



OFFICE OF THE GOVERNOR
TERRITORY OF GUAM

OFFICE OF THE LEGISLATIVE SECRETARY
AGANA, GUAM

Received by: NGA

Time: 4:56 PM

Date: 12-16-96

DEC 16 1996

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

OFFICE OF THE CLERK

Date: 12-16-96

Time: 10:28 AM

Received By: [Signature]

Print Name: ALICIA GUZMAN

Dear Mr. Speaker:

Enclosed please find a copy of Substitute Bill No. 517, entitled: "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS", which having been vetoed was subsequently overridden by the Legislature on December 12, 1996 and which is designated as **Public Law No. 23-128**.

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

Very truly yours,

Madeline Z. Bordallo
Madeline Z. Bordallo
Acting Governor of Guam
231582
Attachment



OFFICE OF THE GOVERNOR
TERRITORY OF GUAM

DEC 16 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 Rely
Time 10:50 AM
Date 12-16-96

Dear Madame Legislative Secretary:

Enclosed please find a copy of Substitute Bill No. 517, entitled: "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS", which having been vetoed was subsequently overridden by the Legislature on December 12, 1996 and which is designated as **Public Law No. 23-128**.

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

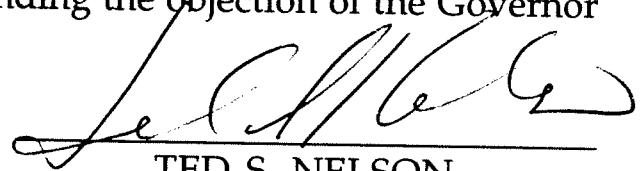
Very truly yours,


Madeleine Z. Bordallo
Acting Governor of Guam
231581
Attachments

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

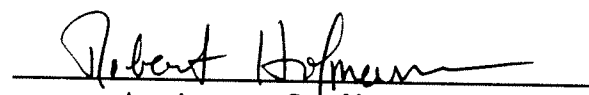
This is to certify that Substitute Bill No. 517 (LS), "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS," returned to the Legislature without approval of the Governor, was reconsidered by the Legislature and after such reconsideration, the Legislature did, on the 12th day of December, 1996, agree to pass said bill notwithstanding the objection of the Governor by a vote of sixteen (16) members.


TED S. NELSON
Acting Speaker

Attested:


JUDITH WON PAT-BORJA
Senator and Legislative Secretary

This Act was received by the Governor this 13th day of December,
1996, at 4:31 o'clock P.M.


Assistant Staff Officer
Governor's Office

Public Law No. 23-128

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

Bill No. 517 (LS)

As substituted by the Committee on Ways & Means
and further substituted by the Committee of the Whole

T. S. Nelson

S. L. Orsini

T. C. Ada

J. P. Aguon

E. Barrett-Anderson

A. C. Blaz

J. M. S. Brown

F. P. Camacho

M. C. Charfauros

H. A. Cristobal

M. Forbes

A. C. Lamorena V

C. Leon Guerrero

L. Leon Guerrero

V. C. Pangelinan

D. Parkinson

J. T. San Agustin

A. L. G. Santos

F. E. Santos

A. R. Unpingco

J. Won Pat-Borja

Committee on Rules, At the
Request of the Governor in
accordance with the
Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE
OPERATIONS OF THE EXECUTIVE BRANCH OF
THE GOVERNMENT OF GUAM FOR FISCAL YEAR
ENDING SEPTEMBER 30, 1997 AND MAKING

OTHER APPROPRIATIONS, AND ESTABLISHING
MISCELLANEOUS AND ADMINISTRATIVE
PROVISIONS.

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

2 CHAPTER 1

3 GENERAL PROVISIONS

4 Section 1. Short Title. This Act may be known as the "General Appropriation
5 Act of 1997." Except as otherwise provided in this Act, the appropriations made by
6 this Act shall be available to pay for obligations incurred on or after October 1, 1996
7 but no later than September 30, 1997. In the event that any appropriation of this Act
8 is found contrary to federal law, all portions not so found shall remain valid.

9 Section 2. Estimated Revenues. The Legislature adopts the following as its
10 revenue forecast for Fiscal Year 1997:

11 I. GENERAL FUND REVENUES

AMOUNT

12 A. TAXES

13 Income Tax (Corporate and Individual) \$297,230,000

14 Federal Income Tax Collection

15 (Section 30 Funds) \$ 33,250,000

16 Gross Receipts Tax \$188,799,000

17 Other Taxes \$ 4,400,000

18 *Real Estate Taxes

19 *(For information purposes only and not an appropriation)

20 TOTAL TAXES \$523,679,000

21 B. FEDERAL SOURCES \$ 5,720,000

22 Immigrant Fees, National School Lunch/Breakfast

23 Program and Indirect Cost

24 C. USE OF MONEY AND PROPERTY \$ 1,510,000

1	Interest earned on accounts	
2	D. LICENSES, FEES & PERMITS	\$ 4,400,000
3	Business Licenses, Weights and	
4	Measures Fees and Others	
5	E. DEPARTMENT CHARGES	\$ <u>3,980,000</u>
6	Education, Public Health, Agriculture and Others	
7	TOTAL GENERAL FUND REVENUE	\$539,289,000
8	II. SPECIAL FUND REVENUE	
9	A. Abandoned Vehicle and Streetlight Fund	\$ 1,530,000
10	B. Customs, Agricultural and Quarantine User Fund	\$ 9,085,876
11	C. Guam Contractors License Board Fund	\$ 455,000
12	D. Housing Revolving Fund	\$ 600,000
13	E. Land Survey Revolving Fund	\$ 234,000
14	F. Parks Fund	\$ 134,000
15	G. Professional Engineers, Architects and	
16	Land Surveyors Board Fund	\$ 200,000
17	H. Guam Waterworks Authority Fund	\$31,130,000
18	I. Special Surplus Property Fund	\$ 50,000
19	J. Tourist Attraction Fund	<u>\$24,071,922</u>
20	TOTAL SPECIAL FUND REVENUE	\$66,360,798
21	III. FEDERAL MATCHING GRANTS-IN-AID REVENUES	
22	Federal Grants-In-Aid Requiring Local Match:	
23	A. Agriculture	\$ 393,653
24	B. Guam Council on the Arts and	
25	Humanities Agency	\$ 201,000
26	C. Guam Environmental Protection Agency	\$ 2,191,804
27	D. Labor	\$ 84,328

1	E.	Law	\$ 1,999,829
2	F.	Library	\$ 76,096
3	G.	Military Affairs	\$ 706,401
4	H.	Office of Civil Defense	\$ 199,999
5	I.	Public Health and Social Services	\$ 12,996,044
6	J.	University of Guam	\$ 1,370,000
7	K.	Vocational Rehabilitation	<u>\$ 1,937,597</u>
8		TOTAL FEDERAL MATCHING	
9		GRANTS-IN-AID REVENUE	\$ 22,156,751
10		REVENUE SUMMARY:	
11		TOTAL GENERAL FUND REVENUE	\$539,289,000
12		TOTAL SPECIAL FUND REVENUE	\$ 66,360,798
13		TOTAL FEDERAL MATCHING	
14		GRANTS-IN-AID REVENUE	<u>\$ 22,156,751</u>
15		GRAND TOTAL	\$627,806,549

16 **Section 3.** The following are estimated receipts for One Hundred Percent
17 (100%) federal grants-in-aid:

18	A.	Agriculture	\$ 1,299,000
19	B.	Agency for Human Resources Development	\$ 1,031,546
20	C.	Bureau of Planning	\$ 1,702,000
21	D.	Education	\$ 22,813,412
22	E.	Guam Community College	\$ 1,660,080
23	F.	Guam Public Library	\$ 20,731
24	G.	Guam Energy Office	\$ 115,000
25	H.	Guam Police	\$ 186,109
26	I.	Guam Mass Transit Authority	\$ 336,720
27	J.	Guam Occupational Information	

1	Coordinating Committee	\$ 87,920
2	K. Labor	\$ 1,679,879
3	L. Military Affairs	\$ 199,000
4	M. Mental Health and Substance Abuse	\$ 884,958
5	N. Office of Civil Defense	\$ 489,185
6	O. Office of the Governor	\$ 779,569
7	P. Parks and Recreation	\$ 245,000
8	Q. Public Health and Social Services	\$ 27,609,436
9	R. Public Works	\$ 332,098
10	S. Revenue and Taxation	\$ 240,325
11	T. State Council on Vocational Education	\$ 60,000
12	U. University of Guam	\$ 4,413,528
13	V. Vocational Rehabilitation	\$ 136,784
14	W. Youth Affairs	\$ <u>223,917</u>
15	SUBTOTAL	\$ 66,546,197
16	TOTAL FEDERAL GRANTS	\$ 88,702,948
17	GRAND TOTAL ALL FUNDS	\$694,352,746

18 **Section 4.** The following are continuing appropriations/bond payments:

19	A. 1994 GENERAL OBLIGATION BOND	<u>\$14,552,088</u>
20	(P.L. 22-138, Income Tax Refund, Section 30 Pledged	
21	and FY 1999 Final Year)	

22	GRAND TOTAL	\$14,552,088
----	--------------------	---------------------

23 **Section 5. Definitions.** The following definitions shall apply to this Act.

24 (a) **“Capital Outlay”** includes:

- 25 (1) equipment such as loader trucks, tractors, trailers,
26 automobiles or other vehicles; machinery; reference books; filing
27 cabinets, typewriters, adding and calculating machines, other business

1 machines and office equipment; and tools, implements and
2 instruments which may be used continuously without material change
3 in physical condition and must have a useful life of one (1) year or
4 longer and cost not less than Five Hundred Dollars (\$500);

5 (2) repair, remodeling or alteration of a building or replacement
6 thereof and the replacement and renewal of plumbing, wiring, and air
7 conditioning systems costing more than Fifteen Thousand Dollars
8 (\$15,000). Capital Outlay does not include normal maintenance
9 expenditures;

10 (3) construction of an entirely new building, including the
11 materials and labor either supplied by an agency of the government or
12 supplied by contract; and

13 (4) non-structural improvements to buildings, the grading,
14 leveling, drainage and landscaping of land or the construction of
15 roadways, fences, ditches, or sanitary or storm sewers.

16 (b) "Contingency" means expenditure for unbudgeted items.

17 (c) "Contractual Services" include:

18 (1) services rendered or performed by businesses, other
19 government agencies or individuals other than expenses for personnel
20 services;

21 (2) current services or charges for rental of personal property,
22 insurance premiums (not employee benefits), dues, paid subscriptions,
23 and other fixed charges; and

24 (3) telex and other forms of communication except telephone
25 and facsimile.

26 (d) "Equipment" means items having a purchase price of Five
27 Hundred Dollars (\$500) or less.

1 (e) “**Encumbrances**” means commitments related to unperformed
2 (executory) contracts for goods and services and are generally evidenced by
3 outstanding purchase orders, contracts, and interdepartmental work requests.
4 Encumbrances reported at year end are reported as reservation of fund
5 balance since they do not constitute expenditures or liabilities.

6 (f) “**Expenditures**” means all amounts of money, other than
7 refunds authorized by law, paid out or encumbered for payment by a
8 territorial agency other than for investment securities or as agent or trustee
9 for other governmental entities or private persons.

10 (g) “**Federal Funds**” means payment by the United States
11 Government to the territorial government or agencies for specific purposes or
12 in lieu of taxes, including grants, reimbursements, and payments made in
13 accordance with contracts but does not include payments pursuant to Section
14 30 of the Organic Act of Guam.

15 (h) “**Full Time Equivalency**” or “**FTE**” means the equivalent of one
16 (1) permanent position continuously filled for two thousand eighty (2,080)
17 hours per year commencing October 1, 1996.

18 (i) “**General Fund**” means that Fund as defined by §21110 of Title 5,
19 Guam Code Annotated.

20 (j) “**Office Space Rental**” means payments to an entity for rental of
21 office space and may include the cost maintenance, power, and other utility
22 expenses.

23 (k) “**Match**” means direct cost sharing or in-kind General Fund
24 support required as a conditions for acceptance for federal funds.

25 (l) “**Special Fund**” means revenue available to territorial agencies
26 from sources other than the General Fund and Federal Funds.

27 (m) “**Personnel Services**” includes:

1 (1) salaries and wages payable to persons employed by the
2 government; and

3 (2) the government's contributions to the Government of Guam
4 Retirement Fund and the employer's contribution under the Federal
5 Insurance Contribution Act; and

6 (3) the government's contributions for health, dental, and life
7 insurance plans.

8 (n) **"Power"** includes all expenses incurred for the use of electricity
9 or liquid propane gas, propane, or butane gas.

10 (o) **"Revenue"** means all amounts received by a territorial agency
11 from sources external to that agency , net of refunds and other correcting
12 transactions, other than from issue of debt liquidation of investment or as
13 agent or trustee for other governmental agents, entities, or private persons.

14 (p) **"Supplies and Materials"** means materials which by their nature
15 are consumable, which have useful lifetime of less than one (1) year, and
16 which after use, undergo an impairment or a material change in physical
17 condition.

18 (q) **"Telephone"** includes all charges for telephone and cellular
19 telephone services.

20 (r) **"Territorial Agency"** means any office, department, institution,
21 board, bureau, commission, council, authority, branch, or committee of
22 territorial government which receives funding pursuant to this Act.

23 (s) **"Toll Calls"** includes all charges for long distances telephone
24 calls and facsimile.

25 (t) **"Travel and Transportation"** means off-island travel expenses
26 and local mileage reimbursement in accordance with the laws of Guam.

1 (u) "Water/Sewer" includes all expenses for the purchase of water
2 and all expenses for waste-water treatment.

CHAPTER II
APPROPRIATIONS FOR
EXECUTIVE BRANCH OPERATIONS

1 **Section 1. (A) General Fund Appropriation Cap.** Public Law 23-14:6(b)
2 mandates, "For Fiscal Year 1997 and beyond, the Legislature shall not appropriate
3 from the General Fund more than ninety-five percent (95%) of the total revenues
4 projected for the general fund for that fiscal year, or ninety-five percent (95%) of the
5 total revenues collected for the general fund for the previous fiscal year, whichever
6 number is smaller, until such time as the \$115,000,000 is paid in full." At the time
7 that the budget is being discussed, the Special Accounting Service, Guam Finance
8 Commission has projected that Five Hundred Thirty-Nine Million Two Hundred
9 Eighty-Nine Thousand Dollars (\$539,289,000) are projected to be collected in Fiscal
10 Year 1997. The Legislature hereby finds that the total actual revenues collected for
11 the General Fund for Fiscal Year 1996 is Five Hundred Thirty-One Million Dollars
12 (\$531,000,000). The Legislature, therefor, states that its appropriation ceiling is to be
13 determined by taking the actual revenue collected in Fiscal Year 1996 of Five
14 Hundred Thirty-One Million Dollars (\$531,000,000) and multiplying by ninety-five
15 percent (95%), equaling an appropriation ceiling for Fiscal Year 1997 of Five
16 Hundred Four Million Four Hundred Fifty Thousand Dollars (\$504,450,000).

