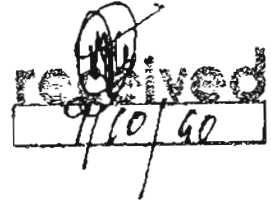




Territory of Guam
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OFFICE OF THE GOVERNOR
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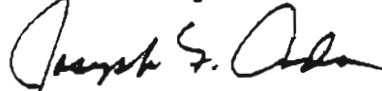


The Honorable Joe T. San Agustin
Speaker, Twentieth Guam Legislature
155 Herman Cortez Street
Agana, Guam 96910

Dear Mr. Speaker:

Transmitted herewith is Bill No. 1525, which I have signed
into law this date as Public Law 20-216.

Sincerely,


JOSEPH F. ADA
Governor

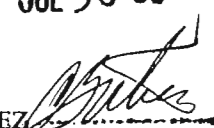
Attachment



JUL 30 '90

Bill No. 1525 (COR)

Introduced by:


C. T. C. GUTIERREZ
J. T. SAN AGUSTIN
T. S. NELSON
J. P. AGUON
F. J. A. QUITUGUA
H. D. DIERKING
D. PARKINSON
E. P. ARRIOLA
M. Z. BORDALLO
P. C. LUJAN
G. MAILLOUX
E. D. REYES
F. R. SANTOS
M. C. RUTH
M. D. MANIBUSAN
E. M. ESPALDON
D. F. BROOKS
J. G. BAMBA
E. R. DUENAS
T. V. TANAKA
A. R. UNPINGCO

AN ACT TO CREATE A MANDATORY
AUTOMOBILE LIABILITY INSURANCE LAW.

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

2 Section 1. 16 GCA, Chapter 19, §19101-19111, inclusive, (Financial
3 Responsibility Law) is hereby repealed and reenacted to read:

4 Section 19101. PURPOSE. It is the purpose of this legislation to require
5 mandatory automobile liability insurance in order to guarantee adequate protection
6 for victims of car accidents who are injured in the Territory of Guam or who are
7 injured while riding in motor vehicles which are operated in the Territory of
8 Guam.

9 Section 19102. INSURANCE REQUIRED. Each owner of a motor
10 vehicle which is required to be registered in the Territory of Guam shall maintain
11 the insurance required by this chapter. This insurance shall be in effect
12 continuously during the motor vehicle's period of registration.

13 Section 19103. ADMINISTRATION OF REQUIREMENT.

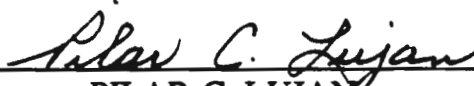
TWENTIETH GUAM LEGISLATURE
1990 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

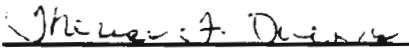
This is to certify that Bill No. 1525 (COR), "AN ACT TO REPEAL AND REENACT CHAPTER 19, TITLE 16, GUAM CODE ANNOTATED, TO CREATE A MANDATORY AUTOMOBILE LIABILITY INSURANCE LAW," was on the 1st day of August, 1990, duly and regularly passed.


JOE T. SAN AGUSTIN
Speaker

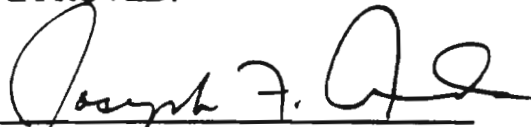
Attested:


PILAR C. LUJAN
Senator and Legislative Secretary

This Act was received by the Governor this 10th day of August,
1990, at 11:18 o'clock A.m.


Assistant Staff Officer
Governor's Office

APPROVED:


JOSEPH F. ADA
Governor of Guam

Date: August 22, 1990

Public Law No. 20-216

TWENTIETH GUAM LEGISLATURE
1990 (SECOND) Regular Session

Bill No. 1525 (COR)
As amended by the
Committee on Ways & Means

Introduced by:

C. T. C. Gutierrez
J. T. San Agustin
T. S. Nelson
J. P. Aguon
F. J. A. Quitugua
H. D. Dierking
D. Parkinson
E. P. Arriola
M. Z. Bordallo
P. C. Lujan
G. Mailloux
E. D. Reyes
F. R. Santos
M. C. Ruth
M. D. A. Manibusan
E. M. Espaldon
D. F. Brooks
J. G. Bamba
E. R. Duenas
T. V. C. Tanaka
A. R. Unpingco

