I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN 2023 (FIRST) Regular Session VOTING RECORD

Bill No. 36-37 (COR) As amended by the Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning; substituted; and further amended on the Floor.	Speaker Antonio R. Unpingco Legislative Session Hall Guam Congress Building November 30, 2023					
NAME	Aye	Nay	Not Voting/ Abstained	Out During Roll Call	Absent	Excused
Senator Chris Barnett	1					
Senator Frank Blas, Jr.	1	I				
Senator Joanne Brown	1					
Senator Christopher M. Dueñas	1					
Senator Thomas J. Fisher		I J				
Senator Jesse A. Lujan	1					
Vice Speaker Tina Rose Muña Barnes	1					
Senator William A. Parkinson	J					
Senator Sabina Flores Perez	1					
Senator Roy A. B. Quinata	1					
Senator Joe S. San Agustin	J					
Senator Dwayne T. D. San Nicolas	J					
Senator Amanda L. Shelton	J					
Senator Telo T. Taitague	J					-
Speaker Therese M. Terlaje	J					
TOTAL	14	1			0	0
-	Aye	Nay	Not Voting/ Abstained	Out During Roll Call	Absent	Excused

CERTIFIED TRUE AND CORRECT:

JOAQUIN P TAITAGUE Substitute Clerk of the Legislature

I = Pass

I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN 2023 (FIRST) Regular Session

Bill No. 36-37 (COR)

As amended by the Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning; substituted; and further amended on the Floor.

*

Introduced by:

Sabina Flores Perez Chris Barnett Roy A. B. Quinata Joanne Brown William A. Parkinson Jesse A. Lujan Joe S. San Agustin Tina Rose Muña Barnes <u>Telo T. Taitague</u>

AN ACT TO ADD NEW §§ 5428 AND 5429 TO SUBARTICLE A OF ARTICLE 9, CHAPTER 5, TITLE 5, GUAM ANNOTATED, CODE RELATIVE TO ADMINISTRATIVE REVIEW OF GOVERNMENT OF CRITICAL GUAM PROCUREMENT CONTRACT **DECISIONS REASONABLY EXPECTED TO COST FIVE** MILLION DOLLARS (\$5,000,000) OR MORE USING FUNDS FROM THE AMERICAN RESCUE PLAN ACT AND OR THE INFRASTRUCTURE INVESTMENT AND **JOBS ACT.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds
 protests serve an invaluable role in the procurement process by promoting
 accountability, bidder confidence, and agency compliance. Protests may also

highlight gaps in laws, which, in turn, can initiate reforms in order to ensure vital
 public funds are properly spent in meeting the needs of our community.

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3 I Liheslatura further finds that Guam's current protest process can lead to 4 lengthy delays, which can also lead to lost opportunities to avail of federal and other 5 grants and programs, particularly in the procurement of multi-million-dollar capital 6 improvement projects, which are critical to the government and populace, and the 7 many facilities and plants that are aging and/or in disrepair. In some cases, protests 8 can lead to the inability for government agencies to undergo needed capital improvements, to expend funds within required grant deadlines, or can lead to their 9 10 inability to maximize to the fullest extent practicable the purchasing value of public 11 funds of the government, as required by the Guam Procurement Law, 5 GCA, 12 Chapter 5, § 5001(b)(5).

I Liheslaturan Guåhan intends to establish a new category of procurement contract, referred to as "Critical Procurement Contracts," which involves procurement of capital improvement or infrastructure projects funded by federal grants or other programs that is reasonably expected to cost Five Million Dollars (\$5,000,000) or more.

I Liheslatura also intends to create an expedited process limited to protests of Critical Procurement Contracts in order to strike a balance of strengthening local procurement through the protest process and acquiring much needed critical procurement contracts to meet the needs of our community and to maximize the purchasing value of public funds.

23 Section 2. A new § 5428 is hereby *added* to Subarticle A of Article 9,
24 Chapter 5, Division 1, Title 5, Guam Code Annotated, to read as follows:

25 "§ 5428. Administrative Review of Government of Guam Critical
26 Procurement Contract Decisions.

