

FOURTEENTH GUAM LEGISLATURE  
1977 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill No. 181, "An Act to repeal Chapter I of Title XLVII of the Government Code, to repeal Section One of Part III, of Public Law 13-149, to repeal Section 9 of Public Law 13-116, to enact a new Chapter I of Title XLVII relative to creating a new public corporation and separate instrumentality of the government of Guam to be known as the Guam Memorial Hospital Authority, and further to repeal Section 49225 of Chapter III, Title XLVII of the Government Code of Guam," was on the 11th day of May, 1977, duly and regularly passed.

Joseph F. Ada  
JOSEPH F. ADA  
Speaker

ATTESTED:

Ernesto M. Espaldon  
ERNESTO M. ESPALDON  
Legislative Secretary

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This Act was received by the Governor this \_\_\_\_\_ day of \_\_\_\_\_, 1977, at \_\_\_\_\_ o'clock \_\_\_\_\_ .M.

Ruth F. Won Pay  
RUTH F. WON PAY  
Assistant Staff Officer  
Governor's Office

APPROVED:

15/  
Ricardo J. Bordallo  
RICARDO J. BORDALLO  
Governor of Guam

DATED: 5-27-77

2:55 pm

P.L. 14-29

FOURTEENTH GUAM LEGISLATURE  
1977 (FIRST) Regular Session

Bill No. 182

Introduced by

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E. M. Espaldon  
J. F. Ada  
T. V. C. Tanaka  
E. R. Duenas  
B. D. Ada  
K. B. Aguon  
F. F. Blas  
E. M. Calvo  
E. T. Charfauros  
J. R. Duenas  
C. T. C. Gutierrez  
A. M. Palomo  
B. M. Palomo  
F. J. Quitugua  
J. M. Rivera  
J. T. San Agustin  
F. R. Santos  
R. F. Taitano  
H. Trapp  
J. H. Underwood  
A. P. Unpingco

AN ACT TO REPEAL CHAPTER I OF TITLE XLVII OF THE GOVERNMENT CODE, TO REPEAL SECTION ONE OF PART III, OF PUBLIC LAW 13-149, TO REPEAL SECTION 9 OF PUBLIC LAW 13-116, TO ENACT A NEW CHAPTER I OF TITLE XLVII RELATIVE TO CREATING A NEW PUBLIC CORPORATION AND SEPARATE INSTRUMENTALITY OF THE GOVERNMENT OF GUAM TO BE KNOWN AS THE GUAM MEMORIAL HOSPITAL AUTHORITY, AND FURTHER TO REPEAL SECTION 49225 OF CHAPTER III, TITLE XLVII OF THE GOVERNMENT CODE OF GUAM.

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

2 Section 1. A new Chapter I of Title XLVII of the Government  
3 Code of Guam is enacted to read:

4 "CHAPTER I

5 Section 49000. Short title. This title may be cited  
6 as the 'Guam Health Act of 1977'.

7 Section 49001. Definitions. As used in this title,  
8 unless otherwise indicated:

9 (a) 'Board' means the Board of Trustees of  
10 Guam Memorial Hospital Authority.

1 (b) Four (4) Directors shall constitute a quorum  
2 of the Board for the transaction of business. The  
3 concurrence of four (4) members shall constitute  
4 official action of the Board. The Board may adopt  
5 rules and regulations governing the conduct of its  
6 affairs.

7 (c) Each Director shall receive the sum of  
8 Fifty Dollars (\$50.00) for his attendance at any meeting  
9 of the Board, but such compensation shall not apply  
10 to more than four (4) meetings or exceed Two Hundred  
11 Dollars (\$200) in any one calendar month. No Director  
12 shall receive any other compensation, but shall be  
13 reimbursed for actual travel, subsistence and out-of-  
14 pocket expenses incurred in the discharge of his  
15 responsibilities, including authorized attendance at  
16 meetings held away from Guam.

