



Office of the Governor of Guam

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Felix P. Camacho  
Governor

Michael W. Cruz, M.D.  
Lieutenant Governor

22 APR 2009

2009 APR 22 PM 4:45  
won

The Honorable Judith T. Won Pat, Ed.D.  
Speaker  
Mina' Trenta Na Liheslaturan Guåhan  
155 Hessler Street  
Hagåtña, Guam 96910

Dear Speaker Won Pat:

Transmitted herewith is Bill No. 24(LS) "AN ACT TO REPEAL AND RE-ENACT CHAPTER 70 OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM CONTRACTORS LICENSING BOARD" which was signed into law on April 17, 2009 as **Public Law 30-11.**

Sinseru yan Magåhet,

MICHAEL W. CRUZ, M.D.  
I Maga'låhen Guåhan para pa'go  
Acting Governor of Guam

Attachment: copy of Bill

36-09-07 0491  
Office of the Speaker  
Judith T. Won Pat, Ed. D.

Date 4/22/09  
Time 4  
Received by 4

I MINA'TRENTA NA LIHESLATURAN GUÅHAN  
2009 (FIRST) Regular Session

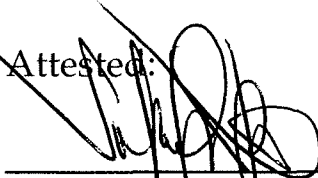
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that **Substitute Bill No. 24 (LS), "AN ACT TO REPEAL AND RE-ENACT CHAPTER 70 OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM CONTRACTORS LICENSE BOARD"** was on the 3<sup>rd</sup> day of April, 2009, duly and regularly passed.



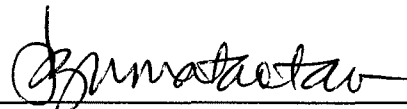
Judith T. Won Pat, Ed. D.  
Speaker

Attested:



Tina Rose Muña Barnes  
Senator and Secretary of the Legislature

This Act was received by *I Maga'lahaen Guåhan* this 6 day of April, 2009, at 4:45 o'clock P..M.



Assistant Staff Officer  
*Maga'lahaen's Office*

APPROVED:



MIKE W. CRUZ, MD  
GOVERNOR OF GUAM ACTING

Date: 11 7 APR 2009

Public Law No. 30-11

***I MINA'TRENTA NA LIHESLATURAN GUÅHAN***  
**2009 (First) Regular Session**

**Bill No. 24 (LS)**

As substituted by the Committee  
on Utilities, Transportation,  
Public Works and Veterans Affairs,  
and amended on the Floor.

Introduced by

J. V. Espaldon  
T. C. Ada  
F. B. Aguon, Jr.  
T. R. Muña Barnes  
F. F. Blas, Jr.  
E. J.B. Calvo  
B. J.F. Cruz  
Judith Paulette Guthertz, DPA  
Adolpho B. Palacios, Sr.  
v. c. pangelinan  
M. J. Rector  
R. J. Respicio  
Ray Tenorio  
Telo Taitague  
Judith T. Won Pat, Ed. D.

**AN ACT TO *REPEAL* AND *RE-ENACT* CHAPTER 70 OF  
TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE  
GUAM CONTRACTORS LICENSE BOARD.**

**BE IT ENACTED BY THE PEOPLE OF GUAM:**

**Section 1.** Chapter 70 of Title 21, Guam Code Annotated, is *repealed* and  
*re-enacted* to read:

**“CHAPTER 70  
CONTRACTORS**

**§70100. Definitions.**

- 1        **§70101. Exemptions.**
- 2        **§70102. Contractors License Board.**
- 3        **§70103. Powers and Duties of Board.**
- 4        **§70104. Executive Director; Other Assistants.**
- 5        **§70105. Place of Meeting.**
- 6        **§70106. Classification.**
- 7        **§70107. Powers to Classify and Limit Operations.**
- 8        **§70108. Licenses Required.**
- 9        **§70108.1. Advertising.**
- 10       **§70109. Investigation Permitted.**
- 11       **§70109.1. Investigation Citation Authority.**
- 12       **§70109.2. Immediate Cease Work Order Permitted.**
- 13       **§70109.3. Cease Work Order Permitted.**
- 14       **§70110. No License Issued When.**
- 15       **§70111. Application: Fees.**
- 16       **§70112. Form of Licenses.**
- 17       **§70113. Place of Business and Posting of License.**
- 18       **§70114. Fees; Annual.**
- 19       **§70115. Action on Application.**
- 20       **§70116. Revocation, Suspension and Renewal of Licenses.**
- 21       **§70117. Hearings.**
- 22       **§70118. Appeal to Superior Court.**
- 23       **§70119. Disposition of Fees, Refunds.**
- 24       **§70120. Death *or* Dissociation.**
- 25       **§70121. Violation, Penalty.**
- 26       **§70122. Injunction.**
- 27       **§70123. Exemptions for Prior Licensees.**

1       **§70100. Definitions.** As used in this Chapter:

2           (a) *Board* means the Contractors License Board.

3           (b) *Contractor* means any person who undertakes to construct,  
4 alter, repair, add to, subtract from, improve, move, wreck *or* demolish any  
5 building, highway, road, railroad, excavation *or* other structure, project  
6 development or improvement *or* do any part thereof, including the erection  
7 of scaffolding *or* other structure of works in connection therewith for  
8 another person for a fee.

9           (c) Contractor includes a subcontractor and a specialty contractor.

10          (d) *Person* means an individual, partnership, joint venture,  
11 corporation *or* any combination thereof. Corporation includes an association,  
12 business trust *or* any organized group of persons.

13          (e) *Self-construction* means a project *or* operation performed by the  
14 owner for personal needs on personal premises; a self-constructed/performed  
15 project or operation *shall* otherwise be deemed performed by a contractor.

16          (f) *Investigator* means an employee with the Contractors License  
17 Board who conducts thorough investigations of applicants applying for a  
18 contractor's license and who inspects, regulates, and enforces the laws, rules  
19 and regulations of the Licensing Board for Contractors.

20          (g) *Responsible Management Employee* means the individual  
21 responsible for the direct management of the contracting business of the  
22 licensee.

23       **§70101. Exemptions.** This Chapter *shall not* apply to:

24           (a) An officer *or* employee of the United States, the Territory *or* any  
25 political subdivision, *if* the project *or* operation is performed by employees  
26 thereof;

1 (b) Any person acting as a receiver, trustee in bankruptcy,  
2 administrator *or* executor, *or* any other person acting under any order *or*  
3 authorization of any court;

4 (c) A person who sells *or* installs any finished products, materials *or*  
5 articles *or* merchandise which are *not* actually fabricated into and *do not*  
6 become a permanent fixed part of the structure, *or* to the construction,  
7 alteration, improvement *or* repair of personal property;

8 (d) Any project *or* operation for which the aggregate contract price for  
9 labor, materials and all other items is *less than* Two Thousand Five Hundred  
10 Dollars (\$2,500). This exemption *shall not* apply in any case wherein the  
11 undertaking is by a licensed contractor *or* is only part of a larger *or* major  
12 project *or* operation, whether undertaken by the same *or* a different  
13 contractor *or* in which a division of the project *or* operation is made in  
14 contracts of amounts *less than* Two Thousand Five Hundred Dollars  
15 (\$2,500) for the purpose of evading this Chapter *or* otherwise;

16 (e) A registered architect *or* professional engineer acting *solely* in a  
17 professional capacity;

18 (f) Any person who engages in the activities herein regulated as an  
19 employee with wages as *sole* compensation;

20 (g) Any person who undertakes either personally *or* through his *or*  
21 her employees, any project *or* operation for himself or herself; and

22 (h) Any co-partnership *or* joint venture *if* all members thereof hold  
23 licenses issued under this Chapter *or if* the person *or* persons who have  
24 direct management of the contracting business thereof hold a license for  
25 purposes of requiring additional contractor's licenses for the copartnership  
26 *or* joint venture.

27 **§70102. Contractors License Board.**

1 (a) There *shall* be a Contractors License Board compose of seven  
2 (7) members; two (2) of which *shall* be appointed by *I Maga'lahi* from the  
3 construction industry; three (3) of which *shall* be appointed by *I Maga'lahi*  
4 from the general public and who *shall* have no interest in the construction  
5 industry; the Director of Revenue and Taxation, ex-officio; and the Director  
6 of Public Works, ex-officio. Those members appointed by *I Maga'lahi* are  
7 subject to confirmation by *I Liheslatura*. Their terms *shall* be four (4) years.

8 (b) The concurrence of four (4) members of the Board *shall* be  
9 necessary for the validity of any of its actions.

10 (c) Organization, Records, Reports. Immediately upon the  
11 appointment and qualifications of the original members, and annually  
12 thereafter, the Board *shall* organize by the election of one (1) member as  
13 Chairman and one (1) member as Vice-Chairman. The Board *shall* keep a  
14 complete record of all its proceedings and *shall* present annually to the  
15 Governor through the Executive Director a detailed statement of the  
16 previous year, proceedings and such recommendations as the Board may  
17 deem proper.

18 (d) Compensation. Members of the Board *shall* receive the sum of  
19 Fifty Dollars (\$50) for each attendance at the meetings of the Board,  
20 provided, however, that *no* member *shall* receive more than One Hundred  
21 Dollars (\$100) per month.

22 **§70103. Powers and Duties of Board.** In addition to any other duties and  
23 powers granted by this Chapter, the Contractors License Board *shall*:

24 (a) Grant licenses to contractors pursuant to this Chapter;

25 (b) Make, amend *or* repeal such rules and regulations as it may  
26 deem proper to fully effectuate this Chapter and carry out the purpose  
27 thereof, which purpose is the protection of the general public. All such rules

1 and regulations *shall* be adopted pursuant to the Administrative Adjudication  
2 Law. The rules and regulations may forbid acts *or* practices deemed by the  
3 Board to be detrimental to the accomplishment of the purpose of this  
4 Chapter. The rules and regulations may require contractors to make reports  
5 to the Board containing such items of information as will better enable the  
6 Board to enforce this Chapter and rules and regulations, *or* as will better  
7 enable the Board from time to time to amend the rules and regulations more  
8 to fully effectuate the purposes of this Chapter. The rules and regulations  
9 may require contractors to furnish reports to owners containing such matters  
10 of information as the Board deems necessary to promote the purpose of this  
11 Chapter. The enumeration of specific matters which may properly be made  
12 the subject of rules and regulations *shall not* be construed to limit the  
13 Board's general power to make all rules and regulations necessary to fully  
14 effectuate the purpose of this Chapter;

15 (c) Enforce this Chapter and rules and regulations adopted pursuant  
16 thereto;

17 (d) Suspend *or* revoke any license for any cause prescribed by  
18 §70116 *or* for any cause for suspension *or* revocation prescribed by the rules  
19 and regulations, and refuse to grant any license for any cause which would  
20 be grounds for revocation *or* suspension of a license;

21 (e) Publish and distribute pamphlets and circulars containing such  
22 information as it deems proper to further the accomplishment of the purpose  
23 of this Chapter; and

24 (f) Contract professional testing services as deemed necessary to  
25 prepare, administer, and grade applicant examinations as may be required  
26 for the purpose of this Chapter.

27 **§70104. Executive Director; Other Assistants.**



1           (a)       The Contractors License Board *shall* employ an  
2 Executive Director. The Executive Director *shall* be employed with due  
3 regard to his *or* her fitness, thorough administrative ability and knowledge of  
4 and experience in the business of contracting. The Executive Director *shall*  
5 act only with the advice and consent of the Board and *shall* be responsible to  
6 the Board. The Executive Director *shall* devote his *or* her entire time to the  
7 duties of the office and *shall not* be actively engaged *or* employed in any  
8 other business, vocation *or* employment, *nor* have any pecuniary interest,  
9 direct *or* indirect, in any contracting enterprise *or* enterprises conducted *or*  
10 carried on within the Territory.

11           (b)       The Executive Director *shall*, under the supervision of the  
12 Board, administer this Chapter and the rules and regulations and orders  
13 established thereunder and perform such other duties as the Board may  
14 require; *shall* attend but *not* vote at all meetings of the Board; and *shall* be in  
15 charge of the offices of the Board and responsible to the Board for the  
16 preparation of reports and the collection and dissemination of data and other  
17 public information relating to contracting.

18           (c)       The Board may, by written order filed in its office, delegate to  
19 the Executive Director such of its powers *or* duties as it deems reasonable  
20 and proper for the effective administration of this Chapter, *except* the power  
21 to make rules *or* regulations. The delegated powers and duties may be  
22 exercised by the Executive Director in the name of the Board.

23           (d)       Subject to the Personnel Law, the Executive Director may  
24 employ and remove such administrative and clerical assistants as may be  
25 required, and prescribe their powers and duties.

1           **§70105. Place of Meeting.** The Executive Director *shall* provide suitable  
2 quarters for meetings of the Contractors License Board and for the transaction of  
3 its other business.

4           **§70106. Classification.**

5           (a) For the purpose of classification, the contracting business  
6 includes any *or* all of the following branches:

- 7                   (1) General Engineering Contracting;
- 8                   (2) General Building Contracting;
- 9                   (3) Specialty Contracting; and
- 10                  (4) Responsible Management Employee (R.M.E.).

11           (b) A *General Engineering Contractor* is a contractor whose  
12 principal contracting business is in connection with fixed works requiring  
13 specialized engineering knowledge and skill, including the following  
14 divisions *or* subjects: irrigations, drainage, water power, water supply, flood  
15 control, inland waterways, harbors, docks and wharves, shipyards and ports,  
16 dams and hydroelectric projects, levees, river control and reclamation works,  
17 highways, streets and roads, tunnels, airports and airways, sewer, sewage  
18 disposal plants and systems, waste reduction plants, bridges, overpasses,  
19 underpasses and other similar works, pipelines and other systems for the  
20 transmission of petroleum and other liquid *or* gaseous substances, parks,  
21 playgrounds and other recreational works, refineries, chemical plants and  
22 similar industrial plants requiring specialized engineering knowledge and  
23 skill, powerhouses, power plants and other utility plants and installations,  
24 mines and metallurgical plants, land leveling and earth-moving projects,  
25 excavating, grating, trenching, paving and surfacing work and cement and  
26 concrete works in connection with the above-mentioned fixed works.

1           (c) A *General Building Contractor* is a contractor whose principal  
2 contracting business is in connection with any structure built, being built *or*  
3 to be built, for the support, shelter and enclosure of persons, animals,  
4 chattels *or* movable property of any kind, requiring in its construction the  
5 use of more than two (2) unrelated building trades *or* crafts, *or* to do *or*  
6 superintend the whole *or* any part thereof.

7           (d) A *Specialty Contractor* is a contractor whose operations as such  
8 are the performance of construction work requiring special skill and whose  
9 principal contracting business involves the use of specialized building trades  
10 *or* crafts.

11           (e) A *Responsible Management Employee* is an individual  
12 responsible for the direct management of the contracting business of the  
13 licensee and has proved contracting knowledge by both written examination,  
14 as administered by the Board, and the fulfillment of requirements, as stated  
15 in Part II Section 2.2 of the Guam Contractors License Board Rules and  
16 Regulations.

17 **§70107. Powers to Classify and Limit Operations.**

18           (a) The Contractors License Board may adopt rules and regulations  
19 necessary to effect the classification of contractors and *shall* require a  
20 written examination in a manner consistent with established usage and  
21 procedure as found in the construction business, and may limit the field and  
22 scope of the operations of a licensed contractor to those in which the  
23 licensed contractor is classified and qualified to engage, as defined in  
24 §70106.

25           (b) A licensee may make application for classification and be  
26 classified in more than one (1) classification *if* the licensee meets the  
27 qualifications prescribed by the Board for such additional classification. For

1 qualifying *or* classifying in additional classifications, the licensee *shall* pay  
2 the appropriate application fee but *shall not* be required to pay any  
3 additional license fee.

4 (c) This Section *shall not* prohibit a specialty contractor from  
5 taking and executing a contract involving the use of two (2) *or* more crafts  
6 *or* trades, *if* the performance of the work in the crafts *or* trades, other than in  
7 which the specialty contractor is licensed, is *less than* thirty-five percent  
8 (35%) and supplemental to the performance of work in the craft for which  
9 the specialty contractor is licensed.

10 **§70108. Licenses Required.** No person within the purview of this Chapter  
11 *shall* act, *or* assume to act, *or* advertise, as general engineering contractor, general  
12 building contractor *or* specialty contractor without a license previously obtained  
13 under and in compliance with this Chapter and the rules and regulations of the  
14 Contractors License Board.

15 **§70108.1. Advertising.**

16 (a) A Contractor may advertise in print *or* broadcast medium *only*  
17 *if* the contractor includes in the advertisement *or* listing the contractor's  
18 applicable and current license number, and provides proof of the number's  
19 validity to the publisher *or* producer of the advertising medium. Violation of  
20 this Section may be subject to the provisions of §70116 and/or §70121.

21 **§70109. Investigation Permitted.** The Contractors License Board may  
22 investigate, classify and qualify applicants for contractor's licenses, and investigate  
23 for compliance with the rules and regulations of the Board and the provisions of  
24 this Chapter.

25 **§70109.1. Investigation Citation Authority.**

26 (a) In addition to any other remedy available, the investigator of  
27 the Contractors License Board may issue citations to acting contractors,

1 licensed *or* unlicensed, in violation of the provisions of this Chapter and  
2 rules promulgated.

3 (b) Each citation *shall* be in writing and *shall* describe the basis of  
4 the citation, including the statutory provisions alleged to have been violated.  
5 The citation *shall* also contain an order to cease and desist from the  
6 violation, and an assessment of civil penalties *no less than* Two Hundred  
7 Dollars (\$200) but *not to exceed* fifty percent (50%) of the value of the  
8 project.

9 (c) Recipients of contractual work *shall* be notified of each  
10 violation in a timely manner.

11 **§70109.2. Immediate Cease Work Order Permitted.** The investigator  
12 may issue an immediate cease work order to any person's construction activity  
13 where serious safety concerns are present.

14 **§70109.3. Cease Work Order Permitted.** The Executive Director may  
15 issue a cease work order to any person's construction activity *if* found to be in  
16 violation of this Chapter and/or of any Contractors License Board rules and  
17 regulations.

18 **§70110. No License Issued When.** *No* license hereunder *shall* be issued  
19 to:

20 (1) Any person unless said person has filed an application and paid  
21 the applicable fees therefore;

22 (2) Any person who *does not* possess a good reputation for  
23 honesty, truthfulness, financial integrity and fair dealing;

24 (3) Any co-partnership *or* joint venture who *does not* actively  
25 participate in at least one (1) construction job in the course of the license  
26 year in the contracting business and thereof *does not* hold an appropriate  
27 license;

1           (4) Any corporation, unless the contracting business thereof is  
2 under the direct management of an officer *or* employee thereof, and unless  
3 the officer *or* employee holds an appropriate Responsible Management  
4 Employee license;

5           (5) Any individual, unless eighteen (18) years of age *or* more; and

6           (6) Any person who employs other individuals as employees unless  
7 satisfactory proof is submitted by the person of a current workers'  
8 compensation insurance policy.