17 (b) Two Hundred Forty-Nine Million Sixty-Two Thousand Five Hundred
18 Twenty-Five Dollars (\$249,062,525) are appropriated for the operations of the
19 Executive Branch for the Fiscal Year ending September 30, 1997. This sum is
20 composed of Two Hundred Twenty-One Million Six Hundred Seventy-Five
21 Thousand Four Hundred Fourteen Dollars (\$221,675,414) from the General Fund,
22 Six Million Seven Hundred Eighty-Three Thousand Three Hundred Sixty-Nine
23 Dollars (\$6,783,369) from Special Funds, and Twenty Million Six Hundred Three

- 1 Thousand Seven Hundred Forty-Two Dollars (\$20,603,742) from Federal Matching
 2 Grants-in-Aid. The appropriation shall be expended as follows:

<u>Dept. Name</u>	<u>FTE</u>	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Match</u>	<u>Total</u>
A. Dept. of Administration`	225	\$10,927,870	\$650,000	\$0	\$11,577,870
B. BBMR	30	\$1,498,076	\$0	\$0	\$1,498,076
C. Bureau of Planning	18	\$1,077,015	\$0	\$0	\$1,077,015
D. Civil Service Commission	20	\$1,274,843	\$0	\$0	\$1,274,843
E. Commission on Self-Determination	4	\$682,699	\$0	\$0	\$682,699
F. Office of the Governor	122	\$6,355,456	\$0	\$0	\$6,355,456
G. SCOVE	4	\$146,917	\$0	\$0	\$146,917
H. Territorial Planning Council	2	\$164,417	\$0	\$0	\$164,417
I. Guam Election Commission	12	\$671,409	\$0	\$0	\$671,409
J. Mayors Council	178	\$6,796,591	\$0	\$0	\$6,796,591
K. Dept. of Commerce	51	\$1,898,462	\$0	\$0	\$1,898,462
L. Dept of Revenue & Tax	244	\$10,530,201	\$0	\$0	\$10,530,201
M. Dept. of Agriculture	99	\$3,353,457	\$1,728,072	\$387,896	\$5,469,425
N Chamorro Land Trust Commission	13	\$427,686	\$0	\$0	\$427,686
O CAHA	10	\$0	\$906,101	\$0	\$906,101
P. Dept. of Land Management	98	\$3,694,501	\$233,488	\$0	\$3,927,989
Q. Guam Public Library	42	\$1,573,944	\$0	\$76,096	\$1,650,040
R. Guam Museum	8	\$0	\$320,231	\$0	\$320,231
S. Dept. of Parks & Rec.	161	\$3,637,144	\$2,363,287	\$0	\$6,000,431
T. Chief Medical Examiner	3	\$326,476	\$0	\$0	\$326,476
U. Dept. of Corrections	265	\$14,245,663	\$0	\$0	\$14,245,663
V. Customs & Quarantine		\$0	\$0	\$0	\$0
x. Guam Fire Department	398	\$18,577,997	\$0	\$0	\$18,577,997
w. Guam Police Department	618	\$22,896,524	\$0	\$0	\$22,896,524

Y. Department of Law	175	\$7,216,038	\$0	\$2,129,351	\$9,345,389
Z. Military Affairs	26	\$534,703	\$0	\$613,473	\$1,148,176
<u>Dept. Name</u>	<u>FTE</u>	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Match</u>	<u>Total</u>
AA. Office of Civil Defense	7	\$198,446	\$0	\$151,447	\$349,893
BB. Department of Youth Affairs	102	\$4,067,460	\$0	\$0	\$4,067,460
CC. Agency for Human Resources Development	6	\$295,818	\$0	\$1,020,880	\$1,316,698
DD. EPA	58	\$1,215,359	\$0	\$1,868,303	\$3,083,662
EE. Guam Health Planning & Dev. Agency	7	\$303,994	\$0	\$0	\$303,994
FF. Dept. of Labor	82	\$2,949,603	\$0	\$66,000	\$3,015,603
GG. DMHSA	160	\$6,664,985	\$0	\$0	\$6,664,985
HH. DPHSS	486	\$61,267,784	\$0	\$12,352,699	\$73,620,483
II. Veterans Affairs	4	\$226,614	\$0	\$0	\$226,614
JJ. Dept. Voc. Rehab.	28	\$771,911	\$0	\$1,937,597	\$2,709,508
KK. Chamorro Language Commission	3	\$178,689	\$0	\$0	\$178,689
LL. Guam Educational Corp/KGTF, Channel 12	12	\$504,544	\$0	\$0	\$504,544
MM. Guam Contractors License Board	8	\$0	\$364,190	\$0	\$364,190
NN. PEALS BOARD	0	\$0	\$65,000	\$0	\$65,000
00. Dept. of Public Works	643	\$24,521,938	\$153,000	\$0	\$24,674,938

GRAND TOTAL **4,432** **\$221,675,414** **\$6,783,369** **\$20,603,742** **\$249,062,525**

CHAPTER III

Miscellaneous Appropriations

1 **Section 1. (a) Student scholarships, financial assistance, and program**
2 **administration.** Three Million Eight Hundred Eighty-eight Thousand Five
3 Hundred Seventy-five Dollars (\$3,888,575) are appropriated from the General Fund
4 to the University of Guam to be expended for the following scholarships, financial
5 assistance programs and program administration: Merit Awards, Student Loans,
6 Nurses Training Professional and Technical Awards, Doctoral Fellowships, Reserve
7 Officer Training Corp. (ROTC), Regent Scholarships, Marine Lab Graduates
8 Assistance, Advanced High School Placement, Senior Citizens, and Administration
9 of all student financial assistance and its program administration for Fiscal Year
10 1997; provided, that the expenditures do not exceed the total appropriation made in
11 this Subsection (a).

12 **(b) Pedro " Doc " Sanchez Scholarship Program.** Two Hundred Eighty-three
13 Thousand Eighty-four Dollars (\$283,084) are appropriated from the General Fund to
14 the College of Business and Public Administration of the University of Guam for
15 the Pedro "Doc" Sanchez Scholarship Program.

16 **(c) Teacher Training Council and Guam Teacher Corps.** Two Million Seven
17 Hundred Ninety-six Thousand Eight Hundred Thirty-four Dollars (\$2,796,834) are
18 appropriated from the General Fund to the University of Guam, which shall
19 disburse the funds pursuant to the directives of the Teacher Training Council, for
20 stipends for the Guam Teacher Corps and for the administration of the Teacher
21 Training Council, in accordance with the provisions of Public Law 21-88.

22 **(d) Chamorro Language and Culture Institute.** One Hundred Forty-five
23 Thousand Eight Hundred Twenty-two Dollars (\$145,822) are appropriated from the
24 General Fund to the Chamorro Language and Culture Institute of the University of

1 Guam for the operations of this institute. This appropriation shall continue until
2 expended for the operations and purposes of the Institute.

3 (e) Remedial courses. All participants in the Pedro "Doc" Sanchez
4 Scholarship Program, the Guam Teacher Corps, and the Chamorro Language and
5 Culture Institute who require remedial courses in English or Mathematics, shall
6 take these courses at the Guam Community College. The University of Guam and
7 the Guam Community College shall make every effort to ensure that these courses
8 are included in their articulation agreements.

9 **Section 2. Twenty-five Million Nine Hundred Thirty-eight Thousand Nine**
10 **Hundred Fifteen Dollars (\$25,938,915) to the University of Guam.** (a) Twenty-three
11 Million Three Hundred Twelve Thousand Eight Hundred Sixty-one Dollars
12 (\$23,312,861) are appropriated from the General Fund to the University of Guam for
13 its operations for Fiscal Year 1997.

14 (b) Two Million Six Hundred Twenty-six Thousand Fifty-four Dollars
15 (\$2,626,054) are appropriated from the Parimutuel Fund to the University of Guam
16 for its operations for Fiscal Year 1997.

17 **Section 3. Four Hundred Sixty-six Thousand Six Hundred Twenty-nine**
18 **Dollars (\$466,629) for Sanctuary, Inc.** Four Hundred Sixty-six Thousand Six
19 Hundred Twenty-nine Dollars (\$466,629) are appropriated from the General Fund to
20 the Department of Youth Affairs for Sanctuary, Inc. for its Fiscal Year 1997
21 operations. The recipient of this appropriation shall make a report of the
22 expenditures of the funds in this appropriation to the Governor and the Legislature
23 within the sixty (60) days following the end of the fiscal year.

24 **Section 4. Twenty-three Million Nine Hundred Forty-two Thousand Eight**
25 **Hundred Seventy-six Dollars (\$23,942,876) to Government of Guam Retirement**
26 **Fund for supplemental annuity benefits.** (a) Twenty-three Million Nine Hundred
27 Forty-two Thousand Eight Hundred Seventy-six Dollars (\$23,942,876) are

1 appropriated from the General Fund to the Government of Guam Retirement Fund
2 for the benefits of those employees who retired prior to October 1, 1995 for the
3 continuing provisions of items (i) through (iv) below and for the benefits of current
4 retirees for the continuing provisions of items (v) through (vii) below:

- 5 (i) the One Thousand Two Hundred Dollars (\$1,200) annuity
6 benefits (to continue existing programs currently contained in
7 the semi-monthly payments);
- 8 (ii) the One Thousand Five Hundred Dollars (\$1,500) supplemental
9 annuity benefits (to continue existing programs currently
10 contained in the semi-monthly payments);
- 11 (iii) the Seven Hundred Dollars (\$700) supplemental annuity
12 benefits (to continue existing programs currently contained in
13 the semi-monthly payments);
- 14 (iv) the Eight Hundred Thirty Eight Dollars (\$838) annuity benefits
15 (to continue existing programs currently contained in the semi-
16 monthly payments);
- 17 (v) the Governor and Lieutenant Governor Pensions (to continue
18 existing programs currently contained in the semi-monthly
19 payments);
- 20 (vi) the Retiree group health, dental, and life insurance premiums
21 (to continue existing programs currently contained in the semi-
22 monthly payments);
- 23 (vii) the Retiree life insurance subsidy (to continue existing programs
24 currently contained in the semi-monthly payments).
- 25 (viii) to defray the cost of Medicare premiums for government of
26 Guam Retirees and their survivors who are eligible to receive
27 social security income benefits and are required under the

1 government of Guam group health insurance program to pay
2 such premiums to continue to participate in such health
3 insurance program failing which they are excluded therefrom (to
4 continue existing programs currently contained in the monthly
5 payments).

6 (b) For Fiscal Year 1997, the Guam Power Authority, the Guam Telephone
7 Authority, the Guam Airport Authority, the Port Authority of Guam, the Guam
8 Economic Development Authority, the Guam Housing Corporation, the
9 Government of Guam Retirement Fund, the Guam Housing and Urban Renewal
10 Authority, the Guam Mass Transit Authority, and the Guam Visitors Bureau, shall
11 remit to the Government of Guam Retirement Fund an amount equal to the
12 number of employees which retired from each entity multiplied by the amounts
13 listed in items (i) through (iv) in subsection (a) of this Section. The remittance shall
14 be made in two (2) equal installments and shall be due on or before December 31st
15 and March 31st, respectively, of each succeeding year.

16 (c) The Government of Guam Retirement Fund may establish
17 administrative procedures to ensure the proper submission, receipt and accounting
18 of all sums remitted per subsection (b) of this Section.

19 **Section 5. (a) Nine Hundred Seventy-two Thousand One Hundred Forty-**
20 **four Dollars (\$972,144) to the Department of Administration for the cost of overtime**
21 **for the Guam Police Department.** Nine Hundred Seventy-two Thousand One
22 Hundred Forty-four Dollars (\$972,144) are appropriated from the General Fund to
23 the Department of Administration to be used under the direction of the Chief of
24 Police, or his designee, for the purpose of funding overtime for the Guam Police
25 Department.

26 (b) **Nine Hundred Seventy-two Thousand One Hundred Forty-four Dollars**
27 **(\$972,144) to the Department of Administration for the cost of overtime for line**

1 agencies of the Executive Branch. Nine Hundred Seventy-two Thousand One
2 Hundred Forty-four Dollars (\$972,144) are appropriated from the General Fund to
3 the Department of Administration to be used under the direction of the Governor
4 of Guam, or his designee, for the purpose of funding overtime for all line agencies
5 and departments in the Executive Branch. Appropriations for overtime are not
6 contained within the appropriations for operations for each line agency.

7 **Section 6. Three Million Two Hundred Fourteen Thousand One Hundred**
8 **Seventy Dollars (\$3,214,170) to the Komitea Para Tiyan, for personnel and operations**
9 **associated with the relocation, renovation and maintenance cost due to the closure**
10 **of Naval Air Station, Guam.** Three Million Two Hundred Fourteen Thousand One
11 Hundred Seventy Dollars (\$3,214,170) are appropriated from the General Fund to the
12 Komitea Para Tiyan for the purpose of paying personnel and operational costs as
13 caretaker of NAS to include costs as caretaker of NAS and to include costs associated
14 with the relocation, renovation and maintenance of Naval Air Station, Guam.

15 **Section 7. Nine Hundred Fifty Thousand Dollars (\$950,000) to the Worker's**
16 **Compensation Fund.** Nine Hundred Fifty Thousand Dollars (\$950,000) are
17 appropriated from the General Fund to the Worker's Compensation Fund for the
18 purposes set out in Section 37042 of Title XXXIII of the Government Code to pay
19 worker's compensation for claims by employees of the Government of Guam.

20 **Section 8. Thirty One Million One Hundred Thirty Thousand Dollars**
21 **(\$31,130,000) to the Public Utility Agency of Guam (PUAG).** (a) Thirty One Million
22 One Hundred Thirty Thousand Dollars (\$31,130,000) are appropriated from the
23 Public Utility Agency of Guam Fund to the Public Utility Agency of Guam (PUAG)
24 for its operations during Fiscal Year 1997.

25 The Guam Waterworks Authority (GWWA) Board of Directors may, on or
26 after January 28, 1997, reallocate the funds appropriated herein to meet the

1 GWWA's operating needs, consistent with its authority as an autonomous agency
2 as provided for in Public Law 23-119.

3 (b) **Restrictions on Use of Funds.** The funds provided in Subsection (a) of
4 this Section shall not be used to fund existing vacant positions, and shall not be used
5 to fund new positions. Said restriction shall remain in effect until January 28, 1997,
6 or until the GWWA Board of Directors has approved a new budget which
7 reallocates the funds authorized in subsection (a) of this Section, whichever comes
8 later.

9 (c) Notwithstanding any other provisions of law or this Act, the funds
10 appropriated in Subsection (a) of this Section shall not be subject to transfer by the
11 Governor for any purpose.

12 **Section 9. Such sums as are necessary for the 1997 Summer School Program.**

13 There is hereby appropriated such sums as are necessary from the Summer School
14 Fund established pursuant to §6118 of Title 17, Guam Code Annotated, to the
15 Department of Education to fund the operations of the 1997 Summer School
16 Program.

17 **Section 10. Eleven Million Nine Hundred Twenty-six Thousand Three**
18 **Hundred Forty-Seven Dollars (\$11,926,347) to the Guam Community College.** (a)
19 Nine Million Five Hundred Thirty-three Thousand Nine Hundred Eighty-seven
20 Dollars (\$9,533,987) are appropriated from the General Fund to the Guam
21 Community College for its operations for Fiscal Year 1997.

22 (b) One Million Three Hundred Eighteen Thousand Four Hundred Fourteen
23 Dollars (\$1,318,414) are appropriated from the Tourist Attraction Fund to the Guam
24 Community College to fund its Visitors Unit for Fiscal Year 1997.

25 (c) One Million Seventy-Three Thousand Nine Hundred Forty-Six Dollars
26 (\$1,073,946) are appropriated from the Parimutuel Fund to the Guam Community
27 College for its operations for Fiscal Year 1997.

1 (d) The sum of Three Hundred Eighty-Five Thousand Dollars (\$385,000) is
2 appropriated to Guam Community College from the Manpower Development Fund
3 to be expended in accordance to Public Law 23-106.