17 (d) The Board shall be liable for the negligent  
18 act of any hospital employees or officer if the Board  
19 knew or had notice that said employee or officer was  
20 inefficient and incompetent to perform the services  
21 for which he was hired, or said Board retained such  
22 inefficient or incompetent person after knowledge or  
23 notice of such inefficiency or incompetency.

24 (e) No Director shall be liable for any decision  
25 made in the good faith non-malicious fulfillment of  
26 his duties.

27 Section 49005. Administrator.

28 (a) The Board shall appoint an Administrator,  
29 who shall be its chief executive officer. The  
30 Administrator shall serve at the pleasure of the Board,

1 which shall fix his compensation. The Administrator  
2 shall have full charge and control of the operation  
3 and maintenance of the hospital.

4 (b) The powers of the Administrator shall include:

5 (1) To see that all rules and regulations  
6 of the hospital are enforced.

7 (2) To attend, unless excused by the Board,  
8 all meetings of the Board and to submit reports  
9 on the affairs of the hospital as required by  
10 the Board.

11 (3) To keep the Board advised on the needs  
12 of the hospital and to approve demands for pay-  
13 ment of obligations within the purposes and  
14 amounts authorized by the Board.

15 (4) To prepare or cause to be prepared all  
16 plans and specifications for the construction and  
17 repair of works and facilities operated by the  
18 hospital.

19 (5) To devote his entire time to the busi-  
20 ness of the hospital, to select and appoint the  
21 employees of the hospital, except as otherwise  
22 provided in this Act, and to plan, organize,  
23 coordinate and control the services of such  
24 employees in the exercise of the powers of the  
25 hospital under the general direction of the Board.

26 (6) To cause to be published within one  
27 hundred twenty (120) days from the end of each  
28 fiscal year an annual report showing the results  
29 of operations for the preceding fiscal year and  
30 the financial status of the hospital on the last  
31 day thereof. The publication shall be made in  
32 the manner provided by the Board.

1 (7) To administer and issue patient and  
2 attendant off-island travel authorizations.

3 (8) To perform such other and additional  
4 duties as the Board may require.

5 Section 49006. Other officers.

6 (a) The Board may also appoint a comptroller,  
7 and an attorney, who shall serve at the pleasure of  
8 the Board, and whose duties and compensation shall be  
9 fixed by the Board. The Board may appoint one or  
10 more assistants to any such office. Any of such  
11 officers may be consolidated in one person.

12 (b) The secretary shall have charge of all  
13 records and minutes of the Board.

14 (c) The treasurer shall have custody of all  
15 moneys of the hospital and shall pay out such money  
16 only in accordance with the direction of the Board.

17 (d) The attorney, who must have been admitted  
18 to practice before the highest court of Guam, shall  
19 advise the Board and the Administrator on all legal  
20 matters to which the hospital is a party or in which  
21 the hospital is legally interested, and may represent  
22 the hospital in connection with legal matters before  
23 the Legislature, boards and other agencies of the  
24 territory and before courts in any jurisdiction.

25 Section 49007. Employment practices.

26 (a) The Board shall establish and administer  
27 rules and regulations governing the compensation and  
28 classification of health professionals of the hospital.

1 (b) All employees of the hospital, except health  
2 professionals, shall be members of the classified  
3 services of the government and shall be governed by  
4 the provisions of Title V of the Government Code of  
5 Guam.

6 (c) Each hospital employee shall be eligible  
7 to continue to be or to become a member of the govern-  
8 ment of Guam Retirement Fund pursuant to Section 4204(d)  
9 of this Code. The hospital shall pay for the employer's  
10 contribution to the Retirement Fund that is assessed  
11 by the Fund's Board of Trustees for the benefit of  
12 hospital employees who are members of the Fund.

13 (d) Each hospital employee shall be eligible  
14 to participate in any government of Guam health and  
15 life insurance plan or prepaid health plan.