9       **§70111. Application: Fees.**

10           (a) Every applicant for a license under this Chapter *shall* file an  
11 application with the Contractors License Board in such form and setting  
12 forth such information as may be prescribed *or* required by the Board, and  
13 *shall* furnish such additional information bearing upon the issuance of the  
14 license as it *shall* require. Every application *shall* be sworn to before an  
15 officer authorized to administer oaths. In the case of a co-partnership, joint  
16 venture *or* corporation, any member *or* officer thereof may sign the  
17 application and verify the same on behalf of the applicant.

18           (b) Every application, in the case of an individual, *shall* be  
19 accompanied by sworn certificates of *not less than* two (2) persons who have  
20 known the applicant for a period of *not less than* six (6) months certifying  
21 that the applicant bears a good reputation for honesty, truthfulness and fair  
22 dealings.

23           (c) Every application for a license hereunder *shall* be accompanied  
24 by an application fee of Fifty Dollars (\$50.00)

25       **§70112. Form of Licenses.** The form of every license *shall* be prescribed  
26 by the Contractors License Board and *shall* be issued in the name of the Board.

1           **§70113. Place of Business and Posting of License.** A licensed contractor  
2 *shall* have and maintain a definite place of business in the Territory and *shall*  
3 display therein a personal contractor's license.

4           **§70114. Fees; Annual.**

5           (a) The annual fees for each license thereof prescribed by this  
6 Chapter *shall* be as follows:

7                   (1) License Fee

8                           License to act as specialty contractor  
9 .....\$400

10                           License to act as general engineering  
11 contractor..... \$400

12                           License to act as general building  
13 contractor..... \$400

14                   (2) License Fee for Responsible Management Employee  
15 (RME)

16                           License to act as RME in specialty  
17 Contracting.....\$400

18                           License to act as RME in general engineering contracting  
19 .....\$400

20                           License to act as RME in general building  
21 contracting..... \$400

22                   (3) Reissuance of a license or issuance of a certified copy of  
23 license .....\$20

24                   (4) Application: .....\$50

25                   (5) Application for Additional Classifications  
26 .....\$50

27                   (6) Letter of Good Standing

- 1 .....\$50
- 2 (7) Study Guide .....\$75
- 3 (8) Inactive license fee (in lieu of renewal fee)
- 4 .....\$50
- 5 (9) Exam Fee..... \$50

6 (b) The annual fee *or* inactive license fee *shall* be paid on *or* before  
 7 June 30 of each year for a license year beginning on July 1. Failure, neglect  
 8 *or* refusal of any licensee to pay the annual fee before such date *shall*  
 9 constitute a forfeiture of license. Any such license may be restored upon  
 10 written application, therefore, within one (1) year from such date and the  
 11 payment of the required fee plus an amount equal to ten percent (10%)  
 12 thereof.

13 (c) Upon written request by a contractor, and for good cause, the  
 14 Board *shall* place an active license in an inactive status. The license, upon  
 15 payment of the annual inactive license fee, may continue inactive for a  
 16 period of three (3) years after which time it must be reactivated *or shall*  
 17 automatically become forfeited. The license may be reactivated at any time  
 18 within the three (3)-year period by fulfilling the requirements for renewal,  
 19 including the payment of the appropriate renewal fee.

20 **§70115. Action on Application.** Within forty-five (45) days after the  
 21 filing of a proper application for a license and the payment of the required fees, the  
 22 Contractors License Board *shall*:

23 (a) Conduct an investigation of the applicant and in such  
 24 investigation may post pertinent information, including, but *not limited to*,  
 25 the name and address of the applicant, and *if* the applicant is associated in  
 26 any partnership, corporation *or* other entity, the names, addresses and  
 27 official capacities of associates; and



1           (b) Either issue a license to the applicant *or* else notify the  
2 applicant in writing by registered mail of the Board's decision *not* to grant  
3 the license and specifically notify applicant of the right to have a hearing  
4 within fifteen (15) days from the receipt of the Board's decision. The  
5 hearing *shall* be conducted in accordance with § 70117.

6           **§70116. Revocation, Suspension and Renewal of Licenses.**

7           (a) The Contractors License Board may revoke any license issued  
8 hereunder, *or* suspend the right of the licensee to use such licenses, *or* refuse  
9 to renew any such license for any of the following causes:

10                   (1) Conviction of any felony *or* misdemeanor involving  
11 moral turpitude;

12                   (2) Any dishonest *or* fraudulent *or* deceitful act as a  
13 contractor which causes a substantial damage to another;

14                   (3) Pursuing a continued and flagrant course of  
15 misrepresentation *or* of making false promises through advertising *or*  
16 otherwise;

17                   (4) Abandonment of any construction project *or* operation  
18 without reasonable *or* legal excuse;

19                   (5) Willful departure from *or* willful disregard of plans *or*  
20 specifications in any material respect without consent of the owner *or*  
21 ~~his~~ duly authorized representative, which is prejudicial to a person  
22 entitled to have the construction project *or* operation completed in  
23 accordance with such plans and specifications;

24                   (6) Willful violation of any law of the Territory *or* of any  
25 political subdivision thereof, relating to building, including any  
26 violation of any applicable rule *or* regulation of the Department of  
27 Public Health, *or* of any applicable safety *or* labor law;

1           (7) Failure to make and keep records showing all contracts,  
2 documents, records, receipts and disbursements by a licensee of all ~~his~~  
3 transactions as a contractor for a period of *not less than* three (3) years  
4 after completion of any construction project *or* operation to which the  
5 records refer *or* to permit inspections of such records by the Board;

6           (8) When the licensee being a co-partnership *or* a joint  
7 venture permits any member of such co-partnership *or* joint venture  
8 who *does not* hold a license to actively participate in the contracting  
9 business thereof;

10          (9) When the licensee being a corporation permits any  
11 officer *or* employee of such corporation who *does not* hold a license  
12 to have the direct management of the contracting business thereof;

13          (10) Misrepresentation of a material fact by an applicant in  
14 obtaining a license;

15          (11) Failure of a licensee to complete in a material respect any  
16 construction project *or* operation for the agreed price *if* such failure is  
17 without legal excuse;

18          (12) Willful failure in any material respect to comply with this  
19 Chapter *or* the rules and regulations promulgated pursuant thereto;

20          (13) Willful failure *or* refusal to prosecute a project *or*  
21 operation to completion with reasonable diligence;

22          (14) Willful failure to pay when due a debt incurred for  
23 services of materials rendered *or* purchased in connection with ~~his~~  
24 operations as a contractor when the individual has the ability to pay *or*  
25 when the individual has received sufficient funds therefor as payment  
26 for the particular operation for which the services *or* materials were  
27 rendered *or* purchased;

1           (15) The false denial of any debt due *or* the validity of the  
2 claim therefor with intent to secure for licensee, employer *or* other  
3 person, any discount of such debt *or* with intent to hinder, delay *or*  
4 defraud the person to whom such debt is due;

5           (16) Failure to secure *or* maintain workmen's compensation  
6 insurance;

7           (17) Knowingly entering into a contract with an unlicensed  
8 contractor involving work *or* activity for the performance of which  
9 licensing is required under this Chapter; *or*

10           (18) When the Responsible Management Employee and/or the  
11 majority stockholders have, under another corporate *or* company  
12 structure, caused the non-payment of employees wages and/or the  
13 abandonment of alien workers to become a burden on the  
14 Government.

15           (19) Willful failure to pay when due a debt *or* penalty incurred  
16 for damaging a public utility operated by the Guam Power Authority,  
17 the Guam Telephone Authority *or* the Guam Waterworks Authority  
18 and the Department of Public Works.

19           (20) Knowingly taps into any power, water, sewer line, *or*  
20 facility belonging to the Guam Power Authority and/or the Guam  
21 Waterworks Authority without first obtaining permission through the  
22 established service rules and regulations of each respective  
23 governmental agency.

24           (b) *No* license *shall* be suspended for longer than two (2) years and  
25 *no* person whose license is revoked *shall* be eligible for a new license until  
26 the expiration of two (2) years.

1 (c) For purposes of this Section, the Contractors License Board in  
2 cooperation and in conjunction with the Department of Public Works,  
3 Department of Revenue and Taxation and the Department of Labor may  
4 have investigative powers for purposes of carrying out the intent of this  
5 Section.

6 **§70117. Hearings.**

7 (a) In every case where it is proposed to refuse to grant a license *or*  
8 to revoke *or* suspend a license *or* to refuse to renew a license, the  
9 Contractors License Board *shall* give the person concerned notice and  
10 hearing in conformity with the Administrative Adjudication Law. The  
11 notice *shall* be given in writing by registered *or* certified mail with return  
12 receipt requested *at least* fifteen (15) days before the hearing.

13 (b) In all proceedings before it, the Board, and each member  
14 thereof, *shall* have the same powers with respect to administering oaths,  
15 compelling the attendance of witnesses and the production of documentary  
16 evidence and examining witnesses as are possessed by circuit judges at  
17 chambers. In case of disobedience by any person of any order of the Board,  
18 *or* any member thereof, *or* any subpoena issued by it, *or* the person, *or* the  
19 refusal of any witness to testify to any matter regarding which the individual  
20 may be questioned lawfully, any judge of the Superior Court, on application  
21 by the Board thereof, *shall* compel obedience as in the case of disobedience  
22 of the requirements of a subpoena issued by the Superior Court, *or* a refusal  
23 to testify therein.

24 **§70118. Appeal to Superior Court.** An applicant who has been refused a  
25 license and every licensee whose license has been suspended, revoked *or not*  
26 renewed may appeal the Contractors License Board's decision to the Superior  
27 Court in the manner provided in the Administrative Adjudication Law.

1           **§70119. Disposition of Fees, Refunds.**

2           (a) Notwithstanding the Central Accounting Act, all fees and money  
3 collected under the provisions of this Chapter *shall* be deposited in a special  
4 fund known as the *Contractors License Board Fund*. This Fund *shall* be  
5 kept in a bank licensed to do business on Guam and funds *shall* be paid out  
6 only upon a request for payment *or* requisition submitted by the Executive  
7 Director *or* its personnel and countersigned by the Chairman of the Board.  
8 All monies in this Fund *shall* require legislative appropriation.

9           (b) The Board may request the Treasurer of Guam to have any fee  
10 erroneously paid to it under this Chapter refunded when the Board deems it  
11 just and equitable.

12           **§70120. Death or Dissociation.** *No* co-partnership, joint venture *or*  
13 corporation *shall* be deemed to have violated any provision of this Chapter by  
14 acting *or* assuming to act as a contractor after the death *or* dissociation of a  
15 licensee who had the direct management of the contracting business thereof prior  
16 to final disposition by the Contractors License Board of an application for a license  
17 made within thirty (30) days from the date of the death *or* dissociation.

18           **§70121. Violation, Penalty.** Any person who violates *or* omits to comply  
19 with any of the provisions of this Chapter *shall* be fined an amount *no less than*  
20 Two Hundred Dollars (\$200) but *not to exceed* fifty percent (50%) of the value of  
21 the project.

22           **§70122. Injunction.** The Contractors License Board may, in addition to  
23 any other remedies available, apply to a judge of the Superior Court for a  
24 preliminary *or* permanent injunction restraining any person from acting *or*  
25 assuming to act *or* advertising as general engineering contractor, general building  
26 contractor *or* specialty contractor, without a license previously obtained under and  
27 in compliance with this Chapter and the rules and regulations of the Board and

1 upon hearing and for cause shown, the judge may grant the preliminary *or*  
2 permanent injunction.

3       **§70123. Exemptions for Prior Licensees.** Any contractor who obtained a  
4 valid contractor's license under the existing license statute prior to July 1, 1977,  
5 *shall* be *exempt* from the provisions of this Chapter relative to application,  
6 investigations and examinations. Any contractor with a valid license issued prior  
7 to July 1, 1977, with a classification different from those enumerated in §70106,  
8 *shall* be automatically placed in the appropriate classification without the necessity  
9 of complying with the application, investigation and examination provisions of this  
10 Chapter. All other provisions *shall* apply."

6

# I MINA' TRENTA NA LIHESLATURAN GUAHAN

2009 (FIRST) Regular Session

Date: April 3, 2009

## VOTING SHEET

SBill No. 24(LS)

Resolution No. \_\_\_\_\_

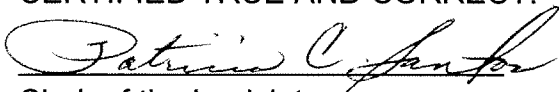
Question: \_\_\_\_\_

<u>NAME</u>	<u>YEAS</u>	<u>NAYS</u>	<u>NOT VOTING/ ABSTAINED</u>	<u>OUT DURING ROLL CALL</u>	<u>ABSENT</u>
ADA, Thomas C.	✓				
AGUON, Frank B., Jr.	✓				
BLAS, Frank F., Jr.	✓				
CALVO, Edward J.B.	✓				
CRUZ, Benjamin J. F.	✓				
ESPALDON, James V.	✓				
GUTHERTZ, Judith Paulette	✓				
MUNA-BARNES, Tina Rose	✓				
PALACIOS, Adolpho Borja, Sr.	✓				
PANGELINAN, vicente (ben) cabrera	✓				
RECTOR, Matthew	✓				
RESPICIO, Rory J.	✓				
TAITAGUE, Telo	✓				
TENORIO, Ray	✓				
WON PAT, Judith T.	✓				

TOTAL

15 \_\_\_\_\_

CERTIFIED TRUE AND CORRECT:

  
Clerk of the Legislature

\* 3 Passes = No vote  
EA = Excused Absence



# Senator Thomas C. Ada

CHAIRMAN - Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
30<sup>th</sup> Guam Legislature • I Mina' Trenta Na Liheslaturan Guåhan

March 25, 2009

**The Honorable Judith T. Won Pat, Ed.D.**

Speaker  
I Mina' Trenta Na Liheslaturan Guåhan  
155 Hesler Place  
Hagåtña, Guam 96910

**VIA: The Honorable Rory J. Respicio**  
Chairperson, Committee on Rules

**RE: Committee Report – Bill No. 24 (LS)**

The Committee on Utilities, Transportation, Public Works, and Veterans Affairs, to which was referred **Bill No. 24 (LS) – “An act to repeal and re-enact chapter 70 of title 21, Guam Code Annotated, relative to the Guam Contractors Licensing Board”**, hereby reports out with the recommendation **TO PASS** the bill as substituted by the Committee.

Transmitted herewith for your consideration and action is our committee report on the above subject matter.

The voting record is as follows:

- 5 To Pass
- \_\_\_\_\_ Not to Pass
- \_\_\_\_\_ To Report Out Only
- \_\_\_\_\_ Abstain
- \_\_\_\_\_ Inactive File

Copies of the Committee Report and other pertinent documents are attached. Thank you for your attention on this matter.

Si Yu'os Ma'ase

Thomas C. Ada

2009 MAR 27 PM 2:03 ME





## **Senator Thomas C. Ada**

CHAIRMAN - Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
30<sup>th</sup> Guam Legislature • I Mina' Trenta Na Liheslaturan Guáhan

# **Committee Report**

## **Bill No. 24 (LS)**

As Substituted by the Committee  
on Utilities, Transportation, Public Works  
and Veterans Affairs



## Senator Thomas C. Ada

CHAIRMAN - Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
30<sup>th</sup> Guam Legislature • I Mina' Trenta Na Liheslaturan Guåhan

March 25, 2009

### MEMORANDUM

To: All Members, Committee on Utilities, Transportation, Public Works and Veterans Affairs

From: Senator Thomas C. Ada, Chairperson, Committee on Utilities, Transportation, Public Works and Veterans Affairs

Subject: Voting Sheet for Bill No. 24 (LS)

Included herewith for your information and action is the Committee Report on:  
Sub **Bill No. 24 (LS)** – “**An act to repeal and re-enact chapter 70 of title 21, Guam Code Annotated, relative to the Guam Contractors Licensing Board**”

Please take the appropriate action on the voting sheet. Should you have questions regarding the report or accompanying documents, please do not hesitate to contact me. Your attention and cooperation on this matter is greatly appreciated.

Si Yu'os Ma'ase,

Thomas C. Ada

Attachments: Committee Voting Sheet  
Committee Report  
Bill No. 24 (LS)  
Public Hearing Sign-In Sheet  
Notice of Public Hearing



# Senator Thomas C. Ada

CHAIRMAN - Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
 30<sup>th</sup> Guam Legislature • I Mina' Trenta Na Liheslaturan Guáhan

## VOTING RECORD

Bill No. 24 (LS) – An act to repeal and re-enact Chapter 70 of Title 21, Guam Code Annotated, relative to the Guam Contractors License Board.  
 As substituted by the Committee on Utilities, Transportation, Public Works, and Veterans Affairs.

COMMITTEE MEMBERS	SIGNATURE	TO PASS	NOT TO PASS	TO REPORT OUT	ABSTAIN	INACTIVE FILE
Senator Thomas C. Ada, Chairman		✓				
Senator Adolpho B. Palacios, Sr., Vice Chairman		✓				
Senator Frank B. Aguon, Jr.		✓				
Vice Speaker Benjamin J. F. Cruz						
Senator Tina Rose Muña-Barnes		✓				
Senator Rory J. Respicio						
Senator James V. Espaldon						
Senator Telo Taitague						
Senator Ray Tenorio		✓				

## Public Hearing

### **Bill No. 24 (LS) – J.V. Espaldon**

An act to repeal and re-enact chapter 70 of title 21, Guam Code Annotated, relative to the Guam Contractors Licensing Board

### **I. Overview**

The Committee on Utilities, Transportation, Public Works and Veterans Affairs convened on March 6, 2009 at 8:30am to hold a public hearing that included the subject of **Bill No. 24 (LS) – An act to repeal and re-enact chapter 70 of title 21, Guam Code Annotated, relative to the Guam Contractors Licensing Board**. Notice of the hearing was disseminated to all local media outlets via facsimile on February 26, 2009 and March 3, 2009, thus meeting the requirements of the Open Government Law. Notice of the hearing was also posted on the Guam Legislature's website.

