



OFFICE OF THE GOVERNOR  
TERRITORY OF GUAM

OFFICE OF THE SPEAKER	
Date:	July 15, 1996
Time:	2:20pm
Received By:	<i>[Signature]</i>
Print Name:	P. Roberts

JUL 15 1996

REFER TO  
LEGISLATIVE SECRETARY

The Honorable Don Parkinson  
Speaker  
Twenty-Third Guam Legislature  
Guam Legislature Temporary Building  
155 Hesler Street  
Agana, Guam 96910

Dear Mr. Speaker:

Enclosed please find a copy of Substitute Bill No. 370 (LS), "AN ACT TO AMEND SUBSECTION (e) OF §44017.1, TO AMEND §444018 AND §44019, AND TO ADD NEW §44019.1 AND §44019.2 TO CHAPTER II, TITLE XL OF THE GOVERNMENT CODE, RELATIVE TO THE COLLECTION AND ALLOCATION OF THE MANPOWER DEVELOPMENT FUND", which was vetoed and thereafter overridden on July 8, 1996, which I have designated as **Public Law No. 23-106**.

A copy has also been delivered to the Office of the Legislative Secretary.

Very truly yours,

*[Signature]*  
Madeleine Z. Bordallo  
Acting Governor of Guam

Attachment  
231252

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By:	<i>[Signature]</i>
Time:	2:47 pm.
Date:	15 JULY 1996



OFFICE OF THE GOVERNOR  
TERRITORY OF GUAM

JUL 15 1996

The Honorable Judith Won-Pat Borja  
Legislative Secretary  
Twenty-Third Guam Legislature  
Guam Legislature Temporary Building  
155 Hesler Street  
Agana, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY

ACKNOWLEDGMENT RECEIPT

Received By *J. Borja*  
Time 2:36 pm.  
Date 15 JULY 1996

Dear Madame Legislative Secretary:

Enclosed please find a copy of Substitute Bill No. 370 (LS), "AN ACT TO AMEND SUBSECTION (e) OF §44017.1, TO AMEND §444018 AND §44019, AND TO ADD NEW §44019.1 AND §44019.2 TO CHAPTER II, TITLE XL OF THE GOVERNMENT CODE, RELATIVE TO THE COLLECTION AND ALLOCATION OF THE MANPOWER DEVELOPMENT FUND", which was vetoed and thereafter overridden on July 8, 1996, which I have designated as **Public Law No. 23-106**.

A copy has also been delivered to the Office of the Speaker.

Very truly yours,

Madeleine Z. Bordallo  
Acting Governor of Guam

Attachment

231259

*(Same as 231252)*  
*For file purposes mey*

TWENTY-THIRD GUAM LEGISLATURE  
1996 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 370 (LS), "AN ACT TO AMEND SUBSECTION (e) OF §44017.1, TO AMEND §44018 AND §44019, AND TO ADD NEW §44019.1 AND §44019.2 TO CHAPTER II, TITLE XL OF THE GOVERNMENT CODE, RELATIVE TO THE COLLECTION AND ALLOCATION OF THE MANPOWER DEVELOPMENT FUND," returned to the Legislature without approval of the Governor, was reconsidered by the Legislature and after such reconsideration, the Legislature did, on the 8th day of July, 1996, agree to pass said bill notwithstanding the objection of the Governor by a vote of twenty (20) members.



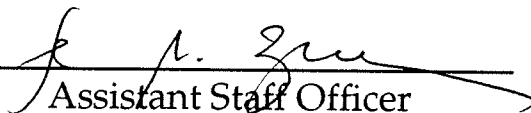
\_\_\_\_\_  
DON PARKINSON  
Speaker

Attested:



\_\_\_\_\_  
JUDITH WON PAT-BORJA  
Senator and Legislative Secretary

-----  
This Act was received by the Governor this 12<sup>th</sup> day of July  
1996, at 8:55 o'clock A..M.



\_\_\_\_\_  
Assistant Staff Officer  
Governor's Office

TWENTY-THIRD GUAM LEGISLATURE  
1995 (FIRST) Regular Session

Bill No. 370 (LS)

As substituted by the Author  
and as further substituted  
by the Committee on Youth,  
Labor and Parks & Recreation

Introduced by:

V. C. Pangelinan  
L. Leon Guerrero  
T. S. Nelson

---

T. C. Ada  
J. P. Aguon  
E. Barrett-Anderson  
A. C. Blaz  
J. S. Brown  
F. P. Camacho  
M. C. Charfauros  
H. A. Cristobal  
M. Forbes  
A. C. Lamorena V  
C. Leon Guerrero  
S. L. Orsini  
D. Parkinson  
J. T. San Agustin  
A. L. G. Santos  
F. E. Santos  
A. R. Unpingco  
J. Won Pat-Borja

AN ACT TO AMEND SUBSECTION (e) OF §44017.1, TO AMEND §44018 AND §44019, AND TO ADD NEW §44019.1 AND §44019.2 TO CHAPTER II, TITLE XL OF THE GOVERNMENT CODE, RELATIVE TO THE COLLECTION AND ALLOCATION OF THE MANPOWER DEVELOPMENT FUND.

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

1           **Section 1. Legislative Findings.** The Manpower Development Fund  
2 was created by Public Law 18-48 and amended by Public Law 20-221 for the  
3 purpose of funding local manpower training programs on Guam by assessing  
4 registration fees on temporary alien labor and fines levied for violations of  
5 law. With the steady rise in Guam's unemployment rate and the need to  
6 address the current local labor situation, the Legislature believes that it is in  
7 the local community's interest to reevaluate the funding and administration of  
8 the Manpower Development Fund.

9           The Legislature further finds that the relevant statutory language that  
10 "funds in the Manpower Development Fund shall be paid out by the  
11 Treasurer of Guam on warrants drawn by the Certifying Officer of the  
12 Department of Labor upon requisition by the Guam Community College" is  
13 not sufficiently specific to protect the Manpower Development Fund from  
14 unauthorized uses and uses contrary to the intent of the law. Therefore, the  
15 Legislature finds that Section 28 of Public Law 20-221 must be amended to  
16 ensure that the MDF is not expended for any purpose except those in strict  
17 conformity with existing enumerated purposes relating to local  
18 apprenticeship training programs and to those specifically outlined and  
19 mandated.

20           **Section 2. Legislative Intent.** It is the intent of the Legislature to amend  
21 existing Guam statute to clarify that the Manpower Development Fund be  
22 used solely for the purpose of conforming with local apprenticeship training  
23 purposes as set forth in Public Law 20-221, Section 28, and that expenditures  
24 from the MDF shall be held strictly accountable, that de-appropriated MDF  
25 funds be returned to the MDF, and that appropriate agencies and  
26 instrumentalities shall complete a MDF Status Report to the Legislature  
27 quarterly and annually.

1           **Section 3. Subsection (e) of the Government Code §44017.1 is**  
2 **amended to read:**

3           “(e) Fines collected by the Department under the provisions of  
4 this section shall be deposited in the Manpower Development Fund to  
5 be employed exclusively for the surveillance and enforcement  
6 operations within the Alien Labor and Processing Certification Division  
7 and other divisions at the Department of Labor with similar tasks. The  
8 Director of Labor shall complete an annual report of all expenditures  
9 and activities under this subsection to the Legislature.”

10           **Section 4. §44018 of the Government Code is amended to read:**

11           “**§44018. Registration Fee.** The Guam Department of Labor is  
12 authorized to collect a registration fee of Two Hundred Dollars (\$200.00)  
13 annually per non-immigrant temporary worker for each calendar year  
14 or a fraction thereof from the employer of each non-immigrant  
15 temporary worker, payable at the time of registration by the non-  
16 immigrant worker.”