16 Section 49008. Exemption from taxation. As an  
17 instrumentality of the territory, the hospital and all  
18 property acquired by or for the hospital, and all revenues  
19 and income therefrom are exempt from taxation by the terri-  
20 tory or by any political subdivision or public corporation  
21 thereof and from all taxes imposed under the authority  
22 of the Legislature of the territory, or with respect to  
23 which the Legislature is authorized to grant exemption.

24 Section 49009. Contracts and purchases.

25 (a) The purchase of all supplies and materials,  
26 and the construction of all works, when the expenditure  
27 required exceeds Two Thousand Five Hundred Dollars  
28 (\$2,500), shall be by contract let to the lowest  
29 responsible bidder. Notice requiring bids shall be  
30 published at least ten (10) days before bids are  
31 received. The Board may reject any and all bids and  
32 readvertise at its discretion.

1 (b) If, after rejecting bids for materials and  
2 supplies, the Board determines that, in its opinion,  
3 the materials and supplies may be purchased at a lower  
4 price in the open market, the Board may authorize the  
5 Administrator to make such purchases without further  
6 observance of the provisions requiring contracts,  
7 bids, or notices.

8 (c) In case of any major calamity, such as an  
9 extraordinary fire, storm, epidemic or other disaster,  
10 or where the exigencies of hospital operation, in the  
11 Board's judgment, require immediate action, the Board  
12 may determine that the public interest and necessity  
13 demand the immediate expenditure of funds to safe-  
14 guard life, health and property, and thereupon,  
15 authorize the Administrator to expend such sums as  
16 may be needed in such emergency without the observance  
17 of the provisions requiring contracts, bids or notices.

18 (d) The provisions requiring contracts, bids or  
19 notices shall not apply to the procurement of profes-  
20 sional or technical services.

21 (e) Neither the Administrator nor any Director  
22 shall have any undisclosed financial interest,  
23 directly or indirectly, in any contract awarded by the  
24 Board.

25 Section 49010. Fiscal authority; accounting and  
26 expenditures.

27 (a) There is hereby established a fund to be  
28 known as the Hospital Operations Fund which shall be  
29 maintained separate and apart from other funds of the  
30 government of Guam, and independent records and  
31 accounts shall be maintained in connection therewith.

1 (b) All moneys received by the hospital from  
2 whatever source derived shall be deposited in said  
3 Fund in eligible banks as defined in Section 6311 of  
4 this Code.

5 (c) All appropriations, if any, from the Guam  
6 Legislature from the General Fund shall be transferred,  
7 on a quarterly basis upon certification by the Board  
8 of the need therefor, to the Fund.

9 (d) All expenditures including payments into  
10 sinking funds or other special accounts, and debts,  
11 liabilities, obligations, and operational expenses of  
12 the hospital shall be paid by the Board from said Fund.

13 (e) The Board shall report to the Governor and  
14 the Legislature concerning its administration of the  
15 affairs of the hospital. It shall present an annual  
16 report within one hundred twenty (120) days after the  
17 end of each fiscal year and shall present special  
18 reports, if any, within thirty (30) days after the  
19 end of each intervening quarter.

20 The financial information presented in such reports  
21 shall be in accordance with the uniform system of  
22 accounting adopted by the Board.

23 Section 49011. Patients' records confidential.

24 Patient's medical records are confidential and copies thereof  
25 may be released only upon the written consent of the patient  
26 involved or by written order of the Superior Court of Guam;  
27 provided, however, that any information, data, or reports  
28 with respect to cases of malignant diseases may be furnished  
29 to, or procured by, the Guam Tumor Registry-Tumor Clinic,



1           Guam Memorial Hospital, for statistical, scientific and  
2           medical research and no physician, surgeon, dentist,  
3           institution, or hospital, furnishing such information, data  
4           or reports to the Guam Tumor Registry-Tumor Clinic, Guam  
5           Memorial Hospital, shall by reason of such furnishing be  
6           deemed to have violated the provisions of this Section, or  
7           have violated any confidential relationship, or be held  
8           liable therefor."