#### Committee Members present:

Senator Thomas C. Ada	Chairman
Senator Adolpho B. Palacios, Sr.	Vice Chairman
Senator James V. Espaldon	Member
Senator Matt Rector	Member

#### Testimony submitted by:

Thomas Morrison, Contractors License Board, Executive Registrar  
Sam Taylor, Guam Waterworks Authority  
Leonard Olive, Guam Waterworks Authority, General Manager  
Louis C. DeMaria, Guam Contractors Association, Chairman  
J.C. Flores, Guam Power Authority, General Manager  
Larry Perez, Department of Public Works, Director

### **II. Summary of Testimonies**

#### Thomas Morrison:

*Provided written and oral testimony (written testimony is attached)*

Thomas Morrison is in support of Bill 24. As Executive Registrar of the Contractor's License Board, Mr. Morrison believes that Bill 24 provides for updates to 21 GCA Chapter 70 that are vital to help the Board better serve the community and regulate the construction industry. He explains that Bill 24's intent is to allow the Board to establish professional testing services to prepare, administer and grade the examinations for applicants seeking a contractor's license. Mr. Morrison then detailed the intent of §70108.1, explaining that it outlines the need for a contractor to include in any advertisements a valid license number, and in order to do so the contractor must provide proof to the publisher of a valid license. He mentioned that this would allow the Board and consumers to check the credentials of an advertised contractor. Mr. Morrison also notes that §70109.1 would give investigators the authority to issue a direct citation in violation of the law, the ability to issue a cease and desist order and to assess a civil penalty not to exceed ten thousand (\$10,000) dollars. Additionally, §70109.2 would provide protection for the licensed contractors from falsified consumer complaints. Mr. Morrison also explains that §70109.3

would expand the investigator's authority to issue a cease and desist order to any person's construction activity if a violation is found. The Board would use this section to obligate prompt responses and compliance from contractors who are in violation of this chapter. Mr. Morrison conveyed his determination to continue the fine-tuning and enforcement of the Contractors License Board's mandates.

Sam Taylor:

*Provided oral testimony*

Sam Taylor is in support of Bill 24. As a representative of GWA, Mr. Taylor read the written testimony submitted by Leonard Olive (General Manger of GWA) and then offered his own oral testimony. Mr. Taylor first thanked Mr. Morrison for being a great director. Mr. Taylor then voiced his support for the changes in law proposed in Bill 24, including the added authority afforded to the Board and its investigator to investigate non-licensed individuals and to determine the fine for violations. Mr. Taylor also believes that ten thousand (\$10,000) dollars is too low a fine for large companies, and that the size of the company should in some way dictate the levy imposed (in order to provide an equitable deterrent to all companies).

Leonard Olive:

*Provided written testimony (written testimony is attached)*

Leonard Olive is in support of Bill 24. As General Manager for Guam Waterworks Authority. Mr. Olive expressed support for modifying the enabling statute for the Guam Contractors License Board, and more specifically, §70116 which allows the board to revoke the license of contractors who tap into the utility systems without written permission from GWA. Mr. Olive applauds the GCLB for this proposed changed.

Louis C. DeMaria:

*Provided written testimony (written testimony is attached)*

Louis C. DeMaria is in support of Bill 24. As the Chairman of the Guam Contractors Association, Mr. DeMaria noted the importance of a contractor's license number when advertising. Mr. DeMaria believes that the requirement and validation for a posted license number will be essential as construction activity increases during the military build-up.

J.C. Flores:

*Provided written testimony (written testimony is attached)*

J.C. Flores is in favor of Bill 24. As the General Manager of Guam Power Authority, Mr. Flores communicated his support for Bill 24. He also recommends that §70116 be modified to indicate that the contractor must obtain services in accordance with established Service Rules and Regulations of the Authority in place of "prior written permission".

JQ Ninete:

*Signed up for oral testimony, however he did not testify*

Larry Perez:

*Provided oral testimony in the form of Question and Answer (responses are included below).*

**Question and Answer**

**Senator Palacios:** Senator Palacios requested to find a better term to encompass the duties of the “investigator” as defined in section 70100 (f); he suggested the word “agent”. Senator Palacios also suggested that new monies being collected by the GCLB should be directed to the License Board, and that it must be stipulated in such a way to prevent the monies from going into the general fund.

**Sam Taylor:** Mr. Taylor agreed with Senator Palacios and also cautioned that whenever monies are collected from fines or violations, they should not be used by the entity assessing that fine for wages, but rather, should be specifically allocated to training or other organizational programs that would eliminate a conflict of interest.

**Senator Palacios:** Senator Palacios asked how this funding allocation process compares to the court systems.

**Sam Taylor:** Mr. Taylor responds that such funds do not go to the salaries of the judges, but to certain programs. At the moment, he explains, funds are going to pay for the crime lab.

**Senator Palacios:** Senator Palacios seeks clarification regarding the power to give cease and desist orders by the investigator. He believes that the Board should have oversight on this, but the investigator should have the power to issue the citation.

**Tom Morrison:** Mr. Morrison explains that this is in fact what the Board does. He also infers that the Board has this oversight.

**Senator Palacios:** Senator Palacios expresses his concern about the false complaint clause and the fine. He wants the fine to be increased from one thousand (\$1000.00) dollars.

**Sam Taylor:** Mr. Taylor addresses this concern by suggesting the inclusion in section 70108 wording that makes such a violation a felony. He also recommends changing the term “line” in section 70116 to “line and facility”.

**Senator Palacios:** In regards to section 70114, Senator Palacios recommends adding fees to help pay for the addition of more investigators.

**Senator Rector:** Senator Rector agrees with an increase in penalty, preferably higher than \$10,000. He explains that this would provide for a more significant deterrent. Senator Rector also wants the fees collected to somehow fund the entity that collects it.

**Sam Taylor:** Mr. Taylor cautions pursuing such a funding course because it would be a conflict of interest for those collecting the fees, as it would be funding their organization. He cautions against directing the fines collected toward the pay of salaries.

**Senator Rector:** Senator Rector recommends looking into the fee structure and changing it to reflect the size of the company or its annual income. He believes that such fees should pay for the operation of the Board.

**Senator Ada:** Senator Ada recognizes Richard Quiambao and Larry Perez.

**Richard Quiambao:** Mr. Quiambao recalls a situation in which an unlicensed contractor, who was fined and charged, continued to pursue contracts. Mr. Quiambao would like the bill to give the Board the authority to handle situations like this more decisively.

**Larry Perez:** Mr. Perez addresses Senator Rector's comments about the pay schedule. Specifically, Mr. Perez notes that in regards to the fees to be used for the employees enforcing the rules, such fees can only be used for "cost recovery" and not as incentives or motivators for the employees. Was this not the case, he believes that it may produce many overzealous employees looking to get more incentives. Mr. Perez also requests that the triple AAA process for setting rates be looked at or modified to be more flexible in accounting for the lack of staff and funds needed to meet each requirement.

**Senator Rector:** Senator Rector believes that the "check and balance" in the system will protect against an overzealous employee. He notes that the board sets the rate and the investigator issues the fines, and as such, an overzealous investigator would be subject to disciplinary action if there is proof of unnecessary fines.

**Senator Palacios:** Senator Palacios recommends adding in section 70110 a clause addressing convicted felons in regards to the issuance of a license. He notes that section 70116 also addresses the topic of felonies.

**Tommy Morrison:** Mr. Morrison state that the investigation citation authority was added to give the investigator the authority to stop the project. He explains that the amount of time it takes for the AAA process is long, and in some cases the building project can actually be completed before the AAA process forces the contractor to shut down. Mr. Morrison assures that the citation will conform to the law, but that the power to stop a project is needed in order to address such situations in a timely manner.

**Senator Ada:** Senator Ada announces that there will be a mark-up meeting in regards to Bill 24. He closes the public hearing for Bill 24.

### **III. Findings and Recommendation**

The Committee on Utilities, Transportation, Public Works and Veterans Affairs finds changes in law must be made in order to better aid the Contractors License Board in the pursuit of its mandate. Currently the Contractors License Board oversees over 930 contractors on island, with that number expected to increase in the coming years. While the board has performed its duties admirably in recent years, future activities related to the military build-up will strain its resources; as such, some fees will need to be increased in order to more accurately reflect the actual costs incurred by the board. Additionally, current law does not stipulate precise enough authority to investigate citations, issue citations and cease work orders, address false complaints, and regulate advertising. Bill No. 24 (LS) addresses these concerns by adjusting current law to better meet current and future demands.

Additionally, and after receiving public input on Bill No. 24 (LS), the Committee has amended the bill as such:

- The price limit for construction activity that falls under the purview of the Contractors License Board was raised from \$1000 to \$2500 in order accommodate small projects by local handypersons.
- In §70102, language regarding the commencing date of board terms was removed in order to allow terms to begin upon appointment by the Governor and confirmation by the legislature.
- The title of “Executive Secretary” was changed to “Executive Director” throughout the bill.
- In §70106.e, the criteria for a “Responsible Management Employee” was expanded to include passing a written examination and the criteria stipulated in section 2.2 of the Contractors License Board’s Rules and Regulations.
- In §70101.1, clarification was made to explain that violation of this section may be subject to provisions of §70116 and/or §70121.
- In §70109, wording was added to expressly note that the board may investigate for compliance with the rules and regulations set forth by the board and provisions of this law.
- In §70109.1.a, “persons” was changed to “acting contractors, licensed or unlicensed” in order to focus the bill upon contractors and not their employees.
- In §70109.1.b and §70121, penalties were changed from “\$1000” to “no less than Two Hundred Dollars (\$200) but not to exceed twenty five percent (25%) of the value of the project”. This was done in order to more accurately assess fines in accordance with the impact and size of the project.
- A §70109.1.c was added stipulating that recipients of contractual work must be notified of each violation in a timely manner. This change was made in order to keep members of the public informed should their contractor be violating laws.
- A §70109.3 was changed to stipulate that the board has the ability to issue immediate cease work orders should dangerous safety conditions be found (the previous §70109.3 was renumbered to §70109.4).
- §70109.4 (previously §70109.3) was changed to include the rules and regulations of the board as criteria for holding contractors accountable to their actions.
- In §70114.a, the amount for a “letter of good standing” was increased from \$20 to \$50, the amount for an “inactive license fee” was increased from \$20 to \$50, and the amount of a “study guide” was increased from \$50 to \$75 in order to more accurately reflect the actual costs of producing the book.
- A §70114.a.9 was added to create an “exam fee” that shall cost \$50.
- In §70116.a.20, the term “facility” was added in order to prevent contractors from improperly tapping directly into a facility, and “written permission” was changed to “obtaining permission through the established service rules and regulations of each respective governmental agency” in order to align with the established practices of both GWA and GPA.
- Minor grammatical corrections were made, and gendered language was replaced with non-gendered or gender-neutral language.



The Committee on Utilities, Transportation, Public Works and Veterans Affairs, to which was referred **Bill No. 24 (LS) – An act to repeal and re-enact chapter 70 of title 21, Guam Code Annotated, relative to the Guam Contractors Licensing Board**, finds support for the bill and hereby submits its findings and recommendations to *I Mina' Trenta Na Liheslaturan Guåhan* **TO PASS** the bill as substituted by the Committee.





## **Testimony in Favor of Bill 24**

By Thomas Morrison, Executive Registrar, Contractors License Board  
Before the Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
30<sup>th</sup> Guam Legislature - March 6, 2009

Hafa Adai Mr. Chairman and Members of the Committee, my name is Thomas Morrison, Executive Registrar of the Contractors License Board ("Board"). I appreciate the opportunity to testify in support of bill 24.

Bill 24 is timely and is the first step to updating 21 GCA Chapter 70 to better serve the community and regulate the construction industry. This bill proposes to allow the Board to contract professional testing services as it deems necessary to prepare, administer, and grade the examinations for applicants wishing to obtain a contractors license in Guam. Currently the Contractors Law doesn't define this authority for the board pertaining to examinations. Outsourcing the Boards testing services will eliminate potential challenges especially with regards to the Part II of the trade examination and will work to have applicants meet National Standards for specific classifications.

Subsection 70108.1 clearly outlines how a licensed contractor must advertise in print or broadcast medium. Simply browsing the phone book or listening to contractors promoting their services on the airwaves has led investigators to serving concerned notices to many individuals who were clearly unlicensed. We have also cited licensed contractors for advertising services outside their authorized specified classification. This section makes it clear that a contractor must provide proof of his/her license to a publisher or producer and include its applicable license number in the advertisement. This will better afford consumers the opportunity to verify with the license board a contractor's license, especially its specified classification. This section will also further enforce Subsection 70108 by preventing individuals from acting, or assuming to act, or advertise, as a general engineer contractor, general building contractor, or specialty contractor without a license.

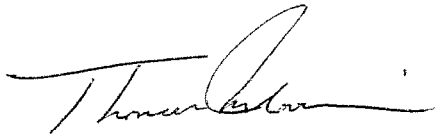
Subsection 70109.1 will allow investigators with the stiff authority to issue a direct citation once a violation of the law has been discovered and has substantial evidence in its possession. This authority is ideal for violations that are significant in terms of consumer protection. Importantly, the section further addresses that the citation shall contain an order to cease and desist from the violation, and an assessment of civil penalties not to exceed ten thousand (\$10,000) dollars. I would like to request to make a correction in the last sentence of this section. Please change where states "and order" to "an order."

Subsection 70109.2 will work to protect licensed contractors from individuals filing falsified complaints against them. It has happened on occasion and it's the CLB's hope that this section would be a deterrent to such un-clever acts that only disrupts the operations of the investigation unit. If this section passes into law, I will make sure that every individual who picks-up a complaint form is aware of the potential reverse consequences by their acknowledgment of this section. It is also our duty to look out and protect our licensed contractors.

Subsection 70109.3 expands the authority of the investigators to issue cease and desist orders to any person's construction activity if found to be in violation of this chapter. This section will force licensed and unlicensed contractors to immediately address violation concerns from the board if their project activity has been order to cease by investigators. For far too long investigators have had to put up with quit a number of contractors that neglect board notices or fail to address consumer complaints in a timely manner. The board will properly use this section to compel prompt responses and compliance from contractors who violate this chapter.

The CLB has made tremendous progress over the past year. We've focused on changes that improve customer service, streamline processes, and open communications with licensees and the public much more effectively. I'm dedicated to maintaining this momentum of fine tuning and enforcing the contractors law.

Thank you for the opportunity to testify in support of bill 24.

A handwritten signature in black ink, appearing to read "Thomas Morrison", written in a cursive style.

Thomas Morrison



**GUAM WATERWORKS AUTHORITY**  
**ATURIDAT KINALAMTEN HANOM GUAHAN**  
Post Office Box 3010, Hagatna, Guam 96932  
Phone: (671) 647-7847 Fax: (671) 649-0369

March 6, 2009

Senator Tom C. Ada  
Chairman, Committee on Utilities,  
Transportation, Public Works, and  
Veterans Affairs  
30<sup>th</sup> Guam Legislature  
255 Hesler Street  
Hagåtña, GU 96932

RE: Testimony From The Guam Waterworks Authority In Support Of Bill 24.

Hafa Adai,

The Guam Waterworks Authority is in support of the Bill 24 relative to modifying the enabling statute for the Guam Contractors Licensing Board. Specifically, GWA is in support of the amendment to § 70116 which allows the board to revoke the licenses of contractors who tap into the utility systems without first obtaining the written permission of the utilities. This provision simply mirrors existing language in 5 G.C.A. § 56208 which already mandates the revocation of licenses of contractors who illegally tap into GWA's lines and acknowledged that tapping into GWA's system without permission constitutes a public health hazard.

The Guam Waterworks Authority applauds the efforts from the GCLB in bringing about this proposed change and their assistance they have given in the past on this very issue.

Sincerely,

Leonard Olive  
General Manager,  
Guam Waterworks Authority



# Guam Contractors Association

March 6, 2009

The Honorable Thomas C. Ada  
Chairman, Committee on Utilities, Transportation,  
Public Works and Veterans Affairs  
Ste. 207 Ada Plaza Ctr.  
173 Aspinall Ave.  
Hagåtña, Guam 96910

Dear Senator Ada,

The Guam Contractors Association supports Bill 24 and encourages its passage by the Guam Legislature.

The legislation requires contractors to include current license number in any advertising and also requires validation of that number to advertisers prior to the advertisement, print or broadcast. This is in the interests of all ethical contractors working on Guam. It also provides for oversight of the industry by the Government of Guam's Contractor Licensing Board.

As Guam's construction activity increases during the pending military buildup, responsible legislation of this type will be needed and is fully supported by the Guam Contractors Association.

Sincerely,

A handwritten signature in black ink, appearing to read "L. DeMaria", followed by a horizontal line extending to the right.

Louis C. DeMaria, P.E.  
Chairman  
Guam Contractors Association

*A Proud Member*





# GUAM POWER AUTHORITY

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March 5, 2009

Senator Thomas C. Ada, Chairman  
Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
Thirtieth Guam Legislature  
155 Hesler Street  
Hagatna, Guam 96910

Subject: Written Testimony on Bill 24

Dear Senator Ada:

The Guam Power Authority is submitting written testimony regarding **Bill 24**, "An act to repeal and re-enact Chapter 70 of Title 21, Guam Code Annotated, relative to the Guam Contractors Licensing Board."

The Authority is in full support of the bill with respect to the provision in Section 70116 to revoke contractors' licenses should they fail to pay debts or penalties to GPA (19) or should they tap into the GPA system illegally (20).

GPA requests that Section 70116 (20) be modified to indicate that the contractor must obtain services in accordance with established Service Rules and Regulations of the Authority in place of "prior written permission."

Thank you for the opportunity to submit written testimony for Bill 24. Please let me know if you have any questions regarding this transmittal.

Sincerely,

J.C. FLORES, P.E.

*J.C.* General Manager

cc: Consolidated Commission on Utilities  
Governor of Guam



*I MINA 'TRENTA NA LIHESLATURAN GUÁHAN*  
**2009 (First) REGULAR SESSION**

**Bill No. 24 (LS)**

As substituted by the Committee  
on Utilities, Transportation, Public  
Works and Veterans Affairs

**Introduced by:**

**J.V. Espaldon**

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**AN ACT TO REPEAL AND RE-ENACT CHAPTER 70 OF  
TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE  
GUAM CONTRACTORS LICENSE BOARD.**

**BE IT ENACTED BY THE PEOPLE OF GUAM:**

**Section 1. Chapter 70 of Title 21, Guam Code Annotated is repealed and re-enacted**

**to read:**

**“21 GCA REAL**

**PROPERTY**

**CH. 70 CONTRACTORS**

§ 70100. Definitions

§ 70101. Exemptions.

§ 70102. Contractors License Board.

§ 70103. Powers and Duties of Board.

§ 70104. Executive ~~Secretary~~ Director; Other Assistants.

§ 70105. Place of Meeting.

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- 6    § 70114. Fees; Annual.
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- 8    § 70116. Revocation, Suspension and Renewal of Licenses.
- 9    § 70117. Hearings.
- 10   § 70118. Appeal to Superior Court
- 11   § 70119. Disposition of Fees, Refunds.
- 12   § 70120. Death or Dissociation.
- 13   § 70121. Violation, Penalty.
- 14   § 70122. Injunction.
- 15   § 70123. Exemptions for Prior Licensees.
- 16   **§ 70100. Definitions.**
- 17   As used in this Chapter:
- 18   (a) Board means the Contractors License Board.
- 19   (b) Contractor means any person who undertakes to construct, alter, repair, add to, subtract from,
- 20   improve, move, wreck or demolish any building, highway, road, railroad, excavation or other
- 21   structure, project development or improvement or do any part thereof, including the erection
- 22   of scaffolding or other structure of works in connection therewith for another person for a fee.
- 23   (c) Contractor includes a subcontractor and a specialty contractor.
- 24   (d) Person means an individual, partnership, joint venture, corporation or any combination thereof.
- 25   Corporation includes an association, business trust or any organized group of persons.
- 26   (e) Self-construction means a project or operation performed by the owner for ~~his own~~ personal
- 27   needs on ~~his own~~ personal premises; a self-constructed/performed project or operation shall
- 28   otherwise be deemed performed by a contractor.
- 29   (f) Investigator means an employee with the Contractors License Board who conducts thorough
- 30   investigations of applicants applying for a contractors license and who inspects, regulates, and
- 31   enforces the laws, rules and regulations of the Licensing Board for Contractors.