17           **Section 5. §44019 of the Government Code is amended to read:**

18           “**§44019. Manpower Development Fund.** There is hereby created  
19 in the Guam Department of Labor a Manpower Development Fund  
20 (hereinafter "MDF"), which shall remain separate and apart from any  
21 other funds of the government of Guam. The MDF is created solely for  
22 the purpose of receiving territorial, federal, and private money and  
23 revenues from the registration fees of non-immigrant temporary  
24 workers. One hundred percent (100%) of the annual revenues generated  
25 shall be allocated to the Apprenticeship Training Program at Guam  
26 Community College. Funds in the MDF shall be paid out by the  
27 Treasurer of Guam to the Apprenticeship Training Program at Guam

1 Community College which shall be expended exclusively to fund the  
2 following, which shall be subject to legislative appropriation:

3 (a) The administrative and instructional costs for the operation  
4 of the apprenticeship training programs.

5 (b) The advertising and outreach programs for the promotion of  
6 the apprenticeship training programs.

7 (c) Not less than fifty percent (50%) of the annual revenues  
8 generated shall be appropriated for direct financial assistance to  
9 students enrolled in the apprenticeship training program. Any unused  
10 portion of the appropriated fund under this subsection shall be returned  
11 to the MDF.

12 The MDF shall not be used for any purposes other than those  
13 enumerated in this section."

14 **Section 6. New §44019.1 and 44019.2 are added to Title XL §44019 of**  
15 **the Government Code to read:**

16 "§44019.1 **Unused MDF Funds.** Notwithstanding the general  
17 provisions of §22406 of Title 5 GCA which requires that unused and de-  
18 appropriated funds revert to the General Fund, or any other provision of  
19 Guam law to the contrary, all de-appropriated or unused funds  
20 appropriated from the MDF shall, in all circumstances, be returned to  
21 the MDF and not the General Fund.

22 §44019.2. **MDF Status Report.** The Director of Administration  
23 and the President of Guam Community College shall complete quarterly  
24 and annual reports to the Board of Trustees of the College, the  
25 Apprenticeship Advisory Council and the Legislature of the condition  
26 of, and activity within, the MDF."

1           **Section 7. Effective Date.** The provisions of this Act shall become  
2 effective immediately.







OFFICE OF THE GOVERNOR  
TERRITORY OF GUAM

OFFICE OF THE LEGISLATIVE SECRETARY  
ACKNOWLEDGMENT RECEIPT  
Received By M. M. M.  
Time 3:28 P.M.  
Date 6/28/96

JUN 26 1996

The Honorable Ted S. Nelson  
Acting Speaker  
Twenty-Third Guam Legislature  
Guam Legislature Temporary Building  
155 Hesler Street  
Agana, Guam 96910

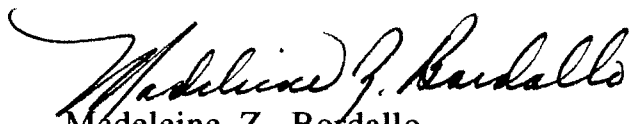
Dear Speaker Nelson:

Enclosed please find Substitute Bill No. 370 (LS), "AN ACT TO AMEND SUBSECTION (e) OF §44017.1, TO AMEND §44018 AND §44019, AND TO ADD NEW §44019.1 AND §44019.2 TO CHAPTER II, TITLE XL OF THE GOVERNMENT CODE, RELATIVE TO THE COLLECTION AND ALLOCATION OF THE MANPOWER DEVELOPMENT FUND", which I have **vetoed**.

The Manpower Development Fund was designed to assist the Department of Labor in its Alien Labor Certification Program. Diverting funding from the Department of Labor to the Guam Community College in such a fashion that the Guam Community College can utilize the funding for any apprenticeship program, even if unrelated to the construction industry from which the Manpower Development Funds are derived, will not serve the original purpose for which the fund was set up in previous legislation.

A copy of the legislation and the message have also been delivered to the Office of the Legislative Secretary.

Very truly yours,

  
Madeleine Z. Bordallo  
Acting Governor of Guam

Attachment  
**231211**

Overriden 23-106



OFFICE OF THE GOVERNOR  
TERRITORY OF GUAM

JUN 26 1996

The Honorable Judith Won-Pat Borja  
Legislative Secretary  
Twenty-Third Guam Legislature  
Guam Legislature Temporary Building  
155 Hesler Street  
Agana, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By	<u>[Signature]</u>
Time	<u>3:40</u>
Date	<u>6/26/96</u>

Dear Madame Legislative Secretary:

Enclosed please find a copy of message and Substitute Bill No. 370 (LS), "AN ACT TO AMEND SUBSECTION (e) OF §44017.1, TO AMEND §44018 AND §44019, AND TO ADD NEW §44019.1 AND §44019.2 TO CHAPTER II, TITLE XL OF THE GOVERNMENT CODE, RELATIVE TO THE COLLECTION AND ALLOCATION OF THE MANPOWER DEVELOPMENT FUND", which I have **vetoed**.

A copy of this legislation and the message have also been delivered to the Office of the Speaker.

Very truly yours,

*Madeleine Z. Bordallo*  
Madeleine Z. Bordallo  
Acting Governor of Guam

Attachments

231199

TWENTY-THIRD GUAM LEGISLATURE  
1996 (SECOND) Regular Session

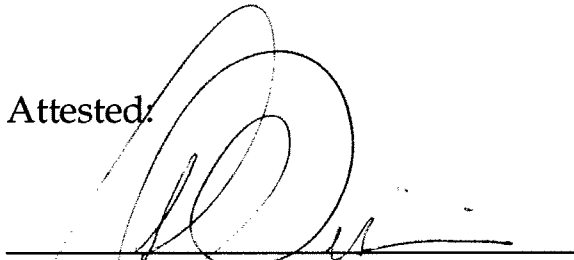
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

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\_\_\_\_\_  
DON PARKINSON  
Speaker

Attested:



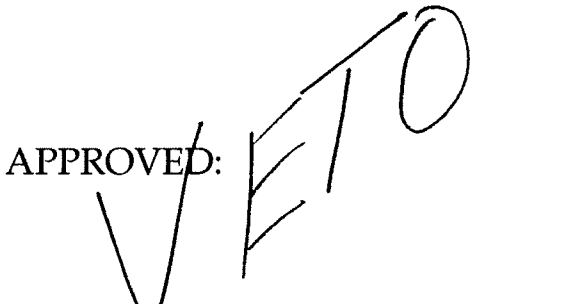
\_\_\_\_\_  
SONNY LUJAN ORSINI  
Senator and Acting Legislative Secretary

-----  
This Act was received by the Governor this 14th day of June  
1996, at 10:45 o'clock A.M.



\_\_\_\_\_  
Assistant Staff Officer  
Governor's Office

APPROVED:



\_\_\_\_\_  
MADELEINE Z. BORDALLO  
Acting Governor of Guam

Date: \_\_\_\_\_

Public Law No. \_\_\_\_\_

TWENTY-THIRD GUAM LEGISLATURE  
1995 (FIRST) Regular Session

Bill No. 370 (LS)

As substituted by the Author  
and as further substituted  
by the Committee on Youth,  
Labor and Parks & Recreation

Introduced by:

V. C. Pangelinan  
L. Leon Guerrero  
T. S. Nelson

---

T. C. Ada  
J. P. Aguon  
E. Barrett-Anderson  
A. C. Blaz  
J. S. Brown  
F. P. Camacho  
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J. T. San Agustin  
A. L. G. Santos  
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A. R. Unpingco  
J. Won Pat-Borja

AN ACT TO AMEND SUBSECTION (e) OF §44017.1, TO  
AMEND §44018 AND §44019, AND TO ADD NEW  
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COLLECTION AND ALLOCATION OF THE  
MANPOWER DEVELOPMENT FUND.

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

1           **Section 1. Legislative Findings.** The Manpower Development Fund  
2 was created by Public Law 18-48 and amended by Public Law 20-221 for the  
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4 registration fees on temporary alien labor and fines levied for violations of  
5 law. With the steady rise in Guam's unemployment rate and the need to  
6 address the current local labor situation, the Legislature believes that it is in  
7 the local community's interest to reevaluate the funding and administration of  
8 the Manpower Development Fund.

