

MINA'BENTE OCHO NA LIHESLATURAN GUÅHAN  
TWENTY-EIGHTH GUAM LEGISLATURE  
2006 (SECOND) REGULAR SESSION

BILL NO. 354 (LS)

Introduced by:

Committee on Finance, *SM*  
Taxation and Commerce

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS  
OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF  
GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2007 AND  
MAKING OTHER APPROPRIATIONS, AND ESTABLISHING  
MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 CHAPTER I

3 GENERAL PROVISIONS

4 Section 1. **Short Title.** This Act shall be known as the "*General Appropriations*  
5 *Act of 2007*". Except as otherwise provided by this Act, the appropriations made by this  
6 Act shall be available to pay for obligations incurred on or after October 1, 2006, but no  
7 later than September 30, 2007. In the event that any appropriation of this Act is found  
8 contrary to federal law, all portions not so found shall remain valid.

9 Section 2. **Estimated Revenues for Fiscal Year 2007.** *I Liheslaturan Guåhan,*  
10 the Guam Legislature, adopts the following revenue estimate for Fiscal Year 2007 and  
11 shall be utilized for appropriations contained in this Act.

1	<b>I. GENERAL FUND REVENUES</b>	<b><u>AMOUNT</u></b>
2	<b>A. TAXES</b>	
3	Income Tax	
4	Corporate	\$ 50,856,049
5	Individual	\$ 43,496,726
6	Withholding Taxes, Interest and Penalties	\$201,941,202
7	Provision for Tax Refund	(\$75,600,000)
8	<b>TOTAL INCOME TAXES</b>	\$220,693,977
9	Gross Receipts Tax	\$176,520,004
10	Other Taxes	<u>\$2,279,120</u>
11	<b>TOTAL TAXES</b>	<b>\$399,493,101</b>
12	<b>B. FEDERAL SOURCES</b>	\$53,607,961
13	Federal Income Tax Collection (Section 30 Funds);	
14	Immigration Fees and Indirect Cost	
15	<b>C. USE OF MONEY AND PROPERTY</b>	\$135,986
16	<b>D. LICENSES, FEES AND PERMITS</b>	\$1,906,941
17	<b>E. DEPARTMENT CHARGES</b>	\$2,158,778
18	<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$457,302,767</b>
19	<b>II. SPECIAL FUND REVENUES APPROPRIATED IN THIS ACT</b>	
20	<b>A. Air Pollution Control Special Fund</b>	\$221,182
21	<b>B. Chamorro Land Trust Operations Fund</b>	492,266
22	<b>C. Corrections Revolving Fund</b>	1,539,134

1	<b>D. Customs, Agriculture and Quarantine Inspection</b>	
2	Services Fund	8,167,484
3	<b>E. Enhanced 911 Emergency Reporting System Fund</b>	2,082,787
4	<b>F. Environmental Health Fund</b>	340,190
5	<b>G. Guam Contractors License Board Fund</b>	334,901
6	<b>H. Guam Environmental Trust Fund</b>	191,812
7	<b>I. Guam Highway Fund</b>	15,324,872
8	<b>J. Guam Plant Inspection and Permit Fund</b>	44,507
9	<b>K. Healthy Futures Fund</b>	10,665,466
10	<b>L. Land Survey Revolving Fund</b>	950,000
11	<b>M. Police Services Fund</b>	370,084
12	<b>N. Professional Engineers, Architects and</b>	
13	Land Surveyors Board Fund	201,825
14	<b>O. Public Recreation Services Fund</b>	154,717
15	<b>P. Safe Streets Fund</b>	196,000
16	<b>Q. School Lunch/SAE/Child Nutritional Meal</b>	
17	Reimbursement Fund	5,500,000
18	<b>R. Solid Waste Fund</b>	5,822,582
19	<b>S. Street Light Fund</b>	3,912,927
20	<b>T. Territorial Education Facilities Fund</b>	20,280,840
21	<b>U. Tourist Attraction Fund</b>	23,100,000
22	<b>V. Water Protection Fund</b>	54,242

1	W. Water Research and Development Fund	<u>79,518</u>
2	<b>TOTAL SPECIAL FUND REVENUE</b>	<b>\$100,027,336</b>
3	<b>III. FEDERAL MATCHING GRANTS-IN-AID REVENUES</b>	
4	<b>Federal Grants-In-Aid Requiring Local Match:</b>	
5	A. Agriculture	\$560,565
6	B. Guam Council on the Arts and Humanities Agency	237,600
7	C. Guam Election Commission	700,000
8	D. Guam Police	546,918
9	E. Integrated Services for Individuals with Disabilities	2,052,208
10	F. Labor	33,100
11	G. Law	4,205,679
12	H. Military Affairs	568,092
13	I. Public Health and Social Services	17,651,802
14	J. University of Guam	<u>1,508,000</u>
15	<b>TOTAL FEDERAL MATCHING GRANTS-IN-</b>	
16	<b>AID REVENUE</b>	<b>\$28,063,964</b>
17	<b>REVENUE SUMMARY:</b>	
18	<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$457,302,767</b>
19	<b>TOTAL SPECIAL FUND REVENUE</b>	<b>\$100,027,336</b>
20	<b>TOTAL FEDERAL MATCHING GRANTS-IN-</b>	
21	<b>AID REVENUE</b>	<b><u>\$28,063,964</u></b>
22	<b>GRAND TOTAL</b>	<b>\$585,394,067</b>

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

3           **A. GENERAL OBLIGATION BONDS 1993 SERIES A**  
4           (For education capital projects; Real Property Taxes pledged;  
5           due FY 2018 as final year; P.L. 22-19 and P.L. 22-24, net  
6           of UOB Bond Payment Obligation \$2,260,261)                   \$10,599,313 1/  
7           1/ Territorial Education Facilities Fund

8           **B. LIMITED OBLIGATION HIGHWAY REFUNDING**  
9           **BOND 2001 SERIES A**  
10          (P.L. No. 24-70; due FY 2012 as the final year;  
11          source of payment from Liquid Fuel Taxes)                   \$ 6,029,294 2/  
12          2/ Guam Highway Fund

13          **C. LIMITED OBLIGATION (SECTION 30) BONDS**  
14          **SERIES A**  
15          (Water System Revenue Bond; P.L. 26-58, amended  
16          by P.L. 25-59; Section 30 fund pledged; due FY 2012  
17          as final year)   \$ 9,826,287 3/  
18          3/ Section 30 Funds

19          **D. 2002 SHORT TERM FINANCING**  
20          (Line of Credit; P.L. 26-84 amended by P.L. 26-122  
21          and P.L. 26-130; due FY 2012 as the final year; source  
22          of payment Section 30 Funds)                                   \$ 1,281,819 4/  
23          4/ Section 30 Funds

1	<b>E. LIMITED OBLIGATION INFRASTRUCTURE</b>	
2	<b>IMPROVEMENT BONDS, 1997 SERIES A</b>	
3	(Tumon Redevelopment; payment from the Tourist	
4	Attraction Fund, pursuant to P.L. 24-111)	<u>\$ 7,255,789</u> 5/
5	5/ Tourist Attraction Fund	
6	<b>GRAND TOTAL</b>	<b>\$34,992,502</b>

1 **CHAPTER II**

2 **APPROPRIATIONS FOR EXECUTIVE BRANCH OPERATIONS**

3 **Section 1. Executive Branch Appropriations.** Four Hundred Forty-one Million

4 Six Hundred Thirty-five Thousand Six Hundred Sixty-five Dollars (\$441,635,665) are

5 appropriated for the operations of the Executive Branch for fiscal year ending September

6 30, 2007. This sum is composed of Three Hundred Fifty-two Million Five Hundred

7 Nineteen Thousand Six Hundred Ninety-seven Dollars (\$352,519,697) from the General

8 Fund; Sixty-one Million Fifty-two Thousand Four Dollars (\$61,052,004) from Special

9 Funds; and Twenty-eight Million Sixty-three Thousand Nine Hundred Sixty-four Dollars

10 (\$28,063,964) from Federal Matching Grants-in-Aid. The appropriation shall be

