

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

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

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

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

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

- 8 **A. GENERAL OBLIGATION BONDS 1993 SERIES A**
- 9 (For education capital projects; Real Property Taxes pledged;
10 due FY 2018 as final year; P.L. 22-19 and P.L. 22-24, net
11 of UOG Bond Payment Obligation \$2,027,376) **\$10,591,975 1/**
- 12 **1/ Territorial Education Facilities Fund**
- 13 **B. LIMITED OBLIGATION HIGHWAY REFUNDING**
- 14 **BOND 2001 SERIES A**
- 15 (P.L. No. 24-70; due FY 2012 as the final year;
16 source of payment from Liquid Fuel Taxes) **\$6,030,463 2/**
- 17 **2/ Guam Highway Fund**
- 18 **C. LIMITED OBLIGATION (SECTION 30) BONDS**
- 19 **SERIES A 2001 (SECTION 30 FUNDS)**
- 20 (Water System Revenue Bond; P.L. 26-58, amended
21 by P.L. 25-59; Section 30 fund pledged; due FY 2012
22 as final year) **\$9,825,780 3/**
- 23 **3/ Section 30 Funds**

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

1 **CHAPTER II**

2 **APPROPRIATIONS FOR EXECUTIVE BRANCH OPERATIONS**

3 **Section 1. Executive Branch Appropriations.** Four Hundred Eighty Three

4 Million Three Hundred Four Thousand Seven Hundred Eighty Nine Dollars

5 (\$483,304,789) are appropriated for the operations of the Executive Branch for fiscal year

6 ending September 30, 2008. This sum is composed of Three Hundred Sixty Two Million

7 Nine Hundred Sixteen Thousand One Hundred Fifty One Dollars (\$362,916,151) from

8 the General Fund; Eighty Seven Million Eight Hundred Seventy Five Thousand Two

9 Hundred Dollars (\$87,875,200) from Special Funds; and Thirty Two Million Five

10 Hundred Thirteen Thousand Four Hundred Thirty Eight Dollars (\$32,513,438) from

11 Federal Matching Grants-in-Aid. The appropriation shall be expended as follows:

| 12 | | General | Special | Federal Fund | Total |
|----|-----------------------------------|----------------|----------------|---------------------|--------------|
| 13 | | Fund | Fund | Match | |
| 14 | I. EXECUTIVE DIRECTION | | | | |
| 15 | A. Office of I Maga'lahaen | | | | |
| 16 | Guahan and I Segundu | | | | |
| 17 | Na Maga'lahaen Guahan | \$5,973,357 | | | \$5,973,357 |
| 18 | B. Bureau of Budget and | | | | |
| 19 | Management Research | 1,399,126 | | | 1,399,126 |
| 20 | C. Bureau of Statistics | | | | |
| 21 | and Plans | 1,107,622 | | | 1,107,622 |
| 22 | D. Military Affairs | 445,520 | | 613,685 | 1,059,205 |

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

| | General | Special | Federal Fund | Total |
|---|---------------------|---------------------|---------------------|---------------------|
| | Fund | Fund | Match | |
| 3 TOTAL HOMELAND | | | | |
| 4 SECURITY | \$ | \$8,249,159 | \$ | \$8,249,159 |
| 5 IV. HEALTH | | | | |
| 6 A. Integrated Services for Individuals | | | | |
| 7 with Disabilities | 1,754,007 | 739,938 4/ | 2,382,160 | 4,876,105 |
| 8 B. Medical Referral | | | | |
| 9 Offices | 635,748 | | | 635,748 |
| 10 C. Mental Health and | | | | |
| 11 Substance Abuse | 5,609,984 | 1,873,106 4/ | | 7,483,090 |
| 12 D. Public Health and | | | | |
| 13 Social Services | 19,395,235 | 7,670,627 6/ | 22,328,194 | 49,394,056 |
| 14 E. Guam Memorial Hospital | | | | |
| 15 Authority | 14,839,231 | | | 14,839,231 |
| 16 TOTAL HEALTH | \$42,234,205 | \$10,283,671 | \$24,710,354 | \$77,228,230 |
| 17 V. EDUCATION | | | | |
| 18 A. Guam Public School | | | | |
| 19 System | 172,397,860 | 26,983,648 7/ | | 199,381,508 |
| 20 B. University of Guam | 24,068,175 | 2,737,141 8/ | 1,396,000 | 28,201,316 |
| 21 C. Guam Community | | | | |
| 22 College | 5,543,897 | 7,467,173 9/ | | 13,011,070 |

