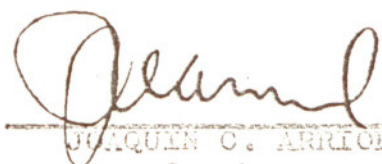


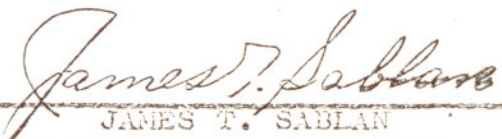
TENTH GUAM LEGISLATURE  
1970 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This certifies that Bill No. 405, "An Act to amend Subsection (j) of Section 4203 of, and to repeal and reenact Section 4211 of, and to add a new Section 4227(f) to the Government Code of Guam to redefine average annual salary for retirement purposes, to increase the retirement annuities payable to members of the Retirement Fund, to provide automatic increases in annuities to retired members of the Fund, and to increase annuities now being paid to annuitants", was on the 10th day of February, 1970, duly and regularly passed.

  
\_\_\_\_\_  
JOAQUIN C. ARRIOLA  
Speaker

ATTESTED:

  
\_\_\_\_\_  
JAMES T. SABLAN  
Legislative Secretary

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This Act was received by the Governor this 19th day  
of February, 1970 at 12:00 o'clock P.M.

/s/ Pedro D. Perez  
\_\_\_\_\_  
PEDRO D. PEREZ  
Acting Secretary of Guam

APPROVED:

/s/ Carlos G. Camacho  
\_\_\_\_\_  
CARLOS G. CAMACHO  
Governor of Guam

DATED: MAR 20 1970  
\_\_\_\_\_  
6:34 P.M.

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Public Law 10-121

Public Law 10-121  
Tenth Guam Legislature  
(Bill 405)

March 20, 1970

AN ACT

*An Act to amend Subsection (j) of Section 4203, of, and to repeal and reenact Section 4211 of, and to add a new Section 4227(f) to the Government Code of Guam to redefine average annual salary for retirement purposes, to increase the retirement annuities payable to members of the Retirement Fund, to provide automatic increases in annuities to retired members of the Fund, and to increase annuities now being paid to annuities.*

**Be it enacted by the People of the Territory of Guam:**

Section 1. Subsection (j) of Section 4203 of the Government Code of Guam is hereby amended to read as follows:

“(j) ‘Average annual salary’ shall mean the average annual salary received by a member for the three highest consecutive years within the last ten years of credited service.”

Section 2. Section 4211 of the Government Code of Guam is hereby repealed and in lieu thereof a new Section 4211 is hereby enacted to read as follows:

“Section 4211. Annuity: amount. (a) Formula. The service retirement annuity payable to any member shall be determined as follows:

1. A basic annuity equal to 1.5% of average annual salary for the first ten years of credited service, 1.7% of average annual salary for the second ten years of credited service, 2% of average annual salary for the third ten years of credited service, and 2.5% of average annual salary for each full year of credited service years over thirty years.
2. In addition, there shall be added to the basic annuity \$20.00 per year of credited service in which the member received up to and including \$6,000 annual salary, and for years of credited service in which the annual salary exceeds \$6,000, \$20 per such year less

1% thereof for each \$100 of annual salary so in excess.

3. No annuity shall exceed 85% of average annual salary.
- (b) Automatic increases in annuity. A member who retires from service after January 1, 1970, and any survivor annuitant or deferred beneficiary annuitant entitled to receive benefits after January 1, 1970, shall receive an automatic increase of his then fixed annuity in the amount of one and one-half percent (1½%) thereof each year on the anniversary date of his retirement or entitlement.
- (c) Increases in annuities previously given. Any annuitant receiving prior to January 1, 1970, a retirement annuity, survivor annuity, or deferred beneficiary annuity, shall have his original fixed annuity increased on January 1, 1970 by an amount equal to one and one-half percent (1½%) thereof for each year that the annuitant was in receipt of annuity payments from the Fund."

Section 3. A new Section 4227(f) is hereby added to the Government Code of Guam to read as follows:

"Section 4227(f). Supplementary annuity payment reserve. To defray the cost of increases in the annuity, investment income accruing to the Fund from investments held by the Fund, exclusive of gains or losses on sales or exchanges of investments during the year, over and above 4% per annum, shall be used to the extent necessary, and the amount thereof shall be transferred as of the end of each year, beginning with the year 1971, to an account to be designated as the 'Supplementary Annuity Payment Reserve'. The increases in annuities effective January 1, 1970, shall be charged to this reserve."

Section 4. This Act is an urgency measure.

Approved March 20, 1970.