



Office of the Governor of Guam

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Felix P. Camacho  
Governor

Michael W. Cruz, M.D.  
Lieutenant Governor

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

Apr 13 11 01:37  
- De

Dear Speaker Won Pat:

Transmitted herewith is Bill No. 208-30 (LS) "AN ACT TO AMEND §6205.2 OF ARTICLE 2, CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED RELATIVE TO CLARIFYING THE RESTRICTIONS ESTABLISHED ON THE RECRUITMENT OR COMPENSATION OF GOVERNMENT OF GUAM PERSONNEL ABOVE STEP 10 OF THE COMPENSATION SCHEDULE" which I signed into law on April 2, 2010 as **Public Law 30-126**.

Sinseru yan Magåhet,

FELIX P. CAMACHO  
I Maga'låhen Guahan  
Governor of Guam

Attachment: copy of Bill

30-10-0319  
4/18/10  
4:50

I MINA'TRENTA NA LIHESLATURAN GUÅHAN  
2010 (SECOND) Regular Session

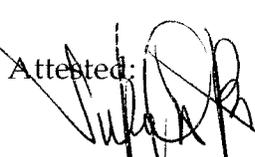
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that Bill No. 208-30 (LS), "AN ACT TO AMEND §6205.2 OF ARTICLE 2, CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED RELATIVE TO CLARIFYING THE RESTRICTIONS ESTABLISHED ON THE RECRUITMENT OR COMPENSATION OF GOVERNMENT OF GUAM PERSONNEL ABOVE STEP 10 OF THE COMPENSATION SCHEDULE," was on the 19<sup>th</sup> day of March, 2010, duly and regularly passed.



Judith T. Won Pat, Ed. D.  
Speaker

Attested:

  
Tina Rose Muña Barnes  
Legislative Secretary

This Act was received by *I Maga'lahaen Guåhan* this 22<sup>nd</sup> day of march, 2010, at 2:15 o'clock P.M.



Assistant Staff Officer  
*Maga'lahi's Office*

APPROVED:



FELIX P. CAMACHO  
*I Maga'lahaen Guåhan*

Date: APR 02 2010

Public Law No. P.L. 30-126

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

**Bill No. 208-30 (LS)**

As amended on the Floor.

Introduced by:

Adolpho B. Palacios, Sr.

F. B. Aguon, Jr.

Telo Taitague

T. C. Ada

F. F. Blas, Jr.

E. J.B. Calvo

B. J.F. Cruz

J. V. Espaldon

Judith P. Guthertz, DPA

T. R. Muña Barnes

v. c. pangelinan

R. J. Respicio

Ray Tenorio

Judith T. Won Pat, Ed.D.

**AN ACT TO *AMEND* §6205.2 OF ARTICLE 2, CHAPTER  
6, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO  
CLARIFYING THE RESTRICTIONS ESTABLISHED ON  
THE RECRUITMENT OR COMPENSATION OF  
GOVERNMENT OF GUAM PERSONNEL ABOVE STEP  
10 OF THE COMPENSATION SCHEDULE.**

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

2        **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that the reasoning and rationale behind the restrictions *I Liheslaturan Guåhan*  
4 imposed on the recruitment and compensation of Government of Guam Personnel  
5 above Step 10 via the enactment of §6205.2, Title 4, Guam Code Annotated, is

1 sound. Further, the aforementioned statute was upheld in *Office of the Public*  
2 *Auditor v. Lourdes M. Perez, in Her Capacity as Director, Department of*  
3 *Administration, Government of Guam, et.al*, SP0192-07, Amended Decision and  
4 Order dated November 12, 2008 (Superior Court of Guam). However, *I*  
5 *Liheslaturan Guåhan* finds that, at the time §6205.2, Title 4, Guam Code  
6 Annotated was enacted, only two (2) Office of Public Accountability employees  
7 were adversely affected by its mandate that the Director of Administration *shall*  
8 adjust the compensation of an unclassified employee who was hired above Step 10  
9 prior to the effective date of the said statute, which was October 1, 2007. *I*  
10 *Liheslaturan Guåhan* finds that a disparity exists between the two (2) Office of  
11 Public Accountability employees and unclassified employees of the Office of *I*  
12 *Maga'lahen Guåhan*, the Office of *I Segundu Na Maga'lahen Guåhan*, the Guam  
13 State Clearinghouse, *I Liheslaturan Guåhan*, and any agency whose governing  
14 Board has exclusive authority over compensation, because these entities are  
15 exempt from the aforementioned mandate and the Public Auditor *does not* have  
16 exclusive authority over the compensation of her employees. *I Liheslaturan*  
17 *Guåhan* finds that it was *not* its intention to create such a disparity and that this  
18 disparity must be remedied to avoid inequity and hardship on the two (2)  
19 unclassified employees affected by the salary adjustment mandate.

20 **Section 2.** §6205.2 of Title 4, Guam Code Annotated, is hereby *amended*  
21 to read:

22 **“§6205.2. No Recruitment or Compensation Above Step 10.**

23 (a) No agency, department, autonomous agency, public  
24 corporation, *or* other instrumentality of the government of Guam *shall*  
25 authorize compensation above Step 10 for the initial appointment, hiring *or*  
26 recruitment of an employee. This Section *shall not* apply to the Office of *I*  
27 *Maga'lahen Guåhan*, Office of *I Segundu Na Maga'lahen Guåhan*, Guam

1 State Clearinghouse, *I Liheslaturan Guåhan*, to any agency whose governing  
2 board has exclusive authority over compensation, *or* to any positions  
3 specifically exempted by law.

4 (b) Notwithstanding any other provision of law, the Director of  
5 Administration *shall* adjust to Step 10 the compensation of an unclassified  
6 employee who was hired above Step 10 before enactment hereof effective  
7 the date of this enactment. Failure to comply with this Section *shall* result in  
8 the deappropriation of the total amount of compensation paid in violation  
9 hereof from the budget of the non-compliant agency.

10 (c) An employee hired by the Office of the Public Auditor prior to  
11 October 2007 *shall not* be personally liable for repayment of any salary  
12 received in good faith prior to December 2008.”

**I MINA' TRENTA NA LIHESLATURAN GUÁHAN**  
**2010 (SECOND) Regular Session**

Date: 3/19/10

**VOTING SHEET**

Bill No. 208-30(15)

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	✓				
RESPICIO, Rory J.	✓				
TAITAGUE, Telo	✓				
TENORIO, Ray	✓				
WON PAT, Judith T.	✓				

TOTAL

13    1    \_\_\_\_\_

CERTIFIED TRUE AND CORRECT:

*Fritzi...*  
 Clerk of the Legislature

\* 3 Passes = No vote  
 EA = Excused Absence



# SENATOR MATT RECTOR

Chairman, Committee on labor, the public structure, public libraries and technology  
*I Mina' Trenta na Liheslaturan Guahan*  
Thirtieth Guam Legislature



October 26, 2009

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

Speaker  
*I Mina Trenta Na Liheslaturan Guahan*  
155 Hesler Street  
Hagåtña, Guam 96910

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

Buenas yan Hafa Adai Madam Speaker,

The Committee on Labor, the Public Structure, Public Libraries and Technology, to which was referred **Bill No. 208-30 (LS) "AN ACT RELATIVE TO CLARIFYING THE RESTRICTIONS ESTABLISHED ON THE RECRUITMENT OR COMPENSATION OF GOVERNMENT OF GUAM PERSONNEL ABOVE STEP 10 OF THE COMPENSATION SCHEDULE; THROUGH AMENDING SECTION 6205.2 OF CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED,"** hereby reports out its findings and recommendations.

The voting record is as follows:

TO PASS	<u>2</u>
NOT TO PASS	<u>0</u>
TO REPORT OUT	<u>3</u>
TO PLACE IN INACTIVE FILE	<u>0</u>

Copies of the committee report and other pertinent documents are attached. Thank you for your attention to this matter.

*Senseramente,*

**MATT RECTOR**

Chairman,  
Committee on Labor, the Public Structure,  
Public Libraries and Technology

2009 OCT 27 PM 1:46  
MM

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153 Sesame Street, Suite B  
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Committee Members

SENATOR ADOLPHO B. PALACIOS, SR

VICE CHAIR

SENATOR VICENTE, "ben" PANGELINAN

SENATOR FRANK BLAS AGUON, JR

SENATOR JUDITH GUTHERTZ

SENATOR TINA MUNA BARNES

SENATOR TELO TAITAGUE

**COMMITTEE  
REPORT  
ON**

**BILL NO. 208-30 (LS)  
(Adolpho B. Palacios Sr.,  
F.B. Agoun, Jr.,  
T. Taitague,  
T.C. Ada)**

**AN ACT RELATIVE TO CLARIFYING THE  
RESTRICTIONS ESTABLISHED ON THE  
RECRUITMENT OR COMPENSATION OF  
GOVERNMENT OF GUAM PERSONNEL  
ABOVE STEP 10 OF THE COMPENSATION  
SCHEDULE; THROUGH AMENDING  
SECTION 6205.2 OF CHAPTER 6, TITLE 4,  
GUAM CODE ANNOTATED.**



# SENATOR MATT RECTOR

Chairman, Committee on labor, the public structure, public libraries and technology

*I Mina' Trenta na Liheslaturan Guahan*

Thirtieth Guam Legislature



October 26, 2009

## MEMORANDUM

TO: Members  
Committee on Labor, the Public, Structure, Public Libraries, and Technology.