- 1 A Critical Procurement Contract is a contract solicited as (a) contemplated in the Guam Procurement Law, 5 Guam Code Annotated 2 3 Chapter 5, and meets the following criteria: 4 (1)the solicitation is one which is integral to the timing of the planning, development, construction, financing or completion of major 5 6 public infrastructure or capital improvement; 7 (2)the contract is reasonably expected to cost Five Million 8 Dollars (\$5,000,000) or more and is funded by at least eighty percent (80%) or more from the American Rescue Plan Act and or the 9 10 Infrastructure Investment and Jobs Act funds: and 11 (3)the identified funding for the Critical Procurement 12 Contract is restricted pursuant to the American Rescue Plan Act and or 13 the Infrastructure Investment and Jobs Act or becomes restricted to the 14 material detriment of the procuring agency. 15 A Critical Procurement Contract shall be designated by the Chief (b)Procurement Officer, the Director of Public Works, or the governing board of 16 17 the procuring agency, in accordance with regulations to be promulgated by 18 the Policy Office. The Critical Procurement Contract shall be prominently 19 designated as such in the notice of and solicitation for the contract. All 20 prospective bidders, offerors, and contractors shall acknowledge and sign an 21 affidavit that they are aware of and agree to abide by the Critical Procurement 22 Contract deadlines, rules, and regulations." Section 3. A new § 5429 is hereby added to Subarticle A of Article 9, 23 Chapter 5, Division 1, Title 5, Guam Code Annotated, to read as follows: 24 25 **"§ 5429.** Authority to Resolve Protested Critical Procurement
- 26 Contract Solicitations and Awards.

1 (a) Right to Protest. Any actual or prospective bidder, offeror, or 2 contractor who may be aggrieved in connection with the method of source 3 selection, solicitation or award of a Critical Procurement Contract, may 4 protest to the Chief Procurement Officer, the Director of Public Works, or the 5 head of a purchasing agency. The protest shall be submitted in writing within 6 fourteen (14) days after such aggrieved person knows or should have known 7 of the facts giving rise thereto.

8 Authority to Resolve Critical Procurement Contract Protests. (b)9 The Chief Procurement Officer, the Director of Public Works, the head of a 10 purchasing agency, or a designee of one of these officers shall have the authority, prior to the commencement of an appeal to the Public Auditor 11 12 concerning the controversy, to settle and resolve a protest of an aggrieved 13 bidder, offeror, or contractor, actual or prospective, concerning the solicitation 14 or award of a contract. This authority shall be exercised in accordance with 15 regulations promulgated by the Policy Office.

16 (c) Decision. If the protest is not resolved by mutual agreement, the
17 Chief Procurement Officer, the Director of Public Works, the head of a
18 purchasing agency, or a designee of one of these officers shall promptly issue
19 a decision in writing within fifteen (15) days from the date the protest is filed.
20 The decision shall:

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(1) state the reasons for the action taken; and

(2) inform the protestant of its right to administrative appeal.

(d) Notice of Decision. A copy of the decision under Subsection (c)
of this Section shall be mailed electronically or otherwise furnished
immediately to the protestant and any other party intervening.

- (e) Appeal. A decision under Subsection (c) of this Section may be appealed by the protestant to the Public Auditor within fifteen (15) days after receipt by the protestant of the notice of decision.
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(f) Finality. For the purposes of this Section, the determination of facts and decision by the Public Auditor for the resolution shall be final and conclusive with no right of appeal or judicial review and the automatic stay for the solicitation or award of a Critical Procurement Contract shall be lifted.

8 (g) Automatic Stay. In the event of a timely protest under Subsection 9 (a) of this Section, the government of Guam shall not proceed further with the 10 solicitation or with the award of the contract prior to final administrative 11 resolution of such protest, and any such further action is void.

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(h) No Entitlement to Costs. There shall be no entitlement to costs or fees regardless of the outcome of the protest or appeal to the Public Auditor.

14 The Public Auditor shall expedite the administrative review (i) 15 process of the appeal in accordance with the rules and regulations to be 16 promulgated and adopted by the Public Auditor within sixty (60) days of the 17 effective date of this Act, notwithstanding the Administrative Adjudication 18 Law found in Chapter 9 of Title 5, Guam Code Annotated. Protests of any Critical Procurement Contract to the Public Auditor shall be in compliance 19 20 with Title 5, Guam Code Annotated, Chapter 5, Article 12; and Title 2, Guam 21 Administrative Rules and Regulations, Division 4, Chapter 12."

Section 4. Automatic Repeal. §§ 5428 and 5429 of Subarticle A, Article 9, Chapter 5, Title 5, Guam Code Annotated, as added by this Act, are repealed effective December 31, 2026, unless the federal grantor agency authorizes an extension of time for the expenditure of the Infrastructure Investment and Jobs Act funds, in which case these Sections shall be repealed at the end of the extension period. 1 Section 5. Promulgation of Rules and Regulations. The Procurement 2 Policy Office, pursuant to 5 GCA, Chapter 5, § 5130(a), shall promulgate rules and 3 regulations consistent with this Act no later than sixty (60) calendar days after 4 enactment of this Act, except for the rules and regulations required in § 5429(i) of 5 Subarticle A, Article 9, Chapter 5, 5 GCA, which shall be promulgated by the Public 6 Auditor.

Section 6. Severability. If any provision of this Act or its application to any person or circumstance is found to be invalid or inorganic, such invalidity shall not affect other provisions or applications of this Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

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Section 7. Effective Date. This Act shall be effective upon enactment.