1 (g) Responsible Management Employee means the individual responsible for the direct management  
2 of the contracting business of the licensee.

3 **§ 70101. Exemptions.**

4 This Chapter shall not apply to:

5 (a) An officer or employee of the United States, the Territory or any political subdivision, if the  
6 project or operation is performed by employees thereof;

7 (b) Any person acting as a receiver, trustee in bankruptcy, administrator or executor, or any other  
8 person acting under any order or authorization of any court;

9 (c) A person who sells or installs any finished products, materials or articles or merchandise which  
10 are not actually fabricated into and do not become a permanent fixed part of the structure, or to the  
11 construction, alteration, improvement or repair of personal property;

12 (d) Any project or operation for which the aggregate contract price for labor, materials and all other  
13 items is less than ~~One Thousand Dollars (\$1,000)~~ Two Thousand and Five Hundred Dollars  
14 (\$2,500). This exemption shall not apply in any case wherein the undertaking is only part of a larger  
15 or major project or operation, whether undertaken by the same or a different contractor or in which a  
16 division of the project or operation is made in contracts of amounts less than ~~One Thousand Dollars~~  
17 ~~(\$1,000)~~ Two Thousand and Five Hundred Dollars (\$2,500) for the purpose of evading this Chapter  
18 or otherwise;

19 (e) A registered architect or professional engineer acting solely in ~~his~~ a professional capacity;

20 (f) Any person who engages in the activities herein regulated as an employee with wages as ~~his~~  
21 compensation;

22 (g) Any person who undertakes ~~by himself or through his employees, either personally or through~~  
23 his or her employees, any project or operation for himself or herself; and,

24 (h) Any copartnership or joint venture if all members thereof hold licenses issued under this Chapter  
25 or if the person or persons who have direct management of the contracting business thereof hold a  
26 license.

27 **§ 70102. Contractors License Board.**

28 (a) There shall be a Contractors License Board compose of seven (7) members; two (2) of which  
29 shall be appointed by the Governor from the construction industry; three (3) of which shall be  
30 appointed by the Governor from the general public and who shall have no interest in the construction  
31 industry; and the Director of Revenue and Taxation, ex-officio; and the Director of Public Works,

1 ex-officio. Those members appointed by the Governor are subject to confirmation by the  
2 Legislature. Their terms shall be four (4) years.

3 (b) The concurrence of four (4) members of the Board shall be necessary for the validity of any of its  
4 action.

5 (c) Organization, Records, Reports. Immediately upon the appointment and qualifications of the  
6 original members, and annually thereafter, the Board shall organize by the election of one member  
7 as Chairman and one member as Vice-Chairman. The Board shall keep a complete record of all its  
8 proceedings and shall present annually to the Governor through the ~~Director of Public Works~~  
9 Executive Director a detailed statement of the previous year, proceedings and such recommendations  
10 as the Board may deem proper.

11 (d) Compensation. Members of the Board shall receive the sum of Fifty Dollars (\$50) for each  
12 attendance at the meeting of the Board, provided, however, that no member shall receive more than  
13 One Hundred Dollars (\$100) per month.

14 **§ 70103. Powers and Duties of Board.**

15 In addition to any other duties and powers granted by this Chapter the Contractors License Board  
16 shall:

17 (a) Grant licenses to contractors pursuant to this Chapter;

18 (b) Make, amend or repeal such rules and regulations as it may deem proper fully to effectuate this  
19 Chapter and carry out the purpose thereof which purpose is the protection of the general public. All  
20 such rules and regulations shall be adopted pursuant to the Administrative Adjudication Law. The  
21 rules and regulations may forbid acts or practices deemed by the Board to be detrimental to the  
22 accomplishment of the purpose of this Chapter. The rules and regulations may require contractors to  
23 make reports to the Board containing such items of information as will better enable the Board to  
24 enforce this Chapter and rules and regulations, or as will better enable the Board from time to time to  
25 amend the rules and regulations more fully to effectuate the purposes of this Chapter. The rules and  
26 regulations may require contractors to furnish reports to owners containing such matters of  
27 information as the Board deems necessary to promote the purpose of this Chapter. The enumeration  
28 of specific matters which may properly be made the subject of rules and regulations shall not be  
29 construed to limit the Board's general power to make all rules and regulations necessary fully to  
30 effectuate the purpose of this Chapter;

31 (c) Enforce this Chapter and rules and regulations adopted pursuant thereto;

1 (d) Suspend or revoke any license for any cause prescribed by § 70116 or for any cause for  
2 suspension or revocation prescribed by the rules and regulations, and refuse to grant any license for  
3 any cause which would be ground for revocation or suspension of a license; and

4 (e) Publish and distribute pamphlets and circulars containing such information as it deems proper to  
5 further the accomplishment of the purpose of this Chapter.

6 (f) Contract professional testing services as deemed necessary to prepare, administer, and grade  
7 applicant examinations as may be required for the purpose of this chapter.

8 **§ 70104. Executive Secretary Director; Other Assistants.**

9 ~~(a) Subject to the Personnel Law the Department of Public Works may employ and remove~~  
10 ~~such administrative and clerical assistants and require and prescribe their powers and duties.~~

11 ~~(b)(1a)~~ The Contractors License Board shall employ an Executive Secretary Director. The  
12 Executive Secretary Director shall be employed with due regard to his or her fitness, thorough  
13 administrative ability and knowledge of and experience in the business of contracting. The Executive  
14 Secretary Director shall act only with the advice and consent of the Board and shall be responsible to  
15 the Board. ~~He~~ The Executive Director shall devote his or her entire time to the duties of ~~his~~ the  
16 office and shall not be actively engaged or employed in any other business, vocation or employment,  
17 nor ~~shall he~~ have any pecuniary interest, direct or indirect, in any contracting enterprise or  
18 enterprises conducted or carried on within the Territory.

19 (2b) The Executive Secretary Director shall, under the supervision of the Board, administer  
20 this Chapter and the rules and regulations and orders established thereunder and perform such other  
21 duties as the Board may require; ~~he~~ shall attend but not vote at all meetings of the Board; ~~he~~ and  
22 shall be in charge of the offices of the Board and responsible to the Board for the preparation of  
23 reports and the collection and dissemination of data and other public information relating to  
24 contracting.

25 (3c) The Board may, by written order filed in its office, delegate to the Executive Secretary  
26 Director such of its powers or duties as it deems reasonable and proper for the effective  
27 administration of this Chapter, except the power to make rules or regulations. The delegated powers  
28 and duties may be exercised by the Executive Secretary Director in the name of the Board.

29 ~~(d) Subject to the Personnel Law the Executive Director may employ and remove such~~  
30 ~~administrative and clerical assistants and require and prescribe their powers and duties.~~

31 **§ 70105. Place of Meeting.**

1 The ~~Director of Public Works~~ Executive Director shall provide a suitable quarters for meetings of  
2 the Contractors License Board and for the transaction of its other business.

3 **§ 70106. Classification.**

4 (a) For the purpose of classification, the contracting business includes any or all of the following  
5 branches:

- 6 (1) General Engineering Contracting;
- 7 (2) General Building Contracting;
- 8 (3) Specialty Contracting;
- 9 (4) Responsible Management Employee (R.M.E.).

10 (b) A general engineering contractor is a contractor whose principal contracting business is in  
11 connection with fixed works requiring specialized engineering knowledge and skill, including the  
12 following divisions or subjects: irrigations, drainage, water power, water supply, flood control,  
13 inland waterways, harbors, docks and wharves, shipyards and ports, dams and hydroelectric projects,  
14 levees, river control and reclamation works, highways, streets and roads, tunnels, airports and  
15 airways, sewer, sewage disposal plants and systems, waste reduction plants, bridges, overpasses,  
16 underpasses and other similar works, pipelines and other systems for the transmission of petroleum  
17 and other liquid or gaseous substances, parks, playgrounds and other recreational works, refineries,  
18 chemical plants and similar industrial plants requiring specialized engineering knowledge and skill,  
19 powerhouses, power plants and other utility plants and installations, mines and metallurgical plants,  
20 land leveling and earth-moving projects, excavating, grating, trenching, paving and surfacing work  
21 and cement and concrete works in connection with the above-mentioned fixed works.

22 (c) A general building contractor is a contractor whose principal contracting business is in  
23 connection with any structure built, being built or to be built, for the support, shelter and enclosure  
24 of persons, animals, chattels or movable property of any kind, requiring in its construction the use of  
25 more than two unrelated building trades or crafts, or to do or superintend the whole or any part  
26 thereof.

27 (d) A specialty contractor is a contractor whose operations as such are the performance of  
28 construction work requiring special skill and whose principal contracting business involves the use  
29 of specialized building trades or crafts.

30 (e) A Responsible Management Employee is an individual responsible for the direct management of  
31 the contracting business of the licensee and who has proved his contracting knowledge by both

1 written examination as administered by the board and the fulfillment of requirements as stated in  
2 Part II section 2.2 of the Guam Contractors License Board Rules and Regulations.

3 **§ 70107. Powers to Classify and Limit Operations.**

4 (a) The Contractors License Board may adopt rules and regulations necessary to effect the  
5 classification of contractors and shall require a written examination in a manner consistent with  
6 established usage and procedure as found in the construction business, and may limit the field and  
7 scope of the operations of a licensed contractor to those in which the licensed contractor is classified  
8 and qualified to engage, as defined in § 70106.

9 (b) A licensee may make application for classification and be classified in more than one  
10 classification if the licensee meets the qualifications prescribed by the Board for such additional  
11 classification. For qualifying or classifying in additional classifications, the licensee shall pay the  
12 appropriate application fee but shall not be required to pay any additional license fee.

13 (c) This Section shall not prohibit a specialty contractor from taking and executing a contract  
14 involving the use of two or more crafts or trades, if the performance of the work in the crafts or  
15 trades, other than in which the specialty contractor is licensed, is less than thirty-five percent (35%)  
16 and supplemental to the performance of work in the craft for which the specialty contractor is  
17 licensed.

18 **§ 70108. Licenses Required.**

19 No person within the purview of this Chapter shall act, or assume to act, or advertise, as general  
20 engineering contractor, general building contractor or specialty contractor without a license  
21 previously obtained under and in compliance with this Chapter and the rules and regulations of the  
22 Contractors License Board.

23 **§ 70108.1. Advertising**

24 (a) A Contractor may advertise in print or broadcast medium only if the contractor includes in the  
25 advertisement or listing the contractor's applicable and current license number, and provides proof  
26 of the number's validity to the publisher or producer of the advertising medium. Violation of this  
27 section may be subject to provisions of §70116 and/or §70121.

28 **§ 70109. Investigation Permitted.**

29 The Contractors License Board may investigate, classify and qualify applicants for contractors  
30 licenses, and investigate for compliance with rules and regulations of the board and provisions of  
31 this chapter.

1 **§ 70109.1. Investigation Citation Authority.**

2 (a) In addition to any other remedy available, the investigator of the contractors license board may  
3 issue citations to acting contractors, licensed or unlicensed, in violation of the provisions of this  
4 chapter and rules promulgated.

5 (b) Each citation shall be in writing and shall describe the basis of the citation, including the  
6 statutory provisions alleged to have been violated. The citation shall also contain an order to cease  
7 and desist from the violation, and an assessment of civil penalties no less than Two Hundred Dollars  
8 (\$200) but not to exceed twenty five percent (25%) of the value of the project.

9 (c) Recipients of contractual work shall be notified of each violation in a timely manner.

10 **§ 70109.2. False complaints against contractors; Penalties.**

11 (a)Any person who reports to, or causes a complaint to be filed with, the Contractors License Board  
12 that a person licensed by that entity has engaged in professional misconduct, knowing the report or  
13 complaint to be false, is guilty of an infraction punishable by a fine not to exceed one thousand  
14 dollars (\$1,000).

15 (b) The board may notify the Attorney Generals Office that a person has made or filed what the  
16 entity believes to be a false report or complaint against a licensee.

17 **§ 70109.3. Immediate Cease Work Order Permitted.**

18 The investigator may issue an immediate cease work order to any person’s construction activity  
19 where serious safety concerns are present.

20 **§ 70109.4. Cease Work Order Permitted.**

21 The Executive Director may issue a cease work order to any person’s construction activity if found  
22 to be in violation of this chapter and/or of any Contractors License Board rules and regulations.

23 **§ 70110. No License Issued When.**

24 No license hereunder shall be issued to:

25 (1) Any person unless ~~he~~ said person has filed an application and paid the applicable fees  
26 therefore;

27 (2) Any person who does not possess a good reputation for honesty, truthfulness, financial  
28 integrity and fair dealing;

29 (3) Any copartnership or joint venture who does not actively participate in at least one  
30 construction job in the course of the license year in the contracting business and thereof does not  
31 hold an appropriate license;



1 (4) Any corporation unless the contracting business thereof is under the direct management  
2 of an officer or employee thereof and unless the officer or employee holds an appropriate  
3 Responsible Management Employee license;

4 (5) Any individual, unless ~~he is of the age of~~ eighteen (18) years of age or more;

5 (6) Any person who employs ~~any other individuals as employees in addition to himself~~  
6 unless ~~he submits~~ satisfactory proof is submitted by the person of that he has a current workers'  
7 compensation insurance policy.

8 **§ 70111. Application: Fees.**

9 (a) Every applicant for a license under this Chapter shall file an application with the Contractors  
10 License Board in such form and setting forth such information as may be prescribed or required by  
11 the Board, and shall furnish such additional information bearing upon the issuance of the license as it  
12 shall require. Every application shall be sworn to before an officer authorized to administer oaths. In  
13 the case of a copartnership, joint venture or corporation, any member or officer thereof may sign the  
14 application and verify the same on behalf of the applicant.

15 (b) Every application, in the case of an individual, shall be accompanied by sworn certificates of not  
16 less than two (2) persons who have known the applicant for a period of not less than six (6) months  
17 certifying that the applicant bears a good reputation for honesty, truthfulness and fair dealings.

18 (c) Every application for a license hereunder shall be accompanied by  
19 an application fee of FIFTY DOLLARS (\$50.00)

20 **§ 70112. Form of Licenses.**

21 The form of every license shall be prescribed by the Contractors License Board and shall be issued  
22 in the name of the Board.

23 **§ 70113. Place of Business and Posting of License.**

24 A licensed contractor shall have and maintain a definite place of business in the Territory and shall  
25 display therein ~~his~~ a personal contractor's license.

26 **§ 70114. Fees; Annual.**

27 (a) The annual fees for each license thereof prescribed by this Chapter shall be as follows:

28 (1) License Fee

29 License to act as specialty contractor .....\$400

30 License to act as general engineering contractor.....\$400

31 License to act as general building contractor.....\$400

1	(2) License Fee for Responsible Management Employee (RME)	
2	License to act as RME in specialty Contracting.....	\$400
3	License to act as RME in general engineering contracting .....	\$400
4	License to act as RME in general building contracting.....	\$400
5	(3) Reissuance of a license or issuance of a certified copy of license .....	\$.20
6	(4) Application: .....	\$.50
7	(5) Application for Additional Classifications:.....	\$.50
8	(6) Letter of Good Standing.....	\$.20 <u>50</u>
9	(7) Study Guide .....	\$.50 <u>75</u>
10	(8) Inactive license fee (in lieu of renewal fee) .....	\$.20 <u>50</u>
11	<u>(9) Exam Fee.....</u>	<u>\$.50</u>

12 (b) The annual fee or inactive license fee shall be paid on or before June 30 of each year for a license  
13 year beginning on July 1. Failure, neglect or refusal of any licensee to pay the annual fee before such  
14 date shall constitute a forfeiture of his license. Any such license may be restored upon written  
15 application therefore within one (1) year from such date and the payment of the required fee plus an  
16 amount equal to ten percent (10%) thereof.

17 (c) Upon written request by a contractor and for good cause the Board shall place an active license in  
18 an inactive status. The license, upon payment of the annual inactive license fee, may continue  
19 inactive for a period of three (3) years after which time it must be reactivated or shall automatically  
20 become forfeited. The license may be reactivated at any time within the three-year period by  
21 fulfilling the requirements for renewal, including the payment of the appropriate renewal fee.

22 **§ 70115. Action on Application.**

23 Within forty-five (45) days after the filing of a proper application for a license and the payment of  
24 the required fees, the Contractors License Board shall:

25 (a) Conduct an investigation of the applicant and in such investigation may post pertinent  
26 information, including but not limited to, the name and address of the applicant, and if the applicant  
27 is associated in any partnership, corporation or other entity, the names, addresses and official  
28 capacities of his associates; and

29 (b) Either issue a license to the applicant or else notify ~~him~~ the applicant in writing by registered  
30 mail of the Board's decision not to grant the license and specifically notify applicant of his the right

1 to have a hearing within fifteen (15) days from the receipt of the Board's decision. The hearing shall  
2 be conducted in accordance with § 70117.

