

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN  
2011 (FIRST) Regular Session

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Bill No. 22-31 (COR)

Introduced by:

R.J. RESPICIO  
B.J.F. CRUZ  
F.F. BLAS, JR.  
J.P. GUTHERTZ  
T.C. ADA  
T.R. MUÑA BARNES  
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V.A. ADA  
D.G. RODRIGUEZ, JR.  
J.T. WON PAT (15)  
M. S. TALJERON

AN ACT TO CREATE A "GUAM DEFICIT AND DEBT  
REDUCTION COMMISSION" BY ADDING A NEW ARTICLE  
11 TO DIVISION 1 OF TITLE 5, GUAM CODE ANNOTATED.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative findings and intent. *I Liheslaturan Guåhan*  
3 finds that Government of Guam has accumulated \$767 Million in debt  
4 through bond issues and other measures and has nearly reached the ceiling  
5 imposed under the Organic Act. Additionally, the government's General  
6 Fund is contingently liable for the increasing unfunded liability of the  
7 Retirement Fund that stands at approximately \$1.5 Billion.

8 Furthermore, the government has developed a chronic operating  
9 deficit for the General Fund that continues to impair the essential  
10 operations of providing education, health care, public safety and other vital  
11 services.

1 For the future well being of our public institutions and the  
2 community as a whole, it is the intent of *I Liheslatura* that the government  
3 implement a long-term strategy to address the recurring deficits of the  
4 General Fund and to reduce the government's overall debt and liabilities.

5 **Section 2. Establishment of the Guam Deficit and Debt Reduction**  
6 **Commission.** There is established, within the Office of the Governor, a new  
7 Article 11, the Guam Deficit and Debt Reduction Commission, to read:

8 **"ARTICLE 11**

9 **GUAM DEFICIT AND DEBT REDUCTION COMMISSION**

10 **§ 1950. Title.** This Act shall be cited as "The Guam Deficit  
11 and Debt Reduction Commission Act of 2011."

12 **§ 1951. Guam Deficit and Debt Reduction Commission:**  
13 **Establishment.** There is established, within the Office of the  
14 Governor, a Guam Deficit and Debt Reduction Commission  
15 (hereinafter, DDRC).

16 **§ 1952. Membership.** The DDRC shall be composed of eleven  
17 (11) voting members:

18 (a) *I Maga'lahaen Guåhan*, who shall be Chairperson of  
19 the DDRC;

20 (b) The Director of the Department of Administration;

1 (c) The Director of the Department of Revenue and  
2 Taxation;

3 (d) The Director of the Bureau of Budget and  
4 Management Research;

5 (e) The Administrator of the Guam Economic  
6 Development Authority;

7 (f) The Director of the Bureau of Statistics and Plans;

8 (g) Five (5) members representing the private sector,  
9 none of whom are either elected officials or employees of the  
10 Government of Guam, who shall be appointed as follows:

11 1. Three (3) shall be appointed by *I Maga'lahen*  
12 *Guåhan*;

13 2. One (1) member shall be appointed by the  
14 Speaker of *I Liheslatura*; and

15 3. One (1) member shall be appointed by the  
16 President of the Mayors Council.

17 **§ 1953. Term of Service.** Government members shall serve so  
18 long as they retain the positions they occupy. Private sector  
19 representatives shall serve at the pleasure of their appointing  
20 authority, *except* that should they become either elected officials or

1 employees of the Government of Guam, their membership shall be  
2 automatically terminated.

3 **§ 1954. Mission.** The DDRC shall develop a fiscal strategy and  
4 recommendations to reduce the government's overall debt and  
5 liabilities and to achieve long term fiscal sustainability in its  
6 operating budget.

7 **§ 1955. Reports.**

8 (a) For its first reporting to *I Liheslatura*, the DDRC shall  
9 adopt, no later than thirty (30) days upon enactment of this Act,  
10 an approved final report containing a set of recommendations  
11 to achieve the mission set forth in § 1954 of this Chapter. The  
12 DDRC shall submit its recommendations to *I Liheslatura* in bill  
13 format.

14 (b) Subsequent approved recommendations relative to  
15 Guam's deficit and debt shall be submitted to *I Liheslatura* in  
16 bill format, no later than January 31<sup>st</sup> of each calendar year.

17 (c) The issuance of a final report of the DDRC shall  
18 require the approval of a majority of the members of the DDRC.

19 **§ 1956. Administration.**

20 (a) Members of the DDRC shall serve without  
21 compensation, but shall be allowed travel expenses, including

1 per diem in lieu of subsistence, as authorized by law, consistent  
2 with the availability of funds.

3 (b) The DDRC shall have a staff headed by an Executive  
4 Director.

5 **§ 1957. Authorization for *I Maga'laken Guåhan* to Transfer**  
6 **Funds.** For initial establishment of the DDRC, *I Maga'laken* is  
7 authorized to transfer funds from any line department, agency, or  
8 instrumentality of the Executive Branch to the Office of the Governor  
9 in any amount not to exceed a cumulative total of One Hundred  
10 Thousand Dollars (\$100,000.00) from Fiscal Year 2011 appropriations.  
11 All transfers authorized by this section are hereby appropriated to  
12 the Office of the Governor. *I Maga'laken* shall within five (5) days  
13 report any transfers made to the Speaker of *I Liheslatura*."

14 **Section 3. Effective Date.** This Act shall be effective upon enactment.

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

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