4 **Section 11. Seventeen Million One Hundred Forty-one Thousand Five**
5 **Hundred Fifty-four Dollars (\$17,141,554) to the Superior Court of Guam.** (a) Sixteen
6 Million Five Hundred Fourteen Thousand Nine Hundred Seventy-four Dollars
7 (\$16,514,974) are appropriated from the General Fund to Superior Court of Guam for
8 its operations for Fiscal Year 1997.

9 (b) Six Hundred Twenty-five Thousand Three Hundred Twenty-two Dollars
10 (\$625,322) are appropriated from the General Fund to Superior Court of Guam for
11 Fiscal Year 1997 for the implementation of the employees' reclassification; provided,
12 that the Superior Court certifies to the Legislature that the Hay methodology for
13 reclassification was properly applied by (an) individual(s) certified and trained by the
14 developers of the methodology or by the Hay consultants.

15 **Section 12. Two Million One Hundred Sixty-eight Thousand Four Hundred**
16 **Thirty-one Dollars (\$2,168,431) to the Supreme Court of Guam.** Two Million One
17 Hundred Sixty-eight Thousand Four Hundred Thirty-one Dollars (\$2,168,431) are
18 appropriated from the General Fund to the Supreme Court of Guam for its
19 operations for Fiscal Year 1997.

20 **Section 13. Two Million Three Hundred Seven Thousand Thirty-five Dollars**
21 **(\$2,307,035) to the Public Defenders Service Corporation.** Two Million Three Hundred
22 Seven Thousand Thirty-five Dollars (\$2,307,035) are appropriated from the General Fund
23 to the Public Defenders Service Corporation for its operations for Fiscal Year 1997.

24 **Section 14. One Hundred Sixty Million Dollars (\$160,000,000) to the**
25 **Department of Education.** One Hundred Sixty Million Dollars (\$160,000,000) are
26 appropriated from the General Fund to the Department of Education for its

1 operations for Fiscal Year 1997. The Department is authorized Three Thousand
2 Eight Hundred Nineteen (3819) FTE positions.

3 **Section 15. Seven Hundred Eighty-nine Thousand Six Hundred Seventy-**
4 **eight Dollars (\$789,678) to the Public Auditor.** Seven Hundred Eighty-nine
5 Thousand Six Hundred Seventy-eight Dollars (\$789,678) are appropriated from the
6 General Fund to the Office of the Public Auditor for its operations for Fiscal Year
7 1997.

8 **Section 16. Two Hundred Thirty-seven Thousand Seven Hundred Fifteen**
9 **Dollars (\$237,715) to the Guam Finance Commission.** Two Hundred Thirty-seven
10 Thousand Seven Hundred Fifteen Dollars (\$237,715) are appropriated from the
11 General Fund to the Guam Finance Commission for its operations for Fiscal Year
12 1997.

13 **Section 17. One Hundred Thirty-six Thousand One Hundred Dollars**
14 **(\$136,100) to Guam Educational Radio Foundation.** One Hundred Thirty-six
15 Thousand One Hundred Dollars (\$136,100) are appropriated from the general Fund
16 to the Guam Educational Radio Foundation; provided, however, that the funds
17 shall be released by the University on a "dollar for dollar basis" upon receiving
18 certification from the Foundation that non-government cash contributions have
19 been received. The Guam Educational Radio Foundation shall submit to the
20 University of Guam an audited report as to how the Foundation spent the funds
21 appropriated, and a copy shall be submitted to the Legislature.

22 **Section 18. Eight Million Dollars (\$8,000,000) to the Customs & Quarantine**
23 **Agency.** (a) Eight Million Dollars (\$8,000,000) to the Customs & Quarantine Agency
24 are appropriated from the Customs, Agricultural and Quarantine Inspection
25 Services Fund to the Customs & Quarantine Agency for its operations in Fiscal Year
26 1997.

1 (b) **Reimbursement Plan.** The Customs & Quarantine Agency shall submit a
2 plan to the Legislature detailing how it plans to reimburse the General Fund for the
3 monies used to fund its operations in Fiscal Year 1996. This plan shall be submitted
4 no later than December 31, 1996. Should this deadline not be met, the Department of
5 Administration is authorized to initiate steps to recover the sums to be reimbursed.

6 **Section 19. One Million Seven Hundred Twenty-eight Thousand Seventy-**
7 **two Dollars (\$1,728,072) to Plant Protection and Quarantine Division, Department of**
8 **Agriculture.** (a) One Million Seven Hundred Twenty-eight Thousand Seventy-two
9 Dollars (\$1,728,072) are appropriated from the Customs, Agricultural and
10 Quarantine Inspection Services Fund to the Plant Protection and Quarantine
11 Division, Department of Agriculture, for its operations in Fiscal Year 1997.

12 (b) **Reimbursement Plan.** The Plant Protection & Quarantine Division,
13 Department of Agriculture, shall submit a plan to the Legislature detailing how it
14 plans to reimburse the General Fund for the monies used to fund its operations in
15 Fiscal Year 1996. This plan shall be submitted no later than December 31, 1996.
16 Should this deadline not be met, the Department of Administration is authorized to
17 initiate steps to recover the sums to be reimbursed.

18 **Section 20. Cost of Living Allowance (COLA) Appropriation.** (a) The sum
19 of Five Million Four Hundred Twelve Thousand Dollars (\$5,412,000) is appropriated
20 from the General Fund to the Government of Guam Retirement Fund for the
21 purpose of funding a One Thousand One Hundred Dollar (\$1,100) lump sum cost of
22 living allowance for an estimated 4920 government of Guam retired employees and
23 survivors all for the Fiscal Year ending September 30, 1997. Retirees and survivors
24 as of October 1, 1996, shall receive a lump sum cost of living allowance payment in
25 the full amount of One Thousand One Hundred Dollars (\$1,100) per retiree or
26 survivors thereof, to be paid no later than December 1, 1996; provided that no one
27 individual may receive more than One Thousand One Hundred Dollars (\$1,100) in

1 total lump sum cost of living allowance from the General Fund for Fiscal Year 1997
2 pursuant to this Section.

3 (b) In addition to the above appropriation for the lump sum COLA, the
4 Government of Guam Retirement Fund is authorized to provide up to Four
5 Hundred Dollars (\$400) for the estimated 4920 government of Guam retired
6 employees and survivors as provided for in the above section as determined by the
7 Government of Guam Retirement Fund consistent with its statutory fiduciary
8 responsibilities, after review of financial information on the Retirement Fund
9 provided by the Fund actuary.

10 **Section 21. Seven Million Dollars (\$7,000,000) to the Department of**
11 **Administration for salary increments. (a) Appropriation.** Seven Million Dollars
12 (\$7,000,000) is appropriated from the sources identified in subparagraph (b) of this
13 Section to the Department of Administration for the purpose of paying to each
14 eligible employee a bi-weekly amount equal to the step increase to which they are
15 entitled in accordance with Section 6(e) of Public Law 23-14, as amended. The
16 Department of Administration is directed to modify the appropriation accounts of
17 the agencies affected to permit the distribution of costs incurred and to report the
18 distribution to the different appropriation accounts.

19 (b) **Source of Funding.** Notwithstanding any other provision of law, and
20 with the exceptions of the Territorial Highway Fund, the Tourist Attraction Fund,
21 the Territorial Educational Facilities Fund, the Manpower Development Fund, the
22 Guam Housing Corporation Revolving Fund, the Land for the Landless Revolving
23 Fund, the Chamorro Home Loan Fund and the Land Survey Revolving Fund, any
24 excess amounts over that which is already mandated by law to be expended from all
25 special funds of the government of Guam shall be utilized for the purposes of the
26 appropriation in this Section.

1 **Section 22. Eleven Million Dollars (\$11,000,000) to Guam Visitors Bureau.**

2 Eleven Million Dollars (\$11,000,000) are appropriated from the Tourist Attraction
3 Fund to the Guam Visitors Bureau for its operations in Fiscal Year 1997.

4 **Section 23. Guam-Micronesia Island Fair Amendment and Appropriation.**

5 (a) The first two sentences of §1033(b) of Title 1, Guam Code Annotated, are
6 amended to read:

7 “(b) The **Guam Visitors Bureau** shall be the organizing body for the
8 Guam-Micronesia Island Fair **and** shall provide the necessary logistics and
9 financial support from the Tourist Attraction Fund to insure the success of
10 the Fair **as an international event and visitor attraction.**”

11 (b) **Appropriation.** One Hundred Thousand Dollars (\$100,000) is appropriated
12 from the Tourist Attraction Fund to the Guam Visitors Bureau to conduct the 1997
13 Guam-Micronesia Island Fair.

14 (c) **Effective Date.** This Section shall become effective upon its enactment
15 into law.

16 **Section 24. Appropriation for Visitor Industry Related Projects.** Two Million
17 Seven Hundred Nineteen Thousand Seven Hundred Fifty Dollars (\$2,719,750) are
18 appropriated from the Fiscal Year 1997 surplus of the Tourist Attraction Fund to the
19 Guam Visitors Bureau for the following visitor industry related projects:

PROJECT	AMOUNT
(a). Tumon & Agana Bay beach cleaning/maintenance and San Vitores Boulevard landscaping maintenance	\$ 569,250
(b). Guam Scenic Route project (phase 2)	102,500
(c). Two Lovers' Point jogging/biking trail	75,000
(d). Donations for Work program	10,000
(e). Develop/publish a four-page educational brochure/map	

1	to contain historical, geological, and recreational information on	
2	Tumon Bay (100,000 copies)	13,000
3	(f). Develop, print and distribute to visitors a water safety	
4	brochure to provide descriptions of the various beaches as well as	
5	opportunities and hazards	20,000
6	(g). Asian PGA Guam Open	130,000
7	(h). Internet Web Page	50,000
8	(i). Tournament of Champions Matching Funds	250,000
9	(j). Two Lovers Leap Park	<u>1,500,000</u>
10	TOTAL REQUEST	<u>\$ 2,719,750</u>

11 **Section 25. A new Chapter 86 is added to Title 5, Guam Code Annotated, to**
 12 **read:**

13 **"CHAPTER 86**

14 **INETNON MINAULEG GUAM**

15 **§86101. Legislative findings and intent.** Guam has a rich and colorful
 16 history and culture that is best displayed and demonstrated by the many
 17 historic locations and structures around the island. Our island also is blessed
 18 with many beautiful and scenic sites that have been set aside as parks for the
 19 enjoyment of residents and visitors alike. The Legislature finds however, that
 20 many of these culturally significant sites and public parks are in various states
 21 of disrepair, and are in need of upgrading and development. Based on
 22 statistical information gathered by the Guam Visitors Bureau in various exit
 23 surveys, visiting historic sites, learning about our culture, and visiting
 24 beautiful parks and scenic sites are among the activities tourists enjoy.

25 It is therefore the intent of the Legislature to create the Inetnon
 26 Minauleg Guam (IMG), to be comprised of the Guam Beautification Task
 27 Force, the Guam Preservation Trust, the Department of Parks and Recreation

1 (DPR), the Guam Visitors Bureau (GVB), and the Department of Public
2 Works (DPW). The Mayors of the villages in which sites enumerated in this
3 Act are located shall also be members of the IMG. The Legislature intends that
4 the IMG develop a prioritized schedule for the renovation, beautification, and
5 upgrading of each site, taking into account the historical and cultural
6 importance of each site, the feasibility of each project, and the availability of
7 supplementary funding from sources other than the Tourist Attraction Fund
8 (TAF). The IMG shall add appropriate sites to the list as it deems necessary.
9 Their findings shall be reported to the Governor of Guam, the Speaker of the
10 Legislature, and the Chairpersons of the Legislature's Committees with
11 oversight responsibilities for Parks and Recreation and the TAF.

12 It is additionally the intent of the Legislature to authorize an
13 appropriation from the Tourist Attraction Fund (TAF) to begin the process of
14 restoring, renovating, and upgrading parks and historic sites in the order
15 contained in the reports prepared pursuant to the provisions of this Act.

16 **§86102. Title of Act.** This Chapter shall be known as the "Na Bonita
17 Yan Protehe Guam Act of 1996."

18 **§86103. Creation and Duties of Inetnon Minauleg Guam.** There is
19 hereby created the Inetnon Minauleg Guam (hereinafter the "IMG") which
20 shall be comprised of the following entities:

- 21 1. The Guam Beautification Task Force
- 22 2. Guam Preservation Trust
- 23 3. Department of Parks and Recreation
- 24 4. Guam Visitors Bureau
- 25 5. Department of Public Works, and
- 26 6. The Mayor of the village in which each respective site is
27 located.

1 The Lieutenant Governor of Guam shall chair the IMG, which
2 shall have the following duties:

3 **(a). Prioritization of Projects.** The IMG shall prepare a
4 prioritization schedule for the renovation, beautification, and upgrading of
5 each site enumerated in this Act, placing emphasis on those sites with
6 historical and cultural importance, the feasibility of the project, and the
7 availability of supplementary funding from sources other than the TAF.

8 **(b). Renovation Plan.** The IMG shall prepare a plan for the
9 renovation, beautification, and upgrading of each site enumerated in this Act.

10 **(c). Consideration of Additional Projects.** The IMG shall consider
11 additional projects not contained on the listing enumerated in this Act, and
12 shall reprioritize its listing as needed.

13 **(d). Reports.** The IMG shall prepare and transmit the following
14 reports in the time frame described to the Governor of Guam, Speaker of the
15 Legislature, and the Chairpersons of the Legislature's Committees with
16 oversight responsibilities for Parks and Recreation and the TAF:

17 **(i). Preliminary Report.** A Preliminary Report shall be
18 transmitted no later than thirty (30) days following the effective date of this
19 Act. The Preliminary Report shall contain a prioritization listing for the
20 renovation, beautification, and upgrading of each site.

21 **(ii). Report on Estimated Costs.** A detailed Report on Estimated
22 Costs to renovate, beautify and upgrade the first three projects on the
23 prioritized list shall be transmitted no later than ninety (90) days following
24 the transmittal of the Preliminary Report.

25 **(iii). Semi-Annual Reports.** A detailed Semi-Annual Report
26 containing estimates for the renovation, beautification, and upgrading of the
27 next site on the prioritized listing, as well as suggestions for other historic

1 sites and parks projects that may be undertaken, and the estimated cost to
2 renovate, upgrade and develop each site, shall be transmitted one hundred
3 eighty (180) days following the transmittal of the Report on Estimated Costs.
4 Subsequent reports shall be transmitted semi-annually until all projects on
5 the prioritized listing have been completed.

6 §86104. **Sites.** The following sites shall be restored, renovated, and
7 upgraded pursuant to a prioritization schedule to be developed as described in
8 §86103:

- 9 1. Fort San Jose
- 10 2. Fort Santa Agueda
- 11 3. Governor Joseph Flores Beach Park
- 12 4. Merizo Combento
- 13 5. Paseo de Susana
- 14 6. Plaza de España
- 15 7. San Dionicio Church
- 16 8. San Dionicio Ruins
- 17 9. Santa Barbara Bateria
- 18 10. Talofofa Bay

19 The list herein is provided in no particular order and is not to be
20 construed as a final listing, but may be amended and ordered as needed by the
21 IMG created in §86103.

22 §86105. **Authorization for Appropriation.** There is hereby authorized
23 to be appropriated the sum of Five Million Dollars (\$5,000,000) from the
24 surplus of the TAF to GVB to begin the process of restoring, renovating,
25 upgrading and developing sites as determined by the IMG created in §86103. "

26 **Section 26. Conditional Approval For Two Lovers' Point Jogging/Biking**
27 **Trail.** Approval for construction of the project contained in Section 24(c) of this Act,

1 the Two Lovers' Point Jogging/Biking Trail, is conditional, based upon transmittal
2 to the Legislature's Committee on Tourism & Transportation of written approval of
3 the project by the private property owners so affected.

