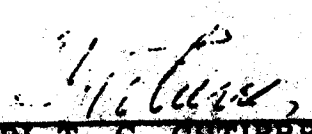


SEVENTEENTH GUAM LEGISLATURE  
1984 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR


This is to certify that Substitute Bill No. 559, "AN ACT TO AMEND SUBSECTIONS (b) AND (d) OF SECTION 4211, SUBSECTION (b) OF SECTION 4217.1, SECTIONS 4207.9, 4212.2 AND SUBSECTION (b) OF SECTION 4219 OF THE GOVERNMENT CODE (4 GCA §§8122(b), 8122(d), 8135(b), 8113, 8125 AND 8137(b), TO REPEAL AND REENACT SECTION 4212 OF THE GOVERNMENT CODE (4 GCA §8123), TO ADD A NEW 4 GCA §8120.1, AND REPEAL SECTION 3 OF P.L. 14-119 RELATIVE TO INCREASING ANNUITIES FOR BENEFICIARIES OF THE RETIREMENT FUND, AND FOR OTHER PURPOSES," was on the 22nd day of August 1984, duly and regularly passed.

  
CARL T. C. GUTIERREZ  
Speaker

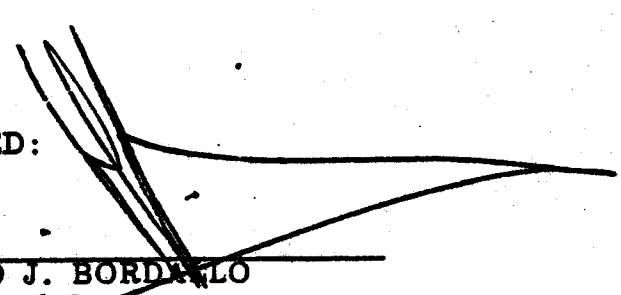
Attested:

  
ELIZABETH P. ARRIOLA  
Senator and Legislative Secretary

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This Act was received by the Governor this 28<sup>th</sup> day of August  
1984, at 10:40 o'clock A.m.

  
Assistant Staff Officer  
Governor's Office

APPROVED:

  
RICARDO J. BORDABULO  
Governor of Guam

Date:

9/7/84

Time:

2:39 pm.

Public Law No. 17-65

SEVENTEENTH GUAM LEGISLATURE  
1984 (SECOND) Regular Session

Bill No. 559  
Substitute by  
Committee on Ways & Means

Introduced by:

J. T. San Agustin  
F. R. Santos  
E. T. Charfauros

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J. P. Aguon  
E. P. Arriola  
C. T. C. Gutierrez  
F. J. Gutierrez  
M. K. Hartsock  
P. C. Lujan  
T. S. Nelson  
J. F. Quan  
F. J. Quitugua  
J. F. Ada  
A. R. Unpingco

AN ACT TO AMEND SUBSECTIONS (b) AND (d) OF SECTION 4211, SUBSECTION (b) OF SECTION 4217.1, SECTIONS 4207.9, 4212.2 AND SUBSECTION (b) OF SECTION 4219 OF THE GOVERNMENT CODE (4 GCA §§8122(b), 8122(d), 8135(b), 8113, 8125, AND 8137(b)), TO REPEAL AND REENACT SECTION 4212 OF THE GOVERNMENT CODE (4 GCA §8123), TO ADD A NEW 4 GCA §8120.1, AND REPEAL SECTION 3 OF P.L. 14-119 RELATIVE TO INCREASING ANNUITIES FOR BENEFICIARIES OF THE RETIREMENT FUND, AND FOR OTHER PURPOSES.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:  
2 Section 1. Subsection (b) of Section 4211 of the Government Code (4  
3 GCA §8122(b)) is amended to read:

4 "(b) Automatic increases in annuity. Effective July 1, 1984 any  
5 member who retired from service and who after Sept. 1, 1972 is  
6 entitled to receive benefits under this Chapter shall receive each year  
7 on the anniversary date of his retirement or entitlement, an automatic  
8 increase in his annual annuity, to be computed as follows:

1           1. Members receiving an annual annuity of Three Thousand  
2 Five Hundred Dollars (\$3,500) or less shall receive an automatic  
3 annual increase of Six Hundred Dollars (\$600).

4           2. Members receiving an annual annuity of more than Three  
5 Thousand Five Hundred Dollars (\$3,500) but not more than Six  
6 Thousand Three Hundred Dollars (\$6,300) shall receive an  
7 automatic annual increase of Four Hundred Dollars (\$400).