11 expended as follows:

	<b>General</b>	<b>Special</b>	<b>Federal Fund</b>	<b>Total</b>
	<b>Fund</b>	<b>Fund</b>	<b>Match</b>	
<b>I. EXECUTIVE DIRECTION</b>				
<b>A. Office of I Maga'lahen</b>				
Guåhan and I Segundu				
Na Maga'lahen Guåhan	\$5,075,270			\$5,075,270
<b>B. Bureau of Budget and</b>				
Management Research	1,378,469			1,378,469
<b>C. Bureau of Statistics</b>				
and Plans	1,121,906			1,121,906
<b>D. Military Affairs</b>	465,000		568,092	1,033,092
<b>E. Veterans Affairs</b>	269,689			269,689

	<b>General</b>	<b>Special</b>	<b>Federal Fund</b>	<b>Total</b>
	<b>Fund</b>	<b>Fund</b>	<b>Match</b>	
1				
2				
3	<b>F. Civil Service</b>			
4	Commission	477,651		477,651
5	<b>G. Guam Election</b>			
6	Commission	346,782	700,000	1,046,782
7	<b>H. Commission on</b>			
8	Decolonization	150,000		150,000
9	<b>TOTAL EXECUTIVE</b>			
10	<b>DIRECTION</b>	<b>\$ 9,284,767</b>	<b>\$</b>	<b>\$1,268,092</b>
11	<b>II. PUBLIC SAFETY</b>			
12	<b>A. Guam Police</b>	21,597,810	1,119,260 1/	546,918
13	<b>B. Guam Fire</b>	21,141,387	2,082,787 2/	
14	<b>C. Corrections</b>	13,924,511	1,635,134 3/	
15	<b>D. Youth Affairs</b>	3,356,551	300,000 4/	
16	<b>E. Chief Medical</b>			
17	Examiner's Office	408,559		408,559
18	<b>TOTAL PUBLIC</b>			
19	<b>SAFETY</b>	<b>\$60,428,818</b>	<b>\$5,137,181</b>	<b>\$546,918</b>
20	<b>III. HOMELAND SECURITY</b>			
21	<b>A. Customs and Quarantine</b>		8,167,484 5/	8,167,484



	General	Special	Federal Fund	Total	
	Fund	Fund	Match		
3	<b>TOTAL HOMELAND</b>				
4	<b>SECURITY</b>	\$	\$8,167,484	\$	\$8,167,484
5	<b>IV. HEALTH</b>				
6	<b>A. Integrated Services for Individuals</b>				
7	With Disabilities	1,773,032	863,156 4/	2,052,208	4,688,396
8	<b>B. Medical Referral</b>				
9	Offices	650,000			650,000
10	<b>C. Mental Health and</b>				
11	Substance Abuse	5,091,883	1,873,106 4/		6,964,989
12	<b>D. Public Health and</b>				
13	Social Services	18,513,538	7,135,732 6/	17,651,802	43,301,072
14	<b>E. Guam Memorial</b>				
15	Hospital	13,702,772 7/			13,702,772
16	<b>TOTAL HEALTH</b>	<b>\$39,731,225</b>	<b>\$9,871,994</b>	<b>\$19,704,010</b>	<b>\$69,307,229</b>
17	<b>V. EDUCATION</b>				
18	<b>A. Education (GPSS, UOG,</b>				
19	and GCC)	198,432,355 8/	15,233,430 8/	1,508,000	215,173,785
20	<b>B. Guam Educational Telecommunications</b>				
21	Corporation	514,477	61,587 9/		576,064
22	<b>C. Guam Public Library</b>	1,184,365	720,172 9/		1,904,537
23	<b>TOTAL EDUCATION</b>	<b>\$200,131,197</b>	<b>\$16,015,189</b>	<b>\$1,508,000</b>	<b>\$217,654,386</b>

	<b>General</b>	<b>Special</b>	<b>Federal Fund</b>	<b>Total</b>
	<b>Fund</b>	<b>Fund</b>	<b>Match</b>	
1				
2				
3	<b>VI. FINANCE AND ADMINISTRATION</b>			
4	A. Administration	8,323,381		8,323,381
5	<b>TOTAL FINANCE AND</b>			
6	<b>ADMINISTRATION</b>	<b>\$8,323,381</b>	<b>\$</b>	<b>\$8,323,381</b>
7	<b>VII. NATURAL RESOURCES</b>			
8	A. Agriculture	2,835,620	44,507 10/	560,565 3,440,692
9	B. Chamorro Land Trust			
10	Commission		492,266 11/	492,266
11	C. Guam Environmental			
12	Protection Agency		546,754 12/	546,754
13	D. Land Management	2,242,105	950,000 13/	3,192,105
14	E. Ancestral Lands			
15	Commission	198,000		198,000
16	F. Parks and Recreation	3,830,228	154,717 14/	3,984,945
17	<b>TOTAL NATURAL</b>			
18	<b>RESOURCES</b>	<b>\$9,105,953</b>	<b>\$2,188,244</b>	<b>\$560,565 \$11,854,762</b>
19	<b>VIII. LABOR</b>			
20	A. Contractor's License			
21	Board		334,901 15/	334,901

	<b>General</b>	<b>Special</b>	<b>Federal Fund</b>	<b>Total</b>
	<b>Fund</b>	<b>Fund</b>	<b>Match</b>	
1				
2				
3	<b>B. Licensing and Professional</b>			
4	Labor Regulations			
5	(PEALS, etc.)	201,825	16/	201,825
6	C. Labor	1,739,021		33,100
7	<b>TOTAL LABOR</b>	<b>\$1,739,021</b>	<b>\$536,726</b>	<b>\$33,100</b>
8	<b>IX. TRANSPORTATION</b>			
9	A. Public Works	8,113,024	16,531,087	17/
10	<b>B. Guam Mass Transit</b>			
11	Authority		2,500,000	18/
12	<b>TOTAL</b>			
13	<b>TRANSPORTATION</b>	<b>\$8,113,024</b>	<b>\$19,031,087</b>	<b>\$</b>
14	<b>X. TOURISM AND CULTURE</b>			
15	<b>A. Cultural Heritage and the Arts</b>			
16	(Chamorro Affairs, etc)	687,606	54,099	19/
17	<b>B. Guam Council on the Arts and</b>			
18	Humanities Agency	266,577	50,000	19/
19	<b>TOTAL TOURISM AND</b>			
20	<b>CULTURE</b>	<b>\$954,183</b>	<b>\$104,099</b>	<b>\$237,600</b>
21	<b>XI. REVENUE AND TAXATION</b>			
22	A. Revenue & Taxation	8,473,228		8,473,228

	<b>General</b>	<b>Special</b>	<b>Federal Fund</b>	<b>Total</b>
	<b>Fund</b>	<b>Fund</b>	<b>Match</b>	
<b>3 TOTAL REVENUE AND</b>				
<b>4 TAXATION</b>	<b>\$8,473,228</b>	<b>\$</b>	<b>\$</b>	<b>\$8,473,228</b>
<b>5 XII. JUSTICE</b>				
<b>6 A. Law</b>	<b>6,234,900</b>		<b>4,205,679</b>	<b>10,440,579</b>
<b>7 TOTAL JUSTICE</b>	<b>\$6,234,900</b>	<b>\$</b>	<b>\$4,205,679</b>	<b>\$10,440,579</b>
<b>8 GRAND TOTAL</b>	<b>\$352,519,697</b>	<b>\$61,052,004</b>	<b>\$28,063,964</b>	<b>\$441,635,665</b>

