

*I Mina'Trentai Dos Na Liheslaturan Guahan*  
**Bill Log Sheet**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES
<b>192-32 (COR)</b>	B J.F. Cruz	AN ACT TO ADD A NEW § 64.15, § 64.16, AND § 64.17 TO CHAPTER 64 OF TITLE 9 OF THE GUAM CODE ANNOTATED; RELATIVE TO THE PROHIBITION AND FORFEITURE OF ELECTRONIC MACHINES OR DEVICES TO CONDUCT SWEEPSTAKES GAMBLING.	09/23/13 12:38 p.m.	09/24/13	Committee on the Guam U. S. Military Relocation, Homeland Security, Veterans's Affairs, and Judiciary	Public Hearing 10/15/13 5 p.m.		<b>Fiscal Note Requested 09/24/13</b> <b>Fiscal Note Received 10/17/13</b>



# COMMITTEE ON RULES

*I Mina'trentai Dos na Liheslaturan Guåhan* • The 32nd Guam Legislature  
155 Hesler Place, Hagåtña, Guam 96910 • [www.guamlegislature.com](http://www.guamlegislature.com)  
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Rory J. Respicio  
CHAIRPERSON  
MAJORITY LEADER

Senator  
Thomas C. Ada  
VICE CHAIRPERSON  
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Member  
MINORITY LEADER

Senator  
Aline Yamashita  
Member

October 17, 2013

## Memorandum

**To:** Rennae Meno  
*Clerk of the Legislature*

**From:** Senator Rory J. Respicio  
*Majority Leader & Rules Chair*

**Subject:** Fiscal Notes /Waivers

*Hafa Adai!*

Attached please find the waiver for the bill numbers listed below.  
Please note that the fiscal notes, or waivers, are issued on the bills as introduced.

### FISCAL NOTES:

- Bill No. 167-32(LS)
- Bill No. 186-32(COR)
- Bill No. 192-32(COR)
- Bill No. 205-32(COR)

### WAIVERS:

- Bill No. 179-32(COR)
- Bill No. 198-32(COR)

Please forward the same to MIS for posting on our website. Please contact our office should you have any questions regarding this matter.

*Si Yu'os ma'åse'!*

2013 OCT 17 PM 3:30  
*MR*

**BUREAU OF BUDGET & MANAGEMENT RESEARCH**OFFICE OF THE GOVERNOR  
Post Office Box 2950, Hagåtña Guam 96932EDDIE BAZA CALVO  
GOVERNORJOHN A. RIOS  
DIRECTORRAY TENORIO  
LIEUTENANT GOVERNOR

OCT 17 2013

Senator Rory J. Respicio  
Chairperson, Committee on Rules  
I Mina'trentai Unu na Liheslaturan Guåhan  
The 31<sup>st</sup> Guam Legislature  
155 Hesler Place  
Hagåtña, Guam 96932

*Hafa Adai* Senator Respicio:

Transmitted herewith is Fiscal Note on the following Bill Nos.: 167-32(LS), 186-32(COR), 192-32(COR), 205-32(COR) and Fiscal Note Waiver on the following Bill Nos.: 179-32(COR), and 138-32(COR).

If you have any question(s), please do not hesitate to call the office at 475-9412/9106.

A handwritten signature in black ink, appearing to read "John A. Rios".

JOHN A. RIOS  
Director

Enclosures  
cc: Senator Vicente (ben) Pangelinan



**Bureau of Budget & Management Research**  
**Attachment to Fiscal Note No. 192-32 (COR)**  
**(for revenue generating provisions)**

Projected Multi-Year Revenues					
	Year 1	Year 2	Year 3	Year 4	Year 5
General Fund	1/	\$0	\$0	\$0	\$0
Other Fund:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	\$0	\$0	\$0	\$0	\$0

**Comments:**

1/ Bill 192-32 seeks to add § 64.17 to Chapter 64 of Title 9 which imposes up to a \$250K fine per violation. Although the Bureau was unable to obtain fiscal data from the Department of Revenue and Taxation, internet data cited approximately 135 electronic devices operating without proper licenses. Should these machines found to be in violation of 9GCA § 64.15 and assuming each violation was assessed \$250K, a total of \$33.8M may be realized (estimation).



