADA Coordinators.

4 §41305. Application and Assessment for Services; Individualized Service Plans.

5 (a) DECQAS shall develop and administer an application and assessment system  
6 for persons with disabilities. If DSSID determines that the person is eligible for  
7 services under this Chapter within the limits of Federal or local resources  
8 available for the purposes of this Chapter, an individualized service plan for the  
9 person shall be prepared within thirty (30) days by an multidisciplinary team for  
10 the person.

11 (b) The procedure for assessment of the person and elements of the individualized  
12 service plan shall be as described in policies and procedures adopted by  
13 DECQAS. The individualized service plan shall be in writing and shall include, at  
14 a minimum, the nature of the needs of the person, goals and specific services to be  
15 offered to the person to attain these goals.

16 §41306. Provision of Services. Based upon the individualized service plan,  
17 DSSID shall, as may be required, refer the person to services provided by  
18 DECQAS under this Chapter to services provided under other Federal or local  
19 laws, or to services provided by appropriately licensed private agencies.

20 §41307. Duties of DECQAS. The Division of Evaluation, Compliance, Quality  
21 Assurance and Support (DECQAS) with approval by the Director of "The  
22 Department of Integrated Services for Individuals with Disabilities" (DISID),  
23 shall develop policies and procedures which shall include, but not limited to,:

1 a) DECQAS shall develop and administer a comprehensive system of programs  
2 and services for individuals with disabilities within the limits of local and Federal  
3 resources allocated or available for purposes of this Chapter.

4 (b) DECQAS shall ensure monitoring and compliance with nationally accepted  
5 standards the provision of an array of appropriate services and care to individuals  
6 with disabilities through the utilization of existing resources within the  
7 community, through coordination with programs and services provided under  
8 other Federal and local programs and through specific funding when no other  
9 resources are available. DECQAS shall not supplant or duplicate services  
10 provided by other Federal or local programs.

11 (c) Programs of DECQAS may include, but not limited to,:

12 1) referral for evaluation of persons with disabilities;

13 (2) development, planning, implementation, monitoring, and evaluation in  
14 coordination with other Federal or local agencies of service programs for persons  
15 with disabilities;

16 (3) development and provision and quality assurance of service programs  
17 in the public or private sectors for persons with disabilities;

18 (4) establishment and monitoring of a continuum of comprehensive  
19 services and residential alternatives in the community so as to allow individuals  
20 with disabilities to live in the least restrictive, individually appropriate  
21 environment;

22 (5) development and implementation and quality assurance of a program  
23 for single entry access by individuals with disabilities for services provided in the

1 private sector or other Federal or local programs, including case management and  
2 development of an individualized service plan by an interdisciplinary team;

3 (6) Collaborative and cooperative services with public health and other  
4 groups for programs of prevention of disabilities;

5 (7) Informational and educational services to the general public and to lay  
6 and professional groups;

7 (8) Consultative services to the judicial branch of government, to  
8 educational institutions and to health and welfare agencies whether such agencies  
9 are public or private;

10 (9) Provision and monitoring through evaluation and quality assurance  
11 measures of community residential alternatives for persons with disabilities,  
12 including residential facilities ; and

13 (10) Provision and monitoring through evaluation and quality assurance  
14 measures of other programs, services or facilities necessary to provide a  
15 continuum of care for persons with disabilities.”

16 **Section 27: The Department of Mental Health and Substance Abuse will be**  
17 **renamed the Department of Behavioral Health Services.**



1           (6) This Section shall not be used to transfer employees acting in the best  
2 interest of the government in reporting or exposing bad business practices, illegal  
3 activities, or unofficial conduct by public officials.

4           **Section 2. Limited Term Appointment Moratorium.** For Fiscal Year 2008,  
5 notwithstanding the provisions of §4102 of Title 4 of the Guam Code Annotated, or any  
6 other provision of law, *no* person may be employed on a temporary or limited term basis  
7 by an instrumentality of the government of Guam during the Fiscal Year, *except* for the  
8 following:

9           (1) Certified persons in the Guam Public School System as identified in  
10 subsection (12) of Section 715 of Chapter 7 of Title 1 of the Guam Code Annotated;

11           (2) Attorneys at the Department of Law (within the staffing pattern funding  
12 levels);

13           (3) Nurses and doctors (within the staffing pattern funding levels);

14           (4) Temporary survey workers employed by the Department of Labor and  
15 Bureau of Statistics and Plans for the purpose of conducting employment surveys (within  
16 staffing pattern funding levels);

17           (5) Licensed healthcare professionals and other ancillary service personnel  
18 employed at the Guam Memorial Hospital Authority, the Department of Mental Health  
19 and Substance Abuse, and the Department of Public Health and Social Services (all  
20 within staffing pattern funding levels);

21           (6) Academic personnel positions at the University of Guam and the Guam  
22 Community College (within their appropriated funding levels);

23           (7) Substitute school bus drivers.