9           The Legislature further finds that the relevant statutory language that  
10 "funds in the Manpower Development Fund shall be paid out by the  
11 Treasurer of Guam on warrants drawn by the Certifying Officer of the  
12 Department of Labor upon requisition by the Guam Community College" is  
13 not sufficiently specific to protect the Manpower Development Fund from  
14 unauthorized uses and uses contrary to the intent of the law. Therefore, the  
15 Legislature finds that Section 28 of Public Law 20-221 must be amended to  
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17 conformity with existing enumerated purposes relating to local  
18 apprenticeship training programs and to those specifically outlined and  
19 mandated.

20           **Section 2. Legislative Intent.** It is the intent of the Legislature to amend  
21 existing Guam statute to clarify that the Manpower Development Fund be  
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23 purposes as set forth in Public Law 20-221, Section 28, and that expenditures  
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27 quarterly and annually.

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2 **amended to read:**

3           “(e) Fines collected by the Department under the provisions of  
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5 be employed exclusively for the surveillance and enforcement  
6 operations within the Alien Labor and Processing Certification Division  
7 and other divisions at the Department of Labor with similar tasks. The  
8 Director of Labor shall complete an annual report of all expenditures  
9 and activities under this subsection to the Legislature.”

10           **Section 4. §44018 of the Government Code is amended to read:**

11           “§44018. **Registration Fee.** The Guam Department of Labor is  
12 authorized to collect a registration fee of Two Hundred Dollars (\$200.00)  
13 annually per non-immigrant temporary worker for each calendar year  
14 or a fraction thereof from the employer of each non-immigrant  
15 temporary worker, payable at the time of registration by the non-  
16 immigrant worker.”

17           **Section 5. §44019 of the Government Code is amended to read:**

18           “§44019. **Manpower Development Fund.** There is hereby created  
19 in the Guam Department of Labor a Manpower Development Fund  
20 (hereinafter "MDF"), which shall remain separate and apart from any  
21 other funds of the government of Guam. The MDF is created solely for  
22 the purpose of receiving territorial, federal, and private money and  
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24 workers. One hundred percent (100%) of the annual revenues generated  
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5 (b) The advertising and outreach programs for the promotion of  
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7 (c) Not less than fifty percent (50%) of the annual revenues  
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9 students enrolled in the apprenticeship training program. Any unused  
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11 to the MDF.

12 The MDF shall not be used for any purposes other than those  
13 enumerated in this section."

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15 **the Government Code to read:**

16 **"§44019.1 Unused MDF Funds.** Notwithstanding the general  
17 provisions of §22406 of Title 5 GCA which requires that unused and de-  
18 appropriated funds revert to the General Fund, or any other provision of  
19 Guam law to the contrary, all de-appropriated or unused funds  
20 appropriated from the MDF shall, in all circumstances, be returned to  
21 the MDF and not the General Fund.

22 **§44019.2. MDF Status Report.** The Director of Administration  
23 and the President of Guam Community College shall complete quarterly  
24 and annual reports to the Board of Trustees of the College, the  
25 Apprenticeship Advisory Council and the Legislature of the condition  
26 of, and activity within, the MDF."



1           **Section 7. Effective Date.** The provisions of this Act shall become  
2 effective immediately.



14-23-106

Office of



The People

Senator Vicente C. Pangelinan  
Twenty-Third Guam Legislature

Chairman, Committee on Youth, Labor & Parks and Recreation  
130 Aspinall Avenue • Suite 101 • Agana Guam • 96910 Phone (671) 472-3552-4 Fax (671) 472-3556

15 April 1996

Speaker Don Parkinson  
Twenty-Third Guam Legislature  
155 Hesler St.  
Agana, Guam 96910

Dear Speaker Parkinson,

The Committee on Youth, Labor, & Parks and Recreation, to which was referred Bill 370 "An act to repeal subsection (e) of §44017.1, to amend §44018 and §44019, and to add new §44019.1 and §44019.2 to Title XL of the Government Code relative to the collection and allocation of the Manpower Development Fund" wishes to submit its report to the Legislature with its recommendation **TO DO PASS**. The voting record is as follows:

TO PASS	<u>10</u>
NOT TO PASS	<u>- 0 -</u>
ABSTAIN	<u>- 0 -</u>
TO PLACE IN INACTIVE FILE	<u>- 0 -</u>

Copies of the Committee Report and other pertinent documents are attached. Your attention to this matter is appreciated.

Sincerely,

  
vicente c. pangelinan  
Chairman

Attachments.

Office of



The People

Senator Vicente C. Pangelinan  
Twenty-Third Guam Legislature

Chairman, Committee on Youth, Labor & Parks and Recreation  
130 Aspinall Avenue • Suite 101 • Agana Guam • 96910 Phone (671) 472-3552-4 Fax (671) 472-3556

12 April 1996

MEMORANDUM

TO: Members  
Committee on Youth, Labor & Parks and Recreation

FROM: Sen. Vicente C. Pangelinan


SUBJECT: Committee Report and Voting Sheet

Transmitted herewith for your information and action is the Committee Report on Bill 379 "An act to repeal subsection (e) of §44017.1, to amend §44018 and §44019, and to add new §44019.1 and §44019.2 to Title XL of the Government Code relative to the collection and allocation of the Manpower Development Fund" as submitted by the Committee.

The narrative report is accompanied by the following:

1. Committee Voting Sheet
2. Written Testimony
3. Evidentiary Materials

Should you have any questions on the narrative report or the accompanying documents, I would be happy to answer any of them. Please take the appropriate action on the attached voting sheet and return the documents to my office for transmittal to the other members. Your prompt attention and cooperation in this matter is greatly appreciated.

  
vicente c. pangelinan  
Chairman

Attachments



Senator Vicente C. Pangelinan  
Twenty-Third Guam Legislature

Chairman, Committee on Youth, Labor & Parks and Recreation  
130 Aspinall Avenue • Suite 101 • Agana Guam • 96910 Phone (671) 472-3552-4 Fax (671) 472-3556

COMMITTEE VOTING SHEET

SUBJECT: Committee Report on Bill 370 "An act to repeal subsection (e) of §44017.1, to amend §44018 and §44019, and to add new §44019.1 and §44019.2 to Title XL of the Government Code relative to the collection and allocation of the Manpower Development Fund."

Committee Members	Initial	To Pass	Not to Pass	Abstain	To Place In Inactive File
V.C. Pangelinan		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Won Pat-Borja	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
T.C. Ada		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Cristobal		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Barrett-Anderson		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Brown		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
M. Charfauros		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Leon Guerrero		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
L. Leon Guerrero		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
T.S. Nelson		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A. Santos		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# COMMITTEE ON YOUTH, LABOR & PARKS AND RECREATION

## COMMITTEE REPORT

on

**BILL 370**

AN ACT TO REPEAL SUBSECTION (e) OF §44017.1, TO AMEND §44018 AND §44019, AND TO ADD NEW §44019.1 AND §44019.2 TO TITLE XL OF THE GOVERNMENT CODE RELATIVE TO THE COLLECTION AND ALLOCATION OF THE MANPOWER DEVELOPMENT FUND.

### I. OVERVIEW

The Committee on Youth, Labor & Parks and Recreation (YLPR), having jurisdiction over labor matters and having been referred Bill 370, conducted a public hearing on Wednesday, April 3, 1996, in the Public Hearing Room, Legislative Temporary Building in Agana. Notice was published in the Pacific Daily News. Chairman, Vicente C. Pangelinan, presided, and the following members were present: Vice-Chair Judith Won Pat-Borja and Sens. Tom Ada, Mark Charfauros, Hope Cristobal, Lou Leon Guerrero, Ted Nelson, Joanne Brown, Felix Camacho and Carlotta Leon Guerrero.