**9 NOTES:**

- 10 1/ Police Services Fund (\$370,084) and Tourist Attraction Fund (\$749,176)**
- 11 2/ Enhanced 911 Emergency Reporting System Fund**
- 12 3/ Corrections Revolving Fund (\$1,539,134) and Safe Streets Fund (\$96,000)**
- 13 4/ Healthy Futures Fund**
- 14 5/ Customs, Agriculture and Quarantine Inspection Services Fund**
- 15 6/ Environmental Health Fund (\$340,190) and Healthy Futures Fund (\$6,795,542)**
- 16 7/ Pharmaceuticals Fund (\$9,902,772) and General Fund (\$3,800,000)**
- 17 8/ Guam Public School System Operations Fund (\$168,015,080); Territorial Education**
- 18 Facilities Fund (\$8,899,768); Healthy Futures Fund (\$833,662); and School**
- 19 Lunch/SAE/Child Nutritional Meal Reimbursement Fund (\$5,500,000)**
- 20 9/ Territorial Education Facilities Fund**
- 21 10/ Guam Plant Inspection and Permit Fund**
- 22 11/ Chamorro Land Trust Operations Fund**
- 23 12/ Air Pollution Control Special Fund (\$221,182); Guam Environmental Trust Fund**
- 24 (\$191,812); Water Research & Dev. Fund (\$79,518); and Water Protection Fund (\$54,242)**
- 25 13/ Land Survey Revolving Fund**

- 1 **14/ Public Recreation Services Fund**
- 2 **15/ Guam Contractors License Board Fund**
- 3 **16/ Professional Engineers, Architects and Land Surveyors Board Fund**
- 4 **17/ Guam Highway Fund (\$6,795,578); Solid Waste Fund (\$5,822,582); and Streetlight Fund**
- 5 **(\$3,912,927)**
- 6 **18/ Guam Highway Fund**
- 7 **19/ Tourist Attraction Fund**



1           **Section 2.    Appropriation for Aquaculture Development and Training**  
2 **Center.** The sum of One Hundred Forty Thousand Dollars (\$140,000) is appropriated  
3 from the General Fund to the University of Guam for Fiscal Year 2007 for the *sole*  
4 purpose of funding the continued operations of the Aquaculture Development and  
5 Training Center. Such funds shall *not* be transferred or used for any other purpose.

6           **Section 3.    Appropriation for WERI's Guam Hydrologic Survey.** The sum  
7 of Two Hundred Four Thousand Two Hundred Dollars (\$204,200) is appropriated from  
8 the General Fund to the University of Guam for Fiscal Year 2007 to fund the Water and  
9 Environmental Research Institute of the Western Pacific ("WERI") for the *sole* purpose  
10 of funding the Guam Hydrologic Survey ("GHS"). WERI shall continue to administer  
11 the GHS for the same purposes that have previously been established by the laws of  
12 Guam. Such funds shall *not* be transferred or used for any other purpose.

13           **Section 4.    Appropriation for WERI's Comprehensive Water Resource**  
14 **Monitoring Program.** The sum of One Hundred Seventy-three Thousand Nine Hundred  
15 Forty-eight Dollars (\$173,948) is appropriated from the General Fund to the University  
16 of Guam for Fiscal Year 2007 to fund the Water and Environmental Research Institute of  
17 the Western Pacific ("WERI"). Such funds shall be used for the *sole* purpose of  
18 matching the Federal funding for the Comprehensive Water Resource Monitoring  
19 Program. WERI shall continue to administer the Comprehensive Water Resource  
20 Monitoring Program for the same purposes that have previously been established by the  
21 laws of Guam. Such funds shall *not* be transferred or used for any other purposes.

22           **Section 5.    University of Guam for the College of Natural and Applied**  
23 **Sciences.** The sum of Ninety Thousand Dollars (\$90,000) is appropriated from the

1 General Fund to the University of Guam for Fiscal Year 2007 for the College of Natural  
2 and Applied Sciences which shall be divided equally between the Northern and Southern  
3 Soil and Water Conservation Districts Programs. Such funds shall *not* be transferred or  
4 used for any other purpose.

5 **Section 6. University of Guam for KPRG (Public Radio).** The sum of One  
6 Hundred Thousand Dollars (\$100,000) is appropriated from the General Fund to the  
7 University of Guam for Fiscal Year 2007 for the KPRG (Public Radio) operations.

8 **Section 7. Guam Community College LPN and Vocational Guidance**  
9 **Programs.** The sum of Five Hundred Forty-one Thousand Five Hundred Sixty-five  
10 Dollars (\$541,565) is appropriated from the General Fund to the Guam Community  
11 College for Fiscal Year 2007 to support the operational requirements of the Licensed  
12 Practical Nursing Program and Vocational Guidance Program.

13 **Section 8. Appropriations for Supplemental Annuity Benefits and for**  
14 **Other Costs.**

15 (a) The sum of Thirteen Million Three Hundred Twenty-four Thousand Two  
16 Hundred Seventy-two Dollars (\$13,324,272) is appropriated from the General Fund to  
17 the Supplemental Annuity Benefits Special Fund for Fiscal Year 2007 for direct  
18 payments to those employees who retired *prior* to October 1, 1995, or their survivors, for  
19 the continuing provisions of Four Thousand Two Hundred Thirty-eight Dollars (**\$4,238**)  
20 per year in supplemental annuity benefits, consisting of the sums of One Thousand Two  
21 Hundred Dollars (**\$1,200**), One Thousand Five Hundred Dollars (**\$1,500**), Seven  
22 Hundred Dollars (**\$700**), and Eight Hundred Thirty-eight Dollars (**\$838**) in annual  
23 benefits formerly contained in various General Appropriation Acts.



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

8           (c) The Department of Administration disburse to the retirees or their survivors  
9 the supplemental annuities provided for in Subsection (a) of this Section. The  
10 Government of Guam Retirement Fund shall provide the necessary information for  
11 disbursement to the retirees or their survivors to the Department of Administration.

12           (d) Deposits made to the Supplemental Annuity Benefits Special Fund (“Fund”)  
13 shall *not* be commingled with the General Fund and shall continue to be kept in a  
14 separate bank account which shall continue to be administered by the Director of the  
15 Department of Administration. This Fund shall *not* be subject to *I Maga’lahen Guåhan’s*  
16 transfer authority.

17           (e) For October 1, 2006, to September 30, 2007, of Fiscal Year 2007, the Guam  
18 Power Authority, the A.B. Won Pat International Airport Authority Guam, the Guam  
19 Economic Development and Commerce Authority, the Guam Housing Corporation, the  
20 Government of Guam Retirement Fund, the Jose D. Leon Guerrero Commercial Port, the  
21 Guam Waterworks Authority and the Guam Visitors Bureau shall remit to the  
22 Department of Administration an amount equal to the number of eligible employees  
23 which are retired from each entity multiplied by the amounts listed in Subsection (a) of

1 this Section. The remittance shall be due on or before October 10, 2006, and April 15,  
2 2007 respectively. Once remitted, this amount shall *not* be subject to *I Maga'lahi's*  
3 transfer authority.

4 (f) The sum of Seven Million Sixteen Thousand Eight Hundred Thirty Dollars  
5 (\$7,016,830) is appropriated from the General Fund to the Government of Guam  
6 Retirement Fund for the payment of benefits of current retirees from October 1, 2006 to  
7 September 30, 2007, consisting of the continuing provisions of Items (1) through (2),  
8 below:

- 9 (1) Retiree group health, dental and life insurance premiums (to  
10 continue existing programs currently contained in the semi-  
11 monthly payments); and  
12 (2) Retiree life insurance subsidy (to continue existing programs  
13 currently contained in the semi-monthly payments).

14 (g) For October 1, 2006, to September 30, 2007, the Guam Power Authority, the  
15 A.B. Won Pat International Airport Authority Guam, the Guam Economic Development  
16 and Commerce Authority, the Guam Housing Corporation, the Government of Guam  
17 Retirement Fund, the Jose D. Leon Guerrero Commercial Port, the Guam Waterworks  
18 Authority and the Guam Visitors Bureau shall remit to the Government of Guam  
19 Retirement Fund the respective share of payments for medical, dental, and life insurance  
20 payments for their respective retirees. The remittance shall be due in equal installments  
21 on or before October 10, 2006, and April 1, 2007 respectively.