FROM: Chairman, Matthew Rector  
Committee on Labor, the Public, Structure, Public Libraries, and Technology.

SUBJECT: The committee report Bill No. 208-30 (LS)

Transmitted herewith for your information and action is the report for **Bill No. 208-30 (LS) - "AN ACT RELATIVE TO CLARIFYING THE RESTRICTIONS ESTABLISHED ON THE RECRUITMENT OR COMPENSATION OF GOVERNMENT OF GUAM PERSONNEL ABOVE STEP 10 OF THE COMPENSATION SCHEDULE; THROUGH AMENDING SECTION 6205.2 OF CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED."**

This memorandum is accompanied by the following:

1. Voting Sheet
2. Bill No. 208-30 (LS) as Introduced
3. Sign in Sheet
4. Committee Report Digest
5. Written Testimonies
6. Notices of Public Hearing

Please take appropriate action on the attached voting sheet. Your attention and cooperation in this matter is greatly appreciated. Should there be any questions regarding this matter, please contact my office at 734-6288.

*Senseramente,*

**MATT RECTOR**

Chairman,

Committee on Labor, the Public Structure,  
Public Libraries and Technology

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Committee Members

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VICE CHAIR

SENATOR VICENTE, "ben" PANGELINAN

SENATOR FRANK BLAS AGUON, JR

SENATOR JUDITH GUTHERTZ

SENATOR TINA MUNA BARNES

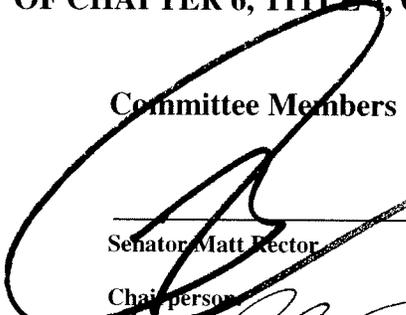
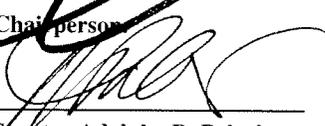
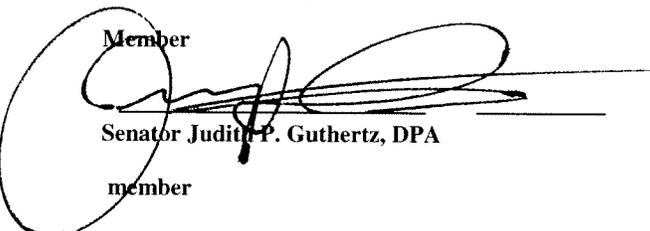
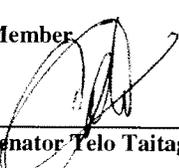
SENATOR TELO TAITAGUE

I MINA TRENTA NA LIHESLATURAN GUAHAN

Committee Voting Sheet

Committee on Labor, the Public Structure, Public Libraries  
and Technology.

Bill No. 208-30 (LS) - "AN ACT RELATIVE TO CLARIFYING THE RESTRICTIONS ESTABLISHED ON THE RECRUITMENT OR COMPENSATION OF GOVERNMENT OF GUAM PERSONNEL ABOVE STEP 10 OF THE COMPENSATION SCHEDULE; THROUGH AMENDING SECTION 6205.2 OF CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED."

Committee Members	To Pass	Not to pass	Report out	Abstain	Inactive File
 Senator Matt Rector	_____	_____	<input checked="" type="checkbox"/>	_____	_____
Chair person  Senator Adolpho B. Palacios	_____	_____	_____	_____	_____
Vice Chairperson  Senator Tina Rose Muña-Barnes	_____	_____	<input checked="" type="checkbox"/>	_____	_____
Member _____	_____	_____	_____	_____	_____
Senator Frank B. Aguon, Jr. Member  Senator Judith P. Guthertz, DPA	_____	_____	<input checked="" type="checkbox"/>	_____	_____
member _____	_____	_____	_____	_____	_____
Senator Vicente "Ben" Pangelinan Member  Senator Telo Taitague	_____	_____	<input checked="" type="checkbox"/>	_____	_____
Member _____	_____	_____	_____	_____	_____

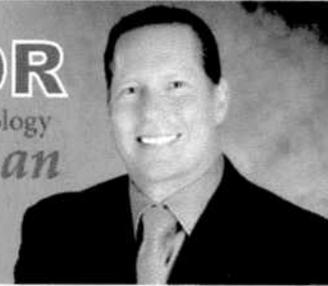


# SENATOR MATT RECTOR

Chairman, Committee on labor, the public structure, public libraries and technology

*I Mina' Trenta na Liheslaturan Guahan*

Thirtieth Guam Legislature



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#### Committee Members

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VICE CHAIR

SENATOR VICENTE, "ben" PANGELINAN

SENATOR FRANK BLAS AGUON, JR

SENATOR JUDITH GUTHERTZ

SENATOR TINA MUNA BARNES

SENATOR TELO TAITAGUE

## COMMITTEE REPORT ON:

**Bill No. 208-30 (LS) - "AN ACT RELATIVE TO CLARIFYING THE RESTRICTIONS ESTABLISHED ON THE RECRUITMENT OR COMPENSATION OF GOVERNMENT OF GUAM PERSONNEL ABOVE STEP 10 OF THE COMPENSATION SCHEDULE; THROUGH AMENDING SECTION 6205.2 OF CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED."**

### I. Overview

The Committee on Labor, the Public Structure, Public Libraries and Technology convened for a public hearing on Tuesday, October 6, 2009 at 9:00 AM at the *I Liheslaturan Guahan*, Hagatna public hearing room. Notice of all hearings was disseminated to all local media outlets via electronic mail on Tuesday, September 29, 2009 and Monday, October 2, 2009 as required by Guam Open Government Law, copies of which are attached to said report. Notice of said events was also displayed upon the Guam Legislature's website [www.guamlegislature.com/calendar.htm](http://www.guamlegislature.com/calendar.htm).

#### Committee members/Senators Present:

**Senator Matthew Rector Chairman**

**Senator Adolpho Palacios, Sr. Vice Chairman**

**Senator Judith P. Guthertz, DPA Member**

**Senator Frank B. Agoun Jr., Member**

**Senator Vicente "Ben" Pangelinan, Member**

**Senator Ray Tenorio**

### II. Testimony

**Senator Palacios:** The Senator noted that this bill was introduced on behalf of the Employee who may be obligated to pay back revenue received as pay after the ruling regarding above step-ten hiring being ruled improper by the Department of Administration two years ago. Two employees were involved here, the restriction forbidding above step-ten hiring is still enforced, but this bill will move forward to remove burden from employees who acted in good faith. This bill will more or less go forward, after ruling, due to a legislative amendment removing the authority of OPA to compensate above step ten, though at the time, Senator Palacios did not know the ramifications of this for the employees, and this will work to rectify this problem by ceasing to burden the innocent employee who was compensated above step-ten despite the ruling by Department of Administration.

**Mrs. Rodalyn Marquez:** Mrs. Marquez noted that she is here to testify in support though it does not affect her personally, but it does affect a colleague of hers who is not here at present.

**Senator Rector** then moves to table bill 208 until the employee in question arrives.

When the employee in question arrived, discussion on bill 208 is resumed, starting with the testimony of Mrs. Lourdez Perez and Mrs. Marquez.

**Mrs. Lourdez Perez:** Lourdez R. Perez, with the Office of Public Accountability, is in support of bill 208. She declared that she is one of two government employees who were personally affected by Public Law 29-19. She is not here to speak on the merits as to whether or not the Public Auditor had the authority to hire employees as they did, but as an employee of the Government of Guam she entered into an agreement with the Public Auditor. At the time of the offer of employment, she was a Federal Employee at a substantially higher pay grade. She left Federal Service with the intention to offer her services as a skilled auditor to the local Government in spite of the pay cut. After this, she again had her salary reduced by an additional thirty-six percent on top of the pay cut she had already taken. Based on that, with the passage of Public Law 29-19, it's unprecedented and downright shameful. On Mrs. Mesa's behalf, (other employee affected) she came from the Private Sector to the Government of Guam with similar intentions. Mrs. Perez stated that both did not agree with Public Law 29-19 as amended, they knew about the personal implications it would have, they pleaded with the 29<sup>th</sup> Guam Legislature not to pass this amendment, Senator Palacios and Guthertz both introduced separate bills to get the situation rectified, but to no avail. Mrs. Perez states that the thirtieth Guam Legislature has an opportunity to rectify the situation, there being no malice or intent at the time of their hiring. She closed by thanking the panel.

**Mrs. Rodalyn Marquez:** Mrs. Marquez reiterated her previous support for this bill after witnessing the ramifications that it had for her coworkers and stated that she would like to see the situation rectified.