4 **Section 27. Appropriation for Dedication of Adelup Ricardo J. Bordallo**
5 **Governor's Complex.** Fifteen Thousand Dollars (\$15,000) are appropriated from the
6 General Fund to the Department of Administration to pay for expenses for the
7 dedication of the Ricardo J. Bordallo Governor's Complex on December 11, 1996. All
8 funds unexpended therefrom shall be reimbursed to the General Fund.

9 **Section 28. Appropriation for Paratransit Services.** The sum of Seven
10 Hundred Five Thousand Dollars (\$705,000) are appropriated from the surplus of the
11 Territorial Highway Fund to the Guam Mass Transit Authority for the purpose of
12 buying or leasing buses or vans for Paratransit services.

13 **Section 29. Appropriation for the South Pacific Games Commission.** The
14 sum of Two Hundred Eighty-five Thousand Three Hundred Twenty-seven Dollars
15 (\$285,327) are appropriated from the General Fund to the South Pacific Games
16 Commission.

17 **Section 30. Legislative Operations Fund. (a) Operations.** Three Million
18 Three Hundred Thirty-six Thousand Nine Hundred Twenty-seven Dollars
19 (\$3,336,927) are appropriated from the General Fund to the Legislative Operations
20 Fund to fund the operations of the 23rd Guam Legislature for the first quarter of
21 Fiscal Year 1997 plus the period January 1996 through 4 January 1997. This sum
22 shall be allocated as approved by the Committee on Rules at its meeting of
23 September 4, 1996. Any remaining balances from previous appropriations and
24 approved allocations shall continue to be available in Fiscal Year 1997.

25 **(b) Lump Sum Appropriation to the Legislature.** One Million Seven
26 Hundred Thousand Dollars (\$1,700,000) are appropriated from the General Fund to
27 the Legislative Operations Fund for the sole purpose of making lump sum

1 payments of accrued annual leave and the employer's contribution for retirement
2 for those eligible employees and members. This appropriation shall be made
3 available upon written request from the Legislature, but shall not be released prior
4 to December 1, 1996. After all accrued annual leave claims have been paid, any
5 remaining balance shall continue to be available for expenditure by the Legislature
6 upon approval by the Committee on Rules."

7 **Section 31. Legislative Operations Fund.** Ten Million Ten Thousand Seven
8 Hundred Eighty-two Dollars (\$10,010,782) are appropriated from the General Fund to
9 the Legislative Operations Fund to fund the operations of the 24th Guam
10 Legislature for the period January 5, 1997 through September 30, 1997 of Fiscal Year
11 1997. Any remaining balances from previous appropriations shall continue to be
12 available in Fiscal Year 1997.

13 **Section 32.** A new subsection (f) is added to Section 1202 of Title 5, Guam
14 Code Annotated, to read:

15 "(f) The life of the Council shall not extend beyond March 30, 1997,
16 unless the Council shall submit the I Tano'ta Plan to the Legislature for
17 action prior to that date.

18 Upon the termination of the Council, the remaining Council funds,
19 as well as assets, equipment, copyrights, and any existing positions shall
20 automatically be transferred to the Bureau of Planning."

21 **Section 33. Lump Sum Appropriation to the Mayors' Council.** Four
22 Hundred Eighty-Three Thousand Five Hundred Ninety-four Dollars (\$483,594) are
23 appropriated from the General Fund to the Mayors' Council for the sole purpose of
24 making lump sum payments of accrued annual leave and the employer's
25 contribution for retirement for those eligible employees and members. This
26 appropriation shall be made available upon written request from the Mayors'
27 Council, but shall not be released prior to December 1, 1996.

1 **Section 34. Appropriation for the Catastrophic Illness Assistance**
2 **Program.** One Million Dollars (\$1,000,000) is appropriated from the General Fund
3 to the Catastrophic Illness Assistance Program within the Department of Public
4 Health & Social Services. Notwithstanding any other provision of law, any lapsed
5 funds from the Department of Public Health & Social Services Fiscal Year 1996
6 appropriation for the Catastrophic Illness Assistance Program shall continue to
7 remain available until expended. Notwithstanding any other provision of law or
8 this Act, the appropriations in this Section shall not be subject to the Governor's
9 transfer authority.

10 **Section 35. Appropriation to the Judicial Council of Guam.** Two Hundred
11 Forty-one Thousand Nine Hundred Twenty-seven Dollars (\$241,927) are
12 appropriated from the General Fund to the Judicial Council of Guam for the
13 purpose of funding current retired Judges' annuities.

14 **Section 36. Appropriation to the Department of Education for**
15 **Textbooks.** The sum of Four Million Dollars (\$4,000,000) is hereby appropriated
16 from FY 1998 revenues of the General Fund to the Department of Education to
17 purchase textbooks for the school year 1998-1999. Said funds shall be appropriated in
18 advance in preparation for the opening of the 1998-99 School Year. A portion of this
19 sum shall be allocated to the thirty-six (36) school libraries using the formula of Six
20 Thousand Dollars (\$6,000) per school or Fifteen Dollars (\$15.00) per student enrolled
21 in the respective school, whichever amount is greater.

CHAPTER IV

Miscellaneous Provisions

1 **Section 1. Komitea Para Tiyan.** Continuing authorization of Komitea Para
2 Tiyan as an informal caretaker of the former Naval Air Station (NAS), Guam as
3 authorized under Executive Order 95-02.

4 (a) The Komitea Para Tiyan is authorized a maximum of seventy-two
5 (72) full time equivalent positions.

6 (b) The Komitea Para Tiyan is authorized to charge rent and fees for
7 the use of facilities at NAS except the Department of Education facilities, gym
8 and theater, and to deposit such funds in the Tiyan Revolving Fund of the
9 Government of Guam and shall not be exempted from the provisions of the
10 AAL.

11 (c) The final and/or revised Tiyan Reuse Plan must be submitted to
12 the Legislature for approval and review before it is submitted to the U.S.
13 Department of Defense and Housing and Urban Development. The
14 Legislature must approve the disposition and allocation of lands depicted in
15 the Reuse Plan.

16 **Section 2. Amendment to Guam Finance Commission duties.** A new
17 subsection (c) is added to §4103 of Chapter 4 of Title 11, Guam Code Annotated, to
18 read:

19 “(c) The Guam Finance Commission shall not take on additional
20 duties and responsibilities beyond those identified in subsections (a) and (b)
21 until such time as the Commission has forwarded proposed tax legislation to
22 the Legislature, the legislation has been passed, and a new tax code is adopted
23 for use.”

1 **Section 3. Increment(s) to be included in calculating retirement annuity.**

2 Any government of Guam Employee who elects to apply for retirement shall be
3 authorized to add in the increment(s) which such employee would have received if
4 the freeze mandated by Public Law 23-14 had not been in effect. For purposes of this
5 section, the government of Guam Salary and Increment Schedule shall be the basis
6 for determining the amount of the increment(s) to be used for computation. The
7 employee shall pay to the Retirement Fund the employer's and employee's
8 contribution on the salary increment.

9 **Section 4. Government Contribution Rate.** Based upon the most recent

10 actuarial valuation of the contribution rates to be assessed to meet both the Normal
11 costs and the Unfunded Liability Amortization costs in Fiscal Year 1997, the
12 government of Guam contribution rate to the Retirement Fund shall be eighteen
13 and sixty hundredths percent (18.60%).

14 **Section 5. Repeal of Fees Established by Rules and Regulations for the**
15 **services provided by the Department of Revenue and Taxation.** The fee schedule,
16 established by rules and regulations, for the services provided by the Department of
17 Revenue and Taxation and as submitted by the Governor to the Legislature on
18 November 9, 1995, is hereby repealed, with the exception of the streetlight fee of 16
19 GCA §7161. The fees previously charged by the Department of Revenue and
20 Taxation are reinstated in their place.

21 **Section 6. A new subsection (f) is added to §15106 of Chapter 15, Title 4,**
22 **Guam Code Annotated, to read:**

23 “(f) Scholarship recipients shall maintain an overall grade point
24 average of 2.5 for undergraduate students and 3.0 for graduate students.”

25 **Section 7. §15109 of Chapter 15, Title 4, Guam Code Annotated, is repealed**
26 **and reenacted to read:**

1 **"§15109. Administration.** The Program shall be administered by the Chair of
2 the Department of Public Administration and Legal Studies to include program
3 budgeting, compensation, staffing implementation of policies and procedures and
4 other duties and responsibilities of program management."

5 **Section 8. §15110 of Chapter 15, Title 4, Guam Code Annotated, is repealed**
6 **and reenacted to read:**

7 **"§15110. Support and Budgeting.** (1) The College of Business and Public
8 Administration, University of Guam, shall provide the logistics, office space and
9 other needed support to assist the Chair of the Department of Public Administration
10 and Legal Studies in the administration of the Pedro "Doc" Sanchez Scholarship
11 Program for Career Employees of the government of Guam ("the Program"). The
12 Chair of the Department of Public Administration and Legal Studies shall reflect the
13 financial and other material needs to cover these costs and the costs of the
14 scholarships to be awarded in the yearly Departmental budget request of the College
15 of Business and Public Administration, University of Guam and shall submit the
16 same to the Legislature via the University of Guam. The budget request shall also
17 include the projected monies needed for tuition, fees and textbooks of the
18 scholarship recipients, and the personnel costs for the administrative daily
19 oversight of the Program.

20 In order to keep the administrative costs to a minimum, the Chair of the
21 Department of Public Administration and Legal Studies shall select a person
22 knowledgeable about this program to appoint to the position of program
23 coordinator in the classified service of the government of Guam. The program
24 coordinator shall manage the daily oversight of the Program. The general
25 responsibilities of the program coordinator, under the direct supervision of the
26 Chair of the Department of Public Administration and Legal Studies, shall be to

1 plan, develop, implement and manage the Pedro "Doc" Sanchez Professional
2 Scholarship for Career Employees of the government of Guam.

3 There is hereby created the position of Program Coordinator in the classified
4 service of the government of Guam.

5 (2) Based on the established criteria of the various academic undergraduate
6 degree programs at the College of Business and Public Administration, University of
7 Guam, the Chair and faculty of the Department of Public Administration and Legal
8 Studies shall interview, select and award scholarships to eligible applicants of the
9 Pedro "Doc" Sanchez Professional Scholarship for Career Employees of the
10 government of Guam. Successful scholarship applicants may major in any
11 undergraduate degree program including Public Administration, offered at the
12 College of Business and Public Administration, University of Guam, but must
13 pursue a minor in Public Administration if they choose not to major in Public
14 Administration.

15 (3) The Chair and faculty of the Department of Public Administration and
16 Legal Studies at the College of Business and Public Administration, University of
17 Guam, with the assistance of other academic unit Chairs of the College of Business
18 and Public Administration, shall periodically make an assessment of the
19 professional staffing needs of the Government of Guam and the Judiciary and assess
20 the adequacy and up to dateness of the professional undergraduate degree programs
21 of the College of Business and Public Administration, University of Guam, to the
22 President of the University of Guam and to the Board of Regents of the University
23 of Guam.

24 (4) The Chair and faculty of the Department Public Administration and Legal
25 Studies, with the support of the College of business and Public Administration,
26 University of Guam, shall do any and all necessary to properly carry out the intent

1 and purposes of the Pedro "Doc" Sanchez Professional Scholarship of Career
2 Employees of the Government of Guam."

3 **Section 9. §15111 of Chapter 15, Title 4, Guam Code Annotated, is repealed**
4 **and reenacted to read:**

5 "§15111. **No disruption of government service.** The Director of the agency or
6 department whose employee has been awarded a scholarship under this law shall
7 balance the need to support the scholarship recipients in the minimum number of
8 six (6) credit hours as required by the program per semester to enable the recipient to
9 graduate within seven (7) years for an undergraduate degree or four (4) years for a
10 graduate degree and the need to ensure that the agency's or department's operations
11 are not hindered and that government service to the public is not impaired due to
12 the recipient's absence from work because of class schedules.

13 In balancing these needs, the Director shall have the discretion to approve or
14 disapprove the employee's class schedule, or to limit the number of credit hours
15 enrolled per semester, provided that a written justification is made by the Director
16 concerning the critical need of services by the employee and that government
17 service to the public will be hindered or substantially impaired if the employee's
18 proposed class schedule be approved. The Director shall exercise his or her
19 discretion in good faith and not unreasonably disapprove or limit employees
20 proposed class schedule unless good cause is shown."

21 **Section 10. Amendment.** Section 6(e) of Public Law 23-14, as amended by
22 Section 29 of Chapter IV of Public Law 23-45, is amended to read:

23 "Section 6(e). Immediate Freeze on Salary Increments and Merit
24 Bonuses. Effective October 1, 1995, there is hereby put into effect a
25 comprehensive freeze on payment of all salary increments and merit bonuses
26 which will remain in effect for Fiscal Year 1996 applicable to all full-time
27 positions within each branch of government, public corporations, all

1 government of Guam departments, bureaus, and agencies, instrumentalities,
2 entities or sub-entities of the Executive, Legislative, or Judicial branches, the
3 Mayors' Council, and Mayor's Offices. All personnel performance
4 evaluations, for purposes of determining salary increments shall continue as
5 prescribed without compensation. A completed performance evaluation with
6 a satisfactory rating shall be necessary for determining step increases. The
7 merit bonus program is frozen for Fiscal Year 1996. Effective October 1, 1996,
8 all salary increments will resume in full force and effect, with no retroactive
9 payment for the period of this freeze.

10 This Section does not, and is not intended to, affect or apply to the
11 terms of the bond contract, nor is it intended to effect a technical default
12 thereon."

13 **Section 11. Community Development Fund Use Option.** For Fiscal Year
14 1997 only, each Mayor may decide to expend funds appropriated from the
15 Community Development Fund for "Personnel Services", for "Contractual
16 Services", or for a combination thereof.

17 **Section 12. Repeal and reversion of Lost Book Fund.** §11126 of Title 17,
18 Guam Code Annotated, is hereby repealed and any and all remaining balances are
19 reverted to the General Fund. All revenue previously earmarked into this Fund
20 shall continue to be collected and credited to the General Fund.

21 **Section 13. Repeal and reversion of Gambling Device Fund.** §6420 of Title 9,
22 Guam Code Annotated, is hereby repealed and any and all remaining balances are
23 reverted to the General Fund. All revenue previously earmarked into this Fund
24 shall continue to be collected and credited to the General Fund.

25 **Section 14. Repeal and reversion of Customs Inspection Fund.** §73145 of
26 Title 5, Guam Code Annotated, is hereby repealed and any and all remaining

1 balances are reverted to the General Fund. All revenue previously earmarked into
2 this Fund shall continue to be collected and credited to the General Fund.

3 **Section 15. Repeal and reversion of the Council on the Arts and the**
4 **Humanities Off-Island Educational, Training and Cultural Enhancement Fund.**

5 Section 2 of P.L. 22-060 is hereby repealed and any and all remaining balances are
6 reverted to the General Fund. All revenue previously earmarked into this Fund
7 shall continue to be collected and credited to the General Fund.

8 **Section 16. Repeal and reversion of Ocean Freight Legal Fund.** Section 51 of
9 P.L. 22-221 is hereby repealed and any and all remaining balances are reverted to the
10 General Fund. All revenue previously earmarked into this Fund shall continue to
11 be collected and credited to the General Fund.