### II. SUMMARY OF TESTIMONY

#### *A. From Written Testimony.*

Mr. George Santos, on behalf of John T. Cruz, President, Guam Community College, submitted and read from a prepared written testimony opposing Bill No. 370 in its present form. Of concern are references made in sections 4 & 5 to the administrator of the GCC Apprenticeship Training Program (the Program) versus the President of the College, and the Apprenticeship Advisory Council versus the Board of Trustees. According

to the testimony, the Program "is an institutional responsibility and references should be made to reflect the overall authority and responsibility of the President and the Board of Trustees." Also, while the College supports the need to set aside funds for direct financial assistance to students, "there needs to be flexibility to reflect the use of these funds to further strengthen the apprenticeship program in other ways or that the money be set aside and vested for use by students in the event that enrollment in the apprenticeship program does not support total use of set aside funds for that year." In closing, Cruz recommended that more time be provided for a round table discussion on this matter.

Mr. Juan M. Taijito, Director, Department of Labor, read from his prepared testimony, which he also submitted to the Committee, containing the following points:

- The allocation of the funding for the Department should not be at the scrutiny of the Apprenticeship Advisory Council.
- Delete the words "for the registration of nonimmigrant temporary workers," so that the allocation will not be restricted to the "immediate costs of registration."
- The total expenditures to operate and maintain the H-2b program under the Alien Labor Processing and Certification Division far exceeded the 30% level allotted to the Department under the current 70/30 allotment. The intent of Bill No. 370 to lower the share of the registration fee to DOL to 10% will "greatly adversely impact... DOL's ability to enforce the mandates of the H-2B Program.

***B. From Oral Testimony Before the Committee.***

Mr. Mark Mamczarz, President of Guam Contractors' Association, testified in support of the Bill No. 370. He expressed his appreciation to the sponsor of the bill for responding to the concerns of the deficiencies in the program as it exists today. In addition, Mr. Mamczarz relayed couple of concerns. First of all, he stated that the \$200 collected from each non-immigrant temporary worker should come from the employer. Secondly, he suggested returning a majority of the fines collected to the Department of Labor, so as to give them financial incentive to bolster their enforcement.

However, he iterated that the bulk of the registration fee collected should go to the training of local workers.

Sen. Pangelinan, the Chairman of the Committee, and also the author of Bill No. 370, explained that the intent of the bill is to reverse the trend of a dramatic drop in enrollment of the Program, through the application of the concept of direct assistance to the students. He agreed with Mamczarz statement that the fines should be an incentive for DOL to monitor and enforce the Alien Labor Certification Program. Pangelinan further stated that the testimonies of DOL and GCC will be fully considered.

However, he expressed that he was disturbed by past actions of DOL, including the payment of the entire rent of the Department while at the GITC Building, and supporting other administrative requirements, with the Funds generated by the Alien Labor Certification Program. According to Senator Pangelinan, more of these funds should been directed to GCC in support of the Program. The Chairman further stated that he will work with the Department to fully reassess objectives in terms of the implementation, monitoring, and enforcement of the Program.

Additionally, in response to Mr. Taijito's concerns regarding the inadequacy of the fund for the Alien Labor Certification and Processing Division (the Division), Sen. Pangelinan reiterated that the primary usage and objective of the registration fee in the form of the Manpower Development Fund (MDF) is to provide the financial assistance to the students directly. Accordingly, the administration of the program shall continue to be supported by the General Fund, and any deficiency is to be duly informed to the Committee for additional funding.

Senator Carlotta Leon Guerrero stated that she is very supportive of the efforts of the sponsors of the subject bill.

Senator Ted Nelson expressed concerns over the appropriation of 30% of the collection to DOL for administrative and operational costs. He then questioned Mr. Taijito whether the Division is budgeted for personnel services and benefits and operations. Mr. Taijito responded that the Division is budgeted for personnel services and benefits by the General Fund, but not for operational costs. Senator Nelson commented that the administrative costs should be absorbed by the General Fund, and that the



portion currently earmarked to DOL should be reverted to GCC, to develop the Program or for enhancing and providing opportunities for the students.

Senator Judith Won Pat-Borja stated that most of the administrative and operational costs within the Division should be absorbed by the General Fund, through the regular budgetary process. This would allow the MDF to be used primarily for the students as incentives. Furthermore, she exerted the need for an audit of the funds, so as to clarify the collection and distribution of the MDF.

Senator Lou Leon Guerrero, co-sponsor of Bill No. 370, stated that she is very supportive of lowering the percentage of administrative costs and shifting them to the Program.

Senator Felix Camacho questioned the typical amount collected from registration fees. Mr. Taijito responded that in 1995, the Division collected \$143,000. So far in 1996, they have collected \$219,000. Senator Camacho then asked if there existed additional funding. Mr. Taijito stated that enforcement and citation were available.

Senator Camacho further accounted that many employers and others often express concerns about the investigative process of violations. He then asked if DOL had sufficient manpower to handle such complaints. Mr. Taijito responded that in the past, the Department did have a shortage of manpower, but that problem is now being alleviated with further addition of FTEs. He also stated that they normally follow up with the citations and consultation. Mr. Taijito further expounded that he will provide the figure for collection of fines at a later date as requested by Senator Camacho. Camacho explained that the submittal will give an indication of the number of violations, as well as the dollar figure collected from the violators.

Mr. Taijito concluded his testimony by reiterating that as long as his Department is appropriated the necessary budget from the General Fund, he has no problems with the entire registration fee going to the Program.

### **III. FINDINGS AND RECOMMENDATIONS**

#### ***A. Findings.***

The Committee finds the following:

1. There exists a trend of dramatic decrease in enrollment with the Program at Guam Community College which must be addressed immediately.
2. The main source of revenue, the construction industry, represented by the Guam Contractors' Association, agrees with the authors of the bill that there is a need to increase incentives for the students of the Program.
3. The bill, as written, requires several minor amendments related to the authority and responsibility for the administration of the Manpower Development Fund and the Program.
4. There is a need for a clear funding source and accountability of the Department of Labor's Alien Labor Processing and Certification Division (ALPCD).

***B. Recommendations.***

In review of public testimony and Committee findings, we recommend the following:

1. Reserve 100% of the collection of fines for the surveillance and enforcement of Alien Labor rules and regulations within the Department of Labor.
2. Amend Section 4 to allocate 100% of the collection of registration fees for certification of alien labor to the Guam Community College Apprenticeship Training Program
3. Ensure the appropriation of adequate funding from the General Fund to cover all costs in operating the ALPCD.
4. Clarify the authority and the responsibility of the Apprenticeship Training Program.
5. Continually pursue the implementation of a complete audit on the Manpower Development Fund by the Public Auditor.
6. Amend the current statute to clarify the responsibility for the payment of the alien labor registration fee.

The Committee on Youth, Labor & Parks and Recreation does hereby report out Bill 370 with a recommendation **TO DO PASS** as substituted by the Committee.



DEPARTMENT OF  
**LABOR**  
DIPATTAMENTON HUMOTNÁT

JUAN M. TAJITO, Director  
ROLANDO P. ZABALA, Deputy Director

CARL T.C. GUTIERREZ  
Governor

MADELEINE Z. BORDALLO  
Lieutenant Governor

APR - 3 1996

Senator Vicente C. Pangelinan  
Twenty-Third Guam Legislature  
Chairman, Committee on Youth, Labor  
& Parks and Recreation  
130 Aspinall Avenue, Suite 101  
Agana, Guam 96910

Dear Senator Pangelinan:

Thank you for giving the Department of Labor the opportunity to review Bill No. 370. Upon reviewing the proposed bill, the following is submitted for consideration:

On page 2, line 33 be reworded because the Department of Labor is a separate entity and is further to ensure that payments on local mileage reimbursement, contractual services, office space rental, supplies & materials, utilities, capital outlay, and 5% of the 30% for the Alien Labor Processing and Certification Division from the Manpower Development Fund were made in a timely manner. This should not be at the scrutiny of the Apprenticeship Advisory Council. In addition, the Department of Labor's usage of the Manpower Development Fund is for administrative and operational purposes as determined by the Director of Labor. Unlike the Guam Community College that funds from the Manpower Development Fund is strictly for the Apprenticeship Program which is a separate purpose.