22 The autonomous agencies' share of payments for medical, dental, and life  
23 insurance authorized herein are *ex gratia* payments and are for Fiscal Year 2007 *only*.

1 Any future medical, dental, and life insurance payments may be addressed by future  
2 legislation.

3 (h) For October 1, 2006, through September 30, 2007, One Hundred Twenty-  
4 four Thousand Two Hundred Dollars (\$124,200) is appropriated from the General Fund  
5 to the Government of Guam Retirement Fund to defray the cost of Medicare premiums  
6 for Government of Guam Retirees and their survivors who are eligible to receive social  
7 security income benefits and are required under the Government of Guam group health  
8 insurance program to pay such premiums in order to continue to participate in such health  
9 insurance program failing which they are excluded therefrom (to continue existing  
10 programs contained in the monthly payments).

11 (i) For Fiscal Year 2007, the sum of One Hundred Two Thousand Five Hundred  
12 Dollars (\$102,500) is appropriated from the General Fund to the Government of Guam  
13 Retirement Fund for *I Maga'lahi* and *I Segundu na Maga'lahi/I Segundu na Maga'haga*  
14 Pensions.

15 (j) For Fiscal Year 2007, the sum of Five Hundred Three Thousand Three  
16 Hundred Twenty-four Dollars (\$503,324) is appropriated from the General Fund to the  
17 Government of Guam Retirement Fund for retirement annuities for the Guam Superior  
18 Court Judges and Guam Supreme Court Justices.

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

22 **Section 9. Survivor Supplemental Annuity Additions.** Subsection (d), (6)  
23 of 4 GCA §8135, is *repealed* and *reenacted*, to read:

1           “(6) the prospective payment of supplemental benefits for the period of October  
2 1, 2006, through September 30, 2007, for survivors of those employees who retired *prior*  
3 to October 1, 1995, to be paid in the following manner:”

4           **Section 10. Disability Supplemental Annuity Additions.** Subsection (g) of  
5 4 GCA §8129, is hereby amended to read as follows:

6           (g) Any disability retirement annuitant who commenced receiving a disability  
7 retirement annuity prior to October 1, 1995, and who is entitled to disability retirement  
8 benefits under this Chapter shall receive, during the period commencing on October 1,  
9 2006, and ending on September 30, 2007, prospective non-cumulative supplemental  
10 annuity benefits as follows:”

11           **Section 11. Medicine for the Community Health Centers.** The sum of  
12 Three Hundred Thousand Dollars (\$300,000) is appropriated from the General Fund to  
13 the Department of Public Health and Social Services’ Community Health Centers to be  
14 used for medicines and for the treatment and prevention of tobacco diseases for Fiscal  
15 Year 2007.

16           **Section 12. Appropriation for Textbooks.** (a) For Fiscal Year 2007, the  
17 sum of Three Million Five Hundred Thousand Dollars (\$3,500,000) is appropriated from  
18 the General Fund from the Fiscal Year 2008 revenues to the Guam Public School System  
19 (GPSS) for the purchase of textbooks, e-book readers and collateral classroom  
20 instructional materials. GPSS may, *if necessary*, in agreements with textbook vendors,  
21 defer payment until *after* October 1, 2007, *but not later than* December 31, 2007, with  
22 the full faith and credit of the government of Guam.

1           **(b)** GPSS shall order all textbooks, e-book readers and collateral classroom  
2 instructional materials funded by this Section *no later than* March 1, 2007 for Fiscal Year  
3 2008, and the Bureau of Budget and Management Research shall release such allotments  
4 as are required to ensure such textbooks, e-book readers and collateral classroom  
5 instructional materials are ordered by this deadline. All textbooks and collateral  
6 classroom instructional materials shall be received and distributed to schools *no later*  
7 *than* thirty (30) days prior to the start of the Guam Educational Policy Board's adopted  
8 school calendar. All funds appropriated for textbooks, e-book readers and collateral  
9 classroom instructional materials shall *not* be used for any other purpose.

10           **(c)** For Fiscal Year 2007, on the first (1<sup>st</sup>) day of each quarter, the Superintendent  
11 of Education shall provide a detailed report to *I Liheslaturan Guåhan* on all receipts and  
12 expenditures for textbooks, e-book readers and collateral classroom instructional  
13 materials purchased with these funds. The report shall be accompanied by the certified  
14 list of textbooks approved by the Guam Education Policy Board and all purchase orders  
15 issued. The report shall be posted on the GPSS website. The report shall include  
16 summaries reflecting the following information:

17           **(i)** purchases by allotment account number, unit cost and total cost of  
18 books charged against appropriation account, vendor, quantity, title,  
19 copyright date and ISBN number of books ordered, and allocation of  
20 such books by school and grade;

21           **(ii)** the number of textbooks and e-book readers lost and/or damaged, the  
22 amount of collections for such lost or damaged items and the amount  
23 of receivables due for such lost or damaged items;

1 (iii) other information that may be useful, or requested by *I Liheslaturan*  
2 *Guåhan*, regarding the accountability of funds appropriated for such  
3 purposes.

4 Non-compliance with reporting requirements by the Superintendent of Education  
5 shall result in sanctions/penalties imposed pursuant to this Act.

6 **Section 14. Appropriation to the Guam Public School System for Summer**  
7 **School.**

8 (a) For Fiscal Year 2007, there is hereby appropriated such sums as are  
9 necessary from the Summer School Fund established pursuant to §6119 of Article 1, of  
10 Chapter 6 of Division 1 of Title 17, Guam Code Annotated , to the Guam Public School  
11 System to fund the operations of the 2007 Summer School Program.

12 (b) The Superintendent of Education shall submit a detailed report to I  
13 Liheslaturan Guåhan on the receipt and expenditure of said funds no later than thirty (30)  
14 days after the close of summer school and post the same on the GPSS website. Such  
15 report shall include the following:

- 16 (i) total revenues received, including identification of each revenue source;  
17 (ii) total expenditures and encumbrance by object classification and by school;  
18 and  
19 (iii) the fund balance.

20 **Section 15. *Y Kuantan Salappe' Prinsepat (Principal's Fund).*** The sum of  
21 Five Hundred Fifty-five Thousand Dollars (\$555,000) is appropriated from the General  
22 Fund to the Guam Public School System for the Principal's Fund for Fiscal Year 2007.  
23 The amount appropriated herein shall be allocated per student to each school, based on

1 the student population of each school at the end of the prior school year; provided that no  
2 school shall receive less than Five Thousand Dollars (\$5,000).

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

6 **Section 16. Guam State Clearinghouse.** The sum of Three Hundred  
7 Twenty-five Thousand Dollars (\$325,000) is appropriated from the General Fund to the  
8 Guam State Clearinghouse for its operations in Fiscal Year 2007.

9 **Section 17. Court Appointed Attorney Fees.** The sum of Seven Hundred  
10 Thousand Dollars (\$700,000) is appropriated from the General Fund to the Judiciary for  
11 Fiscal Year 2007 for the *sole* purpose of paying court-appointed attorney fees related to  
12 the legal defense of indigent people. Such funds shall be deposited into the Appointed  
13 Counsel Trust Fund account, as stipulated in 7 GCA §22111, and shall *not* be subject to  
14 any transfer authority.

15 **Section 18. Adult Drug Court.** The sum of Two Hundred Sixty-four  
16 Thousand Fourteen Dollars (\$264,014) is appropriated from the General Fund to the  
17 Judiciary for Fiscal Year 2007 for the purpose of funding the operational costs associated  
18 with the Adult Drug Court.

19 **Section 19. Juvenile Drug Court.** The sum of Two Hundred Forty-four  
20 Thousand Nine Hundred Sixty-four Dollars (\$244,964) is appropriated from the General  
21 Fund to the Judiciary for Fiscal Year 2007 for the purpose of funding the operational  
22 costs associated with the Juvenile Drug Court.