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

| | General | Special | Federal Fund | Total | |
|-----------|--|--------------------|-----------------------|------------------|---------------------|
| | Fund | Fund | Match | | |
| 3 | VIII. LABOR | | | | |
| 4 | A. Contractor's License | | | | |
| 5 | Board | 338,250 15/ | | 338,250 | |
| 6 | B. Licensing and Professional | | | | |
| 7 | Labor Regulations | | | | |
| 8 | (PEALS, etc.) | 203,843 16/ | | 203,843 | |
| 9 | C. Labor | 1,739,385 | 360,000 17/ 34,200 | 2,133,585 | |
| 10 | TOTAL LABOR | \$1,739,385 | \$902,093 | \$34,200 | \$2,675,678 |
| 11 | IX. TRANSPORTATION | | | | |
| 12 | A. Public Works | 8,920,057 | 16,780,522 18/ | 25,700,579 | |
| 13 | B. Guam Mass Transit | | | | |
| 14 | Authority/DOA | | 2,500,000 19/ 859,915 | 3,359,915 | |
| 15 | TOTAL | | | | |
| 16 | TRANSPORTATION | \$8,920,057 | \$19,280,522 | \$859,915 | \$29,060,494 |
| 17 | X. TOURISM AND CULTURE | | | | |
| 18 | A. Cultural Heritage and the Arts (Chamorro | | | | |
| 19 | Affairs, etc) | 579,991 | 300,000 20/ | 879,991 | |
| 20 | B. Guam Council on the Arts and Humanities | | | | |
| 21 | Agency | | 409,950 20/ 241,300 | 651,250 | |
| 22 | TOTAL TOURISM AND | | | | |
| 23 | CULTURE | \$579,991 | \$709,950 | \$241,300 | \$1,531,241 |

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

NOTES:

- 12 1/ Police Services Fund
- 13 2/ Enhanced 911 Emergency Reporting System Fund (\$2,103,615) and Fire, Life and
- 14 Medical Emergency Fund (\$1,347,140)
- 15 3/ Corrections Revolving Fund
- 16 4/ Healthy Futures Fund
- 17 5/ Customs, Agriculture and Quarantine Inspection Services Fund
- 18 6/ Environmental Health Fund (\$645,000) and Healthy Futures Fund (\$7,025,627)
- 19 7/ School Lunch/SAE/Child Nutritional Meal Reimbursement Fund (\$6,500,000) and
- 20 Territorial Education Facilities Fund (\$20,483,648)
- 21 8/ Territorial Education Facilities Fund
- 22 9/ Manpower Development Fund (\$840,000); Territorial Education Facilities Fund
- 23 (\$6,383,778); and Tourist Attraction Fund (\$243,395)
- 24 10/ Guam Plant Inspection and Permit Fund
- 25 11/ Chamorro Land Trust Operations Fund

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 (1) Retiree group health, dental and life insurance premiums (to
19 continue existing programs currently contained in the semi-
20 monthly payments); and

21 (2) Retiree life insurance subsidy (to continue existing programs
22 currently contained in the semi-monthly payments).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 **Section 28. Government Claims Fund.** (a) The sum of One Hundred
12 Thousand Dollars (\$100,000) is appropriated from the General Fund to the Department of
13 Administration for the Government Claims Fund for the payment of eligible and
14 approved Government Claims for Fiscal Year 2008.