On page 3, line 6, delete the words "for the registration of non-immigrant temporary workers". Should supplement Alien Labor Processing and Certification Division's operation and not restrict to the immediate costs of registration.

During fiscal year 1995, the division was only budgeted from the general fund for personnel salaries and benefits. A total of \$143,041.06 were collected from the registration of H-2B workers and deposited into the Manpower Development Fund of which 30% (42,912.32) was allocated to the Department of Labor under the 70/30 percent system. However, during this period, total expenditures to operate and maintain the H-2b program under the Alien Labor Processing and Certification Division far exceeded the 30% level that the Department of Labor realized under the 70/30 system.



Commonwealth Now!

Senator Pangelinan  
Re: Bill No. 370  
Page 2 of 3 Pages

For fiscal year 1996, again, the division was only budgeted from the general fund for personnel salaries and benefits. A total of \$219,357.91 (collection made from October 1, 1995 to March 30, 1996 from the registration process) were deposited into the Manpower Development Fund. Of the total amount deposited, 30% (\$65,807.37) was allocated to the department. As a result of the increased on prices to maintain and operate the program, total expenditures incurred as of this date, exceeds the 30%.

The budget for fiscal year 1997 covers personnel salaries and benefits only. The anticipated expenditures through the use of the Manpower Development Fund are as follows:

**Local Mileage Reimbursement** **\$9,360.00**

Local mileage reimbursement to replenish gas on two government owned vehicles assigned to the division for the purpose of monitoring employers' project jobsites and H-2B employees at work to determine compliance with regulatory requirements. (60 miles per day X 2 vehicles = 120 miles per day X 5 days in a week = 600 miles per week X 52 weeks in a year = 31,200 per year X 30 cents = \$9,360.00 per year).

**Contractual Services** **\$8,270.00**

Pay the services provided to maintain office equipments and two government owned vehicles.

**Office Space Rental** **\$26,640.00**

Will be used to pay 740 square feet (workable space) at \$1.00 of workable space that is occupied by the division. (740 X 3 housing units = \$2,220.00 X 12 months = \$26,640.00).

**Supplies & Materials** **\$17,420.00**

Will utilized by the division to purchase, on a quarterly basis, films, clips, and pouches for the purpose of registering H-2B workers and issuing non-immigrant temporary worker ID cards. (6 cases film with 25 films in a box - \$550.00 per case = \$3,300.00; 4 boxes clips - \$110.00 per box = \$440.00; and 4 boxes of pouches \$60.00 per box = \$240.00). \$3,980.00 total cost X 4 months = \$15,920.00. In addition, \$1,500.00 will be used to purchase printed forms and other materials used by the division.

Senator Pangelinan  
Re: Bill No. 370  
Page 3 of 3 Pages

Utilities \$3,280.00

Will be used to pay the division's telephone system ( $\$38.00 \times 5 = \$190.00 \times 12 \text{ months} = \$2,280.00 + \$1,000.00$  for long distance calls and faxes to the Regional Office).

Capital Outlay \$25,000.00

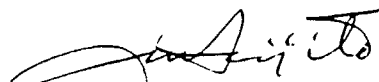
The amount will be used to purchase accessories needed to upgrade the computers and other office equipments within the division.

**OTHER**

At least 5% of the 30% for Alien Labor Processing and Certification Division from the Manpower Development Fund is normally provided to Guam Employment Service to supplement administrative cost with respect to the labor market testing.

The collection of the registration fees have varied year to year and for this reason, the intent of Bill No. 370 to reduce the percentage even lower to 10% for the Department of Labor will greatly adversely affect the impact the administration of the Temporary Labor Certification Program and the Department of Labor's ability to enforce the mandates of the H-2B Program.

Sincerely,

  
J.M. TAIJITO



DEPARTMENT OF  
**LABOR**  
DIPATTAMENTON HUMOTNÁT

JUAN M. TAIJITO, Director  
ROLANDO P. ZABALA, Deputy Director

CARL T. C. GUTIERREZ  
Governor

MADELEINE Z. BORDALLO  
Lieutenant Governor

APR - 8 1996

Senator Vicente C. Pangelinan  
Twenty-Third Guam Legislature  
Chairman, Committee on Youth, Labor  
& Parks and Recreation  
130 Aspinall Avenue, Suite 101  
Agana, Guam 96910

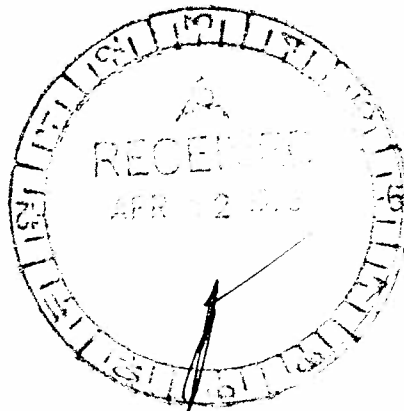
Dear Senator Pangelinan:

As requested at the Public Hearing on April 3, 1996, the following is submitted. A total of \$8,400.00 were collected from fines by the department for fiscal year 1995 and were deposited in the Manpower Development Fund (MDF). For fiscal year 1996 (October 1, 1995 to March 31, 1996), a total of \$39,575.00 were collected from fines and deposited into the MDF.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

  
J.M. TAIJITO



Commonwealth Now!



*Kolehon Kumunidat Guahan*

Accredited by the  
Western Association of  
Schools and Colleges

## TESTIMONY

### **BILL NO. 370: "AN ACT TO REPEAL SUBSECTION (e) OF §44017.1, TO AMEND §44018 AND §44019, AND TO ADD NEW §44019.1 AND §44019.2 TO TITLE XL OF THE GOVERNMENT CODE RELATIVE TO THE COLLECTION AND ALLOCATION OF THE MANPOWER DEVELOPMENT FUND.**

Guam Community College, offers the following testimony to the Committee of Youth, Labor, Parks & Recreations, April 3, 1996.

---

Guam Community College does not support the passage of Bill No. 370, "An act to repeal subsection (e) of §44017.1, to amend §44018 and §44019, and to add new §44019.1 and §44019.2 to title XL of the government code relative to the collection and allocation of the manpower development fund" in its present form.

As written, we fully support the amendment to collect annual registration fees at stated in section 3.

Of concern are references made in section 4 & 5 to the administrator of the Guam Community College Apprenticeship Program versus the President of the College and the Apprenticeship Advisory Council versus the Board of Trustees. The Apprenticeship Training Program is an institutional responsibility and references should be made to reflect the overall authority and responsibility of the President and the Board of Trustees.

The College supports the need for set aside funds for direct financial assistance to students. However, there needs to be flexibility to reflect the use of these funds to further strengthen the apprenticeship program in other ways or that the money be set aside and vested for use by students in the event that enrollment in the apprenticeship program does not support total use of set aside funds for that year.



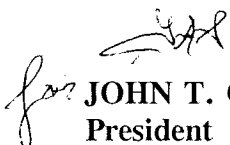
COMMONWEALTH OF GUAM

**TESTIMONY BILL NO. 370**

Guam Community College

Page Two (2)

In closing a recommendation is being made to further discuss this Bill. Given what was provided to us for review it seems that we may not have received the complete bill (there was difficulty in the flow of the information from page 1 to page 2) therefore, limiting any reference or comments to what was available. Additionally, given the time frame for response, more time is needed to provide an opportunity for a round table discussion on this matter.

  
for **JOHN T. CRUZ**  
President



TWENTY-THIRD GUAM LEGISLATURE  
1995 (First) Regular Session

Bill No. 370  
Substitute by Author as  
further substituted by the  
Committee on Youth, Labor  
and Parks & Recreation

V.C. Pangelinan  
L. Leon Guerrero



AN ACT TO REPEAL SUBSECTION (e) OF  
§44017.1, TO AMEND §44018 AND §44019,  
AND TO ADD NEW §44019.1 AND §44019.2 TO  
TITLE XL OF THE GOVERNMENT CODE  
RELATIVE TO THE COLLECTION AND  
ALLOCATION OF THE MANPOWER  
DEVELOPMENT FUND.