12 **Section 17. Repeal and reversion of Instructional Personnel Fund.** Section
13 35 of P.L. 18-33 is hereby repealed and any and all remaining balances are reverted to
14 the General Fund. All revenue previously earmarked into this Fund shall continue
15 to be collected and credited to the General Fund.

16 **Section 18. Repeal and reversion of Option I Retro Fund.** Section 5 of P.L. 20-
17 65 is hereby repealed and any and all remaining balances are reverted to the General
18 Fund. All revenue previously earmarked into this Fund shall continue to be
19 collected and credited to the General Fund.

20 **Section 19. Repeal and reversion of Hazardous Substance Fund.** §32117 of
21 Title 10, Guam Code Annotated, is hereby repealed and any and all remaining
22 balances are reverted to the General Fund. All revenue previously earmarked into
23 this Fund shall continue to be collected and credited to the General Fund.

24 **Section 20. Repeal and reversion of Off-island Treatment Fund.** Section 25
25 of P.L. 20-220 is hereby repealed and any and all remaining balances are reverted to
26 the General Fund. All revenue previously earmarked into this Fund shall continue
27 to be collected and credited to the General Fund.

1 **Section 21. Repeal and reversion of Abandoned Vessel Fund.** §69110 of Title
2 10, Guam Code Annotated, is hereby repealed and any and all remaining balances
3 are reverted to the General Fund. All revenue previously earmarked into this Fund
4 shall continue to be collected and credited to the General Fund.

5 **Section 22. Repeal and reversion of PCB Recovery Fund.** Section 3 of P.L.
6 20-032 is hereby repealed and any and all remaining balances are reverted to the
7 General Fund. All revenue previously earmarked into this Fund shall continue to
8 be collected and credited to the General Fund.

9 **Section 23. Repeal and reversion of Group Life Insurance Program Fund.**
10 §4303 of Title 4, Guam Code Annotated, is hereby repealed and any and all
11 remaining balances are reverted to the General Fund. All revenue previously
12 earmarked into this Fund shall continue to be collected and credited to the General
13 Fund.

14 **Section 24. Effective Date.** The repeal of the Special Funds listed in Sections
15 14 through 23 and the reversion of the remaining balances to the identified fund
16 shall take effect on October 2, 1996.

17 **Section 25. Creation of Village Streets Fund.** A new subsection (k) is added
18 to 5 GCA §1504 to read:

19 **"(k) Village Streets Fund.** (1) There is hereby created, separate and apart from
20 other funds of the government of Guam, a fund known as the Village Streets Fund
21 (hereinafter "VSF"). The VSF shall be used exclusively for the purposes of payment
22 to vendors for village road planning, design, construction, reconstruction,
23 improvement, repair and maintenance services, the acquisition of rights of way, or
24 to service debt payments of revenue bond which may be issued to fund the
25 construction, repair and maintenance of secondary and tertiary roads.

26 (2) Notwithstanding any other provision of law, fifty percent (50%) of all
27 monies in the Surplus Fund of the Limited Obligation Highway Bonds, Series 1992

1 A Debt Service Fund on the fifth day of each month shall be paid by the Depository
2 to the VSF. Accounting procedures for the funds shall be prescribed by the Director
3 of Administration and suitable reserves shall be maintained for tax drawbacks
4 under this Article which shall be paid from the Fund.

5 (3) The monies deposited in the VSF shall be expended only after
6 appropriation by the Legislature, and upon submission of vouchers as certified by
7 the Director of Public Works for those purposes allowed in the VSF."

8 (4) Notwithstanding any other provision of law, the Governor may not use
9 his transfer authority to utilize any monies deposited in the VSF.

10 (5) Notwithstanding the general provisions of §22406 of Title 5 GCA which
11 requires that unused and de-appropriated funds revert to the General Fund, or any
12 other provision of Guam law to the contrary, all de-appropriated or unused funds
13 appropriated from the VSF shall, in all circumstances, be returned to the VSF and
14 not the General Fund."

15 **Section 26. Personal Liability for Senator's Overexpenditure.** A new
16 subsection (e) is added to 2 GCA §1121 to read:

17 "(e) Notwithstanding any provision of law to the contrary, any member of
18 the Legislature who, after audit under the direction of the Legislature and
19 supervision of the Public Auditor, has been determined by 14 votes of the
20 Legislature, to have knowingly expended an amount in excess of his annual
21 allocated budget, shall be personally held liable for the reimbursement of such
22 overexpenditure."

23 **Section 27. Health Insurance payments to Guam Memorial Hospital**
24 **Authority.** §80117 is added to Chapter 80 of Title 10, Guam Code Annotated, to read:

25 "§80117. **Insurance Payments. Agreements. Deposits. Patient Treatment**
26 **Costs.**

1 In order to insure the Authority's fiscal survival, all insurance
2 companies must pay hospital charges or billings within a thirty (30) day
3 period. An interest rate of two percent (2%) per month shall be applied on
4 the unpaid charges or bill. All undisputed portions of a patient's bill must be
5 paid by the health maintenance organization or insurance carrier within a
6 thirty (30) day period from the date of billing. The disputed balance must be
7 reconciled or resolved between the hospital and insurance carrier within the
8 next sixty (60) day period.

9 The Authority and all insurance companies dealing with the hospital
10 shall have written payment/payor agreements which shall provide the
11 Authority with advanced monthly payments to be applied from the oldest to
12 the most current account, or actual payments within thirty (30) days to cover
13 anticipated patient usage or actual patient(s) billing(s). Furthermore, all
14 insurance companies must have written payment/payor agreements within
15 one hundred eighty (180) days of the enactment of this Act.

16 In addition, insurance companies must pay for any and all reasonable,
17 medically required services ordered by physicians responsible for the care and
18 treatment of the patient, provided that the service ordered is an appropriate
19 and relevant treatment modality, to the circumstances surrounding the
20 patient's care, which is generally accepted by the medical community or
21 medical specialty. If the treatment or service ordered is experimental and/or
22 a new treatment modality which is considered expensive or beyond the scope
23 of services normally covered by an insurance plan, the patient and health
24 subscriber must be informed of it so that the responsibility for assuming
25 payments can be partly shifted to the patient, with the physician's approval
26 and with the insurance company assuming responsibility for its appropriate

1 share of the treatment cost(s) as evidenced by a consent form signed by all
2 parties.

3 If an insurance company places a good faith deposit with the Authority,
4 the insurance company must identify the patients whose charges are to be
5 paid off or offset against the deposit within thirty (30) days. If the insurance
6 company fails to provide such a listing of patients, the Authority shall be
7 permitted to offset against that deposit the charges or costs incurred by
8 patients covered by such insurance companies for still unpaid treatment
9 charges or billings from the oldest to the most current account. The
10 Authority, at its discretion, is authorized as a final, last resort option, in those
11 instances where insurance companies continue to fail to comply with the
12 Authority's prompt payment policies, to refuse to accept the assignment of
13 insurance for those organizations that do not meet the Authority's policies
14 and regulations, notwithstanding any other provision of law or contract.
15 Insurance companies which habitually fail to pay their hospital bills and/or
16 also have a general reputation for non-payment to other health providers in
17 the community, shall be barred from participating in Government of Guam
18 insurance negotiations until such insurance companies clear up all their
19 unpaid bills to the degree they are deemed acceptable by the hospital
20 administrator and Board.

21 The violation of any part of §80117 shall be subject to a penalty
22 assessment of One Hundred Dollars (\$100.00) per month per account to the
23 violator which shall be assessed by the Department of Revenue and Taxation.
24 The moneys collected shall be transferred to the hospital for use in the
25 provision of indigent care.

1 **Section 28. Amendments and Additions to Certificate of Occupancy**
2 **Requirements and the Building Code. (a) Section 66303 of Title 21, Guam Code**
3 **Annotated, is amended to read:**

4 **"§66303. Same: Content.** In addition to the certification as to compliance
5 with the provisions of this Chapter, the Certificate of Occupancy shall state the
6 purposes for which the building may be used in its several parts, the maximum
7 permissible live loads on the several floors, the number of individual persons that
8 may be accommodated in the several stories, in case such number is limited by
9 provision of law or by the permit, and whether the structure is a fully concrete
10 building installed with typhoon shutters."

11 **(b) A new §67105 is added to Chapter 67 of Title 21, Guam Code Annotated,**
12 **to read:**

13 **"§67105. Concrete/Masonry Standards.** The latest editions of the Guam
14 Building Code, the American Concrete Institute and the Uniform Building Code
15 shall be accepted as the generally recognized standard for the design and
16 construction of fully concrete buildings as reviewed and certified by a registered
17 engineer or architect. Where standards are more restrictive in either the Guam
18 Building Code, the Uniform Building Code, or the American Concrete Institute for
19 plans, specification and calculations the more restrictive standard shall apply."

20 **(c) Two new definitions are added to §67411 of Title 21, Guam Code**
21 **Annotated, to read:**

22 **"Fully Concrete Building"** means a building designed and constructed in
23 accordance with reinforced concrete, reinforced masonry, reinforced concrete or
24 masonry shear walls, and reinforced concrete roof in accordance with
25 administrative provisions of the most recent edition of the Guam Building Code,
26 the Uniform Building Code and the American Concrete Institute (ACI 318)."

1 "Typhoon Shutter" means any window covering constructed of metal,
2 wood, or composite material, including, but not limited to panels, accordion panels,
3 whether hinged, track rolling, or roll-up, whether permanently attached or
4 removable, that are designed and certified by a Guam License Engineer or Architect
5 and approved by the building official as component and cladding to buildings to
6 protect windows and openings."

7 **Section 29. Amendments to Y Kuantan Salappe' Prinsepat. (a) §10102 of**
8 **Title 17, Guam Code Annotated, is amended to read:**

9 "§10102. **Creation of Y Kuantan Salappe' Prinsepat (Principal's Fund).** There
10 is created a fund to be known as the "Y Kuantan Salappe' Prinsepat", which is an
11 allocation to each public school in the amount of Fifty Dollars (\$50.00) per student
12 enrolled in each respective school, placed under the control of the principal of each
13 school who shall be the designated purchasing officer for purchases made under the
14 fund. The fund shall be used to purchase small miscellaneous items for direct
15 school maintenance and repairs and for classroom and library materials, supplies
16 and equipment in accordance with Chapter 3 of the Procurement Regulations of the
17 Department of Education."

18 **(b) §10105 of Title 17, Guam Code Annotated, is amended to read:**

19 "§10105. **Accountability of Funds.** Each principal shall be accountable for the
20 specific application of Y Kuantan Salappe' Prinsepat funds. Receipts and records of
21 the purchase of the items shall be made into a balance sheet and submitted to the
22 Director of Education on January 15, April 15, June 15 and September 30 of each year.

23 If any principal is unable to provide receipts or proof of expenditure of funds,
24 this shall subject the principal to civil or criminal penalties. The principal of each
25 school will be held personally liable for any unaccounted funds. Inability of any
26 principal to account for the expenditures of these funds, or the spending of the

1 funds for unauthorized purposes, shall be reported to the Attorney General's office
2 for disposition, and shall subject the principal to disciplinary action if warranted."

3 (c) A new §10107 is added to Title 17, Guam Code Annotated, to read:

4 "§10107. The amount of One Million Six Hundred Ninety-one Thousand
5 One Hundred Fifty Dollars (\$1,691,150) is hereby allotted to the fund "Y Kuantan
6 Salappe' Prinsepat", established pursuant to Section 10102 of Chapter 10, Title 17 of
7 the Government Code of Guam. Those schools with enrollments of One Hundred
8 (100) to Five Hundred (500) students will be allocated funds for Five Hundred (500)
9 students. Schools with enrollments of Five Hundred One (501) or greater will be
10 allocated funds based on actual enrollment.

11 Within the Fiscal Year 1997 Department of Education "Y Kuantan Salappe"
12 Prinsepat" budget category are funds allotted at a rate of Fifty Dollars (\$50) per
13 student with the exception of the following schools with student populations at less
14 than Five Hundred (500) which will receive a minimum of Twenty Five Thousand
15 Dollars (\$25,000) per school. These schools are as follows: F.Q. Sanchez (120);
16 Inarajan Elementary (399); Merizo Elementary (354); J.P. Torres (338); Talofoto
17 Elementary (359); and, L.B. Johnson (416) funding for Salappe' Prinsepat. The funds
18 shall be made available in two installments, payable in an amount equal to the
19 number of students officially registered at each school as reported in September and
20 February, except for schools stated above. This category, "Y Kuantan Salappe'
21 Prinsepat", shall be exempt from any administrative transfer authority granted or
22 authorized pursuant to this Act."

23 **Section 30. Teacher Personal Leave.** The Territorial Board of Education is
24 hereby authorized to convert any unused personal leave hours earned by teachers
25 during a school year to the cash value of eight (8) hours for each eight (8) hours of
26 unused personal leave, payable in lump sum at the end of the fiscal year.

1 **Section 31. Use of Chamorro Commercial Loan Fund.** Notwithstanding 12
2 GCA §75112(f) or any other provision of law, the Chamorro Land Trust Commission
3 is authorized to use any amounts currently allocated to the "Chamorro Commercial
4 Loan Fund" (DOA Account #341152101) to complete the processing of land lease
5 applications submitted in accordance with Public Law 23-38.

6 **Section 32. Amendment to Inverse Commendation filing period.** §11311.1 of
7 Title 7, Guam Code Annotated, as added by Section 9 of Public Law 22-73, is hereby
8 amended to read as follows:

9 **"§11311.1. Inverse condemnation.** Any person whose land was
10 expropriated for public purposes by the government of Guam between
11 August 1, 1950, and July 1, 1994, and who has not been compensated by the
12 government of Guam for such taking may institute an action for inverse
13 condemnation. In any taking by the government of Guam after July 1, 1994,
14 in which the government fails to follow the eminent domain provisions of
15 Title 21, Guam Code Annotated, the person whose land is taken shall have
16 four (4) years from the time of such taking to institute an action for inverse
17 condemnation. An action shall lie for the taking of a person's fee or for lesser
18 compensable interest in the property which has been expropriated by the
19 government of Guam without according the person due process. In any
20 action for inverse condemnation in which an award is made to a person for a
21 taking, the court shall also award reasonable attorney's fees and costs."

CHAPTER V

Administrative Provisions

1 **Section 1. Appropriations from Guam Contractors License Board Fund and**
2 **Professional Engineers, Architects, and Land Surveyors Board Fund to revert to the**
3 **General Fund for Fiscal Year 1997.** At the end of Fiscal year 1997, any
4 unappropriated balances from the Guam Contractors License Board Fund and the
5 Professional Engineers, Architects and Land Surveyors Board Fund shall revert to
6 the General Fund.

7 **Section 2. Except those specified, at the end of Fiscal Year 1997, unexpended**
8 **or unencumbered General Fund appropriations revert to the General Fund, and**
9 **unexpended or unencumbered Tourist Attraction Fund appropriations revert to the**
10 **Tourist Attraction Fund.** Notwithstanding any other provision of law, unless
11 otherwise specified in this Act or subsequent legislation:

12 (a) **General Fund, reversion.** All unexpended or unencumbered
13 appropriations made from the General Fund pursuant to this Act for Fiscal
14 Year 1997 shall revert to the General Fund on the last day of that fiscal year;
15 and

16 (b) **Tourist Attraction Fund, reversion.** All unexpended or
17 unencumbered appropriations made in this Act for Fiscal Year 1997 from the
18 Tourist Attraction Fund shall revert to the Tourist Attraction Fund on the
19 last day of that fiscal year.

20 **Section 3. Carryover of Local and Federal Matching Programs for**
21 **grants.** The Local and Federal Matching Programs Funds for programs whose
22 expiration dates extend beyond September 30, 1997 are hereby authorized to be
23 carried over and expended through the period of the grant award.