**Senator Rector:** Clarifying for the Television Audience, Senator Rector states that what happened was the two persons hired by the Office of Public Accountability at a higher pay rate, legislation was passed to reduce it, the two employees lost a court case and now the Government is seeking repayment of what was theoretically overpaid. Senator Rector asked if this was correct.

**Mrs. Rodalyn Perez:** Mrs. Marquez stated that there was a clause within the particular amendment that allows the Public Auditor's budget to be de-appropriated to compensate for this.

**Senator Rector:** Inquired as to whether it would personally affect persons or if it would affect the Public Auditor's budget. They affirmed that the Public Auditor's budget would be subject to this payment.

**Mrs. Perez:** stated that she is adversely affected by this, and that a substantial amount of money is involved. She stated that it has been happening for about two years now, and they have been seeking assistance through Senator Palacios and Senator Guthertz. They placed reliance on the salary offered to them at the time, taking out mortgage and car loans based on the salary offered to them at the time. Mrs. Marquez stated that she based this on prior obligations and now she does not have the salary offered to her anymore. She does understand that there was no intention to adversely affect them, but it does have a personal ramification at the time. Her increments and retirement fund having been severely affected.

**Senator Gutherts:** Stated that this must be corrected by law.

**Senator Palacios:** Asked for the actual amount that they stand to have to pay back if this bill does not pass.

**Mrs. Perez** stated that this amount equaled about 32 to 34 thousand dollars plus fringe benefits. When she was initially employed, she took a twenty-two thousand dollar pay cut coming from the Federal Government into the local, with the passage of this bill; she received about a sixteen to seventeen thousand dollar pay cut. Thirty-six percent of what she once made when she came on board. She came on board in good faith; local government had faith at that time.

**Senator Palacios:** Noted that when the amendment was changed it resulted in the reduction of Mrs. Perez's compensation, but an amendment was made to ensure that it would not apply in her case but would rather go forward, but the amendment did not go forward. Senator Palacios went on to say that this change will say that the restriction will still apply, but it will only take affect after the date of Mrs. Perez's hiring. The effect of the new amendment will not affect Mrs. Perez and this bill (208) is to make that happened. This way she will not be burdened with having to pay back the thirty-four thousand and she will get to keep what was originally offered to her.

**Mrs. Perez:** Stated that both she and another employee who has already left for University of Guam will be affected. Both of us will be affected through our retirement. There was a mutual agreement at the time of their hiring with the Public Auditor, representing the Government of Guam. There were terms and conditions set upon that agreement, and all she is asking for is for the Senators of the thirtieth Guam Legislature to correct this situation. The senators did not know at the time about the ramifications it would have on them. She also noted that the Public Auditor is off Island at this time, and should she have known about it at this time she would be here. She will also be subsequently submitting her testimony for bill 211 and 208. The other affected employee could not attend today either.

**Senator Palacios:** For clarification with the listening audience, the Senator stated that the two individuals were hired above step ten, a member of the 29<sup>th</sup> Guam legislature came upon this, DOA determined that the OPA had no authority, but because GG1 had been approved for above step ten there was an implied approval though DOA did not realize that they did not have the authority. This became an issue after a court-case in which it was ruled that this was not a valid hiring, thus the 29<sup>th</sup> Guam legislature made an amendment to bring them down to step ten, though hired at an M 20. Thus after ruling the amount in excess of step ten is to be returned.

**Senator Guthertz:** Senator Guthertz apologized to Mrs. Perez, Mrs. Niece for the stress they have had to endure.

**Senator Rector:** Thanked Senator Guthertz. And stated that it was amazing to him how things can fall through the cracks, but fortunately, that are why we have a democracy. Senator Rector stated that I hope next time employees asking for fair compensation from the Government of Guam will receive the support of the persons present.

**Mrs. Perez:** Stated that the Public Auditor has been supportive of her, and emotionally stated that this has been her incentive to stay on.

**Senator Rector:** Noted that Mrs. Perez gave up a great retirement package, plus great health insurance in order to serve the people of Guam, and made a sacrifice in Service of our Island.

**Carlos Perez:** Mr. Perez is the Husband of Lou Perez. He notes that he and his wife had secured good jobs in Hawaii at the time, but decided to go home and work for their own people. Along with base salary which they gave up, they had a 25% COLA tax free which they had to give up. Mr. Perez stated that he is currently on contract with the Department of Youth Affairs, a licensed family therapist, and working for a company called Latte Treatment Center, residential treatment facility for adolescence, and he provides services to Guma Videsta, running mentally disabled, ill, and multi-handicapped individuals. Mr. Perez states that he came back trying to do the right thing, and relocated to serve their people. Mr. Perez stated that he tried to do the right thing, and hopefully the Senators present will also do the right thing.

**Senator Rector:** Stated that for some reason people still think it's acceptable for workers on Guam to be second class citizens when it comes to pay. He stated that if you got one rate in Hawaii you should also get paid the same on Guam, and that our workers here are just as good as workers anywhere else and should never be treated as Second-Class citizens.

**Mrs. Perez:** Noted that she and her husband are also U of G Alumni, and that we have qualified individuals who graduate from U of G and who are proud to offer service to our Government.

**Senator Rector:** stated that all legislation has been duly heard, and that an official memo has been sent out for a public hearing scheduled to convene next Friday.

### **III. Findings and Recommendations.**

The Committee on Labor, the Public Structure, Public Libraries and Technology, based upon overwhelming public support for Bill No. 208-30(LS), and upon some limited concerns expressed about specific points within the legislation, submits its recommendations to Report Out **Bill No. 208-30 (COR) As Introduced: "AN ACT RELATIVE TO CLARIFYING THE RESTRICTIONS ESTABLISHED ON THE RECRUITMENT OR COMPENSATION OF GOVERNMENT OF GUAM PERSONNEL ABOVE STEP 10 OF THE COMPENSATION SCHEDULE; THROUGH AMENDING SECTION 6205.2 OF CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED."**

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

Bill No. B208-30(LS)

Introduced by:

A. B. Palacios, Sr.

F. B. Aguon, Jr.

T. Taitague

T. C. Ada

2009 AUG 11 AM 11:59 AM

AN ACT RELATIVE TO CLARIFYING THE RESTRICTIONS ESTABLISHED ON THE RECRUITMENT OR COMPENSATION OF GOVERNMENT OF GUAM PERSONNEL ABOVE STEP 10 OF THE COMPENSATION SCHEDULE; THROUGH AMENDING SECTION 6205.2 OF CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. **Legislative Findings and Intent.** *I Liheslaturan Guahan* finds that  
3 the reasoning and rationale behind the restrictions *I Liheslaturan Guahan* imposed on the  
4 recruitment and compensation of Government of Guam Personnel above Step 10 via the  
5 enactment of 4 G.C.A. §6205.2 is sound. Further, the aforementioned statute was upheld  
6 in *Office of the Public Auditor v. Lourdes M. Perez, in Her Capacity as Director,*  
7 *Department of Administration, Government of Guam, et.al*, SP0192-07, Amended  
8 Decision and Order dated November 12, 2008 (Superior Court of Guam). However, *I*  
9 *Liheslaturan Guahan* finds that at the time 4 G.C.A. §6205.2 was enacted, only two (2)  
10 Office of Public Accountability employees were adversely affected by its mandate that  
11 the Director of Administration shall adjust the compensation of an unclassified employee  
12 who was hired above Step 10 prior to the effective date of the said statute, which was  
13 October 1, 2007. *I Liheslaturan Guahan* finds that a disparity exists between the two (2)

1 Office of Public Accountability employees and unclassified employees of the Office of *I*  
2 *Maga'lahaen Guåhan*, the Office of *I Segundo Na Maga'lahaen Guåhan*, the Guam State  
3 Clearinghouse, *I Liheslaturan Guåhan*, and any agency whose governing board has  
4 exclusive authority over compensation, because these entities are exempt from the  
5 aforementioned mandate and the Public Auditor does not have exclusive authority over  
6 the compensation of her employees. *I Liheslaturan Guåhan* finds that it was not its  
7 intention to create such a disparity and that this disparity must be remedied to avoid  
8 inequity and hardship on the two (2) unclassified employees affected by the salary  
9 adjustment mandate.

10 **Section 2. Subsection (b) of Section 6205.2 of 4 Guam Code Annotated, is**  
11 **hereby amended to read:**

12 “(b) Notwithstanding any other provision of law, the Director of Administration  
13 *shall* adjust the compensation of an unclassified employee who was hired above Step 10  
14 ~~before the enactment hereof effective the date this enactment~~ after October 1, 2007.  
15 Failure to comply with this Section *shall* result in the de-appropriation of the total amount  
16 of compensation paid in violation hereof from the budget of the non-compliant agency.”

17 **Section 3. Effective Date.** The provision contained herein shall be effective as of  
18 the date upon which the original provision through the passage of the fiscal year 2008  
19 budget took effect.

20 **Section 4. Severability.** If any provisions of this Act or its application to any  
21 person or circumstance is found to be invalid or contrary to law, such invalidity shall *not*  
22 affect other provisions or applications of this Act which can be given effect without the  
23 invalid provisions or applications, and to this end the provisions of this Act are severable.