1           **Section 20. Permanent Injunction.** The sum of Eight Hundred Seventy  
2 Thousand Six Hundred Forty-two Dollars (\$870,642) is appropriated from the General  
3 Fund to the Department of Integrated Services for Individuals with Disabilities for  
4 compliance with the requirements of the Permanent Injunction Civil Case No. CV 01-  
5 00041, J.C. et al v. Governor of Guam et al.

6           **Section 21. Appropriation to the Department of Youth Affairs for**  
7 **Sanctuary, Inc.** (a) The sum of Two Hundred Forty-one Thousand Nine Hundred  
8 Forty-four Dollars (\$241,944) is appropriated from the General Fund for Fiscal Year  
9 2007 to the Department of Youth Affairs (DYA) for Sanctuary, Inc. for its operations.

10           (b) DYA shall submit a report to *I Maga'lahen Guåhan* and the *Speaker of I*  
11 *Liheslaturan Guåhan* containing a full disclosure of all expenditures of said funds from  
12 this appropriation *no later than* forty-five (45) days after the close of each quarter of the  
13 fiscal year and post the same on DYA's website.

14           **Section 22. Off-island Residential Treatment Fund.** (a) The sum of One  
15 Million Four Hundred Seventy-eight Thousand Six Hundred Twenty-six Dollars  
16 (\$1,478,626) is appropriated from the General Fund to the Department of Administration  
17 to pay authorized expenses in Fiscal Year 2007 for persons under the jurisdiction of the  
18 Superior Court of Guam requiring residential care because of physical, mental or  
19 emotional disabilities or severe emotional disturbances. All patients and their escorts  
20 referred off Guam shall submit to the Director of Administration supporting documents to  
21 justify their authorized travel expenses.

22           (b) The Director of Administration shall submit a report to *I Maga'lahen*  
23 *Guåhan* and the *Speaker of I Liheslaturan Guåhan* a report containing a full disclosure of



1 all expenditures of this appropriation, *no later than* thirty (30) days after the close of each  
2 quarter of the fiscal year and post the same on its website.

3 **Section 23. Public Assistance Program Payments.** The sum of Three  
4 Million One Hundred Thousand Dollars (\$3,100,000) is appropriated from the General  
5 Fund for Fiscal Year 2007 to the Department of Public Health and Social Services for  
6 Public Assistance Program payments.

7 **Section 24. Medically Indigent Program (MIP) and Medicaid Program**  
8 **Appropriation.** The sum of Seventeen Million Nine Hundred Thirty Thousand Four  
9 Hundred Five Dollars (\$17,930,405) is appropriated from the General Fund for Fiscal  
10 Year 2007 to the Department of Public Health and Social Services to be used for the  
11 following programs:

12 (a) The sum of Eleven Million Six Hundred Ninety-eight Thousand Five  
13 Hundred Seventy-four Dollars (\$11,698,574) to the Medically Indigent Program Payment  
14 Revolving Fund (MIPPR) for the Medically Indigent Program (MIP).

15 (b) The sum of Six Million Two Hundred Thirty-one Thousand Eight  
16 Hundred Thirty-one Dollars (\$6,231,831) for the Medicaid Program.

17 (c) The unexpended balance of the appropriation from the General Fund to  
18 the Department of Public Health and Social Services for MIP and Medicaid Programs for  
19 Fiscal Year 2006 shall *not* revert back to the General Fund, but shall be carried over into  
20 Fiscal Year 2007 to be expended in accordance with the original purpose of said funds.

21 (d) The Director of DPHSS shall submit a report to the Speaker of *I*  
22 *Lihselaturan Guâhan* of the allocation, demographics and expenditures associated with

1 the appropriations contained herein no later than thirty (30) days after the close of each  
2 quarter and post the same on DPHSS' website

3 (e) Payments for MIP and Medicaid vendors shall be made by DOA on a first  
4 in; first out basis.

5 **Section 25. Appropriation to Catastrophic Illness Program.** The sum of  
6 One Hundred Thousand Dollars (\$100,000) is appropriated from the General Fund for  
7 Fiscal Year 2007 to the Department of Public Health and Social Services for the *sole*  
8 purpose of funding the Catastrophic Illness Program. The funds appropriated herein shall  
9 *not* be subject to *I Maga'lahaen Guåhan's* transfer authority.

10 **Section 26. Government Claims Fund.** (a) The sum of One Hundred  
11 Thousand Five Hundred Ninety-eight Dollars (\$100,598) is appropriated from the  
12 General Fund to the Department of Administration for the Government Claims Fund for  
13 the payment of eligible and approved Government Claims for Fiscal Year 2007.

14 (b) The Director of Administration shall, *no later than* thirty (30) days after  
15 the close of each quarter for Fiscal Year 2007, submit to the Speaker of *I Liheslaturan*  
16 *Guåhan* a report containing a full disclosure of all expenditures of this appropriation and  
17 post the same on the Department's website.

18 **Section 27. Government of Guam's General Purpose Financial Statement**  
19 **and Single Audit Report.** The sum of Three Hundred Four Thousand One Hundred  
20 Ten Dollars (\$304,110) is appropriated from the General Fund to the Department of  
21 Administration for the Fiscal Year 2006 Audit of the Government of Guam's General  
22 Purpose Financial Statement and the Single Audit Report. The Office of the Public

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

3 **Section 28. Appropriation to the Worker's Compensation Fund.**

4 (a) The sum of Nine Hundred Thirty Thousand Dollars (\$930,000) is  
5 appropriated from the General Fund to the Department of Labor for the Worker's  
6 Compensation Fund for Fiscal Year 2007. The funds appropriated in this Section shall be  
7 utilized for worker's compensation payments for the purposes set out in §9144 of Title 22  
8 of the Guam Code Annotated to pay worker's compensation for claims by employees of  
9 the government of Guam, including outstanding prior years' obligations and future  
10 obligations associated with the provisions of this Section.

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

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

19 (d) Notwithstanding any other provision of law, the Director of the  
20 Department of Labor is authorized to spend *up to* Forty Thousand Dollars (\$40,000) from  
21 this fund to pay for legal services for worker's compensation hearings for Fiscal Year  
22 2007.

1           **Section 29. Erica’s House of Hope.**       Notwithstanding any other provision  
2 of law, the sum of One Hundred Thousand Dollars (\$100,000) is appropriated from the  
3 Safe Streets Fund, for Fiscal Year 2007, to the Judiciary to pay for contractual services  
4 for the operation of the Erica’s House of Hope, an ongoing family visitation center,  
5 provided that the needs mandated within 16 GCA §18125 (c) and (d) and 7 GCA §9211  
6 (b) are first met.

7           **Section 30. Guam Territorial Band.**       The sum of Twenty-five Thousand  
8 Dollars (\$25,000) is appropriated from the Tourist Attraction Fund, for Fiscal Year 2007,  
9 to the Guam Council on the Arts and Humanities Council for the Guam Territorial Band.

10           **Section 31. Appropriation for Cost of Living Allowance (COLA).**

11           **(a)**    *I Maga’lahen Guåhan* is authorized to give a “Cost of Living Allowance”  
12 (COLA) of One Thousand One Hundred Dollars (\$1,100) per annuitant of the  
13 Government of Guam Retirement Fund who is receiving an annuity as of September 30,  
14 2006, payable from the Guam Telephone Authority Privatization Proceeds Fund.

15           **(b)**    No person eligible for the COLA benefits provided for in Subsection (a) of  
16 this Section shall receive such benefit if his regular annual retirement annuity, *excluding*  
17 survivor benefits, exclusive of the supplemental amounts per Section 8, Chapter III of  
18 this Act, is more than Forty Thousand Dollars (\$40,000). Persons eligible for COLA  
19 shall *only* receive an amount of such benefits up to the total aggregate sum of Forty  
20 Thousand Dollars (\$40,000) in combined retirement annuities and COLA benefits.