1 **Section 4. Money reimbursed by the federal government shall be placed in**
2 **the General Fund.** Except as provided by the provisions of Public Law 22-24, if the
3 Territory expends any funds which are reimbursed by the federal government, the
4 reimbursed funds shall be placed in the General Fund upon receipt.

5 **Section 5. Authorization for departments to expend appropriated funds for**
6 **matching requirements for new federal programs.** Notwithstanding any other
7 provision of law, Departments are authorized to expend funds appropriated in this
8 Act for matching requirements of new federal programs.

9 **Section 6. Transfer authority of general government operations.** (a) The
10 Governor is authorized to transfer by Executive Order from the operating expense
11 appropriation of one territorial agency of the Executive Branch, not including the
12 Department of Education, to another territorial agency's operating expense
13 appropriation; provided, that not more than a cumulative total of five percent (5%)
14 of the appropriated funds from the current annual budget of any territorial agency
15 shall be transferred out of the territorial agency; and provided further, that notice of
16 each transfer is delivered prior to the effective date of such transfer to the Speaker of
17 the Legislature.

18 (b) The Governor is authorized to transfer by Executive Order not more than
19 five percent (5%) of an agency's funds within a territorial agency of the Executive
20 Branch; provided, that no fund shall be transferred to the territorial agency's
21 personnel expense appropriation; and provided further, that notice of each transfer
22 is delivered prior to the effective date of such transfer to the Speaker of the
23 Legislature.

24 **Section 7. Full-Time Equivalency (FTE) restrictions not applicable to the**
25 **University of Guam.** Notwithstanding any other provision of law, the Full-Time
26 Equivalency (FTE) restrictions imposed by this Act shall not be applicable to the
27 University of Guam instructional positions.

1 **Section 8. Full-Time Equivalency (FTE) restrictions not applicable to the**
2 **Guam Community College.** Notwithstanding any other provision of law, the Full-
3 Time Equivalency (FTE) restrictions imposed by this Act shall not be applicable to
4 the Guam Community College instructional positions.

5 **Section 9. Medically Indigent Program Funds available until expended.** All
6 appropriations made to the Medically Indigent Program of the Department of Public
7 Health and Social Services shall remain available until expended.

8 **Section 10. Restriction on filling of vacancies.** All Classified positions
9 funded one hundred percent (100%) by the General Fund and which are vacant as of
10 enactment of this Act, are funded at fifty percent (50%) of the total appropriation
11 allocated for their salaries and benefits. Notwithstanding the restriction in the
12 previous sentence, positions in the Department of Education which were filled at
13 the beginning of the School year by school-based instructional, principal and
14 assistant principal positions and which became vacant after the beginning of the
15 school year may be filled.

16 **Section 11. New subsections (f) and (g) are added to Section 6 of Public Law**
17 **23-14 to read:**

18 **“(f) Five Percent (5%) Reserve to be Approved.** The five percent (5%)
19 reserve of total revenues projected each fiscal year, and any available balance
20 resulting from taking the lesser of projected revenues versus actual revenues
21 collected during the previous fiscal year, cannot be expended until the list of items
22 to be retired is approved by the Legislature. These revenues shall not be available to
23 pay costs resulting from the Governor’s use of transfer authority.

24 **(g) Submission of Listing.** On or before September 1st of each fiscal year, the
25 Governor shall submit to the Legislature a listing of those items which are to be
26 reduced from the existing deficit.”

1 **Section 12. Limitation on Temporary and Limited Term Appointments. (a)**

2 **Legislative Findings.** The Legislature believes that it is in the best interest of the
3 people of Guam to attract and retain the most qualified individuals for each position
4 within the government of Guam. The Legislature finds, however, that the use of
5 temporary and limited term appointments to fill vacant permanent positions in the
6 classified service will cost the taxpayers at least Ten Million Dollars (\$10,000,000) in
7 fiscal years 1996 and 1997. Despite this cost, many of these temporary or limited term
8 hires continue to occupy their positions in contravention of the merit system. Once
9 a legitimate management tool, this practice has gained a reputation as being
10 synonymous with political patronage. The Legislature believes that this situation
11 should be corrected and these appointments should become, once again, the
12 management tool they were meant to be.

13 **(b) Restriction on Temporary or Limited Term Appointments.** Upon

14 enactment of this Act, any person who is serving, or has been given, a temporary or
15 limited term appointment shall be given up to six (6) months to qualify pursuant to
16 the merit system for the position held. At the end of the six (6) month period, all
17 limited term and temporary appointments who do not qualify for the position held,
18 shall be advised that their appointment will not be renewed. Nothing herein shall
19 be deemed to allow filling of a position without competing through the merit
20 system.

21 **Section 13. Prohibition on Changing Position Status.** Notwithstanding any

22 other law to the contrary, a position in the classified service shall not be changed to a
23 position in the unclassified service without prior legislative approval. Any person
24 employed in a position which has not received such approval shall be removed
25 from the employ of the Government.

26 **Section 14. Payment of Expenses Disallowed.** Notwithstanding any other

27 provision of law, funds appropriated to a territorial agency for its operating expenses

1 in Fiscal Year 1997, shall not be used to pay for expenses incurred by the Office of the
2 Governor.

3 **Section 15. Authorization for the Chamorro Heritage Working Group to**
4 **expend all lapses and revenues collected from the sale of Hale'-ta series books from**
5 **prior years.** The Chamorro Heritage Working Group of the Governor's Office is
6 hereby authorized to expend all revenue collected from the sale of Hale'-ta series
7 books from prior years, and all lapses from 1996 appropriations to it, for the purpose
8 of printing the Hale'-ta series books. The deadline for submitting proposed
9 legislation on the proposed Chamorro Heritage Institute shall be extended to June
10 31, 1997.

11 **Section 16. Authorization to transfer to the Guam Memorial Hospital**
12 **Authority.** Notwithstanding any other provision of law, and with the exceptions of
13 the Tourist Attraction Fund (TAF), the Government of Guam Retirement Fund,
14 and all appropriations to the Retirement Fund, the Governor is authorized to
15 transfer appropriations to and to spend or transfer money from any available fund
16 or account of the Executive Branch of government not restricted under bond
17 covenants, in the amounts not to exceed Six Million Dollars (\$6,000,000), to the
18 Guam Memorial Hospital Authority. This authority shall be exercised by Executive
19 Order. All such orders shall not be effective until the Executive Order therefore is
20 transmitted to and received by the Speaker of the Legislature. This transfer
21 authority shall expire on September 30, 1997.

22 **Section 17. Addition and subtraction of errors or inconsistencies.** If the total
23 shown for several appropriation items does not agree with the sum of the
24 individual line items, the actual mathematical sum shall prevail over the incorrect
25 total shown.

1 **Section 18.** Each territorial agency shall first apply local funds appropriated to
2 that territorial agency for its operations to federal programs requiring local matching
3 funds for receipt of federal funds.

4 **Section 19.** Upon enactment of this Act, any and all appropriations deemed
5 effective for FY 1997 pursuant to 48 U.S.C. §1423 j(b) of the Organic Act of Guam,
6 shall be hereby de-appropriated and repealed. Any sum spent, used, or encumbered
7 pursuant to the Organic Act appropriation described in this Section on or after
8 October 1, 1996, shall be charged against the respective agency's, department's, or
9 other entity's FY 1997 budgeted appropriation as established in this Act.

10 **Section 20.** The Governor shall submit to the Legislature within 45 days of
11 enactment of this Act for each division of each Department an itemized allocation
12 to be used for governing the expenditures by the Executive Branch of the
13 appropriations herein. The breakdown shall itemize the categories of personnel
14 services, capital outlay, utilities, operating expenses, and office space rental.

15 **Section 21. Severability.** If any provision of this Act or its application to any
16 person or circumstances is held invalid, the invalidity does not affect other
17 provisions or applications of this Act which can be given effect with out the invalid
18 provisions or application, and to this end the provisions of this Act are severable.

Date: 12/12/96
Overidden

VOTING SHEET

✓ Bill No. 517

Resolution No.

Question: Shall the bill be enacted into law notwithstanding the Governor's objection.

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	ABSENT/ OUT DURING ROLL CALL
ADA, Thomas C.	✓			
AGUON, John P.		✓		
BARRETT-ANDERSON, Elizabeth	✓			
BLAZ, Anthony C.	✓			
BROWN, Joanne S.	✓			
CAMACHO, Felix P.	✓			
CHARFAUROS, Mark C	✓			
CRISTOBAL, Hope A.	✓			
FORBES, MARK	✓			
LAMORENA, Alberto C., V	✓			
LEON GUERRERO, Carlotta	✓			
LEON GUERRERO, Lou	✓			
NELSON, Ted S.	✓			
ORSINI, Sonny L.				✓
PANGELINAN, Vicente C	✓			
PARKINSON, Don				✓
SAN AGUSTIN, Joe T.		✓		
SANTOS, Angel L. G. /	✓			
SANTOS, Francis E. /		✓		
UNPINGCO, Antonio R.	✓			
WONPAT-BORJA, Judith	✓			

TOTAL

16

3

0

2

CERTIFIED TRUE AND CORRECT:

Recording Secretary



OFFICE OF THE GOVERNOR
TERRITORY OF GUAM

OF THE LEGISLATIVE SECRETARIAT
ACKNOWLEDGMENT RECEIPT

Received: Jalefs

Time: 5:10 pm

Date: 11/10/96

over 12/12/96
23-128

NOV 27 1996

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

OFFICE OF THE SPEAKER

Date: 11.27.96 4:46pm

Time: _____

Received By: Lolita Cabrera

Print Name: Lolita Cabrera

RESPONSE TO
LEGISLATIVE SECRETARIAT

Dear Mr. Speaker:

Enclosed please find Substitute Bill No. 517 (LS), "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS", which I have **vetoed**.

It is distressing to have to veto a budget bill for Fiscal Year 1997, not only because it is already the end of November, 2 months into the current fiscal year which begins on October 1, but because so much time and effort has been put into the deliberations of various budget plans.

I want to stress that in January of 1996 the Administration transmitted a balanced budget plan for Fiscal Year 1997 to the Legislature. This balanced budget plan was rejected. During the prolonged legislative budget discussions, the Administration once again transmitted plans to the Legislature on October 29, 1996 and November 12, 1996, suggesting amendments to make the "rollover" budget enacted pursuant to the Organic Act a workable budget. These plans contained provisions for retirees, as well as provisions to keep the budget, as reenacted by the Organic Act, within the 95% cap.

Nevertheless, the Legislature transmitted its own plan to the Governor's Office on November 15, 1996, in the form of Substitute Bill No. 517.

Substitute Bill No. 517 is not acceptable as a responsible budget plan. In addition, there are numerous errors and riders which make this bill unacceptable. The following is a listing of objections to this bill, causing it to be returned, vetoed:

1) **Budget is not balanced.** The General Fund obligations incurred by SB 517 total \$522,655,245. This is approximately \$18 Million over the 95% cap mandated by Public Law 23-14 and the representations to bond underwriters.

2) **There is no authorization to adjust the expenditure levels relative to the actual 95% cap.** The bill adopts a flat figure, \$504,450,000, as the FY 1997 expenditure cap. However, the expenditure cap depends on whether the actual revenue collections for FY 1996 are less than the estimated revenues. The accounts have not yet been finally reconciled in order to determine the exact figure upon which the cap is based. In other words, if the actual revenue collections are less than the estimated revenues, the expenditure cap will need to be adjusted downward, yet there is no language in SB 517 which allows for this adjustment. The Governor's Request transmitted in January, 1996 contained language allowing for this necessary adjustment.

3) **Governor's transfer language is defective.** The bill's appropriation language to the various departments and agencies, and the language of the Governor's transfer authorization, are inconsistent. The Governor's transfer authority section, Section 6 of Chapter V, page 49, is stated to be limited to "operating expense", yet there is no appropriation category of "operating expense" within SB 517. It is a mystery what the transfer authorization language means and how it would be applied, in light of this inconsistency. This Section 6 also mentions "personnel expense appropriations", yet there are no appropriations within SB 517 within this category.

4) **The bill contains double appropriations for the Superior Court of Guam, yet shortchanges Department of Public Health and Social Services, Guam Police Department, and Department of Corrections.** Subsection (b) of Section 11 of Chapter III, page 19, appropriates funds for the implementation of an "employees' reclassification" for the Superior Court of Guam, however, the reappropriation in Subsection (a) of Section 11 of Chapter III, page 19,

already contains the costs of the "employees' reclassification". This results in a double appropriation of funding to the Superior Court of Guam for the reclassification item.

Simultaneously with this double appropriation, some agencies and programs are shorted to the extent that they will be unable to properly fulfill their mission. The Department of Public Health and Social Services, the Guam Police Department, and the Department of Corrections are examples of agencies which are shorted, and the appropriation for supplemental retirement benefits is also shorted.

5) **Civil Service Commission recommends against the passage of Superior Court "employees' reclassification", which, if implemented, may cause liability to the General Fund.** The Executive Director of the Civil Service Commission wrote a memorandum advocating the veto of SB 517 because of concerns about Subsection (b) of Section 11 of Chapter III, page 19 of the bill.

The Civil Service Commission Executive Director states that the "employee' reclassification" of the Superior Court of Guam will cause:

"disparate treatment to the secretarial/technical/para-professional and professional, and blue collar positions in the Executive Branch with respect to the methodology of evaluating and compensating these positions' "job worth" based on job content. This budget proposal will also resurrect the nightmare of the implementation of Option 1 that was effectuated on August 15, 1986 for Teachers pursuant to P. L. 18-32 §34. This was granted to all GovGuam employees because of a group of public health nurses who filed sued [sic] through the court system and won for equal implementation of Option 1."

If the reclassification plan is implemented, the Executive Director also estimates that the government could be liable for up to \$65 Million to raise the salaries of non-court employees throughout the entire government to match that of court employees.

When the Superior Court ruled on the disparate treatment of employees in the Option I and Option II situation occurring in 1986-87, the government was immediately liable for more than \$30 Million to raise the salaries of those employees who received lesser pay raises up to the level of those who received higher pay raises.

See attached letter from Executive Director, Civil Service Commission to Governor, dated November 21, 1996.

6) Real property taxes which were expected to be collected are not available for the Territorial Educational Facilities Fund, thereby obligating General Fund for an additional amount of approximately \$6.7 Million. In 1993, in Public Law No. 22-19, a \$175 Million bond was issued to build various schools, such as the Southern High School, Tamuning Elementary School, Astumbo Elementary School, and various buildings at the University of Guam. In order to repay these bonds, Public Law 22-19 created the Territorial Educational Facilities Fund (TEFF), and mandated that all real property taxes be placed in this fund for educational purposes.

In 1995, the \$175 Million bond issue authorized by Public Law No. 22-19 was refinanced in Public Law No. 23-14 so that additional education-related projects could be completed, and the bond issue could include the payment of tax refunds and vendor payments. These bonds are not yet paid off, and the real property taxes collected are still mandated to be placed into the TEFF created in Public Law No. 22-19.

The Legislature, however, cut the rate of real property taxes in half in July 8, 1996 by overriding the veto of SB 455, now Public Law 23-108. Due to this rate cut, the General Fund will have to pick up the slack created by the loss of expected real property taxes and pay into the TEFF the difference in the amount owed on the bonds over and above the amount of real property tax revenues which will be placed into the TEFF. Since the real property tax rate is now cut, the TEFF will be short on bond payments. This necessarily obligates the General Fund for an additional \$6,683,985, which will have to be deducted from estimated revenues projected to be received in FY 1997. Unfortunately, to correct this deficiency, in SB 517 the Legislature failed to repeal this rate cut, and also did not account for the General Fund shortage in making appropriations from the General Fund in SB 517.