# SENATOR MATT RECTOR

CHAIRMAN, COMMITTEE ON LABOR, THE PUBLIC STRUCTURE, PUBLIC LIBRARIES AND TECHNOLOGY  
PUBLIC HEARING SIGN-IN SHEET

Thursday, July 30, 2009 ~~6:00pm~~ • Guam Legislature Public Hearing Room  
Tuesday, Oct. 6, 2009 9:00am

Bill NO. B208-30(LS)AN ACT RELATIVE TO CLARIFYING THE RESTRICTIONS ESTABLISHED ON THE RECRUITMENT OR COMPENSATION OF GOVERNMENT OF GUAM PERSONNEL ABOVE STEP 10 OF THE COMPENSATION SCHEDULE; THROUGH AMENDING SECTION 6205.2 OF CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED.

	NAME	AGENCY OR ORGANIZATION (IF ANY)	SUPPORT (X)	OPPOSE (X)	WRITTEN TESTIMONY (pls intl)	ORAL TESTIMONY (pls intl)	CONTACT NUMBER	EMAIL ADDRESS/VILLAGE
1	Rosalyn Marquez	OFFICE of PUBLIC ACCOUNTABILITY	X				475-0390 x204	rmarquez@guamopa.org
2	Loures R. Perez	OFFICE of PUBLIC ACCOUNTABILITY	X				475-0390 x210	lperez@guamopa.org
3	Carlo A. Pen	IMFT	X				486-3642	pen-carlo3@msn.com
4	Kevin Nace		X				789-0104	trp.calean@gmail.com
5	Tiffaniebel Cond	OPD	X				689 4995	leerodriguez@hotmail.com
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Suite 401 Pacific News Building  
238 Archbishop Flores St.  
Hagåtña, Guam 96910

Phone: (671) 475-0390  
FAX: (671) 472-7951

Testimonies  
Bill 208  
and Bill 211  
10/16/09



OFFICE OF THE PUBLIC AUDITOR

# Fax

To: Senator Matt Rector From: Lou Perez

Agency: 30th Legislature Pages: 4 (including cover)

CC: \_\_\_\_\_ Date: 10/15/09

Fax: 734-8085 Phone: 475-0390, x210

Re: Testimonies on Bills 208-30 + 211-30

Urgent     For Review     Please Comment     Please Reply     Please Recycle

• Comments:

Hello Senator,

SUBMITTAL OF TESTIMONIES FOR

1) BILL 208-30

2) BILL 211-30

Thank you,  
Lou Perez



## OFFICE OF THE PUBLIC AUDITOR

October 6, 2009

Honorable Chair Matt Rector  
Chair  
Committee on Labor, the Public Structure,  
Public Libraries and Technology  
155 Hesler Place  
Hagatna, GU 96910

Dear Senator Rector:

My name is Lourdes R. Perez, I am here today in support of the passage of Bill 208-30. I am one of two government of Guam employees, the other being Ms. Asuncion or Zeny Nace, who were personally affected by the passage of P.L. 29-19 in September 2007.

I am not here to speak on the merits of whether the Public Auditor, my employer, had the authority to hire unclassified employees because that issue has already been decided upon by the Court in its issued decision in November 2008. However, I am here as a government of Guam employee who entered into a mutual agreement with the Public Auditor, who in her role acted as a representative for the government of Guam, likewise with Ms. Nace's employment in 2005.

At the time the offer of employment was made to me by the Public Auditor for a position within the Office of the Public Auditor I was employed with the federal government at a substantially higher pay than what was being offered to me. I left federal service to come home with the intention to offer my experience and skills as a federal auditor to the local government, taking at least a 36% cut in pay (from \$86,489 to \$63,506).

Both Ms. Nace and I placed reliance on the salary offers being made to us by the government of Guam. Only to have it reduced again by another 36% (from \$63,506 to \$46,596) with the passage of P.L. 29-19 in my case. It is unprecedented and honestly, Senators, it is darn right shameful. I'm sure I can speak on Ms. Nace's behalf that she also came from the private sector to the government of Guam with the similar intentions offering her skill sets with a significant pay cut.

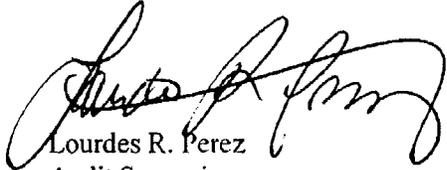
Both Ms. Nace and I did not agree with the amendment of 4 G.C.A. Subsection (b) of Section 6205.2 when it was first introduced back in 2007 because we knew about the

personal ramifications it would have on us. We pleaded back then with the 29<sup>th</sup> Legislature not to pass the amendment.

Senator Guthertz and Senator Palacios introduced separate bills to get the situation rectified but to no avail. But you, Senator Rector and the other members of this committee as well as other Senators of the 30<sup>th</sup> Guam Legislature have another opportunity to ratify the unintentional but adverse effects on Ms. Nace and I with the passage of Bill 208-30. There was no malice or intent to defraud at the time we were hired or now. All we asked is your support and passage of this bill. Ms. Nace and I lived up to our bargain all we are asking for the Senators of the 30<sup>th</sup> Guam Legislature is to live up to the government of Guam's end of the bargain.

Thank you very much for this opportunity again to speak in support of Bill 208-30.

Respectfully submitted by:



Lourdes R. Perez  
Audit Supervisor  
Office of Public Accountability



## OFFICE OF THE PUBLIC AUDITOR

October 6, 2009

Honorable Chair Matt Rector  
Chair  
Committee on Labor, the Public Structure,  
Public Libraries and Technology  
155 Hesler Place  
Hagatna, GU 96910

Dear Senator Rector:

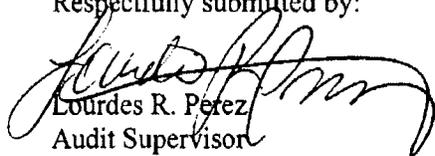
My name is Lourdes R. Perez, I am here today in support of the passage of Bill 211-30. As an employee of the Office of Public Accountability, I know first hand the need for the Public Auditor to have a Deputy Public Auditor and a Secretary as part of her staff. On several occasions I myself as acted as the Acting Administrator for the Public Auditor while is was away off island.

As an elected public official, the Public Auditor should have the same rights as other elected public officials within our Government. Over the last several years, we have lost numerous employees who were experienced because the pay was not an incentive to stay. There is much work to be done as our office is mandated to perform audits of departments, agencies, and/or autonomous agencies of the Government of Guam. However, we are short staffed and try to do as much as we can with the staff that available.

Based on the last quarterly report is by our office, there close to 60 departments, agencies, and autonomous agencies who submit reports to the Guam Legislature and our office. But how can we, if the Public Auditor is not authorized to hire at will a Deputy Public Auditor and a Secretary to assist her to perform these duties. Please allow the Public Auditor the ability to hire who she feels is qualified to fill these positions. It is only fair she be given the same authority.

I hope you will support Bill 211-30. Thank you very much for this opportunity to submit testimony.

Respectfully submitted by:

  
Lourdes R. Perez  
Audit Supervisor  
Office of Public Accountability

Testimony on Bill No. B208-30 (LS)

To the Honorable Chair Matt Rector, members of the Committee on Labor, the Public Structure, Public Libraries and Technology and other Senators here today.

My name is Lourdes R. Perez, I here today in support of the passage of Bill 208-30 and I am one of two government of Guam employees, the other being Ms. Asuncion or Zeny Nace, who were personally affected by the passage of P.L. 29-19 in September 2007. The importance of the passage of this legislation

I am not here to speak on the merits of whether the Public Auditor, my employer, had the authority to hire unclassified employees because that issue has already been decided upon by the Court in its issued decision in November 2008. However, I am here as a government of Guam employee who entered into a mutual agreement with the Public Auditor, who in her role acted as a representative for the government of Guam, likewise with Ms. Nace's employment in 2005.

At the time the offer of employment was made to me by the Public Auditor for a position within the Office of the Public Auditor I was employed with the federal government at a substantially higher pay than what was beeing offered to me. I left federal service to come home with the intention to offer my experience and skills as a federal auditor to the local government, taking at least a 36% cut in pay (from \$86,489 to \$63,506). Both Ms. Nace and I placed reliance on the salary offers being made to us by the government of Guam. Only to have it reduced again by another 36% (from \$63,506 to \$46,596) with the passage of P.L. 29-19. Its unprecedented and honestly, Senators, its darn right shameful. I'm sure I can speak on Ms. Nace's behalf that she also came from the private sector to the government of Guam with the similar intentions offering her skill sets with a significant pay cut.

Both Ms. Nace and I did not agree with the amendment of Subsection (b) of Section 5205.2 when it was first introduced back in 2007 because we knew about the personal ramifications it would have on us. We pleaded back then with the 29<sup>th</sup> Legislature not to pass the amendment. Senator Guthertz and Senator Palacios introduced separate bills to get the situation rectified but to no avail. But you, Senator Rector and the other members of this committee as well as other Senators of the 30<sup>th</sup> Guam Legislature have another opportunity to ratify the unintentional but adverse effects on Ms. Nace and I with the passage of Bill 208-30. There was no malice or intent to defraud at the time we were hired or now. All we asked is your support and passage of this bill. Ms. Nace and I lived up to our bargain all we are asking for the Senators of the 30<sup>th</sup> Guam Legislature to live up to the government of Guam's end of the bargain. Thank you very much for this opportunity again to speak in support of Bill 208-30.