21           **(c)**    The sum of Seven Million Dollars (\$7,000,000) is appropriated from the  
22 Guam Telephone Authority Privatization Proceeds Fund to the Department of  
23 Administration for the Cost of Living Allowance authorized herein. If this entire

1 appropriation is not used for the COLA, the balance shall revert to the GTA Privatization  
2 Proceeds Fund.

3           **Section 32. Guam Board of Accountancy.** The sum of Four Hundred Fifty-  
4 five Thousand Two Hundred Twenty-four Dollars (\$455,224) is appropriated from the  
5 General Fund to the Guam Board of Accountancy for its operations in Fiscal Year 2007.

1  
2  
3 **CHAPTER IV**

4 **MISCELLANEOUS PROVISIONS**

5 **Section 1. Transfer of Employees.** Notwithstanding any other provision of  
6 law, and in recognition of the shortages of personnel in certain areas of the government, *I*  
7 *Maga'lahaen Guåhan* is authorized to transfer employees within or between any  
8 department or agency of the Government of Guam, *except* that:

9 (1) The provisions of this Section shall *not* apply to any employee of the  
10 Legislative or Judicial Branches of government, the Guam Public School System, the  
11 Guam Police Department, the Attorney General's Office (Department of Law), the Office  
12 of the Public Auditor, the University of Guam and Guam Community College;

13 (2) The transfer of any employee shall *not* result in a loss of pay or salary;

14 (3) *No* employee shall be transferred if the employee has filed a legitimate  
15 grievance with the Civil Service Commission for discrimination based on political  
16 affiliation, gender, or sexual harassment, unless the said transfer is agreed to by the  
17 employee;

18 (4) The provisions of this Section shall not authorize the transfer of  
19 autonomous agency employees into line departments or agencies;

20 (5) The transfer of any employee, including an employee of Guam Memorial  
21 Hospital Authority, Public Health and Mental Health pursuant to this Section shall be  
22 accompanied by a transfer of the authorized funding for the transferred employee's  
position by the department or agency from which the employee is being transferred,  
unless the employee is transferred to an autonomous department or agency; and

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

4           **Section 2. Retirement Option for Government of Guam Employees Upon**  
5 **the Completion Remittance of Individual Retirement Fund Contributions.** Any and  
6 all active members of the Government of Guam Retirement Fund who meet the minimum  
7 eligibility requirements for retirement shall be granted the opportunity to retire upon the  
8 complete remittance of his or her outstanding individual retirement fund contributions.  
9 Such contributions shall include the employee and employer retirement fund  
10 contributions. Any and all fees, interest at actuarial rate, and penalties associated with  
11 the requirements set forth by the Government of Guam Retirement Fund shall be paid by  
12 the Government.

13           This Section does not restrict the continuing remittance of existing retirement  
14 fund contributions as required by law, or as set forth by the Government of Guam  
15 Retirement Fund. By the fifteenth (15<sup>th</sup>) day of each month, *I Maga'Lahen Guåhan* shall  
16 provide a detailed report to the Speaker of *I Liheslaturan Guåhan* on the remittances and  
17 number of retirements for the prior month pursuant to this Section. Nothing herein shall  
18 be construed to abrogate any of the provisions of Public Law 28-38.

19           **Section 3. Government of Guam Retirement Fund Rate of Contribution.**  
20 In accordance with §8137(e) of Article 1, Chapter 8 of Title 4 of the Guam Code  
21 Annotated, the government rate of contribution to the Retirement Fund, beginning  
22 October 1, 2006 for Fiscal Year 2007, shall equal 21.81%.

1           **Section 4.    Staffing Pattern Reporting.**

2           **(a)    Staffing Pattern.** Beginning October 1, 2006, and continuing on each  
3 quarter thereafter, each agency or department head in the Executive Branch of the  
4 government of Guam, the Chairperson of the Judicial Council and the Chairperson of the  
5 Board of Trustees of the Public Defender Service Corporation shall submit to the Speaker  
6 of *I Liheslaturan Guåhan* a current staffing pattern, in the format of the Executive Branch  
7 FY 2007 Budget Call, as of the previous month's ending, of employees funded by the  
8 respective instrumentality. Such staffing pattern shall include, *at a minimum*, the name of  
9 the employee, position title, salary, increment cost and benefits cost for each employee,  
10 as well as the funding source for the salary and benefits of each employee and shall be  
11 posted on the agency website.

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

15           **Section 5.    Revenue Tracking Report.** The Director of the Bureau of  
16 Budget and Management Research, in collaboration with the Director of the Department  
17 of Revenue and Taxation and the Director of the Department of Administration shall  
18 determine, *no later than thirty (30) days after* the close of each month of Fiscal Year  
19 2007, the revenue tracking for the balance of the fiscal year, based upon the actual  
20 collections of the preceding month and prepare a comparative statement of the "actual"  
21 and "projected" revenues. Such information shall be compiled in a Report, certified by  
22 each of the aforementioned Directors and submitted to the Speaker of *I Liheslaturan*  
23 *Guahån no later than thirty (30) days after* the close of each month of the fiscal year.



1           **Section 6. Contracts Exceeding Funds Restriction.** Except for the Guam  
2 Public School System and Guam Memorial Hospital Authority, for Fiscal Year 2007, *no*  
3 agency shall contract to spend, or enter into an agreement to spend, any money in *excess*  
4 of the amount allotted to the agency by BBMR. Any contract or agreement in violation  
5 of this provision shall be void.

6           Any agency head or Certifying Officer who knowingly contracts to spend, or  
7 enters into an agreement to spend, any money in *excess* of the amount allotted to the  
8 agency for which the contract or agreement is executed shall be guilty of a misdemeanor.

9           **Section 7. Moratorium on Compensation for Boards and Commissions.**  
10 For Fiscal Year 2007, notwithstanding any other provision of law, rule, or regulation, and  
11 *except* for the Civil Service Commission, the Guam Education Policy Board, and the  
12 Consolidated Commission on Utilities, a moratorium is hereby placed on the  
13 compensation of all members of government boards and commissions for their  
14 attendance at hearings and meetings.

15           **Section 8. Limited Term Appointment Moratorium.** For Fiscal Year 2007,  
16 notwithstanding the provisions of §4102 of Title 4 of the Guam Code Annotated, or any  
17 other provision of law, *no* person may be employed on a temporary or limited term basis  
18 by an instrumentality of the government of Guam during the Fiscal Year, *except* for the  
19 following:

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

22           (2) Attorneys at the Department of Law (within the staffing pattern funding  
23 levels);

- 1           (3)    Nurses and doctors (within the staffing pattern funding levels);
- 2           (4)    Temporary survey workers employed by the Department of Labor and  
3 Bureau of Statistics and Plans for the purpose of conducting employment surveys (within  
4 staffing pattern funding levels);
- 5           (5)    Licensed healthcare professionals and other ancillary service personnel  
6 employed at the Guam Memorial Hospital Authority, the Department of Mental Health  
7 and Substance Abuse, and the Department of Public Health and Social Services (all  
8 within staffing pattern funding levels);
- 9           (6)    Academic personnel positions at the University of Guam and the Guam  
10 Community College (within their appropriated funding levels);
- 11          (7)    Substitute school bus drivers.
- 12          (8)    Persons filling temporary vacancies created by the call to active military  
13 duty of employees who are members of the reserve components of the Department of  
14 Defense and the Department of Transportation, included but not limited to the United  
15 States Army, United States Navy, United States Marine Corps, United States Air Force,  
16 the Army National Guard, the Air National Guard, and the United States Coast Guard.
- 17          (9)    Federally-funded positions (matching and up to 100%); and
- 18          (10)   Temporary Solid Waste Technicians employed by the Division of Solid  
19 Waste Management of the Department of Public Works for the purpose of collecting  
20 residential solid waste.