3 **§ 70116. Revocation, Suspension and Renewal of Licenses.**

4 (a) The Contractors License Board may revoke any license issued hereunder, or suspend the right of  
5 the licensee to use such licenses, or refuse to renew any such license for any of the following causes:

6 (1) Conviction of any felony or misdemeanor involving moral turpitude;

7 (2) Any dishonest or fraudulent or deceitful act as a contractor which causes a substantial  
8 damage to another;

9 (3) Pursuing a continued and flagrant course of misrepresentation or of making false  
10 promises through advertising or otherwise;

11 (4) Abandonment of any construction project or operation without reasonable or legal  
12 excuse;

13 (5) Willful departure from or willful disregard of plans or specifications in any material  
14 respect without consent of the owner or his duly authorized representative, which is prejudicial to a  
15 person entitled to have the construction project or operation completed in accordance with such  
16 plans and specifications;

17 (6) Willful violation of any law of the Territory or of any political subdivision thereof,  
18 relating to building, including any violation of any applicable rule or regulation of the Department of  
19 Public Health, or of any applicable safety or labor law;

20 (7) Failure to make and keep records showing all contracts, documents, records, receipts and  
21 disbursements by a licensee of all his transactions as a contractor for a period of not less than three  
22 (3) years after completion of any construction project or operation to which the records refer or to  
23 permit inspections of such records by the Board;

24 (8) When the licensee being a copartnership or a joint venture permits any member of such  
25 copartnership or joint venture who does not hold a license to actively participate in the contracting  
26 business thereof;

27 (9) When the licensee being a corporation permits any officer or employee of such  
28 corporation who does not hold a license to have the direct management of the contracting business  
29 thereof;

30 (10) Misrepresentation of a material fact by an applicant in obtaining a license;

1 (11) Failure of a licensee to complete in a material respect any construction project or  
2 operation for the agreed price if such failure is without legal excuse;

3 (12) Willful failure in any material respect to comply with this Chapter or the rules and  
4 regulations promulgated pursuant thereto;

5 (13) Willful failure or refusal to prosecute a project or operation to completion with  
6 reasonable diligence;

7 (14) Willful failure to pay when due a debt incurred for services of materials rendered or  
8 purchased in connection with his operations as a contractor when the individual has the ability to pay  
9 or when the individual has received sufficient funds therefor as payment for the particular operation  
10 for which the services or materials were rendered or purchased;

11 (15) The false denial of any debt due or the validity of the claim therefor with intent to secure  
12 for licensee, his employer or other person, any discount of such debt or with intent to hinder, delay  
13 or defraud the person to whom such debt is due;

14 (16) Failure to secure or maintain workmen's compensation insurance;

15 (17) Knowingly entering into a contract with an unlicensed contractor involving work or  
16 activity for the performance of which licensing is required under this Chapter; or

17 (18) When the Responsible Management Employee and/or the majority stockholders have,  
18 under another corporate or company structure, caused the non-payment of employees wages and/or  
19 the abandonment of alien workers to become a burden on the Government.

20 (19) Willful failure to pay when due a debt or penalty incurred for damaging a public utility  
21 operated by the Guam Power Authority, the Guam Telephone Authority or the Guam Waterworks  
22 Authority and the Department of Public Works.

23 (20) Knowingly taps into any power, water, sewer line, or facility belonging to the Guam  
24 Power Authority and/or the Guam Waterworks Authority without first obtaining permission through  
25 the established service rules and regulations of each respective governmental agency.

26 (b) No license shall be suspended for longer than two (2) years and no person whose license is  
27 revoked shall be eligible for a new license until the expiration of two (2) years.

28 (c) For purposes of this Section, the Contractors License Board in cooperation and in conjunction  
29 with the Department of Public Works, Department of Revenue and Taxation and the Department of  
30 Labor may have investigative powers for purposes of carrying out the intent of this Section.

31 **§ 70117. Hearings.**

1 (a) In every case where it is proposed to refuse to grant a license or to revoke or suspend a license or  
2 to refuse to renew a license, the Contractors License Board shall give the person concerned notice  
3 and hearing in conformity with the Administrative Adjudication Law. The notice shall be given in  
4 writing by registered or certified mail with return receipt requested at least fifteen (15) days before  
5 the hearing.

6 (b) In all proceedings before it, the Board and each member thereof shall have the same powers  
7 respecting administering oaths, compelling the attendance of witnesses and the production of  
8 documentary evidence and examining witnesses as are possessed by circuit judges at chambers. In  
9 case of disobedience by any person of any order of the Board, or any member thereof, or any  
10 subpoena issued by it, or ~~him~~ the person, or the refusal of any witness to testify to any matter  
11 regarding which the individual may be questioned lawfully, any judge of the Superior Court, on  
12 application by the Board thereof, shall compel obedience as in the case of disobedience of the  
13 requirements of a subpoena issued by the Superior Court, or a refusal to testify therein.

14 **§ 70118. Appeal to Superior Court.**

15 An applicant who has been refused a license and every licensee whose license has been suspended,  
16 revoked or not renewed may appeal the Contractors License Board's decision to the Superior Court  
17 in the manner provided in the Administrative Adjudication Law.

18 **§ 70119. Disposition of Fees, Refunds.**

19 ~~(a) All fees received by the Contractors License Board under this Chapter shall be deposited by the~~  
20 ~~Executive Secretary with the Treasurer of Guam to the credit of the General Fund. Notwithstanding~~  
21 ~~the Central Accounting Act, all fees and money collected under the provisions of this Chapter shall~~  
22 ~~be deposited in a special fund known as the *Contractors License Board Fund*. This fund shall be~~  
23 ~~kept in a bank licensed to do business on Guam and funds shall be paid out only upon a request for~~  
24 ~~payment or requisition submitted by the Executive Director or its personnel and countersigned by the~~  
25 ~~Chairman of the Board. All monies in this fund are hereby specifically appropriated only for the use~~  
26 ~~of the Board in pursuit of its authority.~~

27 (b) The Board may request the Treasurer of Guam to have any fee erroneously paid to it under this  
28 Chapter refunded when the Board deems it just and equitable.

29 **§ 70120. Death or Dissociation.**

30 No copartnership, joint venture or corporation shall be deemed to have violated any provision of this  
31 Chapter by acting or assuming to act as a contractor after the death or dissociation of a licensee who

1 had the direct management of the contracting business thereof prior to final disposition by the  
2 Contractors License Board of an application for a license made within thirty (30) days from the date  
3 of the death or dissociation.

4 **§ 70121. Violation, Penalty.**

5 Any person who violates or omits to comply with any of the provisions of this Chapter shall be fined  
6 not more than Ten Thousand Dollars (\$10,000) an amount no less than Two Hundred Dollars (\$200)  
7 but not to exceed twenty five percent (25%) of the value of the project..

8 **§ 70122. Injunction.**

9 The Contractors License Board may, in addition to any other remedies available, apply to a judge of  
10 the Superior Court for a preliminary or permanent injunction restraining any person from acting or  
11 assuming to act or advertising as general engineering contractor, general building contractor or  
12 specialty contractor, without a license previously obtained under and in compliance with this  
13 Chapter and the rules and regulations of the Board and upon hearing and for cause shown, the judge  
14 may grant the preliminary or permanent injunction.

15 **§ 70123. Exemptions for Prior Licensees.**

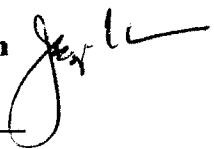
16 Any contractor who obtained a valid contractor's license under the existing license statute prior to  
17 July 1, 1977 shall be exempt from provision of this Chapter relative to application, investigations  
18 and examinations. Any contractor with a valid license issued prior to July 1, 1977 with a  
19 classification different from those enumerated in § 70106 shall be automatically placed in the  
20 appropriate classification without the necessity of complying with the application, investigation and  
21 examination provisions of this Chapter. All other provisions shall apply.”

**I MINA 'TRENTA NA LIHESLATURAN GUÁHAN  
2009 (First) REGULAR SESSION**

Bill No. 24 (LS)

Introduced by:

J.V. Espaldon



**AN ACT TO REPEAL AND RE-ENACT CHAPTER 70 OF  
TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE  
GUAM CONTRACTORS LICENSING BOARD.**

**BE IT ENACTED BY THE PEOPLE OF GUAM:**

**Section 1. Chapter 70 of Title 21, Guam Code Annotated is repealed and re-enacted**

**to read:**

**"21 GCA REAL**

**PROPERTY**

**CH. 70 CONTRACTORS**

§ 70100. Definitions

§ 70101. Exemptions.

§ 70102. Contractors License Board.

§ 70103. Powers and Duties of Board.

§ 70104. Executive Secretary; Other Assistants.

§ 70105. Place of Meeting.

§ 70106. Classification.

§ 70107. Powers to Classify and Limit Operations.

§ 70108. Licenses Required

§ 70108.1. Advertising

§ 70109. Investigation Permitted.

§ 70109.1. Investigation Citation Authority.

§ 70109.2. False complaints against contractors; Penalties

§ 70109.3. Cease Work Order Permitted

§ 70110. No License Issued When.

§ 70111. Application: Fees.

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1 § 70112. Form of Licenses.

2 § 70113. Place of Business and Posting of License.

3 § 70114. Fees; Annual.

4 § 70115. Action on Application.

5 § 70116. Revocation, Suspension and Renewal of Licenses.

6 § 70117. Hearings.

7 § 70118. Appeal to Superior Court

8 § 70119. Disposition of Fees, Refunds.

9 § 70120. Death or Dissociation.

10 § 70121. Violation, Penalty.

11 § 70122. Injunction.

12 § 70123. Exemptions for Prior Licensees.

13 **§ 70100. Definitions.**

14 As used in this Chapter:

15 (a) Board means the Contractors License Board.

16 (b) Contractor means any person who undertakes to construct, alter, repair, add to, subtract from,  
17 improve, move, wreck or demolish any building, highway, road, railroad, excavation or other  
18 structure, project development or improvement or do any part thereof, including the erection  
19 of scaffolding or other structure of works in connection therewith for another person for a fee.

20 (c) Contractor includes a subcontractor and a specialty contractor.

21 (d) Person means an individual, partnership, joint venture, corporation or any combination thereof.

22 Corporation includes an association, business trust or any organized group of persons.

23 (e) Self-construction means a project or operation performed by the owner for his own personal  
24 needs on his own premises; a self-constructed/performed project or operation shall otherwise be  
25 deemed performed by a contractor.

26 (f) Investigator means an employee with the contractors license board who conducts thorough  
27 investigations of applicants applying for a contractors license; to inspect, regulate, and enforce the  
28 laws and rules and regulations of the Licensing Board for Contractors.

29 (g) Responsible Management Employee means the individual responsible for the direct management  
30 of the contracting business of the licensee.

31 **§ 70101. Exemptions.**



1 This Chapter shall not apply to:

2 (a) An officer or employee of the United States, the Territory or any political subdivision, if the  
3 project or operation is performed by employees thereof;

4 (b) Any person acting as a receiver, trustee in bankruptcy, administrator or executor, or any other  
5 person acting under any order or authorization of any court;

6 (c) A person who sells or installs any finished products, materials or articles or merchandise which  
7 are not actually fabricated into and do not become a permanent fixed part of the structure, or to the  
8 construction, alteration, improvement or repair of personal property;

9 (d) Any project or operation for which the aggregate contract price for labor, materials and all other  
10 items is less than One Thousand Dollars (\$1,000). This exemption shall not apply in any case  
11 wherein the undertaking is only part of a larger or major project or operation, whether undertaken by  
12 the same or a different contractor or in which a division of the project or operation is made in  
13 contracts of amounts less than One Thousand Dollars (\$1,000) for the purpose of evading this  
14 Chapter or otherwise;

15 (e) A registered architect or professional engineer acting solely in his professional capacity;

16 (f) Any person who engages in the activities herein regulated as an employee with wages as his sole  
17 compensation;

18 (g) Any person who undertakes by himself or through his employees any project or operation for  
19 himself; and.

20 (h) Any copartnership or joint venture if all members thereof hold licenses issued under this Chapter  
21 or if the person or persons who have direct management of the contracting business thereof hold a  
22 license.

23 **§ 70102. Contractors License Board.**

24 (a) There shall be a Contractors License Board compose of seven (7) members; two (2) of which  
25 shall be appointed by the Governor from the construction industry; three (3) of which shall be  
26 appointed by the Governor from the general public and who shall have no interest in the construction  
27 industry; and the Director of Revenue and Taxation, ex-officio; and the Director of Public Works,  
28 ex-officio. Those members appointed by the Governor are subject to confirmation by the  
29 Legislature. Their terms shall be four (4) years and said terms to commence January 1 next  
30 following the enactment hereof.

1 (b) The concurrence of four (4) members of the Board shall be necessary for the validity of any of its  
2 action.

3 (c) Organization, Records, Reports. Immediately upon the appointment and qualifications of the  
4 original members, and annually thereafter, the Board shall organize by the election of one member  
5 as Chairman and one member as Vice-Chairman. The Board shall keep a complete record of all its  
6 proceedings and shall present annually to the Governor through the [~~Director of Public Works~~  
7 Executive Secretary] a detailed statement of the previous year, proceedings and such  
8 recommendations as the Board may deem proper.

9 (d) Compensation. Members of the Board shall receive the sum of Fifty Dollars (\$50) for each  
10 attendance at the meeting of the Board, provided, however, that no member shall receive more than  
11 One Hundred Dollars (\$100) per month.

12 **§ 70103. Powers and Duties of Board.**

13 In addition to any other duties and powers granted by this Chapter the Contractors License Board  
14 shall:

15 (a) Grant licenses to contractors pursuant to this Chapter;

16 (b) Make, amend or repeal such rules and regulations as it may deem proper fully to effectuate this  
17 Chapter and carry out the purpose thereof which purpose is the protection of the general public. All  
18 such rules and regulations shall be adopted pursuant to the Administrative Adjudication Law. The  
19 rules and regulations may forbid acts or practices deemed by the Board to be detrimental to the  
20 accomplishment of the purpose of this Chapter. The rules and regulations may require contractors to  
21 make reports to the Board containing such items of information as will better enable the Board to  
22 enforce this Chapter and rules and regulations, or as will better enable the Board from time to time to  
23 amend the rules and regulations more fully to effectuate the purposes of this Chapter. The rules and  
24 regulations may require contractors to furnish reports to owners containing such matters of  
25 information as the Board deems necessary to promote the purpose of this Chapter. The enumeration  
26 of specific matters which may properly be made the subject of rules and regulations shall not be  
27 construed to limit the Board's general power to make all rules and regulations necessary fully to  
28 effectuate the purpose of this Chapter;

29 (c) Enforce this Chapter and rules and regulations adopted pursuant thereto;

1 (d) Suspend or revoke any license for any cause prescribed by § 70116 or for any cause for  
2 suspension or revocation prescribed by the rules and regulations, and refuse to grant any license for  
3 any cause which would be ground for revocation or suspension of a license; and

4 (e) Publish and distribute pamphlets and circulars containing such information as it deems proper to  
5 further the accomplishment of the purpose of this Chapter.

6 (f) Contract professional testing services as deemed necessary to prepare, administer, and grade the  
7 examinations for applicants as may be required for the purpose of this chapter.

8 **§ 70104. Executive Secretary; Other Assistants.**

9 (a) ~~[Subject to the Personnel Law the Department of Public Works may employ and remove~~  
10 ~~such administrative and clerical assistants and require and prescribe their powers and duties.]~~

11 (a)(1) The Contractors License Board shall employ an Executive Secretary. The Executive  
12 Secretary shall be employed with due regard to his fitness, thorough administrative ability and  
13 knowledge of and experience in the business of contracting. The Executive Secretary shall act only  
14 with the advice and consent of the Board and shall be responsible to the Board. He shall devote his  
15 entire time to the duties of his office and shall not be actively engaged or employed in any other  
16 business, vocation or employment, nor shall he have any pecuniary interest, direct or indirect, in any  
17 contracting enterprise or enterprises conducted or carried on within the Territory.

18 (2) The Executive Secretary shall, under the supervision of the Board, administer this  
19 Chapter and the rules and regulations and orders established thereunder and perform such other  
20 duties as the Board may require; he shall attend but not vote at all meetings of the Board; he shall be  
21 in charge of the offices of the Board and responsible to the Board for the preparation of reports and  
22 the collection and dissemination of data and other public information relating to contracting.

23 (3) The Board may, by written order filed in its office, delegate to the Executive Secretary  
24 such of its powers or duties as it deems reasonable and proper for the effective administration of this  
25 Chapter, except the power to make rules or regulations. The delegated powers and duties may be  
26 exercised by the Executive Secretary in the name of the Board.

27 (4) Subject to the Personnel Law the Executive Secretary may employ and remove such  
28 administrative and clerical assistants and require and prescribe their powers and duties.

29 **§ 70105. Place of Meeting.**

30 The ~~[Director of Public Works]~~ Executive Secretary shall provide a suitable quarters for meetings of  
31 the Contractors License Board and for the transaction of its other business.

1    **§ 70106. Classification.**

2    (a) For the purpose of classification, the contracting business includes any or all of the following  
3    branches:

- 4           (1) General Engineering Contracting;
- 5           (2) General Building Contracting;
- 6           (3) Specialty Contracting;
- 7           (4) Responsible Management Employee (R.M.E.).

8    (b) A general engineering contractor is a contractor whose principal contracting business is in  
9    connection with fixed works requiring specialized engineering knowledge and skill, including the  
10   following divisions or subjects: irrigations, drainage, water power, water supply, flood control,  
11   inland waterways, harbors, docks and wharves, shipyards and ports, dams and hydroelectric projects,  
12   levees, river control and reclamation works, highways, streets and roads, tunnels, airports and  
13   airways, sewer, sewage disposal plants and systems, waste reduction plants, bridges, overpasses,  
14   underpasses and other similar works, pipelines and other systems for the transmission of petroleum  
15   and other liquid or gaseous substances, parks, playgrounds and other recreational works, refineries,  
16   chemical plants and similar industrial plants requiring specialized engineering knowledge and skill,  
17   powerhouses, power plants and other utility plants and installations, mines and metallurgical plants,  
18   land leveling and earth-moving projects, excavating, grating, trenching, paving and surfacing work  
19   and cement and concrete works in connection with the above-mentioned fixed works.

20   (c) A general building contractor is a contractor whose principal contracting business is in  
21   connection with any structure built, being built or to be built, for the support, shelter and enclosure  
22   of persons, animals, chattels or movable property of any kind, requiring in its construction the use of  
23   more than two unrelated building trades or crafts, or to do or superintend the whole or any part  
24   thereof.

25   (d) A specialty contractor is a contractor whose operations as such are the performance of  
26   construction work requiring special skill and whose principal contracting business involves the use  
27   of specialized building trades or crafts.

28   (e) A Responsible Management Employee is an individual who has proved his contracting  
29   knowledge by written examination.

30   **§ 70107. Powers to Classify and Limit Operations.**

1 (a) The Contractors License Board may adopt rules and regulations necessary to effect the  
2 classification of contractors and shall require a written examination in a manner consistent with  
3 established usage and procedure as found in the construction business, and may limit the field and  
4 scope of the operations of a licensed contractor to those in which he is classified and qualified to  
5 engage, as defined in § 70106.

6 (b) A licensee may make application for classification and be classified in more than one  
7 classification if the licensee meets the qualifications prescribed by the Board for such additional  
8 classification. For qualifying or classifying in additional classifications, the licensee shall pay the  
9 appropriate application fee but shall not be required to pay any additional license fee.

10 (c) This Section shall not prohibit a specialty contractor from taking and executing a contract  
11 involving the use of two or more crafts or trades, if the performance of the work in the crafts or  
12 trades, other than in which he is licensed, is less than thirty-five percent (35%) and supplemental to  
13 the performance of work in the craft for which the specialty contractor is licensed.

14 **§ 70108. Licenses Required.**

15 No person within the purview of this Chapter shall act, or assume to act, or advertise, as general  
16 engineering contractor, general building contractor or specialty contractor without a license  
17 previously obtained under and in compliance with this Chapter and the rules and regulations of the  
18 Contractors License Board.

19 **§ 70108.1. Advertising**

20 (a) A Contractor may advertise in print or broadcast medium only if the contractor includes in the  
21 advertisement or listing the contractor's applicable and current license number, and provides proof  
22 of the number's to validity to the publisher or producer of the advertising medium. The publisher or  
23 producer of a print or broadcast advertising medium shall refuse to publish or broadcast an  
24 advertisement or listing for a contractor who does not comply with this subsection.