7) Authorizes Board of Education to increase the payment of cash to teachers to compensate for unused leave time. This produces an increase of approximately \$820,000 in expenditures, but without an identified source of funding. Section 24 of Chapter IV of Public Law 23-45, the budget for FY 1996, added a new §3135 to Title 17, Guam Code Annotated, authorizing the Board of Education to enter into negotiations with the Guam Federation of Teachers

to pay teachers 4 hours of cash for every 8 hours of unused annual leave that a teacher has leftover at the end of a school year.

SB 514 authorizes the Board of Education to pay 8 hours worth of cash, rather than 4 hours, for every 8 hours of unused leave. There is no identified source of funding for this extra expenditure. The expenditure is estimated to be about \$820,000.

8) Increase in Y Kuantan Salappe' Prinsepat from \$2,500 per school to \$50 per student not accounted for in DOE budget Request. The Y Kuantan Salappe' Prinsepat was designed to be an account under the direct control of each school principal to use for minor repairs and other items to keep up with the daily needs of each school. This would be a sort of "petty cash" fund.

Section 29 of Chapter IV, pages 43-44, would authorize large amounts of money to be placed directly under the control of individual school principals. In the case of a school the size of George Washington High School, the principal would be allotted discretionary funds of \$100,000 at the rate of \$50 per student at a school with approximately 2000 students. This is not petty cash! Under this provision, no school, however small, would be given less than \$25,000 in discretionary funds. By contrast, the DOE budget request lists these funds at the level of \$2,500 per school. The large discretionary funds do not have built in safeguards for the handling of these funds, and the increase in this item does not have a fund source identified.

9) Cuts for vacancies, represented in worksheets during Legislative budget discussions to make the provisions of SB 517 conform to the 95% cap, are not contained in the provisions of SB 517. \$3,607,600 worth of cuts for vacancies were identified in a worksheet provided to officials of the Department of Administration and Bureau of Budget and Management Research during the Legislature's discussion of SB 517, and were represented to be included in SB 517 to make SB 517 conform to the 95% cap. These cuts do not appear in SB 517. This increase of \$3,607,600 helps to increase the total appropriation level above the 95% cap.

10) Reduction in agency appropriations, represented in worksheets during Legislative budget discussions to make the provisions of SB 517 conform to the 95% cap, are not contained in the provisions of SB 517. SB 517 reduced the government's

contribution to the Government of Guam Retirement Fund from 19.675% to 18.60%. This made it necessary to cut appropriations to the departments and agencies to make SB 517 conform to the 95% cap. Although the cuts were identified in a worksheet provided to officials of the Department of Administration and Bureau of Budget and Management Research during the Legislature's discussion of SB 517, and were represented to be included in SB 517 to make SB 517 conform to the 95% cap, these cuts do not appear in SB 517. This increase is another item which makes the total appropriation level in SB 517 above the 95% cap.

11) Line agency appropriation for supplemental retirement benefits to retirees and survivors does not provide for all line agency retirees and survivors. Section 4 of Chapter III of SB 517, pages 14-16, appropriates \$23,942,876 for line agency retirees and their survivors. Because the number of retirees and survivors from line agencies requires a larger appropriation than this to provide for their total benefits, this appropriation may be short in an amount up to \$1.4 Million for supplemental benefits, elected officials annuities, and health insurance for the line agency retirees and their survivors. This appropriation does not cover the amount necessary to pay the total number of line agency retirees and their survivors.

12) Elimination of Revenue and Taxation Department's recent fee increases reduces amount of money expected in the General Fund. Fees for services of the Department of Revenue and Taxation were recently increased, many for the first time in more than 20 years, through the adoption of rules and regulations to reflect the actual 1996 costs of providing the services. Section 5 of Chapter IV, page 32, eliminates this fee increase.

Elimination of the Department of Revenue and Taxation fee increases reduces the General Fund an additional amount of \$3,325,000, which must be subtracted from the estimated revenues of the General Fund and is not available for appropriation.

13) COLA of \$1,100 for FY 1997 for both line and autonomous agencies is appropriated from the General Fund. Autonomous agencies are not paying for retirees from their respective agencies. SB 517 provides that the supplemental benefits for retirees and survivors of autonomous agencies are to be funded by the autonomous

agencies, however, there is no similar provision for funding of COLA by the autonomous agencies.

During the Legislature's budget discussions, COLA was represented to officials from the Department of Administration and the Bureau of Budget and Management Research as an item for which the autonomous agencies would pick up \$754,600, to keep SB 517 within the 95% appropriation cap. SB 517, however, does not contain this provision. This means that the \$754,600 item must be added back in as a charge against the General Fund, and is another item pushing the total appropriation level of SB 517 above the 95% cap.

14) Amounts cited for Superior Court of Guam do not add up. In Section 11 of Chapter III, page 19, the introductory language states that the total appropriation for the Superior Court of Guam is \$17,141,554; however, if the operations appropriation of \$16,514,974 on line 7 is added to the "employees reclassification" appropriation of \$625,322 on line 10, one finds that the Superior Court receives, under SB 517, a total appropriation instead of \$17,140,296.

15) Mandate for retroactive reimbursement of General Fund from Customs, Agricultural and Quarantine Inspection Services Fund, will jeopardize this Fund. Section 18 of Chapter III, page 21, mandates that the Customs & Quarantine Agency submit a plan to reimburse the General Fund for operations in Fiscal Year 1996. In Section 19, page 21, the Plant Protection & Quarantine Division of the Department of Agriculture is required to submit a reimbursement plan also. By federal restriction, money in the Customs, Agricultural and Quarantine Inspection Services Fund can only be used to cover the costs of inspections at the airport, and money to place in the fund can only be charged after notice is given and the fee is properly imposed. A requirement that money in this fund be placed in the General Fund to repay the General Fund for money expended prior to the imposition of the Customs, Agricultural and Quarantine Inspection Services fee will jeopardize the collection of the fee. Additionally, money in the Customs, Agricultural and Quarantine Inspection Services fee cannot be comingled with the General Fund.

16) Retroactive appropriation for the Legislature only. Section 30 of Chapter III, page 28, authorizes the Legislature to spend from a \$3,336,927 appropriation which can be used retroactively back to January 1996. Essentially, this is an authorization to use FY 1997 money to pay for

obligations occurring in FY 1996, an authorization for the payment of prior year obligations. Usually, an administrative provision is given to the Executive Branch in every fiscal year to pay prior year obligations, after notice of the obligation is given to the Legislature. SB 517 only allows the Legislature to do this. If a prior year obligation is incurred by other branches of the government, the Legislature would need to call a session and make a special appropriation for that purpose, or it could not be paid.

17) **Catastrophic Illness Assistance Program authorization to pay from non-existent prior year funds.** Although expenditures of funds from prior year appropriation for Catastrophic Illness Assistance Program are authorized, there are no funds remaining. This authorization is an empty promise.

18) **Incomplete citations relative to Pedro "Doc" Sanchez Scholarship.** Sections 6, 7, 8, and 9 of Chapter IV, pages 32 through 36, lines 21 and 25; lines 1, 5, and 7; and lines 3 and 5, respectively, refer to various Sections of Chapter 15, Title 4, Guam Code Annotated. The Twenty-Third Guam Legislature, however, enacted 2 different Chapter 15's for Title 4, Guam Code Annotated, and there are 2 sets of §§15106,15109, 15110 and 15111. This citation does not specify which Chapter 15 and related Sections are affected.

19) **Incorrect citation to Lost Book Fund.** Section 12 of Chapter IV, page 36, line 17 refers to §11126 of Title 17, Guam Code Annotated. There is no §11126 of Title 17, Guam Code Annotated. The correct citation for the Lost Book Fund is §4107 of Title 17, Guam Code Annotated.

20) **Incorrect citation to a Gambling Device Fund and repeal of Guam's criminal code prohibiting poker machine gambling.** Section 13 of Chapter IV, page 36 repeals §6420 of Title 9, Guam Code Annotated. Since there is no §6420 of Title 9, Guam Code Annotated, this reference appears to contain a typographical error, and the correct reference is §64.20 of Title 9, Guam Code Annotated. §64.20 refers to gambling, however, there is no Gambling Device Fund created in this code section which can be repealed.

The repeal of §64.20 of Title 9, Guam Code Annotated, however, will have disastrous effects. This code section prohibits importation and use of poker machines or other gambling devices, authorizes their seizure and

destruction by law enforcement agencies, and imposes a penalty of up to Five (5) years imprisonment and a fine of up to \$25,000.

The repeal of this code section is in direct contravention of the will of the people as expressed in their resounding "no" vote on Proposal B at the recent November 5, 1996 General Election. A "yes" vote on Proposal B would have authorized casino gambling. It is truly amazing that the Legislature can cause this result, due either to failure to heed the wishes of the people of Guam, or through mistakes, lack of proper research, and lack of proper preparation of legislation. It is also possible that the Legislature is trying to thwart the will of the people by sneaking in casino gambling by the "back door", after it failed with the electorate. In any event, since it is impossible to veto this section of SB 517, this flaw alone is cause for veto.

21) Incorrect citation to Customs Inspection Fund. Section 14, Chapter III, page 36, cites to a §73145 of Title 5, Guam Code Annotated. There is no such code section.

22) Incorrect citation to Off-Island Treatment Fund. Section 20 of Chapter III, page 37, makes reference to a repeal of a Section 25 of P. L. 20-220, however, Section 25 of P. L. 20-220 was amended in Section 6 of Chapter IV of Public Law 21-136. Presumably, Section 6 of Chapter IV of Public Law 21-136 would not be repealed.

23) Repeal of Group Life Insurance Program for the employees of the government of Guam. Section 23 of Chapter IV, page 38, line 10, refers to the repeal of entire §4303 of Title 4, Guam Code Annotated.

This code section makes the Group Life Insurance Program available to government employees. Section 23 makes reference to the Group Life Insurance Program Fund, however, instead of simply repealing the Group Life Insurance Program Fund, the entire personnel benefits program for life insurance for the government of Guam employees is repealed.

As background information, for a temporary time period of 60 days in 1986, the government of Guam was a self-insurer for the payment of life insurance claims, and at that time, a fund was created in Subsection (e) of §4303 of Title 4, Guam Code Annotated.

Subsections (a), (b), (c), and (d) of §4303 of Title 4, Guam Code Annotated, are necessary components of the life insurance program, and repealing them would abruptly end this benefit to government of Guam employees.

24) **Creation of new fund is inconsistent with the elimination of excess funds.** It is desirable to eliminate unnecessary funds of the government because the presence of these excess separate funds detracts from the elimination of the deficit of the government and causes unnecessary fund maintenance. The Legislature, while repealing some funds, is again creating another new fund in Section 25 of Chapter III, page 38. Repealing excess funds and simultaneously creating new funds is counterproductive.

25) **Incorrect reference to previous law.** In Section 26, Chapter III, page 39, line 17; and in Section 13 of Chapter V, page 49, line 22, the phrase "notwithstanding any other law to the contrary" is utilized as a way to authorize legislation despite the existence of some previous law. This phrase is less effective when the additional language "to the contrary" is added at the end, because, while there may be previous law which restricts the action contained in the legislation, the previous law may not be "to the contrary", so the legislative intent will fail. For example, in Section 26, Chapter III, page 39, line 17, the legislation states that senators are personally liable for overexpenditures "notwithstanding any other law to the contrary". This means that, if challenged, a court will have to determine what, or if, other law may specifically be to the contrary.

SUMMARY:

Although a rather lengthy listing of objections to SB 517 is detailed above, the main reasons for the veto of the legislation are:

- 1) The failure of the Legislature to comply with the provisions of Public Law 23-14, which mandates that the Legislature appropriate within the 95% cap by an overappropriation of approximately \$18 Million.
- 2) The lack of adequate funding for public assistance, police and fire protection for the public, and retirees payments.
- 3) The repeal of our local criminal law prohibiting poker machine casino gambling.
- 4) The repeal of the government of Guam employee benefit of life insurance.


5) Provisions that jeopardize the Customs, Agriculture and Quarantine Inspection Services Fee.

6) Unworkable transfer authority and failure to provide for prior year obligations.

Once again, the budget transmitted to the Legislature in January, 1996 was a balanced budget. Also, draft legislation transmitted on October 29, 1996 and November 12, 1996 provide mechanisms to make the Organic Act "rollover" budget balanced and workable. I hope that the Legislature will reconsider these previous proposals.

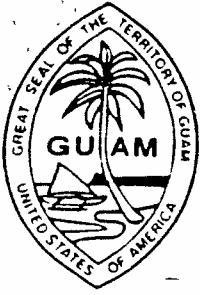
A copy has also been delivered to the Office of the Legislative Secretary.

Very truly yours,


Madeleine Z. Bordallo
Acting Governor of Guam

Attachment

231566



GOVERNMENT OF GUAM

**CIVIL SERVICE COMMISSION
KUMISION I SETBISION SIBIT**

490 Chalan Palasyo, Agana Heights
P.O. Box 3156 Agana, Guam 96910
Tel: 475-1300/01 Fax: 477-3301

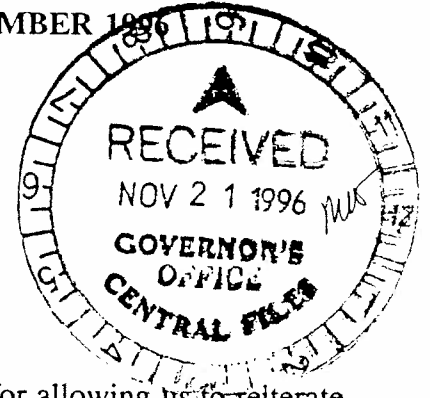


CSC NO. 97-072

21 NOVEMBER 1996

HONORABLE CARL T.C. GUTIERREZ
Governor of Guam

SUBJECT: BILL NO. 517
RE: Superior Court's Reclassification



Buenas yan Saluda Governor Gutierrez:

Hafa Adai! The Civil Service Commission would like to thank you for allowing us to reiterate our position with respect to the Budget Bill of the Superior Court of Guam.

In the interest of equity and consistency, CSC recommends you veto Bill No. 517. This budget proposal will cause disparate treatment to the secretarial/technical/para-professional and professional, and blue collar positions in the Executive Branch with respect to the methodology of evaluating and compensating these positions' "job worth" based on job content. This budget proposal will also resurrect the nightmare of the implementation of Option 1 that was effectuated on August 15, 1986 for Teachers pursuant to P.L. 18-32 §34. This was granted to all GovGuam employees because of a group of public health nurses who filed sued through the court system and won for equal implementation of Option 1.

The intent of Public Law 21-59 was to develop a sound, stable, unified, and automated classification and compensation plan for the Government of Guam. It is understood that the Superior Court of Guam is not under the jurisdiction of the Civil Service Commission. However, §6302 (b) of Public Law 21-59 states in part that the Commission and the Judicial Council are strongly encouraged to work closely in the administration of the Hay System for the sake of consistency and uniformity of results.

It is important for our Senators to understand that this unequal pay practice by the Court will ignite the following:

- Destroy internal pay equity within the Executive Branch;
- Generate serious morale problems;
- Interfere in sound pay administration;
- Violate the principle of equal-pay-for-equal-work;



Commonwealth Now!

- Violate the law for equal protection;
- Cause catch-up pay politics;
- Threaten the liquidity of the public treasury;
- Lead to a deeper deficit spending; and
- Result in unsound and destructive pay practices.
- Invitation for possible law suit by employees of GovGuam.