1           (8)     Persons filling temporary vacancies created by the call to active military  
2 duty of employees who are members of the reserve components of the Department of  
3 Defense and the Department of Transportation, included but not limited to the United  
4 States Army, United States Navy, United States Marine Corps, United States Air Force,  
5 the Army National Guard, the Air National Guard, and the United States Coast Guard.

6           (9)     Federally-funded positions (matching and up to 100%); and

7           (10)    Temporary Solid Waste Technicians employed by the Division of Solid  
8 Waste Management of the Department of Public Works for the purpose of collecting  
9 residential solid waste.

10           **Section 3.     Suspension of Night Differential Pay.** For Fiscal Year 2008,  
11 notwithstanding any other provision of law, rule, or regulation, the entitlement to Night  
12 Differential Pay by public employees in all branches of the government is suspended.  
13 Any ability to earn and accrue night differential pay for employees of the Government of  
14 Guam is hereby suspended.

15           **Section 4.   Moratorium in the Issuance of Board and Commission meeting**  
16 **Stipends.** Excepting boards and commissions of the autonomous agencies or whose  
17 membership is elected by the people of Guam; a moratorium is hereby in effect, on any  
18 compensation or stipend, entitled by law or rule to a board or commission member for  
19 attending a regular or special meeting. The Civil Service Commission and other boards  
20 or commissions created by federal mandate and whose activities are supported by federal  
21 funds are exempted from this section.

1 CHAPTER IV

2 PART III - REVENUE ENHANCEMENT PROVISIONS

3 Section 1. §24102(f), §24110 and §24112 of Article 1 Chapter 24, Division  
4 2 of Title 11 GCA are hereby amended to read as follows:

5 §24102(f). “*Value, full cash value, fair market value, and cash value*  
6 mean ~~thirty five percent (35%)~~ seventy percent (70%) of the appraised  
7 value; *appraised value* means the amount at which property would be  
8 taken in payment of a just debt from a solvent debtor as determined by the  
9 last completed valuation conducted pursuant to 11 GCA §24306, as  
10 supplemented by the annual adjustments provided for in this chapter.”

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

20 § 24112. Reduced Tax for U.S. Citizens with Disabilities and Heads  
21 of Households with Dependents with Disabilities. “(a) A U.S. Citizen  
22 with disabilities or head of household with dependents with disabilities,  
23 who is defined for purposes of this Title as a U.S. Citizen aged eighteen

1 (18) years or over who has lived on Guam for the preceding five (5)  
2 consecutive years and who currently resides in his or her own home, and  
3 meets the definition of permanent disability as established by the  
4 Department of Integrated Services for Individuals with Disabilities  
5 ('DISID'), shall pay a real property tax on such personal or family  
6 residential property at twenty percent (20%) of the yearly real estate tax  
7 based on the latest ~~triennial~~ five (5) year tax assessment levied on such  
8 property owned by the respective U.S. Citizen, and which is his or her  
9 primary residence.

10 **Section 2. §24306 and §24307 of Article 3, Chapter 24, Division 2 of Title 11**

11 **GCA are hereby amended to read as follows:**

12 §24306. Same: Valuation. "For the calendar year 1977, the valuation of  
13 all property shall be the 1978 valuation as shown on the assessment roll of  
14 the government for 1976, provided, however, that in instances where  
15 property has been either improved or suffered loss in 1977, the assessor  
16 shall take into consideration such improvement or loss and adjust the  
17 assessment roll for such property accordingly. Commencing with the first  
18 Monday in March of 1978 and continuing every ~~three (3)~~ five (5) years  
19 thereafter, the assessor shall re-ascertain the value of all property in Guam  
20 and such valuation shall be used as the basis for assessment during the  
21 annual adjustments for property which has been either improved or  
22 suffered loss, as provided by §24307. Notwithstanding any other provision  
23 of law, if the valuation provided for in this §24306 is not re-ascertained