21           **Section 9.    Restrictions on Executive Branch Hiring of Unclassified**  
22 **Employees.**   *No* government funds of any kind or description may be expended on

1 employment of, or hiring of, unclassified employees in the Executive Branch of the  
2 government of Guam, *except* for the following:

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

5 (2) Academic personnel positions at the University of Guam and the Guam  
6 Community College;

7 (3) Nurses, doctors, licensed health professionals and ancillary health  
8 employees necessary for clinical purposes at the Department of Public Health and Social  
9 Services, the Department of Mental Health and Substance Abuse, the Office of the Chief  
10 Medical Examiner, the Guam Memorial Hospital Authority, Guam Police Department,  
11 and the Department of Integrated Services for Individuals with Disabilities; and

12 (4) Department of Labor Survey Workers.

13 (5) Federally-funded positions (matching and up to 100%); and

14 (6) Persons filling temporary vacancies created by the call to active military  
15 duty of employees who are members of the reserve components of the Department of  
16 Defense and the Department of Transportation, included but not limited to the United  
17 States Army, United States Navy, United States Marine Corps, United States Air Force,  
18 the Army National Guard, the Air National Guard, and the United States Coast Guard.

19 This provision does *not* apply to employees at the Office of *I Maga'laha*  
20 *Guahån* and *I Segundu Na Maga'laha Guåhan*, and the appointments of department or  
21 agency heads, deputies and a private secretary.

22 **Section 10. Independent Contractors.** The Office of *I Maga'laha* may enter  
23 into agreements with independent contractors pursuant to Guam procurement laws.

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

7           **Section 12. Quarterly Reports of Medical Referral Offices.** Each of the  
8 Guam Medical Referral Offices funded by this Act shall provide quarterly reports on  
9 their activities and expenditures. Each report shall include, but not limited, to the  
10 following:

- 11           (a) number of referred patients served;
- 12           (b) number of patient escorts or accompanying family members served;
- 13           (c) average cost per patient referral incurred by the respective office during  
14           that quarter;
- 15           (d) actual office expenditures for the quarter including fuel costs; and
- 16           (e) outline of services provided during the quarter.

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

21           **Section 13. Facilities Insurance Requirements.** Every department and  
22 agency of the government of Guam, as part of its appropriations for operations contained  
23 in this Act, may expend such sums as necessary for facilities insurance requirements.

1           **Section 14. Amendment of Item (1) of Subsection (b) of Section 4117 of**  
2 **Chapter 4 of Title 5, Guam Code Annotated.** Item (1) of Subsection (b) of Section  
3 4117 of Chapter 4 of Title 5, Guam Code Annotated, is amended to read:

4           “(1) Equipment, such as loader trucks, tractors, trailers, automobiles or other  
5 vehicles; machinery; reference books; filing cabinets, typewriters, computers,  
6 microcomputers and printers, facsimile machines, adding and calculating machines, other  
7 business machines and office equipment; and tools, implements and instruments which  
8 may be used continuously without material change in physical condition and having a  
9 useful life of one (1) year or longer and cost not less than [~~Five Hundred Dollars~~  
10 ~~(\$500.00)] Five Thousand Dollars (\$5,000.00).”~~

11           **Section 15. Environmental Health Fund.** The Department of Public Health  
12 and Social Services (DPHSS) is authorized to expend up to the level of revenues  
13 collected in the Environmental Health Fund for the operations of the Environmental  
14 Health division of the DPHSS in Fiscal Year 2007. This Fund is not subject to the  
15 transfer authority of the Director of DPHSS authorized in this Act or transfer authority of  
16 *I Maga'lahañ Guåhan*.

17           **Section 16. Volunteers and donations for Skinner Plaza, Plaza De Espana**  
18 **and Guam Congress Building.** Notwithstanding any provision of law to the contrary,  
19 the Executive Director or Acting Executive Director of *I Liheslaturan Guåhan* is  
20 authorized to receive donations, inclusive but not restricted to donations of goods,  
21 materials and services, for the purpose of maintaining and improving Skinner Plaza, the  
22 Plaza De Espana, and the Guam Congress Building (otherwise known as the Old  
23 Legislative Building).

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

11           All Special funds or Revolving funds transferred to cover the appropriations  
12 authorized in this Act shall be reimbursed to the Special or Revolving Fund from which it  
13 was transferred as cash becomes available.

14           *I Maga'lahaen Guåhan* shall submit a report to the Speaker of *I Liheslaturan*  
15 *Guåhan* on the fifth (5<sup>th</sup>) day of every month subsequent to the enactment of this Act on  
16 the application of the provisions contained herein. Such report shall include detailed  
17 information on the amount of such transfers and the fund expending such monies.

18           **Section 18. Transfer Authority of I Maga'lahaen Guåhan.** *I Maga'lahaen*  
19 *Guåhan* is hereby authorized to transfer up to Fifteen Percent (15%) of all appropriations  
20 made to the Executive Branch within an agency or between agencies. This transfer  
21 authority shall not be applicable to funds allocated to the Unified Judiciary, *I*  
22 *Liheslaturan Guåhan*, the Office of the Attorney General, the Office of the Public  
23 Auditor and the Mayor's Council.

1            *I Maga'lahaen Guåhan* shall report to *I Liheslaturan Guåhan* at the end of each  
2 month all transfers pursuant to this Section.

3            **Section 19. Secondary and Tertiary Road Projects.** The Director of Public  
4 Works is authorized to delete and add secondary and tertiary road repair projects to the  
5 list detailed in Part IV of Chapter II of Public Law 28-68, should such amendment be  
6 necessary due to changes in cost estimate, availability of funds or critical need, provided  
7 that the repair of potholes on primary and secondary roads must remain a top priority, and  
8 must commence as soon as is practicable. Any fees or charges required as a consequence  
9 of the issuance of revenue bonds as authorized in Part IV of Chapter II of Public Law 28-  
10 68 shall be paid from the proceeds of such bonds. The Director of Public Works may use  
11 proceeds of the bond, as well as other funds transferred to the Road and pothole Repair  
12 Fund established in Part IV of Chapter II of Public Law 28-68, for the bulk purchase of  
13 asphalt or pavement oil, pursuant to the Procurement Law, in the interest of reducing  
14 costs of repair.

15            **Section 20. Contracts.**

16            (a) *Except* for positions filled in accordance with the merit system at the  
17 University of Guam, the Guam Community College, the Guam Public School System, the  
18 Judiciary of Guam, the Department of Law, the Guam Police Department, *I Liheslaturan*  
19 *Guåhan*, and licensed health professionals at the Guam Memorial Hospital, the  
20 Department of Public Health and Social Services and the Department of Mental Health  
21 and Substance Abuse, positions in the classified and unclassified service shall *not* be  
22 filled pursuant to a contractual arrangement.

1           (b) Pursuant to the procurement law, government of Guam departments and  
2 agencies may enter into agreements with independent contractors provided that *no*  
3 agency may contract for services customarily provided by employees defined in the  
4 classified service, unless permitted by the enabling legislation of the agency.

5           (c) This Section does not prohibit the use of independent contracts to obtain  
6 commonly recognized professional services, such as licensed health professionals,  
7 licensed architects, licensed engineers, legal services, actuarial services and auditing  
8 services (to include the Government of Guam Annual Financial Audit) by those agencies  
9 that do not customarily obtain such services through an employee.

10          (d) The Attorney General may contract with attorneys as independent  
11 contractors who can provide assistance in areas in which it is impracticable for the  
12 Department of Law to proceed with its existing civil service attorneys, such as anti-trust,  
13 maritime and admiralty law, patent and copyright law, prosecution of white collar crime,  
14 utilities regulation, the issuance of bonds, special tax issues, and complete civil litigation.  
15 The Attorney General shall file a copy of every such contract with the Chief Procurement  
16 Officer and Division of Accounts at the Department of Administration together with a  
17 written certification stating why it was impracticable to handle the matter with the  
18 Department's civil service attorneys and justifying the hiring of an independent  
19 contractor.