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September 24, 2013

VIA E-MAIL  
[john.rios@bbmr.guam.gov](mailto:john.rios@bbmr.guam.gov)

John A. Rios  
Director  
Bureau of Budget & Management Research  
P.O. Box 2950  
Hagåtña, Guam 96910

**RE: Request for Fiscal Notes- Bill Nos. 177-32(COR) through 180-32(COR);**  
**184-32(COR) through 186-32(COR); and 188-**  
**32(COR) through 193-32(COR)**

*Hafa Adai* Mr. Rios:

Transmitted herewith is a listing of *I Mina'trentai Dos na Liheslaturan Guåhan's* most recently introduced bills. Pursuant to 2 GCA §9103, I respectfully request the preparation of fiscal notes for the referenced bills.

*Si Yu'os ma'åse'* for your attention to this matter.

Very Truly Yours,

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

Attachments (1)

Cc: Clerk of the Legislature

2013 SEP 24 AM 10:15 AM

Bill Nos.	Sponsor	Title
177-32 (COR)	Vicente (ben) C. Pangelinan, Michael F.Q. SanNicolas, Judith T. Won Pat, Ed.D., T. R. Muña Barnes, Frank B. Aguon, Jr., B.J.F. Cruz, R.J. Respicio	AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE, LEGISLATIVE, AND JUDICIAL BRANCHES OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2014; MAKING OTHER APPROPRIATIONS; AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.
178-32 (COR)	Judith T. Won Pat, Ed.D. Tina R. Muna Barnes D.G. Rodriguez, Jr., Rory J. Respicio, Michael F.Q. San Nicolas Frank B. Aguon, Jr. Tommy Morrison	AN ACT TO APPROPRIATE THE REMAINING FUNDS ESCHEATED TO THE GENERAL FUND PRIOR TO END OF FISCAL YEAR 2013, PURSUANT TO §21116 OF CHAPTER 21, DIVISION 2, TITLE 5, GUAM CODE ANNOTATED, TO THE DEPARTMENT OF PUBLIC HEALTH & SOCIAL SERVICES AND AUTHORIZED TO USE AS A LOCAL REQUIREMENT FOR THE MEDICAID PROGRAM.
179-32 (COR)	B.J.F. Cruz T.R. Muña-Barnes J.T. Won Pat, Ed.D	AN ACT TO AMEND P.L. 30-83 RELATIVE TO THE COORDINATING COMMITTEE OF THE 12TH FESTIVAL OF PACIFIC ARTS OF 2016.
180-32 (COR)	B.J.F. Cruz T. C. Ada	AN ACT TO AMEND SECTION 30102(a) OF CHAPTER 30, TITLE 5 GUAM CODE ANNOTATED, TO REQUIRE AGENCIES PERMITTED TO RETAIN COUNSEL OTHER THAN THE ATTORNEY GENERAL, TO HIRE UNCLASSIFIED, IN-HOUSE COUNSEL.
184-32 (COR)	Aline A. Yamashita, Ph.D., V. Anthony Ada, Brant T. McCreadie, Tommy Morrison, Michael T. Limtiaco, Chris M. Dueñas	AN ACT TO APPROPRIATE THE SUM OF THREE MILLION DOLLARS (\$3,000,000) FROM SECTION 30 TAX REVENUES TO THE DEPARTMENT OF EDUCATION FOR THE IMPLEMENTATION OF PROVISIONS OF PUBLIC LAW NO. 31-29.
185-32 (COR)	Michael T. Limtiaco, Brant T. McCreadie, V. Anthony Ada, Chris M. Dueñas, Tommy Morrison, Aline A. Yamashita, Ph.D.,	AN ACT TO APPROPRIATE THE SUM OF FOUR HUNDRED FORTY NINE THOUSAND, ONE HUNDRED NINETEEN DOLLARS (\$449,119) FROM SECTION 30 TAX REVENUES TO PURCHASE VEHICLES FOR THE GUAM POLICE DEPARTMENT.
186-32 (COR)	Tommy Morrison, Brant T. McCreadie, V. Anthony Ada, Chris M. Dueñas, Michael T. Limtiaco, Aline A. Yamashita, Ph.D.,	AN ACT TO APPROPRIATE THE SUM OF THREE MILLION DOLLARS (\$3,000,000) FROM SECTION 30 TAX REVENUES TO THE GUAM POLICE DEPARTMENT, THE GUAM FIRE DEPARTMENT, AND THE DEPARTMENT OF CORRECTIONS.