1 every ~~three (3)~~ five (5) years as required by this Section, then the last  
2 completed valuation as supplemented by the annual adjustments provided  
3 for in §24307 shall be the property tax valuation used under this Chapter.”  
4 §24307. Same: Intervening Year. “In each year other than the year of the  
5 ~~triennial~~ five (5) year valuation the assessor shall ascertain the value of all  
6 property as of the first Monday in March which shall have become taxable  
7 since the last valuation, including new improvements or additions to old  
8 improvements, or which shall change in value because of a change in use;  
9 and in case of the destruction or injury by fire, flood, typhoon, storm or  
10 otherwise, or removal of any improvements of any kind, or of orchards,  
11 timber, or ornamental trees, the value of which shall have been included in  
12 the former valuation of the property, the assessor shall determine the value  
13 of such loss and reduce the valuation accordingly.”

14 **Section 3. Five (5) Year Property Value Assessment.** The Department of  
15 Revenue and Taxation shall conduct the five (5) year or annual valuation of real  
16 properties, pursuant to §§24306 and 24307 of Article 3, Chapter 24, Division 2 of Title  
17 11 GCA in Fiscal Year 2008.

18 **Section 4. Repeal of Aggregate Tax Valuation.** Section 24102(1), Article 1,  
19 Chapter 24, Title 11, Guam Code Annotated is hereby repealed.

20 **Section 5. Amendment to Functions (a) Income Tax.** 11 GCA §1104 is  
21 amended to read as follows:

22 “§1104. Functions (a) Income Tax. The Department of Revenue and  
23 Taxation shall be responsible under the Governor for the enforcement of

1 the Guam Territorial Income Tax set in accordance with §1421 of Title 48.  
2 U.S.C. The Department of Revenue and Taxation in the execution of  
3 Guam’s tax laws, may implement fees substantially similar to fees charged  
4 by the Secretary of the Treasury for services in the administration of the  
5 Internal Revenue Code when such fee is not adjudicated or implemented  
6 by Guam law or regulation. The Director of the Department of Revenue  
7 and Taxation shall apply such fees where applicable in executing the  
8 Internal Revenue Code and the tax laws of Guam.”

9  
10 **Section 6. Section 1512 of Title 5, Guam Code Annotated, as repealed**  
11 **pursuant to Section 31 of Chapter VI of Public Law No. 29-02 is hereby reenacted**  
12 **and further amended to read as follows:**

13  
14 “§1512. Authorization to Issue Bonds for Deficit Financing.

15 (a) Authorization of Issuance of Bonds. *I Maga’lahen Guåhan* is  
16 authorized to issue one or more series of bonds of the government of  
17 Guam as provided in this Section, in an aggregate principal amount not to  
18 exceed the amount necessary to provide Two Hundred Fifty Million  
19 Dollars (\$250,000,000) for the payment of the General Fund expenses  
20 listed in subsection (k), and, in addition, to fund necessary reserves and  
21 pay expenses incurred in connection with the issuance of such bonds not  
22 already included in an existing appropriation for or the regular budget of  
23 any government agency or instrumentality or public corporation providing  
24 any service in connection with the issuance of such bonds; *provided,*

1           *however*, that bonds may not be issued in an amount that would cause a  
2 violation of the debt limitation provisions of 48 USC 1423a (§11 of the  
3 Organic Act of Guam).

4           (b) Terms and Conditions Determined by Certificate or Indenture.

5           The terms and conditions of the bonds shall be as determined by *I*  
6 *Maga'lahaen Guåhan* by the execution of a certificate or indenture  
7 authorizing the issuance of the bonds upon or prior to the issuance of the  
8 bonds; provided, however, that such terms and conditions shall be  
9 consistent with this Section, and that the bonds shall mature not later than  
10 the date thirty (30) years after their date of issuance and shall bear interest  
11 at such rates and be sold for such price or prices as shall result in a yield to  
12 the bondholders not exceeding seven and one-half percent (7.5%) per  
13 annum.