25 **§ 70109. Investigation Permitted.**

26 The Contractors License Board may investigate, classify and qualify applicants for contractors  
27 licenses.

28 **§ 70109.1. Investigation Citation Authority .**

29 (a) In addition to any other remedy available, the investigator of the contractors license board may  
30 issue citations to persons in violation of the provisions of this chapter and rules promulgated.

1 (b) Each citation shall be in writing and shall describe the basis of the citation, including the  
2 statutory provisions alleged to have been violated. The citation shall also contain and order to cease  
3 and desist from the violation, and an assessment of civil penalties not to exceed ten thousand  
4 (\$10,000) dollars.

5 **§ 70109.2. False complaints against contractors; Penalties.**

6 (a) Any person who reports to, or causes a complaint to be filed with, the Contractors License Board  
7 that a person licensed by that entity has engaged in professional misconduct, knowing the report or  
8 complaint to be false, is guilty of an infraction punishable by a fine not to exceed one thousand  
9 dollars (\$1,000).

10 (b) The board may notify the Attorney Generals Office that a person has made or filed what the  
11 entity believes to be a false report or complaint against a licensee.

12 **§ 70109.3. Cease Work Order Permitted.**

13 The investigator may issue a cease work order to any person's construction activity if found to be in  
14 violation of this chapter.

15 **§ 70110. No License Issued When.**

16 No license hereunder shall be issued to:

17 (1) Any person unless he has filed an application and paid the applicable fees therefore;

18 (2) Any person who does not possess a good reputation for honesty, truthfulness, financial  
19 integrity and fair dealing;

20 (3) Any copartnership or joint venture who does not actively participate in at least one  
21 construction job in the course of the license year in the contracting business and thereof does not  
22 hold an appropriate license;

23 (4) Any corporation unless the contracting business thereof is under the direct management  
24 of an officer or employee thereof and unless the officer or employee holds an appropriate  
25 Responsible Management Employee license;

26 (5) Any individual, unless he is of the age of eighteen (18) years or more;

27 (6) Any person who employs any employees in addition to himself unless he submits  
28 satisfactory proof that he has a current workers' compensation insurance policy.

29 **§ 70111. Application: Fees.**

30 (a) Every applicant for a license under this Chapter shall file an application with the Contractors  
31 License Board in such form and setting forth such information as may be prescribed or required by

1 the Board, and shall furnish such additional information bearing upon the issuance of the license as it  
2 shall require. Every application shall be sworn to before an officer authorized to administer oaths. In  
3 the case of a copartnership, joint venture or corporation, any member or officer thereof may sign the  
4 application and verify the same on behalf of the applicant.

5 (b) Every application, in the case of an individual, shall be accompanied by sworn certificates of not  
6 less than two (2) persons who have known the applicant for a period of not less than six (6) months  
7 certifying that the applicant bears a good reputation for honesty, truthfulness and fair dealings.

8 (c) Every application for a license hereunder shall be accompanied by  
9 an application fee of FIFTY DOLLARS (\$50.00)

10 **§ 70112. Form of Licenses.**

11 The form of every license shall be prescribed by the Contractors License Board and shall be issued  
12 in the name of the Board.

13 **§ 70113. Place of Business and Posting of License.**

14 A licensed contractor shall have and maintain a definite place of business in the Territory and shall  
15 display therein his contractor's license.

16 **§ 70114. Fees; Annual.**

17 (a) The annual fees for each license thereof prescribed by this Chapter shall be as follows:

18 (1) License Fee

19 License to act as specialty contractor .....	\$400
20 License to act as general engineering contractor.....	\$400
21 License to act as general building contractor.....	\$400

22 (2) License Fee for Responsible Management Employee (RME)

23 License to act as RME in specialty Contracting.....	\$400
24 License to act as RME in general engineering contracting .....	\$400
25 License to act as RME in general building contracting.....	\$400

26 (3) Reissuance of a license or issuance of a certified copy of license .....

27 (4) Application: .....	\$50
28 (5) Additional Classifications: .....	\$50
29 <u>(6) Letter of Good Standing.....</u>	<u>..\$20</u>
30 <u>(7) Study Guide .....</u>	<u>..\$50</u>
31 <u>(8) Inactive license fee (in lieu of renewal fee) .....</u>	<u>..\$20</u>

1 (b) The annual fee or inactive license fee shall be paid on or before June 30 of each year for a license  
2 year beginning on July 1. Failure, neglect or refusal of any licensee to pay the annual fee before such  
3 date shall constitute a forfeiture of his license. Any such license may be restored upon written  
4 application therefore within one (1) year from such date and the payment of the required fee plus an  
5 amount equal to ten percent (10%) thereof.

6 (c) Upon written request by a contractor and for good cause the Board shall place an active license in  
7 an inactive status. The license, upon payment of the annual inactive license fee, may continue  
8 inactive for a period of three (3) years after which time it must be reactivated or shall automatically  
9 become forfeited. The license may be reactivated at any time within the three-year period by  
10 fulfilling the requirements for renewal, including the payment of the appropriate renewal fee.

11 **§ 70115. Action on Application.**

12 Within forty-five (45) days after the filing of a proper application for a license and the payment of  
13 the required fees, the Contractors License Board shall:

14 (a) Conduct an investigation of the applicant and in such investigation may post pertinent  
15 information, including but not limited to, the name and address of the applicant, and if the applicant  
16 is associated in any partnership, corporation or other entity, the names, addresses and official  
17 capacities of his associates; and

18 (b) Either issue a license to the applicant or else notify him in writing by registered mail of the  
19 Board's decision not to grant the license and specifically notify applicant of his right to have a  
20 hearing within fifteen (15) days from the receipt of the Board's decision. The hearing shall be  
21 conducted in accordance with § 70117.

22 **§ 70116. Revocation, Suspension and Renewal of Licenses.**

23 (a) The Contractors License Board may revoke any license issued hereunder, or suspend the right of  
24 the licensee to use such licenses, or refuse to renew any such license for any of the following causes:

25 (1) Conviction of any felony or misdemeanor involving moral turpitude;

26 (2) Any dishonest or fraudulent or deceitful act as a contractor which causes a substantial  
27 damage to another;

28 (3) Pursuing a continued and flagrant course of misrepresentation or of making false  
29 promises through advertising or otherwise;

30 (4) Abandonment of any construction project or operation without reasonable or legal  
31 excuse;



1 (5) Wilful departure from or wilful disregard of plans or specifications in any material  
2 respect without consent of the owner or his duly authorized representative, which is prejudicial to a  
3 person entitled to have the construction project or operation completed in accordance with such  
4 plans and specifications;

5 (6) Wilful violation of any law of the Territory or of any political subdivision thereof,  
6 relating to building, including any violation of any applicable rule or regulation of the Department of  
7 Public Health, or of any applicable safety or labor law;

8 (7) Failure to make and keep records showing all contracts, documents, records, receipts and  
9 disbursements by a licensee of all his transactions as a contractor for a period of not less than three  
10 (3) years after completion of any construction project or operation to which the records refer or to  
11 permit inspections of such records by the Board;

12 (8) When the licensee being a copartnership or a joint venture permits any member of such  
13 copartnership or joint venture who does not hold a license to actively participate in the contracting  
14 business thereof;

15 (9) When the licensee being a corporation permits any officer or employee of such  
16 corporation who does not hold a license to have the direct management of the contracting business  
17 thereof;

18 (10) Misrepresentation of a material fact by an applicant in obtaining a license;

19 (11) Failure of a licensee to complete in a material respect any construction project or  
20 operation for the agreed price if such failure is without legal excuse;

21 (12) Wilful failure in any material respect to comply with this Chapter or the rules and  
22 regulations promulgated pursuant thereto;

23 (13) Wilful failure or refusal to prosecute a project or operation to completion with  
24 reasonable diligence;

25 (14) Wilful failure to pay when due a debt incurred for services of materials rendered or  
26 purchased in connection with his operations as a contractor when he has the ability to pay or when  
27 he has received sufficient funds therefor as payment for the particular operation for which the  
28 services or materials were rendered or purchased;

29 (15) The false denial of any debt due or the validity of the claim therefor with intent to secure  
30 for licensee, his employer or other person, any discount of such debt or with intent to hinder, delay  
31 or defraud the person to whom such debt is due;

1 (16) Failure to secure or maintain workmen's compensation insurance;

2 (17) Knowingly entering into a contract with an unlicensed contractor involving work or  
3 activity for the performance of which licensing is required under this Chapter; or

4 (18) When the Responsible Management Employee and/or the majority stockholders have,  
5 under another corporate or company structure, caused the non-payment of employees wages and/or  
6 the abandonment of alien workers to become a burden on the Government.

7 (19) willful failure to pay when due a debt or penalty incurred for damaging a public utility  
8 operated by the Guam Power Authority, the Guam Telephone Authority or the Guam Waterworks  
9 Authority and the Department of Public Works.

10 (20) Knowingly taps into any power, water or sewer line belonging to the Guam Power  
11 Authority and Guam Waterworks Authority without the prior written permission.

12 (b) No license shall be suspended for longer than two (2) years and no person whose license is  
13 revoked shall be eligible for a new license until the expiration of two (2) years.

14 (c) For purposes of this Section, the Contractors License Board in cooperation and in conjunction  
15 with the Department of Public Works, Department of Revenue and Taxation and the Department of  
16 Labor may have investigative powers for purposes of carrying out the intent of this Section.

17 **§ 70117. Hearings.**

18 (a) In every case where it is proposed to refuse to grant a license or to revoke or suspend a license or  
19 to refuse to renew a license, the Contractors License Board shall give the person concerned notice  
20 and hearing in conformity with the Administrative Adjudication Law. The notice shall be given in  
21 writing by registered or certified mail with return receipt requested at least fifteen (15) days before  
22 the hearing.

23 (b) In all proceedings before it, the Board and each member thereof shall have the same powers  
24 respecting administering oaths, compelling the attendance of witnesses and the production of  
25 documentary evidence and examining witnesses as are possessed by circuit judges at chambers. In  
26 case of disobedience by any person of any order of the Board, or any member thereof, or any  
27 subpoena issued by it, or him, or the refusal of any witness to testify to any matter regarding which  
28 he may be questioned lawfully, any judge of the Superior Court, on application by the Board thereof,  
29 shall compel obedience as in the case of disobedience of the requirements of a subpoena issued by  
30 the Superior Court, or a refusal to testify therein.

31 **§ 70118. Appeal to Superior Court.**

1 An applicant who has been refused a license and every licensee whose license has been suspended,  
2 revoked or not renewed may appeal the Contractors License Board's decision to the Superior Court  
3 in the manner provided in the Administrative Adjudication Law.

4 **§ 70119. Disposition of Fees, Refunds.**

5 (a) All fees received by the Contractors License Board under this Chapter shall be deposited by the  
6 Executive Secretary with the Treasurer of Guam to the credit of the General Fund.

7 (b) The Board may request the Treasurer of Guam to have any fee erroneously paid to it under this  
8 Chapter refunded when the Board deems it just and equitable.

9 **§ 70120. Death or Dissociation.**

10 No copartnership, joint venture or corporation shall be deemed to have violated any provision of this  
11 Chapter by acting or assuming to act as a contractor after the death or dissociation of a licensee who  
12 had the direct management of the contracting business thereof prior to final disposition by the  
13 Contractors License Board of an application for a license made within thirty (30) days from the date  
14 of the death or dissociation.

15 **§ 70121. Violation, Penalty.**

16 Any person who violates or omits to comply with any of the provisions of this Chapter shall be fined  
17 not more than Ten Thousand Dollars (\$10,000).

18 **§ 70122. Injunction.**

19 The Contractors License Board may, in addition to any other remedies available, apply to a judge of  
20 the Superior Court for a preliminary or permanent injunction restraining any person from acting or  
21 assuming to act or advertising as general engineering contractor, general building contractor or  
22 specialty contractor, without a license previously obtained under and in compliance with this  
23 Chapter and the rules and regulations of the Board and upon hearing and for cause shown, the judge  
24 may grant the preliminary or permanent injunction.

25 **§ 70123. Exemptions for Prior Licensees.**

26 Any contractor who obtained a valid contractor's license under the existing license statute prior to  
27 July 1, 1977 shall be exempt from provision of this Chapter relative to application, investigations  
28 and examinations. Any contractor with a valid license issued prior to July 1, 1977 with a  
29 classification different from those enumerated in § 70106 shall be automatically placed in the  
30 appropriate classification without the necessity of complying with the application, investigation and  
31 examination provisions of this Chapter. All other provisions shall apply.”



# COMMITTEE ON RULES

## *I Mina'Trenta na Liheslaturan Guåhan* • 30th Guam Legislature

155 Hesler Place, Hagatña, Guam 96910 • tel: (671)472-7679 • fax: (671)472-3547 • roryforguam@gmail.com

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*etom*

**SENATOR  
RORY J.  
RESPICIO  
CHAIRPERSON**

January 8, 2009

Memorandum

**SENATOR  
Judith P. Guthertz  
VICE  
CHAIRPERSON**

To: Clerk of the Legislature  
*I Mina'Trenta Na Liheslaturan Guåhan*

**MAJORITY  
MEMBERS:**

Attorney Therese M. Terlaje, Legislative Legal Counsel  
*I Mina'Trenta Na Liheslaturan Guåhan*

Judith T. Won Pat  
SPEAKER

From: *[Signature]*  
Senator Rory J. Respicio, Chairperson, Committee  
on Rules  
*I Mina'Trenta Na Liheslaturan Guåhan*

Benjamin J. F. Cruz  
VICE SPEAKER

Subject: Referral of Bill Nos. 1 through 37

Tina Rose Muña Barnes  
LEGISLATIVE SECRETARY

As Chairperson of the Committee on Rules, I am forwarding my referral of Bill Nos. 1 through 37.

Thomas C. Ada  
SENATOR

Please ensure that the subject Bills are referred, in my name, to the respective Chairpersons, as shown on the attachment. I am also requesting that the same be forwarded to all Senators of *I Mina'Trenta Na Liheslaturan Guåhan*.

Frank B. Aguon, Jr.  
SENATOR

Should you have any questions, please contact Elaine V. Tajalle from my office.

Adolpho B. Palacios, Sr.  
SENATOR

*Si Yu'os Ma'åse.*

Vicente C. Pangelinan  
SENATOR

Matthew Rector  
SENATOR

*Attachment*

**MINORITY  
MEMBERS:**

Frank F. Blas, Jr.  
SENATOR

James V. Espaldon  
SENATOR

20	R. J. Respicio, B.J.F. Cruz, J. P. Guthertz	An Act To <i>Repeal</i> And <i>Re-Enact</i> Chapter 4 Of Division 1, And To <i>Repeal</i> And <i>Re-Enact</i> §5201(G) Of Chapter 5, Division 1, Both Of Title 22 Of The Guam Code Annotated, Relative To Ensuring That All Employees Are Treated Fairly, Have Choice In The Workplace, And Do Not Pay For Benefits They Do Not Receive.	1-5-09	1-8-09	Committee on Labor, the Public Structure, Public Libraries and Technology
21	R. J. Respicio, T. R. Muña Barnes, J. P. Guthertz, B. J.F. Cruz	An Act To Enhance The Development Of Recreation And Sports In Guam By Authorizing The Lease Of The Lot Identified As The "Southern Sports Complex," Lot No. 477 In The Municipality Of Agat, Comprising An Area Of 26.5 Total Acres, With The Guam Football Association.	1-5-09	1-8-09	Committee on Appropriations, Taxation, Banking, Insurance, Retirement, and Land
22	J. V. Espaldon	An Act To <i>Repeal</i> And <i>Re-Enact</i> Chapter 67 Of Title 21 Guam Code Annotated, Relative To Adopting The International Building Code As The Building Code Of Guam.	1-5-09	1-8-09	Committee on Utilities, Transportation, Public Works, and Veterans Affairs
23	J. V. Espaldon, T. R. Muña Barnes	An Act To <i>Repeal</i> Chapter 41 Of Title 22, Guam Code Annotated, Relative To The Guam Boxing And Wrestling Commission; To <i>Add</i> A New Chapter 17 To Title 11, Guam Code Annotated, Relative To "Unarmed Combat" And Establishing The Guam [Athletic] <u>Unarmed Combat</u> Commission; And, Citing This Act As The "Guam [Athletic] Unarmed Combat Commission Act Of 2009".	1-5-09	1-8-09	Committee on Municipal Affairs, Aviation, Housing and Recreation
24	J. V. Espaldon	An Act To <i>Repeal</i> And <i>Re-Enact</i> Chapter 70 Of Title 21, Guam Code Annotated, Relative To The Guam Contractors Licensing Board.	1-5-09	1-8-09	Committee on Utilities, Transportation, Public Works, and Veterans Affairs
25	J. V. Espaldon	An Act To <i>Repeal</i> And <i>Re-Enact</i> Chapter 32 Of Title 22, Guam Code Annotated, Relative To The Professional Engineers, Architects And Land Surveyors (Peals) Law.	1-5-09	1-8-09	Committee on Utilities, Transportation, Public Works, and Veterans Affairs
26	B. J.F. Cruz	An act to amend § 13104 of Chapter 13 of Title 3, Guam Code Annotated and to add a new § 1126 in Chapter 1 of Title 2, Guam Code Annotated; relative to vacancies in I Liheslaturan Guåhan.	1-5-09	1-8-09	Committee on Rules
27	B.J.F. Cruz, R.J. Respicio, J.P. Guthertz, DPA	An act to authorize to appropriate Twenty-Six Thousand Dollars (\$26,000) to the Office of the Mayor of Piti for the purpose of repairing lighting at the Piti Baseball Field.	1-5-09	1-8-09	Committee on Appropriations, Taxation, Banking, Insurance, Retirement, and Land
28	B.J.F. Cruz, R.J. Respicio, J.P. Guthertz, DPA	An act to authorize to appropriate Thirteen Thousand Dollars (\$13,000) to the Guam Youth Football League for the purpose of purchasing and installing a photo voltaic lighting system at the eagle football field in the village of Mangilao.	1-5-09	1-8-09	Committee on Municipal Affairs, Aviation, Housing and Recreation

## **Notices of Public Hearing**



## Senator Thomas C. Ada

CHAIRMAN - Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
30<sup>th</sup> Guam Legislature • *Mina' Trenta Ma' Liheslaturan Guahan*

### AGENDA COMMITTEE ON UTILITIES, TRANSPORTATION, PUBLIC WORKS, AND VETERANS AFFAIRS

Public Hearing  
March 6, 2009, 8:30 a.m.  
Public Hearing Room

The following Confirmations and Bills will be heard by the Committee on Utilities,  
Transportation, Public Works, and Veterans Affairs;

**8:30 – 10:00 am**

**Bill No. 52 (COR) - J.T. Won Pat, Ed.D.**

An act to amend Section 58A105, Chapter 58A, of Title 5 Guam Code Annotated relative to the construction of the John F. Kennedy High School.