188-32 (COR)	T.R. MUÑA Barnes, B. J.F. Cruz	AN ACT TO ADD A NEW § 80.50 TO ARTICLE 2, CHAPTER 80, TITLE 9 GUAM CODE ANNOTATED KNOWN AS THE JUSTICE SAFETY VALVE ACT OF 2013 RELATIVE TO EMPOWERING THE COURTS OF GUAM TO DEPART FROM APPLICABLE MANDATORY MINIMUM SENTENCES UNDER SPECIFIC CONDITIONS, AND FOR OTHER PURPOSES.
189-32 (COR)	Dennis G. Rodriguez, Jr.	AN ACT TO FACILITATE THE RECRUITMENT OF HARD-TO-FILL ALLIED HEALTH PROFESSIONAL POSITIONS, BY AMENDING §6229.14 OF CHAPTER 6, 4 GCA, AND SUBSECTION (a) OF § 12805, ARTICLE 8, CHAPTER 12, PART 1, 10 GCA.
190-32 (COR)	B J.F. Cruz, Judith T. Won Pat, Ed.D., Aline A. Yamashita, Ph.D.	AN ACT TO ADD A NEW CHAPTER 28 TO DIVISION 2 OF TITLE 17 GUAM CODE ANNOTATED RELATIVE TO THE ESTABLISHMENT OF THE RESEARCH CORPORATION, UNIVERSITY OF GUAM (RCUOG).
191-32 (COR)	Frank B. Aguon, Jr.	AN ACT TO AMEND PUBLIC LAW 31-235, RELATIVE TO THE WOMEN'S REPRODUCTIVE HEALTH INFORMATION ACT OF 2012.
192-32 (COR)	B J.F. Cruz	AN ACT TO ADD A NEW § 64.15, § 64.16, AND § 64.17 TO CHAPTER 64 OF TITLE 9 OF THE GUAM CODE ANNOTATED; RELATIVE TO THE PROHIBITION AND FORFEITURE OF ELECTRONIC MACHINES OR DEVICES TO CONDUCT SWEEPSTAKES GAMBLING.
193-32 (COR)	Dennis G. Rodriguez, Jr.	AN ACT TO AMEND SECTION 4 OF PUBLIC LAW 31-235 TO DELETE THE PROVISION REQUIRING THE "PRINTED MATERIALS" AND THE "CHECKLIST CERTIFICATION" TO UNDERGO THE RULE MAKING PROCESS PURSUANT TO THE ADMINISTRATIVE ADJUDICATION LAW.





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September 24, 2013

### MEMORANDUM

**To:** **Rennae Meno**  
*Clerk of the Legislature*

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

**From:** **Senator Rory J. Respicio**   
*Majority Leader & Rules Chair*

**Subject:** **Referral of Bill No. 192-32(COR)**

As the Chairperson of the Committee on Rules, I am forwarding my referral of **Bill No. 192-32(COR)**.

Please ensure that the subject bill is referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Dos na Liheslaturan Guåhan*.

Should you have any questions, please feel free to contact our office at 472-7679.

*Si Yu'os Ma'åse!*

Attachment

*MINA' TRENTAI DOS NA LIHESLATURAN GUÅHAN*  
2013 (FIRST) Regular Session

Bill No. 192-32 (WR)

Introduced by:

B. J.F. Cruz 

**AN ACT TO ADD A NEW § 64.15, § 64.16, AND § 64.17 TO CHAPTER 64 OF TITLE 9 OF THE GUAM CODE ANNOTATED; RELATIVE TO THE PROHIBITION AND FORFEITURE OF ELECTRONIC MACHINES OR DEVICES TO CONDUCT SWEEPSTAKES GAMBLING.**