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

19 **Section 29. Government of Guam's General Purpose Financial Statement**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16
17 **Section 18. A new Section 22907 is added to 5 GCA.**

18
19 "Section 22907. Creation of Deficit Elimination Fund

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

21 (b) Beginning in fiscal year 2008 and for each fiscal year thereafter, a sum equal
22 to no less than two and a half percent of General Fund revenues for the fiscal year are
23 reserved and automatically appropriated to the Deficit Elimination Fund for the purpose
24 of retiring the cumulative general fund deficit. Such excess revenues shall be in addition
25 to any appropriations made directly to the fund. The aforementioned automatic

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

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

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

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

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

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

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

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

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

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

1 prohibit *I Liheslaturan Guåhan* from appropriating supplemental amounts to the Guam
2 Public School System. All appropriations to the Guam Public School System are not
3 subject to the allotment process administered by the Bureau of Budget and Management
4 Research (BBMR), but shall be subject to the provisions of §4109 (c) (3) of 5 GCA ~~not~~
5 ~~to any budget reserve administered by BBMR.~~ The Superintendent of Education ~~and the~~
6 ~~Director of Administration~~ shall submit a detailed quarterly report to *I Liheslaturan*
7 *Guåhan* on the receipt and expenditure of said funds *no later than thirty (30) days after*
8 the close of each quarter and post the same on the GPSS website.

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

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

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

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

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

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

5 "Article 3

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

15 §41302. Definitions.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 1 (l) "Inclusive environment" means that environment that represents the least
2 departure from normal patterns of living that can be effective in meeting the
3 individual's needs.
- 4 (m) "Monitor" means to conduct a systematic, coordinated, objective, qualitative
5 review of services provided by any person, agency or organization.
- 6 (n) "Representative" means any individual who can advise and advocate for an
7 individual with disabilities, who shall serve at the request and pleasure of such
8 person; provided, that if the person with disabilities is a minor or is legally
9 incapacitated.
- 10 (o) "Residence" or "residential" means the living space occupied by the individual
11 with a disability, including single-person homes, natural family homes, care
12 homes, group homes, foster homes, institutional facilities and all other types of
13 living arrangements.
- 14 (p) "Services" means appropriate assistance provided to an individual with a
15 disability, individually appropriate environment to provide for basic living
16 arrangements and continuing development of independence or interdependent
17 living skills of the person. These services include, but are not restricted to: case
18 management, medical, education, assistive technology, advocacy, residential,
19 developmental and vocational support; training; active services; day treatment;
20 day activity; respite care; domestic assistance; attendant care; rehabilitation;
21 speech, physical occupational and recreational therapy; recreational opportunities;
22 counseling, including counseling to the person's family, guardian or other

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12 1) referral for evaluation of persons with disabilities;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (7) Substitute school bus drivers.

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

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

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

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

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

1 CHAPTER IV

2 PART III - REVENUE ENHANCEMENT PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (g) Waiver of Immunity; Submission to Jurisdiction.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5 Section 26605 of Title 11 GCA is hereby repealed.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 4 (a) A quarterly report describing the activities undertaken during the reporting
5 period and the results achieved *no later than* twenty (20) days after the
6 end of each quarter;
- 7 (b) Notification of all procurement of equipment and services of Five
8 Thousand Dollars (\$5,000) or more prior to awarding contract;
- 9 (c) Access to the overseeing department or agency's duly authorized
10 representative, and Government of Guam auditors to appropriate records
11 for the purpose of audit and examination of books, documents, papers and
12 records of funds expended under the appropriation;
- 13 (d) Submission of a detailed inventory listing, as appropriate, of each year's
14 purchases, as certified by its certifying officer; and
- 15 (e) A Final Report to the overseeing department or agency for submission to *I*
16 *Liheslaturan Guåhan* containing a full disclosure of all expenditures of
17 funds appropriated under this Act *no later than* forty-five (45) days after
18 the close of the last quarter of the fiscal year. The overseeing department
19 or agency shall post the same on its website.

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

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

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

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

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

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

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

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

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