14           (c) Valid and Binding. The bonds authorized by this Section shall

15 constitute the valid and binding general obligations of the government of  
16 Guam, additionally secured by a pledge of the revenues described in  
17 subsection (d) of this Section. The government of Guam pledges its full  
18 faith and credit for the punctual payment of both principal of and interest  
19 on the bonds and covenants that there shall be collected annually in the  
20 same manner and at the same time as government revenue for other  
21 purposes is collected, such sum as is required to pay the principal of and  
22 interest on the bonds. There are hereby appropriated from the General  
23 Fund such sums as may be necessary in each year in addition to the

1 amounts appropriated under subsection (e) of this Section to equal the  
2 amount of money necessary to pay the principal and interest on such  
3 bonds. All officers charged by law with any duty in the collection of the  
4 revenues of the government from which debt service on the bonds will be  
5 payable shall do every lawful thing necessary to collect such sum. The  
6 validity of any such bonds shall not be affected by the validity or  
7 regularity of any proceedings for the payment of the General Fund  
8 expenses paid or to be paid with the proceeds of the bonds.

9 (d) Source of and Security for Payment. The bonds shall also be  
10 secured by a first lien pledge of any or all of the revenues derived by the  
11 government of Guam from taxes against persons on account of their  
12 businesses and other activities in Guam now or hereafter imposed or  
13 levied by the government pursuant to Section 26201 of Chapter 26 of  
14 Division 2 of Title 11, Guam Code Annotated or any successor provision  
15 of law (the "Revenues"). Such pledge made hereunder shall be valid and  
16 binding from the time the bonds are issued. The Revenues pledged and  
17 thereafter received by the government of Guam or by any trustee,  
18 depository or custodian shall be deposited in a separate account and shall  
19 be immediately subject to the lien of such pledge without any physical  
20 delivery thereof or further act, and the lien of such pledge shall be valid  
21 and binding against all parties having claims of any kind in tort, contract  
22 or otherwise against the government of Guam or such trustee, depository  
23 or custodian, irrespective of whether the parties have notice thereof. The

1 indenture or certificate by which the bonds are issued and such pledge is  
2 created need not be recorded. Any such pledge shall be a first lien, and  
3 shall not be subordinate to any other use of Revenues.

4 (e) Appropriation of Revenues. All Revenues are hereby  
5 appropriated for the purposes of paying the principal and interest on the  
6 bonds issued pursuant to this Section and the obligations incurred by the  
7 government pursuant to subsections (i) and (j) of this Section. Revenues  
8 released from the lien of the indenture or certificate pursuant to which the  
9 bonds are issued shall be available for appropriation by *I Liheslaturan*  
10 *Guåhan* for any other lawful purpose.

11 (f) Additional Bonds. Nothing in this Section shall be construed  
12 to prevent the government of Guam from issuing, after appropriate  
13 enabling legislation, other obligations of the government secured by  
14 Revenues on a parity with or subordinate to the bonds authorized by this  
15 Section on such terms as may be provided by the indenture or certificate  
16 pursuant to which the bonds are issued. Nothing in this Section shall be  
17 construed to prevent the government of Guam from issuing, after  
18 appropriate enabling legislation, other obligations of the government  
19 secured by the general obligation of the government on a parity with or  
20 subordinate to the bonds authorized by this Section on such terms as may  
21 be provided by the indenture or certificate pursuant to which the bonds are  
22 issued.

1 (g) Waiver of Immunity; Submission to Jurisdiction.  
2 Notwithstanding any substantive or procedural provision of Chapter 6 of  
3 Title 5, Guam Code Annotated, the government of Guam waives  
4 immunity from any suit or action in contract on the bonds, but does not  
5 waive sovereign immunity as to the personal liability of elected officials  
6 and employees of the government of Guam. The government hereby  
7 submits to the jurisdiction of the Federal District Court for the District of  
8 Guam for purposes of any such suit or action in contract on the bonds.

9 (h) No Personal Liability. No employee or elected official of the  
10 government of Guam shall be individually or personally liable for the  
11 payment of any amounts due on any bonds issued under this Section, or  
12 for any other liability arising in connection with the bonds; provided,  
13 however, that nothing in this Section shall relieve any employee or elected  
14 official from the performance of any ministerial duty required by law.