2013 SEP 23 PM 12:38  
N

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

2 **Section 1.** A new § 64.15 is hereby *added* to Chapter 64 of Title 9 of the  
3 Guam Code Annotated to read:

4 **“§ 64.15. Use of Electronic Machine or Device to Conduct**  
5 **Sweepstakes Illegal.**

6 (a) Definitions. As used in this Section the following words *shall*,  
7 unless the context clearly requires otherwise, have the following meanings:

8 (1) “Electronic machine or device”, a mechanically, electrically  
9 or electronically operated machine or device that is owned, leased or  
10 otherwise possessed by a sweepstakes sponsor or promoter, or any  
11 sponsors, promoters, partners, affiliates, subsidiaries, or contractors  
12 thereof, that is intended to be used by a sweepstakes entrant, that uses  
13 energy, and that is capable of displaying information on a screen or  
14 other mechanism. This section is applicable to an electronic machine  
15 or device whether or not it:

- 1 (i) is server-based;
- 2 (ii) uses a simulated game terminal as a representation of  
3 the prizes associated with the results of the sweepstakes entries;
- 4 (iii) utilizes software such that the simulated game  
5 influences or determines the winning or value of the prize;
- 6 (iv) selects prizes from a predetermined finite pool of  
7 entries;
- 8 (v) utilizes a mechanism that reveals the content of a  
9 predetermined sweepstakes entry;
- 10 (vi) predetermines the prize results and stores those  
11 results for delivery at the time the sweepstakes entry results are  
12 revealed;
- 13 (vii) utilizes software to create a game result;
- 14 (viii) requires deposit of any money, coin, or token, or  
15 the use of any credit card, debit card, prepaid card, or any other  
16 method of payment to activate the electronic machine or device;
- 17 (ix) requires direct payment into the electronic machine  
18 or device, or remote activation of the electronic machine or  
19 device;
- 20 (x) requires purchase of a related product having  
21 legitimate value;
- 22 (xi) reveals the prize incrementally, even though it may  
23 not influence whether or not a prize is to be awarded or the  
24 value of any prize awarded;
- 25 (xii) determines and associates the prize with an entry or  
26 entries at the time the sweepstakes is entered;

1 (xiii) is a slot machine or other form of electrical,  
2 mechanical, or computer game.

3 “Electronic machine or device” also includes gambling devices as  
4 defined in § 64.20(b) of this Chapter.

5 (2) “Enter” or “entry”, the act or process by which a person  
6 becomes eligible to receive any prize offered in a sweepstakes.

7 (3) “Entertaining display”, any visual information, capable of  
8 being seen by a sweepstakes entrant, that takes the form of actual  
9 game play, or simulated game play.

10 (4) “Prize”, any gift, award, gratuity, good, service, credit, or  
11 anything else of value, which may be transferred to a person, whether  
12 possession of the prize is actually transferred, or placed on an account  
13 or other record as evidence of the intent to transfer the prize.

14 (5) “Sweepstakes”, any game, advertising scheme or plan, or  
15 other promotion, which, uses an electric machine or device defined in  
16 this Section, with or without payment of any consideration, a person  
17 may enter to win or become eligible to receive any prize, the  
18 determination of which is based partially or completely upon chance.

19 (b) It shall be unlawful for any person to operate or knowingly possess  
20 with the intent to operate, or place into operation, an electronic machine or  
21 device to:

22 (1) conduct a sweepstakes through the use of an entertaining  
23 display, including the entry process or the reveal of a prize; or

24 (2) promote a sweepstakes that is conducted through the use of  
25 an entertaining display, including the entry process or the reveal of a  
26 prize.

1 (c) Nothing in this section shall be construed to make illegal any  
2 activity which is lawfully conducted pursuant to 9 GCA Chapter 64 Article  
3 2.”