8           3. Members receiving an annual annuity of more than Six  
9 Thousand Three Hundred Dollars (\$6,300) but not more than Ten  
10 Thousand One Hundred Dollars (\$10,100) shall receive an  
11 automatic annual increase of Three Hundred Dollars (\$300).

12           4. Members receiving an annual annuity of more than Ten  
13 Thousand One Hundred Dollars (\$10,100) shall receive an  
14 automatic annual increase of Two Hundred Dollars (\$200)."

15       Section 2. Subsection (d) of Section 4211 of the Government Code (4  
16 GCA §8122 (d)) is amended to read:

17           "(d) Automatic increases in Recomputed Annuities. Any  
18 Annuitant who has had his basic annuity recomputed pursuant to  
19 Subsection (c) of this Section shall on July 1, 1984 and each year  
20 thereafter receive an automatic increase in his annual annuity as  
21 computed in subsection (b) of this Section."

22       Section 3. Subsection (b) of Section 4217.1 of the Government Code  
23 (4 GCA §8135 (b)) to read:

24           "(b) Automatic increase in annuity. Effective July 1, 1984, any  
25 survivor annuitant who first becomes entitled to receive benefits after  
26 September 1, 1972 shall receive, each year on the anniversary date of  
27 his retirement or entitlement, an automatic increase in his annual  
28 annuity, to be computed as follows:

29           1. Survivor annuitants receiving an annual annuity of  
30 Three Thousand Five Hundred Dollars (\$3,500) or less shall  
31 receive an automatic annual increase of Six Hundred Dollars  
32 (\$600).

1           2. Survivor annuitants receiving an annual annuity of more  
2 than Three Thousand Five Hundred Dollars (\$3,500) but not more  
3 than Six Thousand Three Hundred Dollars (\$6,300), shall receive  
4 an automatic annual increase of Four Hundred Dollars (\$400).

5           3. Survivor annuitants receiving an annual annuity of more  
6 than Six Thousand Three Hundred Dollars (\$6,300) but not more  
7 than Ten Thousand One Hundred Dollars (\$10,100), shall receive  
8 an automatic annual increase of Three Hundred Dollars (\$300);  
9 and

10           4. Survivor annuitants receiving an annual annuity of more  
11 than Ten Thousand One Hundred Dollars (\$10,100) shall receive  
12 an automatic annual increase of Two Hundred Dollars (\$200)."

13       Section 4. Section 4207.9 of the Government Code (4 GCA §8113) is  
14 amended to read:

15           "Subsection 4207.9 (§8113). Credit for Education. Any bona fide  
16 resident of Guam, who receives his graduate or undergraduate degree  
17 from an accredited institution and is employed by the Government of  
18 Guam after obtaining such degree, may claim retirement credit equal to  
19 the period of time, including vacations, which a full-time student  
20 would normally take to complete the program leading to the degree he  
21 received, or any lesser period he may elect to claim, by paying to the  
22 Fund the appropriate member's and employer's shares based on the  
23 — period of credit sought to be obtained and his salary when he begins  
24 employment with the Government of Guam; provided, however, that  
25 this section shall apply only to those persons:

26           (a) who were bona fide residents of Guam at the time they began  
27 their undergraduate studies; and

28           (b) who had been employed by the Government for at least ten  
29 (10) years as full time, locally hired employees."

30       Section 5. Subsection (a) of Section 4212 of the Government Code (4  
31 GCA §4123(a)) is amended to read:

32           "Section 4212 (§8123) Disability. (a) A member less than  
33 sixty-five (65) years of age, who shall become totally and permanently  
34 disabled for service, either mentally or physically, regardless of how

1 or where the disability shall have occurred, shall be entitled to a  
2 disability retirement annuity provided that he is not receiving  
3 disability payments from the United States Government for substantially  
4 the same ailment; and further provided that, to be eligible for a  
5 disability retirement annuity from a non-occupational cause, he shall  
6 have had at least six (6) years of creditable service in the government  
7 of Guam prior thereto. A total and permanent disability for the  
8 purposes of this Chapter is one which results from some impairment of  
9 body or mind that substantially precludes a person from performing  
10 with reasonable regularity the substantial and material parts of any  
11 gainful work or occupation that he would be competent to perform were  
12 it not for that impairment, and if founded upon conditions which for  
13 that impairment, and if founded upon conditions which render it  
14 reasonably certain that it will continue indefinitely."