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

2           Section 1. Legislative Findings.

3           The Manpower Development Fund was created by Public Law 18-48  
4 and amended by Public Law 20-221 for the purpose of funding local  
5 manpower training programs on Guam by assessing registration fees on  
6 temporary alien labor and fines levied for violations of law. With the  
7 steady rise in Guam's unemployment rate and the need to address the  
8 current local labor situation, the Legislature believes that it is in the local  
9 community's interest to reevaluate the funding and administration of the  
10 Manpower Development Fund.

11           The Legislature further finds that the relevant statutory language  
12 that "funds in the Manpower Development Fund shall be paid out by the  
13 Treasurer of Guam on warrants drawn by the Certifying Officer of the  
14 Department of Labor upon requisition by the Guam Community College" is  
15 not sufficiently specific to protect the Manpower Development Fund from  
16 unauthorized uses and uses contrary to the intent of the law. Therefore,  
17 the Legislature finds that Section 28 of Public Law 20-221 must be  
18 amended to ensure that the MDF is not expended for any purpose except

1 those in strict conformity with existing enumerated purposes relating to  
2 local apprenticeship training programs and to those specifically outlined  
3 and mandated.

4 **Section 2. Legislative Intent.**

5 It is the intent of the Legislature to amend existing Guam statute to  
6 clarify that the Manpower Development Fund be used solely for the  
7 purpose of conforming with local apprenticeship training purposes as set  
8 forth in Public Law 20-221, Section 28, and that expenditures from the  
9 MDF shall be held strictly accountable, that de-appropriated MDF funds be  
10 returned to the MDF, and that appropriate agencies and instrumentalities  
11 shall complete a MDF Status Report to the Legislature quarterly and  
12 annually.

13 **Section 3. Subsection (e) of the Government Code §44017.1**  
14 **is amended to read:**

15 (e) Fines collected by the Department under the provisions of  
16 this section shall be ~~deposited in the Manpower Development Fund~~  
17 ~~program account with seventy percent (70%) to be allocated to the~~  
18 ~~Guam Community College human resources development and thirty~~  
19 ~~percent (30%) for operating support of the Department, employed~~  
20 ~~exclusively for the surveillance and enforcement operations within~~  
21 ~~the Alien Labor and Processing Certification Division and other~~  
22 ~~divisions at the Department of Labor with similar tasks.~~ The Director  
23 of Labor shall complete an annual report of all expenditures and  
24 activities under this subsection to the Legislature.

25 **Section 4. §44018 of the Government Code is amended to**  
26 **read:**

27 "**§44018. Registration Fee.** The Guam Department of Labor  
28 is authorized to collect a registration fee of Two Hundred Dollars  
29 (\$200.00) annually for each twelve (12) month period or a fraction  
30 thereof from the employer of each non-immigrant temporary  
31 worker, payable at the time of registration by the non-immigrant  
32 worker. ~~If the non-immigrant temporary worker is employed less~~  
33 ~~than twelve (12) months in a given year, then the registration fee~~  
34 ~~shall be prorated accordingly."~~

35 **Section 5. §44019 of the Government Code is amended to**  
36 **read:**

1           **"§44019. Manpower Development Fund.** There is hereby  
2 created in the Guam Department of Labor a Manpower Development  
3 Fund (hereinafter "MDF"), which shall remain separate and apart  
4 from any other funds of the government of Guam. The ~~Manpower~~  
5 ~~Development Fund~~ MDF is created solely for the purpose of receiving  
6 state territorial, federal, and private money and revenues from the  
7 registration fees of non-immigrant temporary workers. ~~Not more~~  
8 ~~than thirty percent (30%)~~ One hundred percent (100%) of the annual  
9 revenues generated shall be allocated to the ~~Department of Labor for~~  
10 ~~administrative and operational purposes as may be determined by~~  
11 ~~the Director of Labor~~ Apprenticeship Training Program at Guam  
12 Community College. Funds in the ~~Manpower Development Fund~~ MDF  
13 shall be paid out by the Treasurer of Guam ~~on warrants drawn by~~  
14 ~~the Fiscal Officer and requisitioned by the Guam Community College~~  
15 to the Apprenticeship Training Program at Guam Community College  
16 which shall be expended exclusively to fund the following, which  
17 shall be subject to legislative appropriation:

18           (a) The administrative and instructional costs for the  
19 operation of the apprenticeship training programs.

20           (b) The advertising and outreach programs for the promotion  
21 of the apprenticeship training programs.

22           (c) Not less than fifty percent (50%) of the annual revenues  
23 generated shall be appropriated for direct financial assistance to  
24 students enrolled in the apprenticeship training program. Any  
25 unused portion of the appropriated fund under this subsection shall  
26 be returned to the MDF."

27           The MDF shall not be used for any purposes other than those  
28 enumerated in this section.

29           Section 6. New §44019.1 and 44019.2 are added to Title XL  
30 §44019 of the Government Code to read:

31           **"§44019.1 Unused MDF Funds.** Notwithstanding the  
32 general provisions of §22406 of Title 5 GCA which requires that  
33 unused and de-appropriated funds revert to the General Fund, or  
34 any other provision of Guam law to the contrary, all de-appropriated  
35 or unused funds appropriated from the MDF shall, in all  
36 circumstances, be returned to the MDF and not the General Fund.

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**§44019.2. MDF Status Report.** The Director of Administration and the President of Guam Community College shall complete quarterly and annual reports to the Board of Trustees of the College, the Apprenticeship Advisory Council and the Legislature of the condition of, and activity within, the MDF."


**Section 7. Effective Date.**

The provisions of this Act shall become effective immediately.

TWENTY-THIRD GUAM LEGISLATURE  
1995 (First) Regular Session

Bill No. 370  
Substitute by Author

Introduced by:

V.C. Pangelinan 

L. Leon Guerrero 

AN ACT TO REPEAL SUBSECTION (e) OF §44017.1, TO  
AMEND §44018 AND §44019, AND TO ADD NEW  
§44019.1 AND §44019.2 TO TITLE XL OF THE  
GOVERNMENT CODE RELATIVE TO THE COLLECTION  
AND ALLOCATION OF THE MANPOWER DEVELOPMENT  
FUND.

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

2           Section 1. Legislative Findings and Intent.

3           The Manpower Development Fund was created by Public Law 18-48 and  
4 amended by Public Law 20-221 for the purpose of funding local manpower training  
5 programs on Guam by assessing registration fees on temporary alien labor and fines  
6 levied for violations of law. With the steady rise in Guam's unemployment rate and  
7 the need to address the current local labor situation, the Legislature believes that it is  
8 in the local community's interest to reevaluate the funding and administration of the  
9 Manpower Development Fund.

10           The Legislature further finds that the relevant statutory language that "funds  
11 in the Manpower Development Fund shall be paid out by the Treasurer of Guam on  
12 warrants drawn by the Certifying Officer of the Department of Labor upon  
13 requisition by the Guam Community College" is not sufficiently specific to protect the  
14 Manpower Development Fund from unauthorized uses and uses contrary to the intent  
15 of the law. Therefore, the Legislature finds that Section 28 of Public Law 20-221 must  
16 be amended to ensure that the MDF is not used for any purpose not in conformity  
17 with existing enumerated purposes relating exclusively to local apprenticeship  
18 training programs, and that the MDF is not to be used for any purpose without the  
19 approval of the Apprenticeship Advisory Council and consent of the Legislature.