4 **Section 2.** A new § 64.16 is hereby *added* to Chapter 64 of Title 9 of  
5 the Guam Code Annotated to read:

6 **“§ 64.16. Forfeiture of Electronic Machine or Device Used to**  
7 **Conduct Sweepstakes.**

8 Upon a determination by the Department of Revenue and Taxation or  
9 the Attorney General that probable cause exists to believe that any electronic  
10 machine or device is being operated or is intended to be operated to conduct  
11 a sweepstakes or promote a sweepstakes in violation of 9 GCA §64.15  
12 above, the electronic machine or device *shall* be subject to immediate  
13 seizure by law enforcement officials from the Department of Revenue and  
14 Taxation, the Guam Police Department, or the Office of the Attorney  
15 General. Any government entity in possession of a seized electronic machine  
16 or device *shall* retain the item pending a disposition order from a Superior  
17 Court judge. Upon application by the Department of Revenue and Taxation  
18 or the Attorney General or the owner of the electronic machine or device,  
19 and after notice to all parties and an opportunity to be heard by all parties, if  
20 the court determines that it is unlawful to possess the electronic machine or  
21 device, the Director of the Department of Revenue and Taxation or the  
22 Attorney General may have the electronic machine or device destroyed, or  
23 may use the electronic machine or device for training or may sell the  
24 electronic machine or device at an auction to be held at the place where the  
25 electronic machine or device is located or at another place as determined by  
26 the Director of the Department of Revenue and Taxation or the Attorney  
27 General. If the court determines that the electronic machine or device is not

1 unlawful to possess under 9 GCA § 64.15, the electronic machine or device  
2 shall be ordered released to its owner upon satisfactory proof of ownership.  
3 Neither the Government of Guam nor its officials, employees or agents shall  
4 be liable for the seizure of electronic machines and devices under this statute  
5 when a court determines that the electronic machine or device is ordered to  
6 be released to its owner. The foregoing procedures for release shall not apply  
7 with respect to an item seized for use as evidence in any criminal action or  
8 proceeding until after entry of final judgment.”

9 **Section 3.** A new § 64.17 is hereby *added* to Chapter 64 of Title 9 of the  
10 Guam Code Annotated to read:

11 **“§ 64.17. Penalties.**

12 (a) Any person who violates 9 GCA § 64.15 shall be guilty of a  
13 felony punishable by imprisonment of not more than five (5) years and a fine  
14 not to exceed \$250,000, or both. Each violation of 9 GCA § 64.15 shall be  
15 considered a separate offense.

16 (b) Any person who violates 9 GCA § 64.15 *may* also be subject to an  
17 administrative penalty of not more than \$250,000 to be assessed by a  
18 decision and order of the Director of the Department of Revenue and  
19 Taxation. Each violation of 9 GCA § 64.15 *shall* be considered a separate  
20 offense.

21 (1) Before issuing a decision and order assessing an  
22 administrative penalty, the Department of Revenue and Taxation shall  
23 give written notice, in the form of an accusation, to the person to be  
24 assessed an administrative penalty.

25 (2) The person to be assessed an administrative penalty shall be  
26 entitled to notice, to a hearing before the Director of the Department  
27 of Revenue and Taxation, and to review by the Superior Court

1 according to the procedures in Articles 1 and 2 of the Administrative  
2 Adjudication Law.

3 (3) If any person fails to comply with an administrative penalty  
4 decision and order after the assessment has become final, or after a  
5 court in an action brought pursuant to the Administrative Adjudication  
6 Law has entered a final judgment in favor of the Director of the  
7 Department of Revenue and Taxation, the Attorney General of Guam  
8 may bring a civil action to enforce the order and to recover the  
9 amount ordered or assessed, plus interest of six percent (6%) per  
10 annum from the date of the final administrative decision and order or  
11 the date of the final judgment, as the case may be. In this action, the  
12 validity, amount, and appropriateness of the penalty assessed by the  
13 administrative decision and order or the final judgment of the court  
14 made after an appeal of the administrative decision and order shall not  
15 be subject to review. The Director of the Department of Revenue and  
16 Taxation need only show that:

17 (A) notice was given; and

18 (B) a hearing was held, or the time granted for requesting a  
19 hearing has run without a request for a hearing; and

20 (C) the penalty was imposed; and

21 (D) the penalty remains unpaid.

22 A judgment of the court entered under this subpart (3) of 9 GCA §  
23 64.17(b) may be enforced and collected in the same manner as a  
24 money judgment of the Superior Court.”