9           Section 2. Acquisition of existing systems. (a) On the  
10          first day of the month following the effective date of this Act,  
11          all items of property except real property of the existing Guam  
12          Memorial Hospital shall, by virtue of this Act, become the  
13          property of the hospital and any conveyances or documentation  
14          necessary shall be forthwith executed by the government of  
15          Guam. Those pieces of real estate properties together with  
16          improvements thereon under the control and utilization of the  
17          existing Guam Memorial Hospital shall remain under the control  
18          of the Guam Memorial Hospital Authority.

19          (b) On the first day of the month following the effective  
20          date of this Act all working capital, cash, accounts payable  
21          and receivable, all books, records, and maps, and all other  
22          rights, obligations, assets, liabilities, agreements and  
23          privileges pertaining to the properties or operations of the  
24          existing Guam Memorial Hospital shall by virtue of this Act  
25          become the property of the hospital.

26          (c) Should any or all of the properties listed in Subsec-  
27          tions (a) and (b) above cease to be utilized directly or  
28          indirectly in the treatment and care of Guam Memorial Hospital  
29          patients, title to said property or properties shall revert to  
30          the Government of Guam.

1 (d) All classified employees, of the existing Guam  
2 Memorial Hospital at the date of the aforementioned transfer  
3 shall be transferred to the Guam Memorial Hospital Authority  
4 without jeopardy.

5 Section 3. Notwithstanding the provisions of Section 4  
6 of this Act, the programs for the free hospitalization and  
7 medical care of persons afflicted with tuberculosis, or lytico  
8 (Amyotrophic Lateral Sclerosis or Parkinsonism-Dementia), in-  
9 sulin injections for diabetic patients shall continue. The  
10 Board is hereby directed to furnish an impact statement on the  
11 provisions of this Section to be submitted to the Legislature  
12 within sixty (60) days after the effective date of this Act.

13 Section 4. Chapter I of Title XLVII of the Government Code  
14 of Guam is repealed on the effective date of this Act.

15 Section 5. Section 1 of Part III of Public Law 13-149  
16 is repealed on the effective date of this Act.

17 Section 6. Section 9 of Public Law 13-116 is repealed on  
18 the effective date of this Act.

19 Section 7. The first paragraph of Section 4004 of Chapter I,  
20 Title V of the Government Code of Guam is hereby amended to read  
21 as follows:

22 "Section 4004. Departmental personnel rules. Rules  
23 and regulations, subject to criteria established by this  
24 Chapter governing selection, promotion, performance evalua-  
25 tion, demotion, suspension and other disciplinary action,  
26 shall be adopted by the Board of Directors of the Guam  
27 Telephone Authority, Board of Directors of the Guam Power  
28 Authority, the Board of Education, the Board of Regents of  
29 the University of Guam, and by the Board of Trustees of

1           Guam Memorial Hospital Authority with respect to personnel  
2 matters within their respective agencies or departments,  
3 and by the Director of Administration as to all other govern-  
4 ment employment. Such regulations shall, to the extent  
5 practicable, provide standard conditions for entry into,  
6 and other matters concerning the government service, and  
7 shall take effect upon their approval by the Civil Service  
8 Commission and by Executive Order of the Governor."

9           Section 8. Section 27000(b) of the Government Code is  
10 amended to read:

11           "Section 27000(b) 'The Healing Art' means the art of  
12 detecting or attempting to detect the presence of any  
13 disease; of determining or attempting to determine the  
14 nature and state of any disease, if present; or preventing,  
15 relieving, correcting or curing of or attempting to prevent,  
16 relieve, correct or cure any disease; of safeguarding or  
17 attempting to safeguard the life of any woman or infant  
18 through pregnancy and parturition; and of doing or  
19 attempting to do any of the acts enumerated above. Provided  
20 the term 'Healing Art' does include Chiropractics."

21           Section 9. Effective date. This Act shall take effect  
22 sixty (60) days after enactment into law.