**Confirmation of Appointment-** Mr. Christopher Calvo Camacho  
Appointment to the Guam Contractors License Board

**Confirmation of Appointment-** Mr. Richard P. Quiambao  
Appointment to the Guam Contractors License Board

**10:00 -12:00 pm**

**Bill No. 24 (LS) - J.V. Espaldon**

An act to repeal and re-enact Chapter 70 of Title 21, Guam Code Annotated, relative to the Guam Contractors Licensing Board.

**Bill No. 22 (LS) - J.V. Espaldon**

An act to repeal and re-enact Chapter 67 of Title 21 Guam Code Annotated, relative to adopting the International Building Code as the Building Code of Guam.

**1:30 – 5:00 pm**

**Bill No. 25 (LS) – J.V. Espaldon**

An act to repeal and re-enact chapter 32 of title 22, Guam Code Annotated, relative to the professional engineers, architects and land surveyors (PEALS) Law.



# Senator Thomas C. Ada

CHAIRMAN - Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
30<sup>TH</sup> Guam Legislature • *I Mina' Trenta Na Liheslaturan Guahan*

February 26, 2009  
MEMORANDUM

To: All Senators

From: Senator Thomas C. Ada,  
Chairperson, Committee on Utilities, Transportation, Public Works and Veterans Affairs

Subject: **Public Hearing Notice: March 6, 2009 at 9:00am**  
**Agenda: Confirmation hearing and Bills 22, 24, 25 and 52.**

Please be advised that the Committee on Utilities, Transportation, Public Works and Veterans Affairs is holding a public hearing on March 6, 2009 at 9:00am. This meeting will take place in the Public Hearing Room of *I Liheslatura*.

On the agenda:  
**9:00 – 9:30 am**

**Confirmation of Appointment-** Mr. Christopher Calvo Camacho  
Appointment to the Guam Contractors License Board

**Confirmation of Appointment-** Mr. Richard P. Quiambao  
Appointment to the Guam Contractors License Board

**10:00 -12:00 pm**

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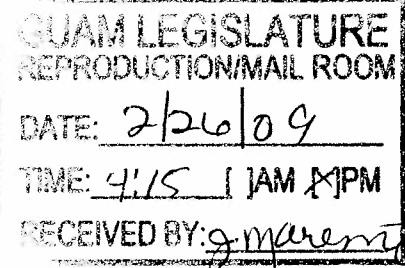
An act to amend Section 58A105, Chapter 58A, of Title 5 Guam Code Annotated relative to the construction of the John F. Kennedy High School.

Copies of these agenda items may be found on the official Guam Legislature website ([www.guamlegislature.com](http://www.guamlegislature.com)). Please feel free to contact our office should you have any questions or concerns.

Si Yu'os Ma'ase,

Thomas C. Ada

cc: Clerk of the Legislature  
Sergeant of Arm and Protocol







## Senator Thomas C. Ada

CHAIRMAN - Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
30<sup>TH</sup> Guam Legislature • *I Mina' Trenta Na Liheslaturan Guahan*

February 26, 2009

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Chairperson, Committee on Utilities, Transportation, Public Works and Veterans Affairs

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On the agenda:

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**Confirmation of Appointment-** Mr. Christopher Calvo Camacho  
Appointment to the Guam Contractors License Board

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Please note that this is a tentative schedule and changes may be made to accommodate the public testimonies. Copies of these agenda items may be found on the official Guam Legislature website ([www.guamlegislature.com](http://www.guamlegislature.com)). Please feel free to contact Senator Thomas C. Ada with any questions or concerns.

Si Yu'os Ma'ase,

Thomas C. Ada

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## *I Mina' trenta Na Liheslaturan Guahan* The 30<sup>th</sup> Guam Legislature

155 Hasler Place  
Hagatna, Guam 96910  
Office (671) 473-3301 • Fax (671) 473-3303

**Senator Thomas C. Ada**

### Facsimile

**Date:** February 26, 2009 **Time:**  
**Fax No.:** **No. of Pages:** 2  
**To:** All Media  
**From:** The Office of Senator Thomas C. Ada  
**Re:** Public Hearing Notice Agenda for Friday, March 6, 2009  
**Note:**  
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4	1071	Pacific News Centr	11:01AM	40s	2/ 2	ECM RE	CP	-
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Government Public Hearing Notice

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date Thu, Feb 26, 2009 at 12:39 PM
subject Government Public Hearing Notice
mailed-by senatorada.org

Dear Editors,

We would like to reserve space in the government meeting notice section of the Pacific Daily News for a Public Hearing Notice to be conducted on March 6, 2009. The following notice should be read as:

\*Committee on Utilities, Transportation, Public Works and Veterans Affairs: Public Hearing, 9:00 am, Friday, March 6, 2009, Public Hearing Room, Temporary Legislative Building, Hagatña, Guam. The following confirmations and bills will be heard;

9:00 – 9:30 am

Confirmation of Appointment- Mr. Christopher Calvo Camacho

Appointment to the Guam Contractors License Board

Confirmation of Appointment- Mr. Richard P. Quiambao

Appointment to the Guam Contractors License Board

10:00 -12:00 pm

Bill No. 24 (LS) - J.V. Espaldon

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An act to repeal and re-enact Chapter 67 of Title 21 Guam Code Annotated, relative to adopting the International Building Code as the Building Code of Guam.

1:30 – 5:00 pm

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1ST NOTICE:



# Senator Thomas C. Ada

CHAIRMAN - Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
30<sup>th</sup> Guam Legislature • *I Mina' Trenta Na Liheslaturan Guahan*

March 3, 2009  
MEMORANDUM

To: All Senators  
From: Senator Thomas C. Ada,  
Chairperson, Committee on Utilities, Transportation, Public Works and Veterans Affairs  
Subject: **Public Hearing Notice: March 6, 2009 at 8:30am**  
**Agenda: Confirmation hearing and Bills 22, 24, 25 and 52.**

2009 MAR -3 AM 11:16

Please be advised that the Committee on Utilities, Transportation, Public Works and Veterans Affairs is holding a public hearing on March 6, 2009 at 8:30am. This meeting will take place in the Public Hearing Room of *I Liheslatura*.

On the agenda:  
**8:30 – 10:00 am**

**Bill No. 52 (COR)** - J.T. Won Pat, Ed.D.  
An act to amend Section 58A105, Chapter 58A, of Title 5 Guam Code Annotated relative to the construction of the John F. Kennedy High School.

**Confirmation of Appointment-** Mr. Christopher Calvo Camacho  
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**1:30 – 5:00 pm**

**Bill No. 25 (LS)** – J.V. Espaldon  
An act to repeal and re-enact chapter 32 of title 22, Guam Code Annotated, relative to the professional engineers, architects and land surveyors (PEALS) Law.

Copies of these agenda items may be found on the official Guam Legislature website ([www.guamlegislature.com](http://www.guamlegislature.com)). Please feel free to contact our office should you have any questions or concerns.

Si Yu'os Ma'ase,

Thomas C. Ada  
cc: Clerk of the Legislature  
Sergeant of Arms and Protocol



## Senator Thomas C. Ada

CHAIRMAN - Committee on Utilities, Transportation, Public Works, and Veterans Affairs  
30<sup>th</sup> Guam Legislature • *I Mina' Trenta Na Liheslaturan Guahan*

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Please note that this is a tentative schedule and changes may be made to accommodate the public testimonies. Copies of these agenda items may be found on the official Guam Legislature website ([www.guamlegislature.com](http://www.guamlegislature.com)). Please feel free to contact Senator Thomas C. Ada with any questions or concerns.

Si Yu'os Ma'ase,



Thomas C. Ada

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## I Mina' trenta Na Liheslaturan Guahan The 30<sup>th</sup> Guam Legislature

155 Hesler Place  
Hagatna, Guam 96910  
Office (671) 473-3301 • Fax (671) 473-3303

**Senator Thomas C. Ada**

### Facsimile

**Date:** March 3, 2009 **Time:**  
**Fax No.:** **No. of Pages:** 2  
**To:** All Media  
**From:** The Office of Senator Thomas C. Ada  
**Re:** **Public Hearing Notice Agenda for Friday, March 6, 2009**

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4	1177	Marianas Variety	11:06AM	22s	2/ 2	SG3 BC	CP	-
5	1177	K-Stereo	11:07AM	39s	2/ 2	ECM BC	CP	-
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Jay Sunga

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We would like to reserve space in the government meeting notice section of the Pacific Daily News for a Public Hearing Notice to be conducted on March 6, 2009. The following notice should read as:

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Labels

"Committee on Utilities, Transportation, Public Works and Veterans Affairs: Public Hearing, 8:30 am, Friday, March 6, 2009, Public Hearing Room, Temporary Legislative Building, Hagatña, Guam. The following confirmations and bills will be heard;

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On the agenda:

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8:30 - 10:00 am

Bill No. 52 (COR) - J.T. Won Pat, Ed.D.

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An act to amend Section 58A105, Chapter 58A, of Title 5 Guam Code Annotated relative to the construction of the John F. Kennedy High School.

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Confirmation of Appointment- Mr. Christopher Calvo Camacho

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Appointment to the Guam Contractors License Board

Confirmation of Appointment- Mr. Richard P. Quiambao

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Appointment to the Guam Contractors License Board

10:00 -12:00 pm

Bill No. 24 (LS) - J.V. Espaldon

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An act to repeal and re-enact Chapter 70 of Title 21, Guam Code Annotated, relative to the Guam Contractors Licensing Board.

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# WorkCentre 7232 Transmission Report

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**I Mina' trenta Na Liheslaturan Guahan**  
The 30<sup>th</sup> Guam Legislature

155 Hesler Place  
Hagatna, Guam 96910  
Office (671) 473-3301 • Fax (671) 473-3303

**Senator Thomas C. Ada**

### Facsimile

**Date:** February 26, 2009 **Time:**  
**Fax No.:** 649-2210 **No. of Pages:** 2  
**To:** Guam Contractors License Board  
**CC:** Richard Qulambao; Christopher Camacho; Thomas Morrison;  
**From:** The Office of Senator Thomas C. Ada  
**Re:** **Public Hearing Notice Agenda for Friday, March 6, 2009**

**Note:**

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**I Mina' trenta Na Liheslaturan Guahan**  
The 30<sup>th</sup> Guam Legislature

155 Hesler Place  
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Office (671) 473-3301 • Fax (671) 473-3303

**Senator Thomas C. Ada**

### Facsimile

Date: February 26, 2009 Time:  
Fax No.: 647-4866 No. of Pages: 2  
To: Guam Contractors Association  
CC: James Martinez, President  
From: The Office of Senator Thomas C. Ada  
Re: **Public Hearing Notice Agenda for Friday, March 6, 2009**

**Note:**

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**I Mina' trenta Na Liheslaturan Guahan**  
The 30<sup>th</sup> Guam Legislature

155 Hesler Place  
Hagatna, Guam 96910  
Office (671) 473-3301 • Fax (671) 473-3303

**Senator Thomas C. Ada**

### Facsimile

**Date:** March 3, 2009 **Time:**  
**Fax No.:** 647-4866 **No. of Pages:** 2  
**To:** Guam Contractors Association  
**CC:** James Martinez, President  
**From:** The Office of Senator Thomas C. Ada  
**Re:** **Public Hearing Notice Agenda for Friday, March 6, 2009**

**Note:**

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# WorkCentre 7232 Transmission Report

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**Senator Thomas C. Ada**

### Facsimile

**Date:** March 3, 2009 **Time:**  
**Fax No.:** 649-2210 **No. of Pages:** 2  
**To:** Guam Contractors License Board  
**CC:** Richard Quiambao; Christopher Camacho; Thomas Morrison;  
**From:** The Office of Senator Thomas C. Ada  
**Re:** Public Hearing Notice Agenda for Friday, March 6, 2009

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# WorkCentre 7232 Transmission Report

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**Senator Thomas C. Ada**

### Facsimile

**Date:** March 3, 2009 **Time:**  
**Fax No.:** 472-6202 **No. of Pages:** 2  
**To:** Chamber of Commerce  
**CC:** Reina A. Leddy, President; Frank Campillo  
**From:** The Office of Senator Thomas C. Ada  
**Re:** Public Hearing Notice Agenda for Friday, March 6, 2009

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3	1189	4726202	11:36AM	2m01s	2	SG3	RE	CP

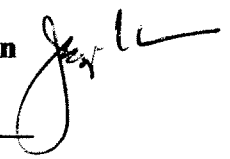
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**I MINA 'TRENTA NA LIHESLATURAN GUÅHAN  
2009 (First) REGULAR SESSION**

**Bill No. 24 (LS)**

**Introduced by:**

**J.V. Espaldon**



**AN ACT TO REPEAL AND RE-ENACT CHAPTER 70 OF  
TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE  
GUAM CONTRACTORS LICENSING BOARD.**

**BE IT ENACTED BY THE PEOPLE OF GUAM:**

**Section 1. Chapter 70 of Title 21, Guam Code Annotated is repealed and re-enacted  
to read:**

**“21 GCA REAL**

**PROPERTY**

**CH. 70 CONTRACTORS**

§ 70100. Definitions

§ 70101. Exemptions.

§ 70102. Contractors License Board.

§ 70103. Powers and Duties of Board.

§ 70104. Executive Secretary; Other Assistants.

§ 70105. Place of Meeting.

§ 70106. Classification.

§ 70107. Powers to Classify and Limit Operations.

§ 70108. Licenses Required

§ 70108.1. Advertising

§ 70109. Investigation Permitted.

§ 70109.1. Investigation Citation Authority.

§ 70109.2. False complaints against contractors; Penalties

§ 70109.3. Cease Work Order Permitted

§ 70110. No License Issued When.

§ 70111. Application: Fees.

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- 1 § 70112. Form of Licenses.
- 2 § 70113. Place of Business and Posting of License.
- 3 § 70114. Fees; Annual.
- 4 § 70115. Action on Application.
- 5 § 70116. Revocation, Suspension and Renewal of Licenses.
- 6 § 70117. Hearings.
- 7 § 70118. Appeal to Superior Court
- 8 § 70119. Disposition of Fees, Refunds.
- 9 § 70120. Death or Dissociation.
- 10 § 70121. Violation, Penalty.
- 11 § 70122. Injunction.
- 12 § 70123. Exemptions for Prior Licensees.
- 13 **§ 70100. Definitions.**
- 14 As used in this Chapter:
- 15 (a) Board means the Contractors License Board.
- 16 (b) Contractor means any person who undertakes to construct, alter, repair, add to, subtract from,  
17 improve, move, wreck or demolish any building, highway, road, railroad, excavation or other  
18 structure, project development or improvement or do any part thereof, including the erection  
19 of scaffolding or other structure of works in connection therewith for another person for a fee.
- 20 (c) Contractor includes a subcontractor and a specialty contractor.
- 21 (d) Person means an individual, partnership, joint venture, corporation or any combination thereof.  
22 Corporation includes an association, business trust or any organized group of persons.
- 23 (e) Self-construction means a project or operation performed by the owner for his own personal  
24 needs on his own premises; a self-constructed/performed project or operation shall otherwise be  
25 deemed performed by a contractor.
- 26 (f) Investigator means an employee with the contractors license board who conducts thorough  
27 investigations of applicants applying for a contractors license; to inspect, regulate, and enforce the  
28 laws and rules and regulations of the Licensing Board for Contractors.
- 29 (g) Responsible Management Employee means the individual responsible for the direct management  
30 of the contracting business of the licensee.
- 31 **§ 70101. Exemptions.**

1 This Chapter shall not apply to:

2 (a) An officer or employee of the United States, the Territory or any political subdivision, if the  
3 project or operation is performed by employees thereof;

4 (b) Any person acting as a receiver, trustee in bankruptcy, administrator or executor, or any other  
5 person acting under any order or authorization of any court;

6 (c) A person who sells or installs any finished products, materials or articles or merchandise which  
7 are not actually fabricated into and do not become a permanent fixed part of the structure, or to the  
8 construction, alteration, improvement or repair of personal property;

9 (d) Any project or operation for which the aggregate contract price for labor, materials and all other  
10 items is less than One Thousand Dollars (\$1,000). This exemption shall not apply in any case  
11 wherein the undertaking is only part of a larger or major project or operation, whether undertaken by  
12 the same or a different contractor or in which a division of the project or operation is made in  
13 contracts of amounts less than One Thousand Dollars (\$1,000) for the purpose of evading this  
14 Chapter or otherwise;

15 (e) A registered architect or professional engineer acting solely in his professional capacity;

16 (f) Any person who engages in the activities herein regulated as an employee with wages as his sole  
17 compensation;

18 (g) Any person who undertakes by himself or through his employees any project or operation for  
19 himself; and.

20 (h) Any copartnership or joint venture if all members thereof hold licenses issued under this Chapter  
21 or if the person or persons who have direct management of the contracting business thereof hold a  
22 license.

23 **§ 70102. Contractors License Board.**

24 (a) There shall be a Contractors License Board compose of seven (7) members; two (2) of which  
25 shall be appointed by the Governor from the construction industry; three (3) of which shall be  
26 appointed by the Governor from the general public and who shall have no interest in the construction  
27 industry; and the Director of Revenue and Taxation, ex-officio; and the Director of Public Works,  
28 ex-officio. Those members appointed by the Governor are subject to confirmation by the  
29 Legislature. Their terms shall be four (4) years and said terms to commence January 1 next  
30 following the enactment hereof.

1 (b) The concurrence of four (4) members of the Board shall be necessary for the validity of any of its  
2 action.

3 (c) Organization, Records, Reports. Immediately upon the appointment and qualifications of the  
4 original members, and annually thereafter, the Board shall organize by the election of one member  
5 as Chairman and one member as Vice-Chairman. The Board shall keep a complete record of all its  
6 proceedings and shall present annually to the Governor through the [~~Director of Public Works~~]  
7 Executive Secretary a detailed statement of the previous year, proceedings and such  
8 recommendations as the Board may deem proper.

9 (d) Compensation. Members of the Board shall receive the sum of Fifty Dollars (\$50) for each  
10 attendance at the meeting of the Board, provided, however, that no member shall receive more than  
11 One Hundred Dollars (\$100) per month.