15 (i) Form of Bonds; Covenants; Appointment of Fiduciaries. The  
16 technical form and language of the bonds, including provisions for  
17 execution, exchange, transfer, registration, paying agency, lost or  
18 mutilated bonds, negotiability, cancellation and other terms or conditions  
19 not inconsistent with this Section, including covenants relating to the  
20 collection of Revenues, shall be as specified in the certificate or indenture  
21 executed by *I Maga'lahaen Guåhan* authorizing the issuance of the bonds.  
22 The certificate or indenture shall appoint one or more trustees, co-trustees  
23 or other fiduciaries authorized to receive and hold in trust the proceeds of

1 the bonds, the Revenues and other moneys relating thereto, to protect the  
2 rights of bondholders and to perform such other duties as may be specified  
3 in the indenture. *I Maga'lahaen Guåhan* is also authorized to execute, on  
4 behalf of the government of Guam, any appropriate agreements,  
5 certificates or other instruments relating to the bonds and the sale of  
6 bonds.

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

22 (k) Use of Proceeds from the Sale of the Bonds. The proceeds  
23 from the sale of the bonds shall be used and are hereby appropriated to (i)

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

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

13 (i)	2005 and prior year individual and corporate tax	
14	refunds	\$126,400,000
15 (ii)	Cost of Living Adjustment (COLA) as ordered by the	
16	Superior Court in SP206-93 and pursuant to Public Law	
17	No. 28-151	\$123,600,000
18	Total	\$250,000,000

19 The payments authorized in this subsection (k) shall, when paid,  
20 apply to any existing appropriation for the same items in the current or  
21 prior year appropriations acts, and shall not constitute double  
22 appropriations.

1 (l) Permitted Investments. The proceeds of the bonds, and any  
2 Revenues relating to such bonds, may be invested in, but only in, the types  
3 of investments permitted by the certificate or indenture pursuant to which  
4 such bonds are issued.

5 (m) Approval by Guam Economic Development and Commerce  
6 Authority. §50103(k), Title 12, Guam Code Annotated, provides that  
7 agencies and instrumentalities of the Government of Guam shall issue  
8 bonds and other obligations only by means of and through the agency of  
9 the Guam Economic Development and Commerce Authority (“GEDCA”).  
10 No issue of bonds authorized by this Section shall be sold until the board  
11 of directors of GEDCA has adopted a resolution approving the sale of  
12 such issue.

13 (n) Approval of Voters Not Required. Notwithstanding 17 GCA  
14 §§17311 and 17312, the issuance of the bonds authorized by this Section  
15 shall not be required to be subject to the approval of, or placed before, the  
16 voters of Guam.”

17 **Section 7. Local Sales of Bonds.** *I Maga’lahen Guâhan* shall undertake his best  
18 efforts to cause a portion of any bonds issued pursuant to Section 6 of Chapter IV, Part III  
19 of this Act (Section 1512, Title 5, Guam Code Annotated), to be offered for sale to  
20 residents of Guam, as well as to residents of other jurisdictions, if and to the extent that  
21 such offer and any sales resulting from such offer do not increase the costs to the  
22 government of Guam of issuing and repaying such bonds.

1           **Section 8. Approval of Bonds.** *I Liheslaturan Guåhan* pursuant to §50103(k),  
2 Title 12, Guam Code Annotated, hereby approves the issuance and sale by the  
3 government of Guam of bonds for the purposes and in the principal amounts not to  
4 exceed the purpose and limits set forth in Section 6 of Chapter IV, Part III of this Act,  
5 *provided* that the conditions to the issuance of such bonds shall have been met, such  
6 bonds have a final maturity date not later than thirty (30) years after their date of  
7 issuance, bear interest at such rate and are sold for such price or prices as shall result in a  
8 yield to the bondholders not exceeding seven and one-half percent (7.5%) per annum, and  
9 are issued and sold in the manner, for the purposes and subject to the requirements and  
10 limitations provided in Section 1512, Title 5, Guam Code Annotated. This approval shall  
11 supersede the approval contained in Public Law 27-19 and the terms and conditions of  
12 Public Law 27-19 shall not apply.

13           **Section 9. Approval of Indenture.** The indenture pursuant to which the bonds  
14 approved by Section 8 of Chapter IV, Part III of this Act shall be issued and shall be in  
15 substantially the form appended to this Act as “Attachment A”. In accordance with  
16 Section 1512, Title 5, Guam Code Annotated, the terms and conditions of such bonds  
17 shall be as determined by *I Maga’lahen Guåhan* by execution of the indenture, subject to  
18 the requirements of said Section 1512 and Section 8, Chapter IV, Part III of this Act.