15 Section 6. Section 4212.2 of the Government Code (4 GCA §8125) is  
16 amended to read:

17 "§4212.2 (§8125). Same. Amount of Annuity. The amount of  
18 disability retirement annuity shall be sixty-six and two-thirds percent  
19 (66 2/3%) based on the average of the three highest annual salaries  
20 received by a member during his years of credited service. As used  
21 in this Section 'annual salary' means the base pay for which the  
22 members contributed to the Fund as required in Item (1), (2) or (3)  
23 of §8136(a) of this Chapter and any pay for which the member paid  
24 into the Fund in accordance with Item (4) of §8136(a) of this  
25 Chapter."

26 Section 7. Section 3 of Public Law 14-119 is repealed.

27 Section 8. A new Section 4 GCA §8120.1 is added to read:

28 "§8120.1. Same. With the exception of members of the Fund  
29 prior to the effective date of this Section, any member of the Fund  
30 may retire:

31 (a) On a service retirement annuity, upon written application to  
32 and approval of the Board; provided that such member shall have  
33 attained at least sixty-five (65) years of age or sixty (60) years of

1 age in the case of a member of the uniformed personnel, and shall  
2 have completed at least fifteen (15) years of total service;

3 (b) if he or she is a member of the uniformed personnel he or  
4 she shall, upon retirement, be placed one rank grade above that held  
5 by him on the date of retirement;

6 (c) if he or she has completed thirty (30) years of service he or  
7 she may retire and shall be entitled to full retirement annuity.

8 (d) at his option, whether active or inactive, he or she may  
9 retire after twenty-five (25) years of service regardless of age. The  
10 retirement annuity for any employee or member described in this  
11 Paragraph shall be reduced one quarter (1/4) of one percent (1%) for  
12 each month such employees or member is under the age of sixty-five  
13 (65) years, from the amount determined for such employee or member  
14 as hereinafter provided."

15 Section 9. Section 4212.4 of the Government Code (4 GCA 98127) is  
16 repealed and reenacted to read:

17 "Section 4212.4. Same: Resumption of Employment. (a) At  
18 least once each year during the first five (5) years following the  
19 allowance of a disability annuity to any member, and at least once in  
20 every three-year period thereafter, the Board of Trustees shall  
21 require any disability annuitant to undergo a medical examination to be  
22 made at a place mutually agreed upon, by a physician or physicians  
23 engaged by the Board. If any examination indicates that the annuitant  
24 is no longer physically or mentally incapacitated for service, or that  
25 he is engaged or is able to engage in a gainful occupation, payments  
26 of the disability annuity by the Fund shall be discontinued as soon as  
27 the disability annuitant is reinstated to the payroll, but in no case  
28 shall payments be made for more than sixty (60) days after physicians  
29 engaged by the Board find the annuitant is no longer incapacitated for  
30 service."

31 (b) Should the annuitant become able to resume a gainful  
32 occupation and his earnings therefrom be less than his salary at the  
33 date of retirement or that salary currently paid for similar positions,  
34 whichever is lower, the Board shall continue the disability allowance in

1 an amount which added to his earnings from a gainful occupation, shall  
2 not exceed his salary at the date of retirement or the salary currently  
3 paid for similar positions, whichever is lower."

4 Section 10. Subsection (b) of Section 4219 (4 GCA §8137(b)) is  
5 amended to read:

6 "(b) An amount resulting from the application of a rate percent  
7 of total salaries of all members which will amortize the remaining  
8 liability for prior service over the remainder of a specified period, as  
9 determined by the Board upon recommendation of the actuary, but not  
10 to exceed a period of eighty (80) years following the operative date.  
11 From July 1, 1955, to August 30, 1972 the rate of contribution shall be  
12 not less than one and three hundred seventeen thousandths percent  
13 (1.317%) of the total salaries of the members participating in the fund.  
14 From September 1, 1972 the rate of contributions shall be not less than  
15 one and four hundred and seven thousandths percent (1.407%) of the  
16 total salaries of the members participating in the fund.

17 The amount of contributions by the government shall be  
18 determined by applying the applicable percentage rate of contributions  
19 as hereinabove prescribed to the total salaries paid to the members  
20 during each payroll period, and such amounts shall be paid into the  
21 fund following the close of each payroll period, concurrently with the  
22 contributions made to the fund by members."

23 Section 11. A new Subsection (q) is added to 4 GCA Section 8104 to  
24 read:

25 "(q) 'join the Fund' means the act of the employee in making his  
26 or her first contribution to the Fund regardless of whether he or she  
27 later separates from the government as long as he or she does not  
28 withdraw his contribution. If a member withdraw his contributions  
29 after separation from government service then 'join the Fund' means  
30 his act of making a contribution after rehire."