12 **§ 70103. Powers and Duties of Board.**

13 In addition to any other duties and powers granted by this Chapter the Contractors License Board  
14 shall:

15 (a) Grant licenses to contractors pursuant to this Chapter;

16 (b) Make, amend or repeal such rules and regulations as it may deem proper fully to effectuate this  
17 Chapter and carry out the purpose thereof which purpose is the protection of the general public. All  
18 such rules and regulations shall be adopted pursuant to the Administrative Adjudication Law. The  
19 rules and regulations may forbid acts or practices deemed by the Board to be detrimental to the  
20 accomplishment of the purpose of this Chapter. The rules and regulations may require contractors to  
21 make reports to the Board containing such items of information as will better enable the Board to  
22 enforce this Chapter and rules and regulations, or as will better enable the Board from time to time to  
23 amend the rules and regulations more fully to effectuate the purposes of this Chapter. The rules and  
24 regulations may require contractors to furnish reports to owners containing such matters of  
25 information as the Board deems necessary to promote the purpose of this Chapter. The enumeration  
26 of specific matters which may properly be made the subject of rules and regulations shall not be  
27 construed to limit the Board's general power to make all rules and regulations necessary fully to  
28 effectuate the purpose of this Chapter;

29 (c) Enforce this Chapter and rules and regulations adopted pursuant thereto;



1 (d) Suspend or revoke any license for any cause prescribed by § 70116 or for any cause for  
2 suspension or revocation prescribed by the rules and regulations, and refuse to grant any license for  
3 any cause which would be ground for revocation or suspension of a license; and

4 (e) Publish and distribute pamphlets and circulars containing such information as it deems proper to  
5 further the accomplishment of the purpose of this Chapter.

6 (f) Contract professional testing services as deemed necessary to prepare, administer, and grade the  
7 examinations for applicants as may be required for the purpose of this chapter.

8 **§ 70104. Executive Secretary; Other Assistants.**

9 ~~(a) [Subject to the Personnel Law the Department of Public Works may employ and remove~~  
10 ~~such administrative and clerical assistants and require and prescribe their powers and duties.]~~

11 (a)(1) The Contractors License Board shall employ an Executive Secretary. The Executive  
12 Secretary shall be employed with due regard to his fitness, thorough administrative ability and  
13 knowledge of and experience in the business of contracting. The Executive Secretary shall act only  
14 with the advice and consent of the Board and shall be responsible to the Board. He shall devote his  
15 entire time to the duties of his office and shall not be actively engaged or employed in any other  
16 business, vocation or employment, nor shall he have any pecuniary interest, direct or indirect, in any  
17 contracting enterprise or enterprises conducted or carried on within the Territory.

18 (2) The Executive Secretary shall, under the supervision of the Board, administer this  
19 Chapter and the rules and regulations and orders established thereunder and perform such other  
20 duties as the Board may require; he shall attend but not vote at all meetings of the Board; he shall be  
21 in charge of the offices of the Board and responsible to the Board for the preparation of reports and  
22 the collection and dissemination of data and other public information relating to contracting.

23 (3) The Board may, by written order filed in its office, delegate to the Executive Secretary  
24 such of its powers or duties as it deems reasonable and proper for the effective administration of this  
25 Chapter, except the power to make rules or regulations. The delegated powers and duties may be  
26 exercised by the Executive Secretary in the name of the Board.

27 (4) Subject to the Personnel Law the Executive Secretary may employ and remove such  
28 administrative and clerical assistants and require and prescribe their powers and duties.

29 **§ 70105. Place of Meeting.**

30 The ~~[Director of Public Works]~~ Executive Secretary shall provide a suitable quarters for meetings of  
31 the Contractors License Board and for the transaction of its other business.

1 **§ 70106. Classification.**

2 (a) For the purpose of classification, the contracting business includes any or all of the following  
3 branches:

- 4 (1) General Engineering Contracting;
- 5 (2) General Building Contracting;
- 6 (3) Specialty Contracting;
- 7 (4) Responsible Management Employee (R.M.E.).

8 (b) A general engineering contractor is a contractor whose principal contracting business is in  
9 connection with fixed works requiring specialized engineering knowledge and skill, including the  
10 following divisions or subjects: irrigations, drainage, water power, water supply, flood control,  
11 inland waterways, harbors, docks and wharves, shipyards and ports, dams and hydroelectric projects,  
12 levees, river control and reclamation works, highways, streets and roads, tunnels, airports and  
13 airways, sewer, sewage disposal plants and systems, waste reduction plants, bridges, overpasses,  
14 underpasses and other similar works, pipelines and other systems for the transmission of petroleum  
15 and other liquid or gaseous substances, parks, playgrounds and other recreational works, refineries,  
16 chemical plants and similar industrial plants requiring specialized engineering knowledge and skill,  
17 powerhouses, power plants and other utility plants and installations, mines and metallurgical plants,  
18 land leveling and earth-moving projects, excavating, grating, trenching, paving and surfacing work  
19 and cement and concrete works in connection with the above-mentioned fixed works.

20 (c) A general building contractor is a contractor whose principal contracting business is in  
21 connection with any structure built, being built or to be built, for the support, shelter and enclosure  
22 of persons, animals, chattels or movable property of any kind, requiring in its construction the use of  
23 more than two unrelated building trades or crafts, or to do or superintend the whole or any part  
24 thereof.

25 (d) A specialty contractor is a contractor whose operations as such are the performance of  
26 construction work requiring special skill and whose principal contracting business involves the use  
27 of specialized building trades or crafts.

28 (e) A Responsible Management Employee is an individual who has proved his contracting  
29 knowledge by written examination.

30 **§ 70107. Powers to Classify and Limit Operations.**

1 (a) The Contractors License Board may adopt rules and regulations necessary to effect the  
2 classification of contractors and shall require a written examination in a manner consistent with  
3 established usage and procedure as found in the construction business, and may limit the field and  
4 scope of the operations of a licensed contractor to those in which he is classified and qualified to  
5 engage, as defined in § 70106.

6 (b) A licensee may make application for classification and be classified in more than one  
7 classification if the licensee meets the qualifications prescribed by the Board for such additional  
8 classification. For qualifying or classifying in additional classifications, the licensee shall pay the  
9 appropriate application fee but shall not be required to pay any additional license fee.

10 (c) This Section shall not prohibit a specialty contractor from taking and executing a contract  
11 involving the use of two or more crafts or trades, if the performance of the work in the crafts or  
12 trades, other than in which he is licensed, is less than thirty-five percent (35%) and supplemental to  
13 the performance of work in the craft for which the specialty contractor is licensed.

14 **§ 70108. Licenses Required.**

15 No person within the purview of this Chapter shall act, or assume to act, or advertise, as general  
16 engineering contractor, general building contractor or specialty contractor without a license  
17 previously obtained under and in compliance with this Chapter and the rules and regulations of the  
18 Contractors License Board.

19 **§ 70108.1. Advertising**

20 (a) A Contractor may advertise in print or broadcast medium only if the contractor includes in the  
21 advertisement or listing the contractor's applicable and current license number, and provides proof  
22 of the number's to validity to the publisher or producer of the advertising medium. The publisher or  
23 producer of a print or broadcast advertising medium shall refuse to publish or broadcast an  
24 advertisement or listing for a contractor who does not comply with this subsection.

25 **§ 70109. Investigation Permitted.**

26 The Contractors License Board may investigate, classify and qualify applicants for contractors  
27 licenses.

28 **§ 70109.1. Investigation Citation Authority .**

29 (a) In addition to any other remedy available, the investigator of the contractors license board may  
30 issue citations to persons in violation of the provisions of this chapter and rules promulgated.

1 (b) Each citation shall be in writing and shall describe the basis of the citation, including the  
2 statutory provisions alleged to have been violated. The citation shall also contain and order to cease  
3 and desist from the violation, and an assessment of civil penalties not to exceed ten thousand  
4 (\$10,000) dollars.

5 **§ 70109.2. False complaints against contractors; Penalties.**

6 (a) Any person who reports to, or causes a complaint to be filed with, the Contractors License Board  
7 that a person licensed by that entity has engaged in professional misconduct, knowing the report or  
8 complaint to be false, is guilty of an infraction punishable by a fine not to exceed one thousand  
9 dollars (\$1,000).

10 (b) The board may notify the Attorney Generals Office that a person has made or filed what the  
11 entity believes to be a false report or complaint against a licensee.

12 **§ 70109.3. Cease Work Order Permitted.**

13 The investigator may issue a cease work order to any person's construction activity if found to be in  
14 violation of this chapter.

15 **§ 70110. No License Issued When.**

16 No license hereunder shall be issued to:

17 (1) Any person unless he has filed an application and paid the applicable fees therefore;

18 (2) Any person who does not possess a good reputation for honesty, truthfulness, financial  
19 integrity and fair dealing;

20 (3) Any copartnership or joint venture who does not actively participate in at least one  
21 construction job in the course of the license year in the contracting business and thereof does not  
22 hold an appropriate license;

23 (4) Any corporation unless the contracting business thereof is under the direct management  
24 of an officer or employee thereof and unless the officer or employee holds an appropriate  
25 Responsible Management Employee license;

26 (5) Any individual, unless he is of the age of eighteen (18) years or more;

27 (6) Any person who employs any employees in addition to himself unless he submits  
28 satisfactory proof that he has a current workers' compensation insurance policy.

29 **§ 70111. Application: Fees.**

30 (a) Every applicant for a license under this Chapter shall file an application with the Contractors  
31 License Board in such form and setting forth such information as may be prescribed or required by

1 the Board, and shall furnish such additional information bearing upon the issuance of the license as it  
2 shall require. Every application shall be sworn to before an officer authorized to administer oaths. In  
3 the case of a copartnership, joint venture or corporation, any member or officer thereof may sign the  
4 application and verify the same on behalf of the applicant.

5 (b) Every application, in the case of an individual, shall be accompanied by sworn certificates of not  
6 less than two (2) persons who have known the applicant for a period of not less than six (6) months  
7 certifying that the applicant bears a good reputation for honesty, truthfulness and fair dealings.

8 (c) Every application for a license hereunder shall be accompanied by  
9 an application fee of FIFTY DOLLARS (\$50.00)

10 **§ 70112. Form of Licenses.**

11 The form of every license shall be prescribed by the Contractors License Board and shall be issued  
12 in the name of the Board.

13 **§ 70113. Place of Business and Posting of License.**

14 A licensed contractor shall have and maintain a definite place of business in the Territory and shall  
15 display therein his contractor's license.

16 **§ 70114. Fees; Annual.**

17 (a) The annual fees for each license thereof prescribed by this Chapter shall be as follows:

18 (1) License Fee

19 License to act as specialty contractor .....	\$400
20 License to act as general engineering contractor.....	\$400
21 License to act as general building contractor.....	\$400

22 (2) License Fee for Responsible Management Employee (RME)

23 License to act as RME in specialty Contracting.....	\$400
24 License to act as RME in general engineering contracting .....	\$400
25 License to act as RME in general building contracting.....	\$400

26 (3) Reissuance of a license or issuance of a certified copy of license .....

27	..\$20
----	--------

28 (4) Application: .....

29	..\$50
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29 (5) Additional Classifications: .....

30	..\$50
----	--------

30 (6) Letter of Good Standing.....

31	..\$20
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31 (7) Study Guide .....

	..\$50
--	--------

31 (8) Inactive license fee (in lieu of renewal fee) .....

	..\$20
--	--------

1 (b) The annual fee or inactive license fee shall be paid on or before June 30 of each year for a license  
2 year beginning on July 1. Failure, neglect or refusal of any licensee to pay the annual fee before such  
3 date shall constitute a forfeiture of his license. Any such license may be restored upon written  
4 application therefore within one (1) year from such date and the payment of the required fee plus an  
5 amount equal to ten percent (10%) thereof.

6 (c) Upon written request by a contractor and for good cause the Board shall place an active license in  
7 an inactive status. The license, upon payment of the annual inactive license fee, may continue  
8 inactive for a period of three (3) years after which time it must be reactivated or shall automatically  
9 become forfeited. The license may be reactivated at any time within the three-year period by  
10 fulfilling the requirements for renewal, including the payment of the appropriate renewal fee.

11 **§ 70115. Action on Application.**

12 Within forty-five (45) days after the filing of a proper application for a license and the payment of  
13 the required fees, the Contractors License Board shall:

14 (a) Conduct an investigation of the applicant and in such investigation may post pertinent  
15 information, including but not limited to, the name and address of the applicant, and if the applicant  
16 is associated in any partnership, corporation or other entity, the names, addresses and official  
17 capacities of his associates; and

18 (b) Either issue a license to the applicant or else notify him in writing by registered mail of the  
19 Board's decision not to grant the license and specifically notify applicant of his right to have a  
20 hearing within fifteen (15) days from the receipt of the Board's decision. The hearing shall be  
21 conducted in accordance with § 70117.

22 **§ 70116. Revocation, Suspension and Renewal of Licenses.**

23 (a) The Contractors License Board may revoke any license issued hereunder, or suspend the right of  
24 the licensee to use such licenses, or refuse to renew any such license for any of the following causes:

25 (1) Conviction of any felony or misdemeanor involving moral turpitude;

26 (2) Any dishonest or fraudulent or deceitful act as a contractor which causes a substantial  
27 damage to another;

28 (3) Pursuing a continued and flagrant course of misrepresentation or of making false  
29 promises through advertising or otherwise;

30 (4) Abandonment of any construction project or operation without reasonable or legal  
31 excuse;

1 (5) Wilful departure from or wilful disregard of plans or specifications in any material  
2 respect without consent of the owner or his duly authorized representative, which is prejudicial to a  
3 person entitled to have the construction project or operation completed in accordance with such  
4 plans and specifications;

5 (6) Wilful violation of any law of the Territory or of any political subdivision thereof,  
6 relating to building, including any violation of any applicable rule or regulation of the Department of  
7 Public Health, or of any applicable safety or labor law;

8 (7) Failure to make and keep records showing all contracts, documents, records, receipts and  
9 disbursements by a licensee of all his transactions as a contractor for a period of not less than three  
10 (3) years after completion of any construction project or operation to which the records refer or to  
11 permit inspections of such records by the Board;

12 (8) When the licensee being a copartnership or a joint venture permits any member of such  
13 copartnership or joint venture who does not hold a license to actively participate in the contracting  
14 business thereof;

15 (9) When the licensee being a corporation permits any officer or employee of such  
16 corporation who does not hold a license to have the direct management of the contracting business  
17 thereof;

18 (10) Misrepresentation of a material fact by an applicant in obtaining a license;

19 (11) Failure of a licensee to complete in a material respect any construction project or  
20 operation for the agreed price if such failure is without legal excuse;

21 (12) Wilful failure in any material respect to comply with this Chapter or the rules and  
22 regulations promulgated pursuant thereto;

23 (13) Wilful failure or refusal to prosecute a project or operation to completion with  
24 reasonable diligence;

25 (14) Wilful failure to pay when due a debt incurred for services of materials rendered or  
26 purchased in connection with his operations as a contractor when he has the ability to pay or when  
27 he has received sufficient funds therefor as payment for the particular operation for which the  
28 services or materials were rendered or purchased;

29 (15) The false denial of any debt due or the validity of the claim therefor with intent to secure  
30 for licensee, his employer or other person, any discount of such debt or with intent to hinder, delay  
31 or defraud the person to whom such debt is due;

1 (16) Failure to secure or maintain workmen's compensation insurance;

2 (17) Knowingly entering into a contract with an unlicensed contractor involving work or  
3 activity for the performance of which licensing is required under this Chapter; or

4 (18) When the Responsible Management Employee and/or the majority stockholders have,  
5 under another corporate or company structure, caused the non-payment of employees wages and/or  
6 the abandonment of alien workers to become a burden on the Government.

7 (19) willful failure to pay when due a debt or penalty incurred for damaging a public utility  
8 operated by the Guam Power Authority, the Guam Telephone Authority or the Guam Waterworks  
9 Authority and the Department of Public Works.

10 (20) Knowingly taps into any power, water or sewer line belonging to the Guam Power  
11 Authority and Guam Waterworks Authority without the prior written permission.

12 (b) No license shall be suspended for longer than two (2) years and no person whose license is  
13 revoked shall be eligible for a new license until the expiration of two (2) years.

14 (c) For purposes of this Section, the Contractors License Board in cooperation and in conjunction  
15 with the Department of Public Works, Department of Revenue and Taxation and the Department of  
16 Labor may have investigative powers for purposes of carrying out the intent of this Section.

17 **§ 70117. Hearings.**

18 (a) In every case where it is proposed to refuse to grant a license or to revoke or suspend a license or  
19 to refuse to renew a license, the Contractors License Board shall give the person concerned notice  
20 and hearing in conformity with the Administrative Adjudication Law. The notice shall be given in  
21 writing by registered or certified mail with return receipt requested at least fifteen (15) days before  
22 the hearing.

23 (b) In all proceedings before it, the Board and each member thereof shall have the same powers  
24 respecting administering oaths, compelling the attendance of witnesses and the production of  
25 documentary evidence and examining witnesses as are possessed by circuit judges at chambers. In  
26 case of disobedience by any person of any order of the Board, or any member thereof, or any  
27 subpoena issued by it, or him, or the refusal of any witness to testify to any matter regarding which  
28 he may be questioned lawfully, any judge of the Superior Court, on application by the Board thereof,  
29 shall compel obedience as in the case of disobedience of the requirements of a subpoena issued by  
30 the Superior Court, or a refusal to testify therein.

31 **§ 70118. Appeal to Superior Court.**



1 An applicant who has been refused a license and every licensee whose license has been suspended,  
2 revoked or not renewed may appeal the Contractors License Board's decision to the Superior Court  
3 in the manner provided in the Administrative Adjudication Law.

4 **§ 70119. Disposition of Fees, Refunds.**

5 (a) All fees received by the Contractors License Board under this Chapter shall be deposited by the  
6 Executive Secretary with the Treasurer of Guam to the credit of the General Fund.

7 (b) The Board may request the Treasurer of Guam to have any fee erroneously paid to it under this  
8 Chapter refunded when the Board deems it just and equitable.

9 **§ 70120. Death or Dissociation.**

10 No copartnership, joint venture or corporation shall be deemed to have violated any provision of this  
11 Chapter by acting or assuming to act as a contractor after the death or dissociation of a licensee who  
12 had the direct management of the contracting business thereof prior to final disposition by the  
13 Contractors License Board of an application for a license made within thirty (30) days from the date  
14 of the death or dissociation.

15 **§ 70121. Violation, Penalty.**

16 Any person who violates or omits to comply with any of the provisions of this Chapter shall be fined  
17 not more than Ten Thousand Dollars (\$10,000).

18 **§ 70122. Injunction.**

19 The Contractors License Board may, in addition to any other remedies available, apply to a judge of  
20 the Superior Court for a preliminary or permanent injunction restraining any person from acting or  
21 assuming to act or advertising as general engineering contractor, general building contractor or  
22 specialty contractor, without a license previously obtained under and in compliance with this  
23 Chapter and the rules and regulations of the Board and upon hearing and for cause shown, the judge  
24 may grant the preliminary or permanent injunction.

25 **§ 70123. Exemptions for Prior Licensees.**

26 Any contractor who obtained a valid contractor's license under the existing license statute prior to  
27 July 1, 1977 shall be exempt from provision of this Chapter relative to application, investigations  
28 and examinations. Any contractor with a valid license issued prior to July 1, 1977 with a  
29 classification different from those enumerated in § 70106 shall be automatically placed in the  
30 appropriate classification without the necessity of complying with the application, investigation and  
31 examination provisions of this Chapter. All other provisions shall apply.”