19           **Section 10. Deposit of Bond Proceeds to be Used to Pay Income Tax**  
20 **Refunds.** The proceeds of the bonds approved by Section 8 of Chapter IV, Part III of  
21 this Act that are authorized by Section 1512(m)(i) to be used to pay tax refunds shall be  
22 transferred immediately after receipt thereof by the bond trustee into the Income Tax  
23 Reserve Fund.

1           **Section 11. Bond Proceeds Not Subject to Transfer Authority.** The proceeds  
2 of the bonds approved by Section 8 of Chapter IV, Part III of this Act shall not be subject  
3 to any transfer authority of *I Maga'lahaen Guåhan*.

4           **Section 12. Reenactment of the “Education Appropriations Act of 2007”**  
5 Chapter II Part VII of Public Law No. 28-149 as repealed pursuant to Section 33 of  
6 Chapter VI of Public Law No. 29-02 is hereby reenacted in its entirety.

7           **Section 13. Amendment to Tax on Banks, Banking Institutions, Small**  
8 **Lenders and Building and Loan Associations. Item (f) of Section 26202, Chapter 26**  
9 **of 11 GCA is amended to read as follows:**

10           “(f) Tax on banks, banking institutions, small lenders and building and  
11 loan associations. Upon every person engaging or continuing within  
12 Guam in the business of operating any bank, banking institutions, building  
13 and loan associations, small lending business, or legal institutions, there  
14 shall be a tax equivalent to four percent (4.0%) of the net gross income  
15 received from business.”

16           (1) ~~(2)~~ A person liable for the payment of taxes levied under this  
17 Section shall be required to file monthly tax returns in accordance  
18 with Section 26110, Chapter 26 of 11 GCA

19           **Section 14. Repeal of Gross Receipt Taxes on Manufacture, Production or**  
20 **Importation of Alcoholic Beverages and Tobacco. Item (h) of Section 26203,**  
21 **Chapter 26 of 11 GCA is repealed in its entirety.**

22           **Section 15. Repeal of Certain Exemptions to the Gross Receipt Tax.** The  
23 following provisions are hereby repealed:

- 1           a. Title 11 GCA §26203 (k), relative to taxes levied on the following  
2           provisions of this subsection as follows:
- 3           1. Title 11 GCA §26203 (k)(8), relative to the amounts received from  
4           the sale of liquid fuel;
  - 5           2. Title 11 GCA §26203 (k)(14), relative to the amounts received from  
6           the sale of residual fuel for marine purpose;
  - 7           3. Title 11 GCA §26203 (k)(18), relative to export trading companies  
8           as defined by Title 11 GCA §26101(d) for goods and services  
9           exported by them;
  - 10          4. Title 11 GCA §26203 (k)(19), relative to all of the foreign trade  
11          income of a FSC, as defined in 12 GCA § 2431(b);
  - 12          5. Title 11 GCA §26203 (k)(20), relative to all of the investment  
13          income of a FSC as defined in 12 GCA § 2431(f) and carrying  
14          charges as defined in 12 GCA §2431(g);
  - 15          6. Title 11 GCA §26203 (k)(21), relative to amounts received from the  
16          sale of liquid fuel to vessels engaged in commercial fishing;
  - 17          7. Title 11 GCA §26203 (k)(22), relative to amounts received from  
18          engaging or continuing in business as a wholesaler;
  - 19          8. Title 11 GCA §26203 (k)(22)(i), relative to amounts received from  
20          engaging or continuing in business as a wholesaler inclusive to  
21          sales of tangible personal property to contractors;

- 1           9. Title 11 GCA §26203 (k)(27), relative to all of the gross income of a  
2           Foreign Sales Corporation (FSC) as determined under 12 GCA §  
3           60102(c);
- 4           10. Title 11 GCA §26203 (k)(34), relative to amounts received by  
5           businesses participating in the Performance of BOS Activities,  
6           defined in 12 GCA § 58128.7, as a BOS Contractor, or  
7           Subcontractors of the BOS Contractor on Guam;
- 8           11. Title 11 GCA §26203 (k)(36), relative to amounts received from the  
9           sale of telecommunication services including telephone, internet,  
10          data transmission line, wired/wireless/cable television and satellite  
11          service, two-way radios, paging and wired and wireless data  
12          communications and related services to customers outside of  
13          Guam;
- 14          b. Title 11 GCA §26215, relative to gross receipt tax credits for services  
15          purchased from competing telecommunications companies;
- 16          c. Title 11 GCA §26202 (j), relative to the gross income application for  
17          tourism related services;
- 18          d. Title 11 GCA §26202 (i), relative to the taxing of gross income received as  
19          premium for the writing of insurance; and
- 20          e. Title 11 GCA §26202 (e) relative to the taxing of contractor is amended to  
21          read:

1 (e) Tax on Contractors. There shall be levied, assessed and collected a  
2 tax rate of four percent (4%) applied against the gross income of any  
3 contractor.

4 **Section 16. Repeal to the Military Sales Drawback on Tobacco Products.**

5 Section 26605 of Title 11 GCA is hereby repealed.

6 **Section 17. Moratorium on the Gross Receipts Tax Off-Sets for the Guam**

7 **Registered Apprenticeship Program Law.** (a) A moratorium is hereby in effect on the  
8 issuance of new, extensions and renewal of authorized gross receipts tax credits for Guam  
9 Registered Apprenticeship Program. The modification of all Qualifying Certificates shall  
10 be also prohibited during the effective period. (b) This Section shall sunset on January 1,  
11 2009 and such moratorium shall immediately terminate.

12 **Section 18. Moratorium to Gross Receipts Tax Credits and Tax Off-Sets**

13 **Authorized or Approved by GEDCA.** (a) Exempting active Qualifying Certificates  
14 issued by the Guam Economic Development and Commerce Authority (GEDCA) and  
15 GEDCA programs having approved gross receipts tax deferment plans; a moratorium is  
16 immediately in effect for GEDCA to authorize new gross receipts tax credits, off-sets,  
17 relief and exemptions; and, to amend, extend or renew any existing gross receipts tax  
18 deferment plans.

19 **Section 19. Section 26203.1 Chapter 26 of 11 GCA is amended to read as**  
20 **follows:**

21 Section 26203.1. Exemption Limitation. The aggregate amount of exemption  
22 allowed under Items (9), (28), (29), (30), (31) and (32) of subsection 26203(k) of this  
23 chapter for the taxable year shall not exceed Forty Thousand Dollars (\$40,000)

1           **Section 20. Implementation by Tax Commissioner and GEDCA**  
2 **Administrator.** The Tax Commissioner of Guam and the Administrator for the Guam  
3 Economic Development and Commerce Authority shall immediately upon enactment  
4 implement the provisions of this Act.

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CHAPTER V

ADMINISTRATIVE PROVISIONS

**Section 1. Reporting Requirements.** *No later than thirty (30) days after the end of every fiscal quarter of Fiscal Year 2008, every director, administrator or head of a government of Guam agency, including line agencies, autonomous and semi-autonomous agencies, public corporations, the President of the Mayors Council of Guam and the Judiciary of Guam, regardless of the source of the entity's appropriations and revenue, shall submit to the Public Auditor of Guam and the Speaker of I Liheslaturan Guåhan and post on the entity's website, in written and electronic format (including, but not limited to, diskettes, CDs and email) a report making full disclosure of ALL funds under his or her purview and administration for the preceding quarter. Said report shall be in the form of financial statements or revenue and expenditure reports for every fund he administers, regardless of whether said fund is appropriated, non-appropriated, local or federal and regardless of the source of the funding. This and every reporting requirement imposed by this Act or any act pertaining to FY 2008 shall be subject to the following if any or all of the following requirements are not met:*

- (a) providing a written report;
- (b) providing an electronic format of the report; and
- (c) posting the report on the website.

For the purposes of this Section, a director shall include the head of a department, agency, autonomous agency, semi-autonomous agency, or public corporation, including, but not limited to, the Superintendent of Education, the President of the University of Guam, the President of Guam Community College, the General Manager of the Guam

1 Educational Telecommunications Corporation, the Director of the Guam Public Library  
2 System, the Executive Director of the Mayors' Council of Guam, the Executive Director  
3 of *I Liheslaturan Guåhan* and the Administrator of the Courts of Guam.