AN ACT TO REPEAL AND REENACT CHAPTER 19, TITLE
16, GUAM CODE ANNOTATED, TO CREATE A
MANDATORY AUTOMOBILE LIABILITY INSURANCE
LAW.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:
2 Section 1. Chapter 19, Title 16, Guam Code Annotated, is hereby
3 repealed and reenacted to read:
4 "Chapter 19

Mandatory Insurance

1
2 §19101. Purpose. It is the purpose of this legislation to require
3 mandatory automobile liability insurance in order to guarantee
4 adequate protection for victims of car accidents who are injured in
5 Guam or who are injured while riding in motor vehicles which are
6 operated in Guam.

7 §19102. Insurance Required. Each owner of a motor vehicle
8 which is required to be registered in Guam shall maintain the insurance
9 required by this Chapter. This insurance shall be in effect continuously
10 during the motor vehicle's period of registration.

11 §19103. Administration of Requirement.

12 (1) (a) Every person applying to register a motor
13 vehicle in Guam shall certify at the time of registration of
14 his vehicle to the Director of Revenue and Taxation (the
15 "Director"), on a form supplied by the Director, that the
16 insurance required by this Chapter is in effect with respect
17 to the vehicle which is to be registered.

18 (b) The Director may request an insurer to verify
19 any information provided pursuant to subparagraph (a) of
20 paragraph (1) of this Section. The insurer shall accurately
21 respond to the Director's request within ten (10) business
22 days.

23 (c) The Director may request that the person who
24 has certified to the Director pursuant to said subparagraph
25 (a), submit proof, within fifteen (15) days, that the required
26 insurance is in effect.

27 (2) The Director shall refuse to register a motor vehicle if
28 the registrant fails to make appropriate certifications as set forth
29 in paragraph (1)(a) above.

30 (3) The Director shall suspend or revoke the license or
31 registration certificate issued to the owner or operator of a motor
32 vehicle who has been convicted of a violation of this Chapter, or
33 who knowingly operates or knowingly permits the operation of an
34 uninsured motor vehicle, or who falsely certifies to the Director

1 that a motor vehicle is an insured motor vehicle, or who
2 knowingly provides the Director with false or inaccurate
3 information pursuant to the request by the Director pursuant to
4 this Chapter.

5 (a) Whenever a license, or registration certificate
6 has been revoked or suspended under the provisions of this
7 Section, the reasons therefor shall be set forth in the order
8 of revocation or suspension. The order shall take effect five
9 (5) days after service of notice on the person whose license
10 or registration certificate is revoked or suspended unless the
11 person shall have filed with the Director, within the five (5)
12 day period, written application for a hearing; provided, that
13 application to the Director for a hearing shall not operate as
14 a stay of the order of the Director when the order has been
15 issued revoking or suspending a registration certificate. The
16 hearing by the Director shall only cover the issues of
17 whether a policy of motor vehicle insurance has been issued
18 to the person and has been in effect on the day the order of
19 revocation or suspension was issued and whether the person
20 provided the Director with false or inaccurate information.
21 A verbatim record of the hearing shall be prepared by the
22 Director.

23 (b) If, following the hearing provided for in this
24 Section, the Director shall sustain the order of revocation or
25 suspension, the order shall become effectively immediately.

26 (c) When a registration certificate or license has
27 been revoked, no new registration certificate or license shall
28 be issued to the person for six (6) months after the effective
29 date of the order of revocation; provided, that no new
30 registration certificate shall be issued to that person until
31 the motor vehicle is insured as required by this Chapter.