20           Furthermore, it is the intent of the Legislature to amend existing Guam statute  
21 to clarify that the Manpower Development Fund be used only for the purpose of  
22 conforming with local apprenticeship training purposes as set forth in Public Law

1 consent of the Legislature upon submission of a budget report by the Apprenticeship  
2 Advisory Council, that de-appropriated MDF funds be returned to the MDF, and that a  
3 MDF Status Report be completed quarterly and annually by the Director of  
4 Administration and the Administrator of the Guam Community College  
5 Apprenticeship Program.

6 Section 2. Subsection (e) of the Government Code §44017.1 is  
7 repealed.

8 Section 3. §44018 of the Government Code is amended to read:

9 "§44018. Registration Fee. The Guam Department of Labor is  
10 authorized to collect a registration of Two Hundred Dollars (\$200.00) annually  
11 for each twelve (12) month period or a fraction thereof from each non-  
12 immigrant temporary worker, payable at the time of registration by the non-  
13 immigrant worker. ~~If the non-immigrant temporary worker is employed less~~  
14 ~~than twelve (12) months in a given year, then the registration fee shall be~~  
15 ~~prorated accordingly.~~"

16 Section 4. §44019 of the Government Code is amended to read:

17 "§44019. Manpower Development Fund. There is hereby created  
18 in the Guam Department of Labor a Manpower Development Fund (hereinafter  
19 "MDF"), which shall remain separate and apart from any other funds of the  
20 government of Guam. ~~The Manpower Development Fund MDF is created solely~~  
21 ~~for the purpose of receiving state territorial, federal, and private money and~~  
22 ~~revenue from the registration fees of non-immigrant temporary workers and~~  
23 ~~finer collected by Department of Labor from non-immigrant temporary~~  
24 ~~workers and employers for allocation exclusively for locally authorized~~  
25 ~~manpower training programs the administration and implementation of local~~  
26 ~~apprenticeship training programs.~~ Not more than ~~thirty percent (30%) ten~~  
27 ~~percent (10%)~~ of the annual revenues generated shall be allocated to the  
28 Department of Labor ~~for administrative and operational purposes as may be~~  
29 ~~determined by the Director of Labor.~~ Funds in the Manpower Development  
30 Fund MDF shall be paid out by the Treasurer of Guam ~~on warrants drawn by~~  
31 ~~the Fiscal Officer and requisitioned by the Guam Community College.~~ to the  
32 Alien Labor and Processing Certification Division at the Department of Labor  
33 and the Apprenticeship Program at Guam Community College based upon the  
34 budget approval by the Apprenticeship Advisory Council and appropriation by  
35 the Legislature. The MDF shall be expended exclusively to fund the following:

1                   (a) The administrative and instructional costs for the  
2 operation of the apprenticeship training programs.

3                   (b) The advertising and outreach programs for the promotion  
4 of the apprenticeship training programs.

5                   (c) The operating costs to the Alien Labor and Processing  
6 Certification Division at the Department of Labor for the registration of non-  
7 immigrant temporary workers.

8                   (d) Not less than fifty percent (50%) of the annual revenues  
9 generated shall be used for direct financial assistance to students enrolled in  
10 the apprenticeship training programs."

11           Section 5. New §44019.1 and 44019.2 are added to Title XL §44019 of  
12 the Government Code to read:

13                   "§44019.1 Unused MDF Funds. Notwithstanding the general  
14 provisions of §22406 of Title 5 GCA which requires that unused and de-  
15 appropriated funds revert to the General Fund, or any other provision of Guam  
16 law to the contrary, all de-appropriated or unused funds appropriated from the  
17 MDF shall, in all circumstances, be returned to the MDF and not the General  
18 Fund.

19                   §44019.2. MDF Status Report. The Director of Administration and  
20 the administrator of the Guam Community College Apprenticeship Program  
21 shall complete a quarterly and annual report to the Apprenticeship Advisory  
22 Council and the Legislature of the condition of, and activity within, the MDF."

23           Section 6. Effective Date.

24                   The provisions of this Act shall become effective immediately.

**FISCAL NOTE**  
**BUREAU OF BUDGET AND MANAGEMENT RESEARCH**

**APR 08 1996**

Bill No. 370 Date Received 3/22/96  
 Amendatory Bill YES  NO  Date Reviewed 4/3/96  
 Department/Agency Affected: Department of Labor/ Guam Community College  
 Department/Agency Head: Juan M. Taijito / John Cruz  
 Total FY appropriation to Date: \$3,787,355 (G.F.) / \$10,481,124 (G.F.) & \$1,216,081(TAF)

Bill Title (preamble) : AN ACT TO REPEAL SUBSECTION (e) OF SECTION 44017.1, TO AMEND SECTION 44018 AND SECTION 44019, AND TO ADD NEW SECTION 44019.1 AND SECTION 44019.2 TO TITLE XI OF THE GOVERNMENT CODE RELATIVE TO THE COLLECTION AND ALLOCATION OF THE MANPOWER DEVELOPMENT FUND.

Change in Law: REPEALS/AMENDS/ADDS

Bill's Impact on Present Program Funding:

Increase  Decrease  Reallocation  No Change  
 Bill is for:  Operations  Capital Improvement  Other (\_\_\_\_\_)

FINANCIAL/PROGRAM IMPACT

ESTIMATED SINGLE-YEAR FUND REQUIREMENTS (Per Bill)

PROGRAM CATEGORY	GENERAL FUND	OTHER	TOTAL
<u>Health and Welfare and Education</u>	<u>See Comments</u>	<u>See Comments</u>	_____

ESTIMATED MULTI-YEAR FUND REQUIREMENTS (Per Bill)

FUND	1st	2nd	3rd	4th	5th	TOTAL
GENERAL FUND	<u>See Comments</u>	_____	_____	_____	_____	_____
OTHER	<u>See Comments</u>	_____	_____	_____	_____	_____
TOTAL	_____	_____	_____	_____	_____	_____

FUNDS ADEQUATE TO COVER INTENT OF THE BILL? YES/NO-IF NO, ADD'L AMOUNT REQUIRED \$ \_\_\_\_\_ AGENCY/PERSON/DATE CONTACTED: \_\_\_\_\_

ESTIMATED POTENTIAL MULTI-YEAR REVENUES

FUND	1st	2nd	3rd	4th	5th	TOTAL
GENERAL FUND	<u>See Comments</u>	_____	_____	_____	_____	_____
OTHER	<u>See Comments</u>	_____	_____	_____	_____	_____
TOTAL	_____	_____	_____	_____	_____	_____

ANALYST Nancy L. Mesa DATE 4/4/96 DIRECTOR JOSEPH E. RIVERA, Acting DATE APR 08 1996

FOOTNOTE:



Comments on Bill No. 370

Bill No. 370 is an Act which repeals Subsection (e) of Section 44017.1, to amend Section 44018 and Section 44019, and to add new Section 44019.1 and Section 44019.2 to Title XL of the Government Code relative to the collection and allocation of the Manpower Development Fund.

Bill No. 370 essentially reevaluates the funding and the administration of the Manpower Development Fund to ensure and protect said Fund from unauthorized uses and uses contrary to the intent of the law. In order to accomplish the foregoing, the following deletions, amendments and additions are being proposed:

1. The Guam Dept. of Labor is authorized to collect a registration of Two Hundred Dollars (\$200.00) annually for each twelve (12) month period or a fraction thereof from each non-immigrant temporary worker, payable at the time of registration by the non-immigrant worker. Section 2 of Bill No. 370 eliminates the practice of prorating the registration fee collected should the non-immigrant temporary worker be employed less than twelve (12) months.
2. The amendments to Section 44019 as proposed by Section 4 of Bill 370 essentially dictates the following changes:
  - a. The Manpower Development Fund is created not only to receive territorial, federal, and private money and revenue from the registration fees of non-immigrant temporary workers but to also receive fines collected by the Dept. of Labor from non-immigrant temporary workers and employers.
  - b. Revenues from the Manpower Development Fund shall be allocated exclusively for the administration and implementation of local apprenticeship training programs rather than for locally authorized manpower training programs as is presently mandated.
  - c. Not more than ten percent (10%) of the annual revenues generated shall be allocated to the Dept. of Labor. Funds in the MDF shall be paid out by the Treasurer of Guam to the Alien Labor and Processing Certification Division at the Dept. of Labor and the Apprenticeship Program at Guam Community College based upon the budget approval by the Apprenticeship Advisory Council and appropriation by the Legislature. The MDF shall be expended exclusively to fund the following:
    - The administrative and instructional costs for the operation of the apprenticeship training programs.
    - The advertising and outreach programs for the promotion of the apprenticeship training programs.