4 **Section 2. Authorization for Payment of Prior Years' Obligations.**

5 Appropriations made in this Act may be expended for the payment of prior years'  
6 obligations. *I Maga'lahaen Guåhan* shall deliver notice to the Speaker of *I Liheslaturan*  
7 *Guåhan* of each proposed expenditure. *I Liheslaturan Guåhan* shall have twenty (20)  
8 days to act on such notice. Such expenditure will be effective if no action is taken by *I*  
9 *Liheslaturan Guåhan*.

10 **Section 3. Authorization for Matching Requirements for Federal Grants-**

11 **In-Aid.** Notwithstanding any other provision of law, departments are authorized to  
12 expend funds appropriated in this Act for matching requirements of Federal grants.

13 **Section 4. Carryover of Local and Federal Matching Program Funds for**

14 **grants.** The Local and Federal Matching Funds for programs whose expiration dates  
15 extend *beyond* September 30, 2008, are hereby authorized to be carried over and  
16 expended through the period of the grant award.

17 **Section 5. Federal Reimbursements into the General Fund.** Except as

18 provided by the provisions of §5104(38) of Title 12 of the Guam Code Annotated, *if*  
19 Guam expends any funds, which are reimbursed by the Federal Government, the  
20 reimbursed funds shall be deposited in the General Fund promptly upon receipt.

21 **Section 6. Reporting Requirements for Non-Profit Organizations**

22 **Receiving Appropriations from the Government of Guam.** All non-profit  
23 organizations funded by this Act shall maintain financial records that accurately account

1 for appropriated funds and shall provide a budgetary breakdown by object category to the  
2 department or agency overseeing the appropriation. The non-profit organization shall also  
3 provide to the overseeing department or agency the following:

4 (a) A quarterly report describing the activities undertaken during the reporting  
5 period and the results achieved *no later than* twenty (20) days after the  
6 end of each quarter;

7 (b) Notification of all procurement of equipment and services of Five  
8 Thousand Dollars (\$5,000) or more prior to awarding contract;

9 (c) Access to the overseeing department or agency's duly authorized  
10 representative, and Government of Guam auditors to appropriate records  
11 for the purpose of audit and examination of books, documents, papers and  
12 records of funds expended under the appropriation;

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

15 (e) A Final Report to the overseeing department or agency for submission to *I*  
16 *Liheslaturan Guåhan* containing a full disclosure of all expenditures of  
17 funds appropriated under this Act *no later than* forty-five (45) days after  
18 the close of the last quarter of the fiscal year. The overseeing department  
19 or agency shall post the same on its website.

20 **Section 7. Appropriations from the Guam Contractor License Board**  
21 **Fund and Professional Engineers, Architects and Land Surveyors Board Fund to**  
22 **revert to the General Fund for Fiscal Year 2008.** At the end of Fiscal Year 2008, any  
23 unexpended or unencumbered appropriation balances from the Guam Contractors

1 License Board ("GCLB") Fund and the Professional Engineers, Architects and Land  
2 Surveyors ("PEALS") Board Fund shall revert to the General Fund.

3 **Section 8. Reversion to the General Fund, Tourist Attraction Fund and**  
4 **Healthy Futures Fund.** Notwithstanding any other provision of law, *unless* otherwise  
5 specified in this Act or subsequent legislation:

6 (a) **General Fund Reversion.** All unexpended or unencumbered appropriations  
7 made from the General Fund pursuant to this Act, *unless* otherwise provided for in Fiscal  
8 Year 2008, shall *revert* to the General Fund on the last day of that fiscal year;

9 (b) **Tourist Attraction Fund Reversion.** All unexpended or unencumbered  
10 appropriations made from the Tourist Attraction Fund pursuant to this Act, unless  
11 otherwise provided for in Fiscal Year 2008, shall revert to the Tourist Attraction Fund on  
12 the last day of that fiscal year;

13 (c) **Healthy Futures Fund Reversion.** All unexpended or unencumbered  
14 appropriations made from the Healthy Futures Fund pursuant to this Act, unless  
15 otherwise provided for in Fiscal Year 2008, shall revert to the Healthy Futures Fund on  
16 the last day of that fiscal year.

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

21 **Section 10. Severability.** *If* any provision of this Act or its application to any  
22 person or circumstances is held invalid, the invalidity shall *not* effect other provisions or

- 1 applications of this Act which can be given effect without the invalid provision or
- 2 application, and to this end the provisions of this Act are severable.