Respectfully submitted by:

---

Lourdes R. Perez

Audit Supervisor

Office of Public Accountability

---



OFFICE OF THE PUBLIC AUDITOR  
Doris Flores Brooks, CPA, CGFM  
Public Auditor

October 13, 2009

RECEIVED  
OCT 13th  
J.P.

Honorable Matt Rector  
Chairman,  
Committee on Labor, the Public Structure,  
Public Libraries and Technology  
*I MINA'TRENTA NA LIHESLATURAN GUAHAN*  
155 Hesler Place  
Hagåtña, Guam 96910

**Re: Bill 208, An Act Relative to Clarifying the Restrictions Established on the Recruitment or Compensation of Government of Guam Personnel Above Step 10 of the Compensation Schedule Through Amending Section 6805.2 of Chapter 6, Title 4, Guam Code Annotated; and**

**Bill 211, An Act Relative to Preserving the Independence of the Office of Public Accountability by Restoring the Public Auditor's Authority to Hire a Deputy Public Auditor and Secretary and the Protection Against the Reduction of the Salaries of the Staff of the Office of Public Accountability by Amending Subsection (b), Section 1907 of Title 1 of the Guam Code Annotated and Adding a New Subsection (c) to Section 1907 of Title 1 of the Guam Code Annotated.**

Dear Mr. Chairman:

Thank you for holding a hearing on Bills 208 and 211, which I fully support. I was unable to attend the October 6 hearing because I was off island.

Enactment of Bill 208 would make 4 GCA § 6505.2 prospective rather than retroactive in its effect and restore the salary taken away from Lourdes R. Perez, an Audit Supervisor in the Office of Public Accountability.

4 G.C.A. § 6805.2, enacted by Public Law 29-19:VI: 63, prohibited the "initial appointment" of any employee above Step 10 of the Civil Service compensation schedule except new hires to the Offices of the Governor, Lieutenant Governor, Guam States Clearinghouse, the Legislature and "any agency whose governing board has exclusive authority over compensation, or to any positions specifically exempted by law." The Department of Administration was required to reduce the salary of persons who had been so hired to Step 10. Throughout the government of Guam, § 6805.2 affected only two persons, Ms. Perez and Zeny Nace, both OPA employees.

To avoid the hardship the provision would have imposed on her, Ms. Nace, a certified public accountant, left OPA in November 2007 to take a job with the University of Guam at \$85,000 per annum. That was compared to her then OPA salary of \$71,541 (Grade O, Step 20), and the \$50,717 (Grade O, Step 10) she would have been reduced to if she had remained with OPA.

Statement of Doris Flores Brooks  
Re Bills 208 and 211  
October 13, 2009  
Page 2

As noted in § 1 of Bill 208, our office was unsuccessful in the legal challenge it raised to the bill and effective August 2009, Ms. Perez's salary was dropped from \$65,728 (Grand N, Step 20) to \$46,596 (Grade N, Step 10).

Except for the elected Public Auditor, all OPA employees are now classified employees of the government of Guam. However the salaries within the classified service are woefully inadequate for the professional level of work performed by our office. OPA has lost seven employees in the last three years because of significantly higher salaries that induced them away. The majority of these employees went to autonomous government entities that have implemented new and competitive salary scales.

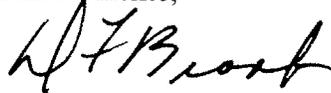
Hiring new OPA employees through Department of Administration has proved to be an extremely laborious process. It often takes over four months. For example, a May 2009 UOG graduate, who applied immediately after graduation, finally came on board September 30, 2009. A fellow student, who also graduated in May and had expressed an interest in OPA employment, was hired by the Navy in June 2009, just one month after receiving her degree. Autonomous entities are able to hire classified employees in less than two months, yet DOA takes over four.

Bill 211 would restore the Public Auditor's ability to hire a deputy. The original enabling act of OPA authorized a deputy. 1 G.C.A. § 1907 as enacted by Public Law 21-122 and then deleted by Public Law 28-68:IV: 63. Bill 211 also would allow for the hiring of a secretary in the unclassified service. Nearly all government agencies are authorized a deputy and secretary in the unclassified service, including the elected Attorney General. In fact, the Attorney General is permitted to appoint a chief deputy and an individual deputy for each division that she may create within the agency. 5 G.C.A. § 30106.

Until February 2009, Yuka Hechanova held the position of Deputy Public Auditor but because DOA ruled that her salary could be only \$60,528 she was lured away to GWA with an offer of \$73,596. Then in April 2009 the Attorney General stated in a memorandum to the Director of Administration that OPA no longer had the ability to hire a deputy (AG DOA 07-0780).

Enactment of Bills 208 and 211 would resolve serious problems our office has encountered in recruiting, employing and retaining the professional personnel needed to efficiently perform the mandates imposed on our office. The changes would help protect the independence that the Government Accountability Office maintains is essential to the work of government auditing. I respectfully request the support of the Legislature for these measures and I thank Senators Adlopho B. Palacios Sr., Frank B. Aguon Jr. Telo Taigague, Thomas C. Ada and James V. Espaldon for sponsoring the bills.

Senseramente,



Doris Flores Brooks, C.P.A., C.G.F.M.,  
Public Auditor

Cc: All Senators



**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

**SENATOR  
RORY J.  
RESPICIO  
CHAIRPERSON**

**SENATOR  
Judith P. Guthertz  
VICE  
CHAIRPERSON**

**MAJORITY  
MEMBERS:  
Judith T. Won Pat  
SPEAKER**

**Benjamin J. F. Cruz  
VICE SPEAKER**

**Tina Rose Muña Barnes  
LEGISLATIVE SECRETARY**

**Thomas C. Ada  
SENATOR**

**Frank B. Aguon, Jr.  
SENATOR**

**Adolpho B. Palacios, Sr.  
SENATOR**

**Vicente C. Pangelinan  
SENATOR**

**Matthew Rector  
SENATOR**

**MINORITY  
MEMBERS:**

**Frank F. Blas, Jr.  
SENATOR**

**James V. Espaldon  
SENATOR**

August 12, 2009

**MEMORANDUM**

**To: Pat Santos**  
*Clerk of the Legislature*

**Attorney Therese M. Terlaje**  
*Legislative Legal Counsel*

**From: Senator Rory J. Respicio**  
*Chairperson, Committee on Rules*

**Subject: Referral of Bill Nos. 207-30(LS) to 209-30(LS)**

As Chairperson of the Committee on Rules, I am forwarding my referral of Bill Nos. 207-30(LS), 208-30(LS) and 209-30(LS).

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

Should you have any questions, please contact Stephanie Mendiola or Elaine V. Tajalle at 472-7679.

*Si Yu'os Ma'åse'!*

(1) Attachment

2009 AUG 12 AM 11:44  
*DR*

***I Mina'Trenta Na Lihestaturan Guahan***  
**Bill Log Sheet**

Page 1 of 1

Bill No.	Sponsor(s)	Title	Date Intro	Date Referred	Committee Referred	Public Hearing Date	Date Committee Report Filed	Status (Date)
B207-30 (LS)	T.C. Ada, A.B. Palacios, Sr. J.V. Espaldon	An act to adopt the procedures manual for the acquisition, enforcement and maintenance of Territorial Highway Right-of-Way and Standards.	8/11/09 11:04 a.m.	8/12/09	Committee on Utilities, Transportation, Public Works, and Veterans Affairs			
B208-30 (LS)	A. B. Palacios, Sr., F. B. Agnon, Jr., T. Taitague, T. C. Ada	An act relative to clarifying the restrictions established on the recruitment or compensation of government of Guam personnel above Step 10 of the Compensation Schedule; through amending Section 6205.2 of Chapter 6, Title 4, Guam Code Annotated	8/11/09 11:59 a.m.	8/12/09	Committee on Labor, the Public Structure, Public Libraries and Technology			
B209-30 (LS)	Judith P. Guthertz, DPA, R. J. Respicio	An Act to amend § 13102 (a) of Chapter 13 of Title 4, Guam Code Annotated, to expand its definition, and to add a new sub item (4) to item (a) of § 13102 to require all persons or public officials that have authority to enter into binding contracts on behalf of the government of Guam or any of its departments, agencies, autonomous entities and public corporations to comply with the Public Official <i>Financial Disclosure Act</i> of the government of Guam.	8/11/09 1:08 p.m.	8/12/09	Committee on Labor, the Public Structure, Public Libraries and Technology			



**SENATOR MATT RECTOR**  
 Chairman, Committee on Labor, the Public Structure, Public Libraries and Technology  
*I Mina' Trenta na Liheslaturan Guahan*  
 Thirtieth Guam Legislature



September 29, 2009

153 Sesame Street, Suite B  
 Mangilao, Guam 96923

(671)734-6288

(671)734-8085

www.MattRector.com

To: All Senators/Members

From: Senator Matthew Rector, Chairperson,  
 Committee on Labor, the Public Structure, Public Libraries and Technology

Subject: **Notification of Public Hearing (First Notice)**

**Re: Bill No's. B236 (COR), B227 (COR), B221 (LS), B211 (LS), B209 (LS), B208 (LS), B200 (COR)**

Please be advised that the Committee on Labor, the Public Structure, Public Libraries and Technology will be conducting a Public Hearing on Tuesday, **October 6, 2009** in the Legislative Public Hearing Room, beginning at **9:00 a.m.**

On the **AGENDA** are the following:

SENATOR ADOLPHO B. PALACIOS, SR.