- The operating costs to the Alien Labor and Processing Certification Division of the Dept. of Labor for the registration of non-immigrant temporary workers.
- Not less than fifty percent (50%) of the annual revenues generated shall be used for direct financial assistance to students enrolled in the apprenticeship training programs.

The abovementioned changes provide more restriction and protection for the MDF. Previously, the allocation of the MDF was thirty percent (30%) to the Dept. of Labor and seventy percent (70%) to GCC. Funds were drawn by the Certifying Officer of the Dept. of Labor upon the requisition of GCC and did not have to be approved by the Apprenticeship Advisory Council nor appropriated to either department by the Legislature. The Director of the Dept. of Labor had the authority to allocate funds for administrative and operational purposes to be determined by himself. Should Bill No. 370 be enacted into law, the abovementioned practices will no longer exist.

In terms of Bill No. 370's impact on the General Fund, the funding source for the Alien Labor Processing and Certification Division within the Dept. of Labor will now come from the Manpower Development Fund instead of the General Fund. ALPCD's current General Fund appropriation level pursuant to P.L. 23-45 is \$212,279. It should be noted also that the new Section 44019.1 stipulates that all "deappropriated or unused funds appropriated from the MDF shall, in all circumstances, be returned to the MDF and not the General Fund".



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### Notice of Public Hearing

Committee on Youth, Labor & Parks and Recreation

9 am, Wednesday, Apr. 3, 1996  
 Public Hearing Room  
 Guam Legislature Temporary Building  
 155 Hessler Street, Agaña, GU

#### AGENDA

**Bill No. 370** An act to repeal subsection (e) of §44017.1, to amend §44018 and §44019, and to add new §44019.1 and §44019.2 to Title XL of the Government Code relative to the Collection and allocation of the Manpower Development Fund.

**Bill No. 502** An act to add a new Chapter 58 to 18 GCA to safeguard the individual's right to work in the Territory of Guam.

**Bill No. 572** An act to amend rules and regulations for the Dept. of Parks and Recreation relative to the Recreational Water Use Management Plan (RWUMP).

Chairman: Sen. ben e. pangelinan invites the Public to attend.  
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<b>BEST FOODS MAYONNAISE</b> 1 GALLON  <b>\$6<sup>99</sup></b>	<b>HORMEL CHILI W/BEANS</b> HOT OR REG. 15 OZ.  <b>99¢</b>	<b>HORMEL VIENNA SAUSAGE</b> 5 OZ.  <b>2/99¢</b>	<b>FOLGER'S COFFEE</b> 39 OZ.  <b>\$6<sup>99</sup></b>	<b>CHEER</b> 42 LOAD  <b>\$6<sup>99</sup></b>

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SEP 13 1995

TWENTY-THIRD GUAM LEGISLATURE  
1995 (First) Regular Session

Bill No. 370(LS)  
Introduced by:

V.C. Pangelinan  
L. Leon Guerrero

AN ACT TO AMEND TITLE XL §44019 AND TO ADD NEW §44019.1 AND §44019.2 TO THE GOVERNMENT CODE RELATIVE TO THE MANPOWER DEVELOPMENT FUND.

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

2 **Section 1. Legislative Findings and Intent.**

3 The Manpower Development Fund was created by Public Law 18-48 for the purpose of  
4 funding local manpower training programs on Guam by assessing registration fees on temporary  
5 alien labor and fines levied for violations of law. With the steady rise in Guam's unemployment  
6 rate and the need to address the current local labor situation, the Legislature believes that it is in  
7 the local community's interest to re-evaluate the funding and administration of the Manpower  
8 Development Fund.

9 The Legislature further finds that the relevant statutory language that "funds in the  
10 Manpower Development Fund shall be paid out by the Treasurer of Guam on warrants drawn by  
11 the Fiscal Officer and requisitioned by the Guam Community College" is not sufficiently specific  
12 to protect the Manpower Development Fund from unauthorized uses and uses contrary to the  
13 intent of the law. Therefore, the Legislature finds that Title XL §44019 of the Government Code  
14 must be amended to ensure that the MDF is not used for any purpose not in conformity with  
15 existing enumerated purposes relating exclusively to local apprenticeship training programs, and  
16 that the MDF is not to be used for any purpose without the approval of the Apprenticeship  
17 Advisory Council and consent of the Legislature.

18 Furthermore, it is the intent of the Legislature to amend existing Guam statute to clarify  
19 that the Manpower Development Fund be used only for the purpose of conforming with local  
20 apprenticeship training purposes as set forth in §44019, and that expenditures from the MDF  
21 shall be made only with consent of the Legislature upon submission of a budget report by the  
22 Apprenticeship Advisory Council, that de-appropriated MDF funds be returned to the MDF, and  
23 that a MDF Status Report be completed quarterly and annually by the Director of  
24 Administration.

25 **Section 2. §44019 is amended to read:**

26 "§44019. Manpower Development Fund.

27 There is hereby created in the Guam Department of Labor a Manpower  
28 Development Fund (hereinafter "MDF"), which shall remain separate and apart

1 from any other funds of the government of Guam. The ~~Manpower Development~~  
2 ~~Fund~~ MDF is created solely for the purpose of receiving state territorial, federal,  
3 and private money and revenue from the registration fees of non-immigrant  
4 temporary workers and fines collected by Department of Labor from non-  
5 immigrant temporary workers and employers for allocation exclusively for ~~locally~~  
6 ~~authorized manpower training programs~~ the administration and implementation  
7 of local apprenticeship training programs. Funds in the ~~Manpower Development~~  
8 ~~Fund~~ MDF shall be paid out by the Treasurer of Guam ~~on warrants drawn by the~~  
9 ~~Fiscal Officer and requisitioned by the Guam Community College.~~ to the Alien  
10 Labor and Processing Certification Division at the Department of Labor and the  
11 Apprenticeship Program at Guam Community College based upon the budget  
12 approval by the Apprenticeship Advisory Council and appropriation by the  
13 Legislature. The MDF shall be expended exclusively to fund the following:

14 (a) The administrative and instructional costs for the operation  
15 of the apprenticeship training programs.

16 (b) The advertising and outreach programs for the promotion  
17 of the apprenticeship training programs.

18 (c) The operating costs to the Alien Labor and Processing  
19 Certification Division at the Department of Labor for the registration of non-  
20 immigrant temporary workers."

21 **Section 3. New §44019.1 and 44019.2 are added to Title XL §44019 of the**  
22 **Government Code to read:**

23 "§44019.1 Unused MDF Funds.

24 Notwithstanding the general provisions of §22406 of Title 5 GCA which  
25 requires that unused and de-appropriated funds revert to the General Fund, or any  
26 other provision of Guam law to the contrary, all de-appropriated or unused funds  
27 appropriated from the MDF shall, in all circumstances, be returned to the MDF  
28 and not the General Fund.

29 §44019.2. MDF Status Report.

30 The Director of Administration shall complete a quarterly and annual  
31 report to the Apprenticeship Advisory Council and the Legislature of the  
32 condition of, and activity within, the MDF."

33 **Section 4. Effective Date.**

34 The provisions of this Act shall become effective immediately.