20           **Section 21. Amendment to the Guam Public School System Operations**  
21 **Fund.** Section 52101 of Chapter 52, Title 11, Division 2 of the Guam Code Annotated  
22 is amended to read:



1 "Chapter 52

2 §52101. Creation of the Guam Public School System Operations Fund.

3 There is hereby created, separate and apart from other funds of the government of Guam,  
4 a fund known as the 'Guam Public School System Operations Fund'. This fund shall *not*  
5 be commingled with the General Fund and shall be kept in a separate bank account to be  
6 in the name of the Guam Public School System (GPSS). Eighty-three point two percent  
7 (83.2%) of all withholding taxes, interest and penalties collected in Guam shall fund the  
8 Guam Public School System Operations Fund and shall be appropriated by *I Liheslaturan*  
9 *Guåhan* to cover the operational expenses of the Guam Public School System and any  
10 use associated with the Guam Public School System, as determined in the Guam Public  
11 School System budget in accordance with 10 GCA Chapter 3, by the Guam Education  
12 Policy Board or the laws of Guam. The Superintendent of Education shall conduct public  
13 hearings at the public schools prior to the submission of the budget to the Guam  
14 Education Policy Board in order to address each school's individual budgetary  
15 requirements. The Director of Administration shall deposit, *over the course of the fiscal*  
16 *year, an amount reflective of eighty-three point two percent (83.2%) of all collections for*  
17 *withholding taxes, interest and penalties. The Director of Administration shall transfer*  
18 *funds on weekly, bi-weekly or monthly basis or as required to sustain operations of the*  
19 *Guam Public School System so long as at the end of the fiscal year, an amount reflective*  
20 *of 83.2% of all withholding taxes, interest and penalties collected for the fiscal year shall*  
21 *have been transferred to the Guam Public School System Operations Fund. Nothing*  
22 *herein shall be construed as preventing I Liheslaturan Guåhan from making additional*  
23 *appropriations to the Guam Public School System. I Maga'lahren Guåhan's transfer*

1 authority shall *not* apply to this or any other appropriation to the Guam Public School  
2 System, *except* that *I Maga'lahaen Guåhan* may transfer funds into the Guam Public  
3 School System to the extent permitted by law.”

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22

**CHAPTER V**

**ADMINISTRATIVE PROVISIONS**

**Section 1. Exemption from BBMR Allotment Release Control.** The provisions of 5 GCA §1303 shall be applicable to all appropriations made pursuant to this Act, except for appropriations from the Guam Public School System Operations Fund and for debt service.

**Section 2. Reporting Requirements.** Thirty (30) days after the close of each quarter of Fiscal Year 2007, each department/agency head in the Executive Branch of the government of Guam, all autonomous, semi-autonomous agencies and Public Corporations inclusive of the Public Auditor of Guam, the Attorney General of Guam, the Administrator of the Courts, the Public Defender of Guam, the President of the Mayors Council of Guam, the Superintendent of the Guam Public School System, the President of the University of Guam, the President of the Guam Community College, the Administrator of the Guam Memorial Hospital Authority, the General Manager of the Guam Visitors Bureau, the Administrator of the Guam Economic Development and Commerce Authority, and the Director of the Guam Election Commission, shall submit in written and electronic format (including, but *not limited to*, diskettes, CD, and/or email) to the Speaker of *I Liheslaturan Guåhan* a report containing full disclosure of ALL funds under its purview and administration for the preceding quarter. Such disclosure shall be in the format of Financial Statements and/or revenue and expenditure reports for each of the funds he or she administers (appropriated, non-appropriated and other sources) or in the format as may be required by *I Liheslaturan Guåhan* and shall

1 post the same on the department/agencies website. This, and all other reporting  
2 requirements as mandated in this Act are subject to the following:

3 (a) Fifteen (15) days after the report's due date, *I Maga'lahi*, through the  
4 Bureau of Budget and Management Research, shall notify the responsible  
5 Department/Agency Head of the Executive Branch, of non-compliance and the imminent  
6 deappropriation of funds.

7 (b) Fifteen (15) days after the report's due date, the Chairpersons of all  
8 applicable Boards and Commissions shall notify the responsible reporting Official, listed  
9 in this Section, of non-compliance with reporting requirements and the imminent  
10 deappropriation of funds.

11 **Section 3. Deappropriation of Funds.** Failure to comply with reporting  
12 requirements as mandated in this Act, after the forty-fifth (45<sup>th</sup>) day from the original  
13 report due date, shall result in the automatic deappropriation of funds of five percent  
14 (5%) of the appropriations made to the non-compliant entity for EACH requirement not  
15 met. This Section shall *not* apply when the island is declared to be in the Condition of  
16 Readiness One or when *I Maga'lahi* has declared a state of emergency. The Public  
17 Auditor shall certify the deappropriation and report it to *I Maga'lahen Guðhan* and the  
18 Speaker of *I Liheslaturan Guðhan*. The Bureau of Budget and Management Research  
19 shall adjust the appropriation/allotment to effectuate any deappropriation and submit a  
20 report of such deappropriation(s) along with copies of the appropriation/allotment  
21 modification to the Speaker of *I Liheslaturan Guðhan*.

22 **Section 4. Authorization for Payment of Prior Years' Obligations.**  
23 Appropriations made in this Act may be expended for the payment of prior years'

1 obligations. *I Maga'lahen Guåhan* shall deliver notice to the Speaker of *I Liheslaturan*  
2 *Guåhan* of each proposed expenditure. *I Liheslaturan Guåhan* shall have twenty (20)  
3 days to act on such notice. Such expenditure will be effective if no action is taken by *I*  
4 *Liheslaturan Guåhan*. For these purposes only, 2 GCA §2103, requiring a public hearing  
5 for bills, and 5 GCA §8107, requiring notice of regular meetings, including legislative  
6 sessions, shall *not* apply.

7           **Section 5. Authorization for Matching Requirements for Federal Grants-**  
8 **In-Aid.** Notwithstanding any other provision of law, departments are authorized to  
9 expend funds appropriated in this Act for matching requirements of Federal grants.

10           **Section 6. Carryover of Local and Federal Matching Program Funds for**  
11 **grants.** The Local and Federal Matching Funds for programs whose expiration dates  
12 extend *beyond* September 30, 2007, are hereby authorized to be carried over and  
13 expended through the period of the grant award.

14           **Section 7. Federal Reimbursements into the General Fund.** Except as  
15 provided by the provisions of §5104(38) of Title 12 of the Guam Code Annotated, *if*  
16 Guam expends any funds, which are reimbursed by the Federal Government, the  
17 reimbursed funds shall be placed into the General Fund upon receipt.

18           **Section 8. Authorization to expend Indirect Cost Fees collected for Fiscal**  
19 **Year 2006.** The Bureau of Budget and Management Research develops the annual  
20 central cost allocation plan and indirect cost rate proposal for the collection of the  
21 government of Guam's share of indirect costs associated with administration of Federal  
22 grants and contracts.

1           Notwithstanding any other provision of law, the Bureau of Budget and  
2 Management Research (“BBMR”) is allocated Three Percent (3%) of total indirect cost  
3 fees collected in Fiscal Year 2006. BBMR is authorized to expend fees for costs related  
4 to negotiating and administering the government of Guam’s indirect cost rate.

5           **Section 9. The Guam Public School System Operations Fund Capped**  
6 **Appropriation Level.** The appropriation made from the Guam Public School System  
7 Operations Fund to the Guam Public School System is capped at \$168,015,080.

8           **Section 10. The Pharmaceuticals Fund Capped Appropriation Level.**  
9 The appropriation made from the Pharmaceuticals Fund to the Guam Memorial Hospital  
10 Authority is capped at \$9,902,772.

11           **Section 11. Severability.** *If* any provision of this Act or its application to any  
12 person or circumstances is held invalid, the invalidity shall *not* effect other provisions or  
13 applications of this Act which can be given effect without the invalid provision or  
14 application, and to this end the provisions of this Act are severable.