**Bill No. B236-30 (COR)** – Matt Rector / T.R. Muna-Barnes / A.B. Palacios, Sr. / R.J. Respicio  
 An act to amend §6217 of 4 GCA for the purpose of ensuring that public employees that work at night receive night differential pay.

SENATOR VICENTE (Ben) PANGELINAN

SENATOR FRANK BLAS AGUON, JR.

**Bill No. B227-30 (COR)** – A.B. Palacios, Sr.  
 An act to authorize hazardous pay to Parole Officers who perform the duty of supervising and counseling parolees by amending 4 GCA §6222 (a); and to authorize hazardous pay to employees of the Department of Corrections who perform duties, which if performed by other law enforcement or public safety officers would entitle such officers to hazardous pay, by adding a new Item (1) to §6222 (a).

SENATOR JUDITH GUTHERTZ

SENATOR TINA MUNA BARNES

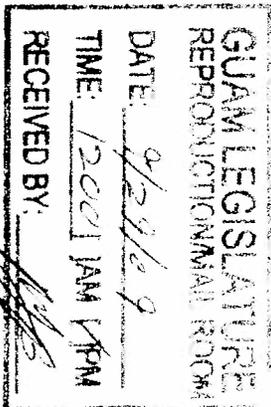
SENATOR TELO TAITAGUE

**Bill No. B221-30 (LS)** – A.B. Palacios, Sr.  
 An act to amend 4 GCA §4109(a) relative to eliminating annual leave for judges and justices.

**Bill No. B211-30 (LS)** – A.B. Palacios, Sr. / J.V. Espaldon  
 An act relative to preserving the independence of the Office of Public Accountability by restoring the Public Auditor's authority to hire a Deputy Public Auditor and Secretary and the protection against the reduction of the salaries of the staff of the Office of Public Accountability by amending Subsection (b) Section 1907 of Title 1 of the Guam Code Annotated and adding a new Subsection (c) to Section 1907 of Title 1 of the Guam Code Annotated.

**Bill No. B209-30 (LS)** – J.P. Guthertz, DPA / R.J. Respicio  
 An Act to amend § 13102 (a) of Chapter 13 of Title 4, Guam Code Annotated, to expand its definition, and to add a new sub item (4) to item (a) of § 13102 to require all persons or public officials that have authority to enter into binding contracts on behalf of the government of Guam or any of its departments, agencies, autonomous entities and public corporations to comply with the Public Official Financial Disclosure Act of the government of Guam.

**Bill No. B208-30 (LS)** – A.B. Palacios, Sr. / F.B. Aguon, Jr. / Telo Taitague  
 An act relative to clarifying the restrictions established on the recruitment or compensation of government of Guam personnel above Step 10 of the Compensation Schedule; through amending Section 6205.2 of Chapter 6, Title 4, Guam Code Annotated.



**Bill No. B200-30 (COR) – A.B. Palacios, Sr.**

An act to adjust the compensation for the Attorney General of Guam to be comparable and equitable with other legal officer positions of the government of Guam by amending §30116(a) Chapter 30, Title 5 Guam Code Annotated; and to repeal §30116(b), Chapter 30, Title 5 Guam Code Annotated.

Copies of the Bills mentioned above may be found on the official Guam Legislature's website at [www.guamlegislature.com](http://www.guamlegislature.com). Hard copies can be obtained at the office of the Clerk of the Legislature. Please address written testimonies to Senator Matt Rector, Chairman, Committee on Labor, the Public Structure, Public Libraries and Technology or may be submitted to the Office of Senator Matt Rector at 153 Sesame Street, Suite B, Mangilao Guam 96923, via e-mail to [matt@mattrector.com](mailto:matt@mattrector.com) or facsimile to (671) 734-8085. For special accommodations, auxiliary aids or services, please contact and submit request to Justin Parvin or Rhad Sutacio at our office.

I look forward to your attendance during this hearing. Should you have any questions, suggestions or comments concerning the hearing, please feel free to share them with me.

*Si Yu'os Ma'ase!*

cc: All Senators  
Sergeant At Arms  
MIS  
Clerk of the Legislature

*Senseramente,*

**MATT RECTOR**

## Rhad Sutacio

---

**From:** therese@mattrector.com  
**Sent:** Tuesday, September 29, 2009 2:57 PM  
**To:** life@guampdn.com; therese@mvguam.com; msilva@spbgum.com;  
jtyquiengco@spbgum.com; kevin@spbgum.com; rgibson@spbgum.com;  
parroyo@spbgum.com; blognews@aficio.org; info@chinesetimesguam.com;  
georgebamba@hotmail.com; gerry@mvguam.com; hr100prod@hitradio100.com;  
michelle@kuam.com; csanagustin@kuam.com; kprg@guam.net; ksto@ite.net;  
kstonews@ite.net; miguel@kktb.com; krisgaza@yahoo.com; hottips@kuam.com;  
newsdirector@kuam.com; jason@kuam.com; bettyann@kuam.com; amier@mvguam.com  
**Subject:** NOTICE OF PUBLIC HEARING: Senator Matthew Rector Committee on Labor, the  
Public Structure, Public Libraries and Technology

FOR IMMEDIATE RELEASE  
September 29, 2009  
Notice of Public Hearing (First Notice)

Please be advised that the Committee on Labor, the Public Structure, Public Libraries and Technology will be conducting a Public Hearing on Tuesday, October 6, 2009 in the Legislative Public Hearing Room, beginning at 9:00 a.m.

On the AGENDA are the following:

Bill No. B236-30 (COR) - Matt Rector / T.R. Muna-Barnes / A.B. Palacios, Sr. / R.J. Respicio  
An act to amend §6217 of 4 GCA for the purpose of ensuring that public employees that work at night receive night differential pay.

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An act to authorize hazardous pay to Parole Officers who perform the duty of supervising and counseling parolees by amending 4 GCA §6222 (a); and to authorize hazardous pay to employees of the Department of Corrections who perform duties, which if performed by other law enforcement or public safety officers would entitle such officers to hazardous pay, by adding a new Item (1) to §6222 (a).

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Bill No. B209-30 (LS) - J.P. Guthertz, DPA / R.J. Respicio An Act to amend § 13102 (a) of Chapter 13 of Title 4, Guam Code Annotated, to expand its definition, and to add a new sub item (4) to item (a) of § 13102 to require all persons or public officials that have authority to enter into binding contracts on behalf of the government of Guam or any of its departments, agencies, autonomous entities and public corporations to comply with the Public Official Financial Disclosure Act of the government of Guam.

Bill No. B208-30 (LS) - A.B. Palacios, Sr. / F.B. Aguon, Jr. / Telo Taitague An act relative to clarifying the restrictions established on the recruitment or compensation of government

of Guam personnel above Step 10 of the Compensation Schedule; through amending Section 6205.2 of Chapter 6, Title 4, Guam Code Annotated.

Bill No. B200-30 (COR) - A.B. Palacios, Sr.

An act to adjust the compensation for the Attorney General of Guam to be comparable and equitable with other legal officer positions of the government of Guam by amending §30116(a), Chapter 30, Title 5 Guam Code Annotated; and to repeal §30116(b), Chapter 30, Title 5 Guam Code Annotated.

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Please contact 734-MATT (6288) for more information.

## Fred Burgos

---

**From:** Fred Burgos [fred@mattrector.com]  
**Sent:** Friday, October 02, 2009 9:57 AM  
**To:** judiguthertz@pticom.com; senjim@ite.net; Adolpho B. Palacios; Ben Pangelinan; Edward J.B. Calvo; Frank B. Aguon, Jr.; Frank F. Blas, Jr.; Jimmy Espaldon; Judi Won Pat; Ray Tenorio; Rory J. Respicio; Telo Taitague; Tina Muna Barnes; Tom Ada  
**Cc:** aokada@guamlegislature.org; bruce.lloyd.media@gmail.com; chris.budasi@guamlegislature.org; ciquinata@gmail.com; cyrus@senatorada.org; doc.wyppenbachsantos@gmail.com; edpocaigue@judiwonpat.com; edpocaigue@yahoo.com; epgogue@hotmail.com; fba\_irenem@yahoo.com; fbtorres@yahoo.com; gtmarcos612@yahoo.com; jamespcastro@gmail.com; jennifer@mattrector.com; jessica@raytenorio.com; jonbdiaz@gmail.com; justin@mattrector.com; legislativesecretary1@gmail.com; lizama.frances@gmail.com; mark@judiwonpat.com; maryfejeran@gmail.com; mermae@raytenorio.com; mjperez48@yahoo.com; patrickcepeda@hotmail.com; peterlg@gmail.com; pjtcruz@yahoo.com; rjquitugua@gmail.com; rlikeke05@gmail.com; rob.tupaz@gmail.com; roland@judiwonpat.com; rsmuna@yahoo.com; sahara@judiwonpat.com; sayama01@yahoo.com; sem@guamlegislature.org; teddytaz\_222@yahoo.com; tpmatane@yahoo.com; vel.komiyama@yahoo.com; zunior0831@hotmail.com; bill phillips; Derek Sablan; Derick Hills; Ed LeonGuerrero; Elaine Tajalle; Frank Torres; Fred Burgos; Gina Tabonares; Jay Sunga; Jose Cruz; Joy Unpingco; Lisa Cipollone; Mary Lou Wheeler; Maya Alonso; Mike Lidia; Nicole Santos; Phillip Leon Guerrero; Ron Taitague; teddytaz@ite.net; Tony Quitugua; Daniel Perez; Dorothy Cruz; Elvy Mew; Flo Terlaje; Maria Nieves Materne; Martha Cruz; Pat Santos; Rennae Perez; Therese Terlaje; vparriola@teleguam.net; vparriola@guamlegislature.org; Joe Leon Guerrero; tunsio@guamlegislature.org; Vince Bermudez; yong@guamlegislature.org  
**Subject:** Public Hearing (Second Notice) October 6, 2009  
**Attachments:** 2nd Notice 10609 Hearing Page 1.jpg; 2nd Notice 10609 Hearing Page 2.jpg