32 (d) If a person's registration certificate has been
33 suspended or revoked as provided for in this Section, the
34 registration certificate shall not be transferred and the

TWENTIETH GUAM LEGISLATURE
1989 (FIRST) Regular Session

ROLL CALL SHEET

Bill No. 1525

Date: 8/1/90

Resolution No. _____

QUESTION: _____

| | <u>AYE</u> | <u>NAY</u> | <u>NOT VOTING</u> | <u>ABSENT</u> |
|--------------------|------------|------------|-----------------------|---------------|
| J. P. Aguon | ✓ | | | |
| E. P. Arriola | ✓ | | | |
| J. G. Bamba | | | ✓ | |
| M. Z. Bordallo | ✓ | | | |
| D. F. Brooks | ✓ | | | |
| H. D. Dierking | ✓ | | | |
| E. R. Duenas | ✓ | | | |
| E. M. Espaldon | | | | ✓ |
| C. T. C. Gutierrez | ✓ | | | |
| P. C. Lujan | ✓ | | | |
| G. Mailloux | ✓ | | | |
| M. D. A. Manibusan | ✓ | | | |
| T. S. Nelson | ✓ | | | |
| D. Parkinson | ✓ | | | |
| F. J. A. Quitugua | ✓ | | | |
| E. D. Reyes | ✓ | | | |
| M. C. Ruth | ✓ | | | |
| J. T. San Agustin | ✓ | | | |
| F. R. Santos | ✓ | | | |
| T. V. C. Tanaka | ✓ | | | |
| A. R. Unpingco | ✓ | | | |

(19)

(1)

(1)

1 (1) (a) Every person applying to register a motor vehicle in the
2 Territory of Guam shall certify at the time of registration of his vehicle to the
3 Director of the Department of Revenue and Taxation (hereinafter "Director"), on a
4 form supplied by the Director, that the insurance required by this chapter is in effect
5 with respect to the vehicle which is to be registered.

6 (b) The Director may request an insurer to verify any information
7 provided pursuant to subparagraph (a) of this Section. The insurer shall accurately
8 respond to the Director's request within ten (10) business days.

9 (c) The Director may request that the person who has certified to
10 the Director pursuant to subparagraph (a) of this paragraph, submit proof, within
11 fifteen (15) business days, that the required insurance is in effect.

12 (2) The Director shall refuse to register a motor vehicle if the
13 registrant fails to make appropriate certifications as set forth in the paragraph (1)(a)
14 above.

15 (3) The director shall suspend or revoke the license or registration
16 certificate issued to the owner or operator of a motor vehicle who has been
17 convicted of a violation of this Chapter, or who knowingly operates or knowingly
18 permits the operation of an uninsured motor vehicle, or who falsely certifies to the
19 Director that a motor vehicle is an insured motor vehicle, or who knowingly
20 provides the Director with false or inaccurate information pursuant to the request
21 by the Director pursuant to this Chapter.

22 (a) Whenever a license, or registration certificate has been revoked
23 or suspended under the provisions of this subsection, the reasons therefore shall be
24 set forth in the order of revocation or suspension. The order shall take effect five
25 (5) days after service or notice on the person whose license or registration certificate
26 is revoked or suspended unless the person shall have filed with the Director,
27 within the five (5) day period, written application for a hearing; provided, that
28 application to the Director for a hearing shall not operate as a stay of the order of
29 the Director when the order has been issued revoking or suspending a registration

1 certificate. The hearing by the director shall only cover the issues of whether a
2 policy of motor vehicle insurance has been issued to the person and has in effect on
3 the day the order of revocation or suspension was issued and whether the person
4 provided the Director with false or inaccurate information. A verbatim record of
5 the hearing shall be prepared by the Director.

6 (b) If, following the hearing provided for in this subsection, the
7 Director shall sustain the order of revocation or suspension, the order shall become
8 effective immediately.

9 (c) When a registration certificate or license has been revoked, no
10 new registration certificate or license shall be issued to the person for six (6) months
11 after the effective date of the order of revocation; provided that no new registration
12 certificate shall be issued to that person until the motor vehicle is insured as
13 required by this Chapter.

14 (d) If a person's registration certificate has been suspended or
15 revoked as provided for in this subsection, the registration certificate shall not be
16 transferred and the motor vehicle with respect to which the registration certificate
17 was issued shall not be registered in any other name until the director is satisfied
18 that the transfer of the registration certificate is in good faith and not for the
19 purpose or with the effect of defeating the purposes of this Chapter.

20 (e) Nothing in this Section shall affect the rights of any conditional
21 vendor, chattel mortgagee or lessor of the motor vehicle.