Please See Attached Notice.

Senseramente,

### FRED BURGOS

Chief of Staff

OFFICE OF SENATOR MATT RECTOR

Committee on Labor, Public Structure, Public Libraries, and Technology

I Mina' Trenta Na Liheslaturan Guahan

Thirtieth Guam Legislature

153 Sesame Street, Suite B

Mangilao, Guam 96923

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Committee on Labor, the Public Structure, Public Libraries and Technology  
*I Mina' Trenta na Liheslaturan Guahan*  
 Thirtieth Guam Legislature



October 2, 2009

153 Sesame Street, Suite B  
 Mangilao, Guam 96923

(671)734-6288

(671)734-8086

[www.MattRector.com](http://www.MattRector.com)

To: All Senators/Members

From: Senator Matthew Rector, Chairperson,  
 Committee on Labor, the Public Structure, Public Libraries and Technology

Subject: **Notification of Public Hearing (Second Notice)**

**Re: Bill No's. B236 (COR), B227 (COR), B221 (LS), B211 (LS), B209 (LS), B208 (LS), B200 (COR)**

Please be advised that the Committee on Labor, the Public Structure, Public Libraries and Technology will be conducting a Public Hearing on Tuesday, **October 6, 2009** in the Legislative Public Hearing Room, beginning at **9:00 a.m.**

On the **AGENDA** are the following:

SENATOR ADOLPHO B. PALACIOS, SR.

**Bill No. B236-30 (COR)** – Matt Rector / T.R. Muna-Barnes / A.B. Palacios, Sr. / R.J. Respicio  
 An act to amend §6217 of 4 GCA for the purpose of ensuring that public employees that work at night receive night differential pay.

SENATOR VICENTE "Ben" PANGELINAN

**Bill No. B227-30 (COR)** – A.B. Palacios, Sr.  
 An act to authorize hazardous pay to Parole Officers who perform the duty of supervising and counseling parolees by amending 4 GCA §6222 (a); and to authorize hazardous pay to employees of the Department of Corrections who perform duties, which if performed by other law enforcement or public safety officers would entitle such officers to hazardous pay, by adding a new Item (1) to §6222 (a).

SENATOR FRANK BLAS AGUON, JR.

**Bill No. B221-30 (LS)** – A.B. Palacios, Sr.  
 An act to amend 4 GCA §4109(a) relative to eliminating annual leave for judges and justices.

SENATOR JUDITH GUTHERTZ

**Bill No. B211-30 (LS)** – A.B. Palacios, Sr. / J.V. Espaldon  
 An act relative to preserving the independence of the Office of Public Accountability by restoring the Public Auditor's authority to hire a Deputy Public Auditor and Secretary and the protection against the reduction of the salaries of the staff of the Office of Public Accountability by amending Subsection (b) Section 1907 of Title 1 of the Guam Code Annotated and adding a new Subsection (c) to Section 1907 of Title 1 of the Guam Code Annotated.

SENATOR TINA MUNA BARNES

**Bill No. B209-30 (LS)** – J.P. Guthertz, DPA / R.J. Respicio  
 An Act to amend § 13102 (a) of Chapter 13 of Title 4, Guam Code Annotated, to expand its definition, and to add a new sub item (4) to item (a) of § 13102 to require all persons or public officials that have authority to enter into binding contracts on behalf of the government of Guam or any of its departments, agencies, autonomous entities and public corporations to comply with the Public Official Financial Disclosure Act of the government of Guam.

SENATOR TELO TAITAGUE

**Bill No. B208-30 (LS)** – A.B. Palacios, Sr. / F.B. Aguon, Jr. / Telo Taitague  
 An act relative to clarifying the restrictions established on the recruitment or compensation of government of Guam personnel above Step 10 of the Compensation Schedule; through amending Section 6205.2 of Chapter 6, Title 4, Guam Code Annotated.

**Bill No. B200-30 (COR) – A.B. Palacios, Sr.**

An act to adjust the compensation for the Attorney General of Guam to be comparable and equitable with other legal officer positions of the government of Guam by amending §30116(a) Chapter 30, Title 5 Guam Code Annotated; and to repeal §30116(b), Chapter 30, Title 5 Guam Code Annotated.

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I look forward to your attendance during this hearing. Should you have any questions, suggestions or comments concerning the hearing, please feel free to share them with me.

*Si Yu'os Ma'ase!*

cc: All Senators  
Sergeant At Arms  
MIS  
Clerk of the Legislature

*Senseramente,*

**MATT RECTOR**

## Rhad Sutacio

---

**From:** therese@mattrector.com  
**Sent:** Friday, October 02, 2009 3:03 PM  
**To:** life@guampdn.com; therese@mvguam.com; msilva@spbgum.com; jtyquiengco@spbgum.com; kevin@spbgum.com; rgibson@spbgum.com; parroyo@spbgum.com; blognews@aficio.org; info@chinesetimesguam.com; georgebamba@hotmail.com; gerry@mvguam.com; hr100prod@hitradio100.com; michelle@kuam.com; csanagustin@kuam.com; kprg@guam.net; ksto@ite.net; kstone@ite.net; miguel@kktb.com; krisgaza@yahoo.com; hottips@kuam.com; newsdirector@kuam.com; jason@kuam.com; bettyann@kuam.com; amier@mvguam.com  
**Subject:** NOTICE OF PUBLIC HEARING:Senator Matthew Rector Committee on Labor, the Public Structure, Public Libraries and Technology

FOR IMMEDIATE RELEASE  
October 2, 2009  
Notice of Public Hearing (Second Notice)

Please be advised that the Committee on Labor, the Public Structure, Public Libraries and Technology will be conducting a Public Hearing on Tuesday, October 6, 2009 in the Legislative Public Hearing Room, beginning at 9:00 a.m.

On the AGENDA are the following:

Bill No. B236-30 (COR) - Matt Rector / T.R. Muna-Barnes / A.B. Palacios, Sr. / R.J. Respicio  
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Bill No. B211-30 (LS) - A.B. Palacios, Sr. / J.V. Espaldon  
An act relative to preserving the independence of the Office of Public Accountability by restoring the Public Auditor's authority to hire a Deputy Public Auditor and Secretary and the protection against the reduction of the salaries of the staff of the Office of Public Accountability by amending Subsection (b) Section 1907 of Title 1 of the Guam Code Annotated and adding a new Subsection (c) to Section 1907 of Title 1 of the Guam Code Annotated.

Bill No. B209-30 (LS) - J.P. Guthertz, DPA / R.J. Respicio  
An Act to amend § 13102 (a) of Chapter 13 of Title 4, Guam Code Annotated, to expand its definition, and to add a new sub item (4) to item (a) of § 13102 to require all persons or public officials that have authority to enter into binding contracts on behalf of the government of Guam or any of its departments, agencies, autonomous entities and public corporations to comply with the Public Official Financial Disclosure Act of the government of Guam.

Bill No. B208-30 (LS) - A.B. Palacios, Sr. / F.B. Aguon, Jr. / Telo Taitague  
An act relative to clarifying the restrictions established on the recruitment or compensation of government

of Guam personnel above Step 10 of the Compensation Schedule; through amending Section 6205.2 of Chapter 6, Title 4, Guam Code Annotated.

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Please contact 734-MATT (6288) for more information.

# SENATOR MATT RECTOR

*Chairman,*

*Committee on Labor, the Public Structure, Public Libraries and Technologies*

## Public Hearing

### AGENDA

**Tuesday October 6, 2009 – 9:00 a.m.**  
**Legislative Public Hearing Room, Hagatna**

#### On the Agenda

**Bill No. B236-30 (COR)** – Matt Rector / T.R. Muna-Barnes / A.B. Palacios, Sr. / R.J. Respicio An act to amend §6217 of 4 GCA for the purpose of ensuring that public employees that work at night receive night differential pay.