22 (f) The Director shall suspend or revoke the registration certificate
23 of any motor vehicle transferred in violation of the provisions of this section.

24 (g) Decisions of the director shall be subject to review by the
25 superior Court of Guam. Orders and decisions of the director shall be appealable
26 pursuant to Code of Civil Procedure, §1084, et. seq., on a petition for a writ of
27 mandate to the Superior Court of Guam.

1 (h) A motor vehicle with respect to which the registration
2 certificate is suspended under this paragraph may be immobilized by the Guam
3 Police Department until the insurance required by this section in effect.

4 (4) (a) The Director shall require all insurers authorized to sell
5 motor vehicle insurance in the Territory of Guam to furnish to the Department
6 notice of motor vehicle insurance cancellations or non-renewals within thirty (30)
7 days after the effective date of cancellation or non-renewal. Upon receipt of the
8 notice of cancellation concerning a motor vehicle insurance policy on a vehicle
9 registered in the Territory of Guam, the Director shall notify the person in whose
10 name the vehicle is registered that the Director will revoke or cancel registration of
11 the vehicle pursuant to law.

12 (b) Insurers shall provide information and cooperate with the
13 director in his efforts to enforce this Chapter.

14 Section 19104. CONTENTS OF REQUIRED AUTOMOBILE
15 INSURANCE. Any motor vehicle which is operated in the Territory of Guam
16 must be insured pursuant to the following limits:

17 a. Property Damage Insurance - Property Damage Insurance shall
18 provide that any liability to an insured to pay for property damage to any vehicle or
19 other property not owned or controlled by the insured, in accordance with
20 applicable law, shall be paid by the applicable insurer up to an amount requested by
21 the named insured. The minimum amount of property damage liability insurance
22 coverage that a named insured must purchase is \$20,000.00 for property damage in
23 any one accident.

24 b. Third Party Personal Liability - Third Party Personal Liability
25 coverage shall provide that any liability of an insured to pay for injury arising from
26 an accident within the Territory of Guam, in accordance with applicable law, shall
27 be paid by the insurer up to the amount established in the policy. The minimum
28 amount of third party personal liability coverage that an insured must purchase

1 shall be \$25,000.00 for each person injured in any one accident and \$50,000.00 in
2 aggregate for all person injured in any one accident.

3 Section 19105. REPORT OF ACCIDENT REQUIRED. The Driver of
4 every vehicle which is in any manner involved in any accident within Guam
5 except on property belonging to such driver, which accident has resulted in
6 damage to the property of any one person in excess of \$100.00 or in bodily
7 injury or death of any person, shall within ten (10) days of such accident
8 report the accident to the office of the Director on a form approved by the
9 Director or to the Guam Police Department. If such operator be physically
10 incapable of making such report, and is not the owner of the motor vehicle
11 involved in such accident, then the owner shall, as soon as he learns of the
12 accident, then the owner shall, as soon as he learns of the accident, report the
13 matter to the Director and/or to the Chief of Police of the Guam Police
14 Department.

15 Section 19106. PENALTY.

16 A. Any person who willfully fails, refutes, refuses or neglects
17 to report any accident as required by subsection (a) of Section 19105 shall be
18 guilty of a petty misdemeanor.

19 B. Any person who operates a motor vehicle in the Territory
20 of Guam and does not possess the insurance mandated by §19102 and §19104,
21 shall be subject to a mandatory fine of \$500.00. Said fine shall be imposed by
22 the Traffic Court of the Superior Court of Guam.

23 Section 2. Section 21102.1 of Chapter 21, Title 16, Guam Code
24 Annotated is hereby repealed.

25 Section 3. EFFECTIVE DATE. The Insurance commissioner is hereby
26 directed to implement a new rate and premium schedule for the purchase
27 and sale of automobile insurance. This Act shall be effective sixty (60) days
28 after the Insurance commissioner has implemented the new rate schedule.

1 **Section 4.** Nothing contained herein shall affect the validity of any
2 policy of insurance which was issued prior to the effective date of this law.
3 Members of the public shall not be required to obtain insurance mandated by
4 this law until they register an automobile or until their current insurance
5 expires, whichever comes first.