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The Committee will continue to receive testimonies for the next ten (10) days. Please fax testimonies to 734-8085, e-mail at [matt@mattrector.com](mailto:matt@mattrector.com), or drop the testimonies to my office at 153 Sesame Street, Suite B, Mangilao or in my mailbox in the Reproduction room in the Legislature. You can also submit your testimony electronically to my website at [www.mattrector.com](http://www.mattrector.com)



# COMMITTEE ON RULES

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

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

**SENATOR  
RORY J.  
RESPICIO  
CHAIRPERSON**

**SENATOR  
Judith P. Guthertz  
VICE  
CHAIRPERSON**

**MAJORITY  
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**Thomas C. Ada  
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SENATOR**

**MINORITY  
MEMBERS:**

**Frank F. Blas, Jr.  
SENATOR**

**James V. Espaldon  
SENATOR**

March 17, 2010

## MEMORANDUM

**To: Patricia C. Santos**  
*Clerk of the Legislature*

**From: Rory J. Respicio**   
*Chairperson, Committee on Rules*

**Subject: Supplement to Committee Report  
on Bill No. 208-30(LS)**

*Hafa Adai!*

Transmitted herewith is written testimony from J. Patrick Mason, Deputy Attorney General of Guam, regarding Bill No. 208-30(LS).

Pursuant to the motion made on the Floor by Vice Speaker Benjamin J.F. Cruz during today's Session, please attach this document as a "Supplement" to the Committee Report on Bill No. 218-30 (LS). Please make the appropriate indication in your records; and forward to MIS for posting on our website.

*Si Yu'os ma'åse'!*

cc: Senator Adolpho B. Palacios, Sr.  
Vice Speaker Benjamin J.F. Cruz

2010 MAR 17 PM 10:15  
EDM

Alicia G. Limtiaco  
Attorney General



Phillip J. Tydingco  
Chief Deputy Attorney General

OFFICE OF THE ATTORNEY GENERAL

October 16, 2009

Senator Adolfo B. Palacios, Sr.  
Suite 104  
Guam Legislature Building  
155 Hesler Place  
Hagatna GU 96910

Public Hearing - 10-6-9

Hearing on both AG - not present

Re: Bill 208-30(LS)  
Ref: LEG 09-0989

Dear Senator Palacios:

The Office of the Attorney General discussed and provided its comments on Bill 208-30(LS) on or about October 6, 2009, with Chief of Staff Patrick Cepeda. We hereby submit our comments in writing to you.

The "Legislative Findings and Intent" in Section 1 of the bill misstates several facts. The employees of the Office of the Public Auditor (OPA) are classified, not unclassified. Our Office has previously advised both the OPA and the Department of Administration of such. No statute authorizes the Public Auditor to hire employees outside the merit system because it is impracticable to do so under the merit system.

The bill would affect only one employee of the OPA. Two other employees who were originally affected by the litigation, *Office of the Public Auditor vs. Lourdes M. Perez, Director, Department of Administration, Government of Guam, et al.*, have transferred to other government agencies. Thus, the bill would, if its intention were fulfilled, benefit only one employee of the OPA. Interestingly, this employee is now classified, a status she may want to retain. If the bill is intended to "declassify" OPA employees, it does not.

The bill also has an ambiguity. The pertinent portion of the amended 4 G.C.A. §6205.2(b) would read:

...the Director of Administration shall adjust the compensation of an unclassified employee who was hired above Step 10 after October 1, 2007...

**FILE COPY**

This section commands the Director of DOA to adjust the employees' salaries, but does not state what the salaries should be adjusted to or whether she will adjust them up or down.

As written, the section applies only to unclassified employees, of whom there are very few in the Government of Guam. The unclassified employees are listed in 4 G.C.A. § 4102(a). The bill would apply to every government agency, not just the OPA. Under the bill, an employee of another agency who was hired above Step 10 "shall" have their salary adjusted to an undetermined amount.

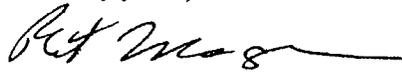
Both the OPA and the Office of the Attorney General have employees presently in the classified service in order to ensure that these employees are free from political interference and are encouraged to remain employed so that they may continue to contribute their skills and knowledge to the Government of Guam, and to acquire expertise in their respective areas of employment. Given that there are positions of the OPA and the Office of the Attorney General that are in the classified service, a new Public Auditor or Attorney General would not be able to replace her entire office staff when she assumes office.

Title 4 G.C.A. § 6205.2(b) currently applies to all government agencies except for a very few. There is no sound policy reason to exempt the OPA therefrom, especially for the sake of only one employee. The Public Auditor can create new positions, just as every agency head can. If the amount of compensation is an issue, the OPA can create new positions according to established DOA procedures and ask the Legislature to fund them.

The bill's stated intent may be interpreted as an invitation to all agency heads within the Government of Guam to hire unclassified employees above Step Ten. This would create disparities in government salaries and affect morale. For example, if an agency director could hire a management analyst in an unclassified position at above Step Ten, this would evade the merit system and discourage or lower morale of other management analysts who are already employed in a comparable classified position in the same or other Government of Guam agency at a lower salary or rate of pay.

Based on the foregoing, Bill 208-30(LS) is ambiguous and will be disruptive to and may be in violation of the merit system. Thank you for the opportunity to comment on Bill 208-30(LS).

Sincerely yours,



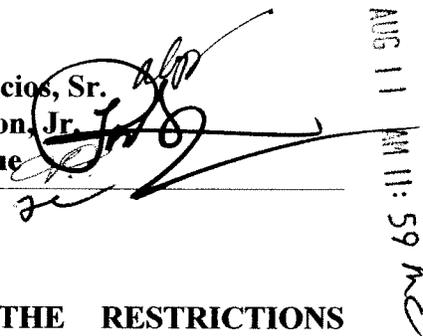
**J. PATRICK MASON**  
Deputy Attorney General

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

Bill No. B208-30(LS)

Introduced by:

A. B. Palacios, Sr.  
F. B. Aguon, Jr.  
T. Taitague  
T. C. Ada



2009 AUG 11 AM 11:59 MC

AN ACT RELATIVE TO CLARIFYING THE RESTRICTIONS ESTABLISHED ON THE RECRUITMENT OR COMPENSATION OF GOVERNMENT OF GUAM PERSONNEL ABOVE STEP 10 OF THE COMPENSATION SCHEDULE; THROUGH AMENDING SECTION 6205.2 OF CHAPTER 6, TITLE 4, GUAM CODE ANNOTATED.

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds that  
3 the reasoning and rationale behind the restrictions *I Liheslaturan Guåhan* imposed on the  
4 recruitment and compensation of Government of Guam Personnel above Step 10 via the  
5 enactment of 4 G.C.A. §6205.2 is sound. Further, the aforementioned statute was upheld  
6 in *Office of the Public Auditor v. Lourdes M. Perez, in Her Capacity as Director,*  
7 *Department of Administration, Government of Guam, et.al,* SP0192-07, Amended  
8 Decision and Order dated November 12, 2008 (Superior Court of Guam). However, *I*  
9 *Liheslaturan Guåhan* finds that at the time 4 G.C.A. §6205.2 was enacted, only two (2)  
10 Office of Public Accountability employees were adversely affected by its mandate that  
11 the Director of Administration shall adjust the compensation of an unclassified employee  
12 who was hired above Step 10 prior to the effective date of the said statute, which was  
13 October 1, 2007. *I Liheslaturan Guåhan* finds that a disparity exists between the two (2)

1 Office of Public Accountability employees and unclassified employees of the Office of *I*  
2 *Maga'lahaen Guåhan*, the Office of *I Segundo Na Maga'lahaen Guåhan*, the Guam State  
3 Clearinghouse, *I Liheslaturan Guåhan*, and any agency whose governing board has  
4 exclusive authority over compensation, because these entities are exempt from the  
5 aforementioned mandate and the Public Auditor does not have exclusive authority over  
6 the compensation of her employees. *I Liheslaturan Guåhan* finds that it was not its  
7 intention to create such a disparity and that this disparity must be remedied to avoid  
8 inequity and hardship on the two (2) unclassified employees affected by the salary  
9 adjustment mandate.

10 **Section 2. Subsection (b) of Section 6205.2 of 4 Guam Code Annotated, is**  
11 **hereby amended to read:**

12 “(b) Notwithstanding any other provision of law, the Director of Administration  
13 *shall* adjust the compensation of an unclassified employee who was hired above Step 10  
14 ~~before the enactment hereof effective the date this enactment~~ after October 1, 2007.  
15 Failure to comply with this Section *shall* result in the de-appropriation of the total amount  
16 of compensation paid in violation hereof from the budget of the non-compliant agency.”

17 **Section 3. Effective Date.** The provision contained herein shall be effective as of  
18 the date upon which the original provision through the passage of the fiscal year 2008  
19 budget took effect.

20 **Section 4. Severability.** If any provisions of this Act or its application to any  
21 person or circumstance is found to be invalid or contrary to law, such invalidity shall *not*  
22 affect other provisions or applications of this Act which can be given effect without the  
23 invalid provisions or applications, and to this end the provisions of this Act are severable.