Our office reemphasizes that job measurement and job compensation are two different issues. **The Commission has determined that many jobs within the Superior Court are properly evaluated.** We have also realigned some jobs to preserve internal equity. This however, does not address the concerns of Superior Court employees that their jobs are improperly compensated. The Commission understands these employees' dilemma, however, the Guam Legislature and the Governor can authorize the upgrade of the Unified Pay Schedule through public law. Upgrading the Unified Pay Schedule can solve many of the government's pay policy issues. The Commission is fully aware that the Unified Pay Scale continue to lag the national average in double digits. However, current fiscal conditions dictate the government of Guam's market movement.

The Commission would like to further clarify the differences between "**RECLASSIFICATION**" and "**PAY GRADE REASSIGNMENT**"! A reclassification occurs when there are significant changes in the nature of work assigned to a position which influence the overall level of difficulty either through planned management action or gradual accretion of duties and responsibilities, or, a redetermination of the initial classification judgement without a change in duties and responsibilities. A pay grade reassignment occurs when a there has been substantial change in the duties and responsibilities, and qualification requirement of a class to warrant a change in the classification standard and in the assignment of the pay grade assigned to the class of positions. A pay grade reassignment also occurs when a position's job content has decreased or increased as a result of organizational and operational effectiveness, and a classification study is necessary to reevaluate this position and its comparable class series. Attached for your ready reference is a copy of the Commission's review of several of the Superior Court's classification standards and job evaluations. Basically, the report suggests that many of the Court's positions have not changed significantly or at all since the Hay Group's review in 1990, and that these positions should remain status quo in their assigned pay grades. Since the Superior Court's study did not identify significant changes in job content as a result of gradual accretion of duties of the Court positions, the end results consist of a pay grade reassignment. We speculate that the Superior Court attempted to exhibit that these jobs' content have increased as a result of organizational and operational impact. However, the Commission could not identify any



CSC NO. 97-072
21 NOVEMBER 1996

significant changes. Because the Court is upgrading all position pay grades, without merit or justification, and since it's merely a change in grades, the Court's study should be described as a pay grade reassignment not a reclassification study.

The Commission recommends that you forgo the Superior Court's budget with respect to **pay grade reassignments** of their employees. However, if salary adjustment is deemed necessary and still maintain internal equity, upgrading the Unified Pay Scale is recommended since this pay scale is lagging (i.e. September 1990 to present). This pay philosophy, pursuant to P.L. 21-59 could resolve the pay policy issues that are shared by all employees in GovGuam. Should the implementation of the Superior Court's pay grade reassignment materialize, it could cost the government as much as \$65 Million.

In short, please be mindful that pay grade discrepancies that are not carefully conceived may be inconsistent with other GovGuam positions, causing pay disparities -- ultimately costing millions of dollars to the Government of Guam.

Once again, Thank You and Si Yuus Maase!

Senseramente,


Si ELOY HARA
Executive Director

cc: Board of Commissioners, CSC



Commonwealth Now!




GOVERNMENT OF GUAM
AGAÑA, GUAM

November 26, 1996

MEMORANDUM

To: Governor's Office
Attn: Mary Louise Wheeler

From: Attorney General 

Subject: Budget Bill - Interpretation of §6420 Repeal

Buenas Yan Saluda

You have asked that I provide you with an interpretation of the effect, should it become law, of a section of the Budget Bill for FY 1997 which provides:

Section 13. Repeal and reversion of Gambling Device Fund. §6420 of Title 9, Guam Code Annotated, is hereby repealed and any and all remaining balances are reverted to the General Fund. All revenue previously earmarked into this Fund shall continue to be collected and credited to the General Fund.

There are several severe difficulties with this provision. First, "§6420" is a clear typographical error, since the entire Title 9 is numbered "xx.xx" or "xxx.xx". Therefore, the only section number to which this provision could refer in Title 9 would be "§64.20." The Compiler of Laws has the power, in 1 GCA Chapter 16, to correct clear typographical errors and would do so when he published this section should it become law.

The further difficulty is that neither 9 GCA §64.20 nor any other section in Chapter 64 of Title 9 established a Gambling Device Fund or earmarked proceeds to that fund. Section 64.20 actually defined gambling devices and makes it a felony to import them in to Guam or manufacture them in Guam. The effect of the repeal of 9 GCA §64.20 would be to decriminalize the importation of gambling devices and their manufacture in Guam, and confuse the remainder of the Chapter, since other sections within this Chapter rely on the definition contained in §64.20.

At this short notice, I am unable to do case research on what a court would do when faced with the interpretation of such a repeal. Considering that this section is a criminal section, clearly the interpretation would favor those against whom the law was to be applied, and uncertainty in criminal

laws rises to a constitutional failure. However, it is also clear that the repeal in no way affects any Gambling Device Fund, since none was ever created by this Chapter of Title 9. So, there is a chance that the court would look to the repeal and declare that it has no effect upon the real §64.20. This route, however, is by no means certain and you should not rely upon this possibility when the Governor determines what to do with this Bill.

There was once such a Gambling Device Fund, created by P.L. 18-7:12 as Government Code §19200.5. That section was codified as 11 GCA §22209 before its repeal by P.L. 19-24:6. Thus the Gambling Device Fund has been repealed for about six years. If the fund is carried on the books and has any money in it, then it should be treated as are other funds whose authorization has been repealed without any direction as to the disposition of the money.

So, there is no Gambling Device Fund in law to repeal. It appears that the section is more than a mere numbering typographical error since no such Fund ever did exist in Title 9 and the fund that was created was placed in a different part of the Guam Code Annotated, and then was repealed.

Dankolo Na Agradesimento - Thank you very much.

By:

Charles H. Troutman
CHARLES H. TROUTMAN
Compiler of Laws



OFFICE OF THE GOVERNOR
TERRITORY OF GUAM

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By	<u>J. Leejin</u>
Time	<u>5:00 pm</u>
Date	<u>11/27/96</u>

NOV 27 1996


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

Dear Madame Legislative Secretary:

Enclosed please find a copy of Governor's message and a copy of Substitute Bill No. 517 (LS), "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS", which I have vetoed.

The originals have been delivered to the Office of the Speaker.

Very truly yours,


Madeleine Z. Bordallo
Acting Governor of Guam

Attachments

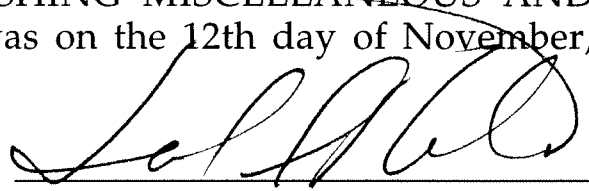
231567 -
SAME AS 231566

(for file purpose only)

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

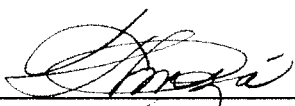
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 517 (LS), "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS," was on the 12th day of November, 1996, duly and regularly passed.



TED S. NELSON
Acting Speaker

Attested:



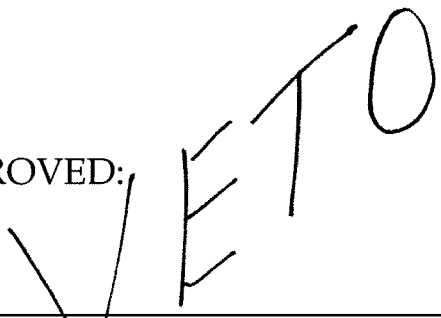
JUDITH WON PAT-BORJA
Senator and Legislative Secretary

This Act was received by the Governor this 15th day of November, 1996, at 3:50 o'clock P.M.



Assistant Staff Officer
Governor's Office

APPROVED:



MADELEINE Z. BORDALLO
Acting Governor of Guam

Date: _____

Public Law No. _____

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

Bill No. 517 (LS)

As substituted by the Committee on Ways & Means
and further substituted by the Committee of the Whole

T. S. Nelson
S. L. Orsini
T. C. Ada

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

Committee on Rules, At the
Request of the Governor in
accordance with the
Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE
OPERATIONS OF THE EXECUTIVE BRANCH OF
THE GOVERNMENT OF GUAM FOR FISCAL YEAR
ENDING SEPTEMBER 30, 1997 AND MAKING

OTHER APPROPRIATIONS, AND ESTABLISHING
MISCELLANEOUS AND ADMINISTRATIVE
PROVISIONS.

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

2 **CHAPTER 1**

3 **GENERAL PROVISIONS**

4 **Section 1. Short Title.** This Act may be known as the "General Appropriation
5 Act of 1997." Except as otherwise provided in this Act, the appropriations made by
6 this Act shall be available to pay for obligations incurred on or after October 1, 1996
7 but no later than September 30, 1997. In the event that any appropriation of this Act
8 is found contrary to federal law, all portions not so found shall remain valid.

9 **Section 2. Estimated Revenues.** The Legislature adopts the following as its
10 revenue forecast for Fiscal Year 1997:

11 I. GENERAL FUND REVENUES	<u>AMOUNT</u>
12 A. TAXES	
13 Income Tax (Corporate and Individual)	\$297,230,000
14 Federal Income Tax Collection	
15 (Section 30 Funds)	\$ 33,250,000
16 Gross Receipts Tax	\$188,799,000
17 Other Taxes	\$ <u>4,400,000</u>
18 *Real Estate Taxes	
19 *(For information purposes only and not an appropriation)	
20 TOTAL TAXES	\$523,679,000
21 B. FEDERAL SOURCES	\$ 5,720,000
22 Immigrant Fees, National School Lunch/Breakfast	
23 Program and Indirect Cost	
24 C. USE OF MONEY AND PROPERTY	\$ 1,510,000

1	Interest earned on accounts	
2	D. LICENSES, FEES & PERMITS	\$ 4,400,000
3	Business Licenses, Weights and	
4	Measures Fees and Others	
5	E. DEPARTMENT CHARGES	\$ <u>3,980,000</u>
6	Education, Public Health, Agriculture and Others	
7	TOTAL GENERAL FUND REVENUE	\$539,289,000
8	II. SPECIAL FUND REVENUE	
9	A. Abandoned Vehicle and Streetlight Fund	\$ 1,530,000
10	B. Customs, Agricultural and Quarantine User Fund	\$ 9,085,876
11	C. Guam Contractors License Board Fund	\$ 455,000
12	D. Housing Revolving Fund	\$ 600,000
13	E. Land Survey Revolving Fund	\$ 234,000
14	F. Parks Fund	\$ 134,000
15	G. Professional Engineers, Architects and	
16	Land Surveyors Board Fund	\$ 200,000
17	H. Guam Waterworks Authority Fund	\$31,130,000
18	I. Special Surplus Property Fund	\$ 50,000
19	J. Tourist Attraction Fund	<u>\$24,071,922</u>
20	TOTAL SPECIAL FUND REVENUE	\$66,360,798
21	III. FEDERAL MATCHING GRANTS-IN-AID REVENUES	
22	Federal Grants-In-Aid Requiring Local Match:	
23	A. Agriculture	\$ 393,653
24	B. Guam Council on the Arts and	
25	Humanities Agency	\$ 201,000
26	C. Guam Environmental Protection Agency	\$ 2,191,804
27	D. Labor	\$ 84,328

1	E.	Law	\$ 1,999,829
2	F.	Library	\$ 76,096
3	G.	Military Affairs	\$ 706,401
4	H.	Office of Civil Defense	\$ 199,999
5	I.	Public Health and Social Services	\$ 12,996,044
6	J.	University of Guam	\$ 1,370,000
7	K.	Vocational Rehabilitation	<u>\$ 1,937,597</u>
8		TOTAL FEDERAL MATCHING	
9		GRANTS-IN-AID REVENUE	\$ 22,156,751
10		REVENUE SUMMARY:	
11		TOTAL GENERAL FUND REVENUE	\$539,289,000
12		TOTAL SPECIAL FUND REVENUE	\$ 66,360,798
13		TOTAL FEDERAL MATCHING	
14		GRANTS-IN-AID REVENUE	<u>\$ 22,156,751</u>
15		GRAND TOTAL	\$627,806,549

16 **Section 3.** The following are estimated receipts for One Hundred Percent
17 (100%) federal grants-in-aid:

18	A.	Agriculture	\$ 1,299,000
19	B.	Agency for Human Resources Development	\$ 1,031,546
20	C.	Bureau of Planning	\$ 1,702,000
21	D.	Education	\$ 22,813,412
22	E.	Guam Community College	\$ 1,660,080
23	F.	Guam Public Library	\$ 20,731
24	G.	Guam Energy Office	\$ 115,000
25	H.	Guam Police	\$ 186,109
26	I.	Guam Mass Transit Authority	\$ 336,720
27	J.	Guam Occupational Information	

1	Coordinating Committee	\$ 87,920
2	K. Labor	\$ 1,679,879
3	L. Military Affairs	\$ 199,000
4	M. Mental Health and Substance Abuse	\$ 884,958
5	N. Office of Civil Defense	\$ 489,185
6	O. Office of the Governor	\$ 779,569
7	P. Parks and Recreation	\$ 245,000
8	Q. Public Health and Social Services	\$ 27,609,436
9	R. Public Works	\$ 332,098
10	S. Revenue and Taxation	\$ 240,325
11	T. State Council on Vocational Education	\$ 60,000
12	U. University of Guam	\$ 4,413,528
13	V. Vocational Rehabilitation	\$ 136,784
14	W. Youth Affairs	\$ <u>223,917</u>
15	SUBTOTAL	\$ 66,546,197
16	TOTAL FEDERAL GRANTS	\$ 88,702,948
17	GRAND TOTAL ALL FUNDS	\$694,352,746

18 **Section 4.** The following are continuing appropriations/bond payments:

19 A. **1994 GENERAL OBLIGATION BOND** \$14,552,088

20 (P.L. 22-138, Income Tax Refund, Section 30 Pledged
21 and FY 1999 Final Year)

22 **GRAND TOTAL** **\$14,552,088**

23 **Section 5. Definitions.** The following definitions shall apply to this Act.

24 (a) **“Capital Outlay”** includes:

25 (1) equipment such as loader trucks, tractors, trailers,
26 automobiles or other vehicles; machinery; reference books; filing
27 cabinets, typewriters, adding and calculating machines, other business

1 machines and office equipment; and tools, implements and
2 instruments which may be used continuously without material change
3 in physical condition and must have a useful life of one (1) year or
4 longer and cost not less than Five Hundred Dollars (\$500);

5 (2) repair, remodeling or alteration of a building or replacement
6 thereof and the replacement and renewal of plumbing, wiring, and air
7 conditioning systems costing more than Fifteen Thousand Dollars
8 (\$15,000). Capital Outlay does not include normal maintenance
9 expenditures;

10 (3) construction of an entirely new building, including the
11 materials and labor either supplied by an agency of the government or
12 supplied by contract; and

13 (4) non-structural improvements to buildings, the grading,
14 leveling, drainage and landscaping of land or the construction of
15 roadways, fences, ditches, or sanitary or storm sewers.

16 (b) "Contingency" means expenditure for unbudgeted items.

17 (c) "Contractual Services" include:

18 (1) services rendered or performed by businesses, other
19 government agencies or individuals other than expenses for personnel
20 services;

21 (2) current services or charges for rental of personal property,
22 insurance premiums (not employee benefits), dues, paid subscriptions,
23 and other fixed charges; and

24 (3) telex and other forms of communication except telephone
25 and facsimile.

26 (d) "Equipment" means items having a purchase price of Five
27 Hundred Dollars (\$500) or less.

1 (e) **“Encumbrances”** means commitments related to unperformed
2 (executory) contracts for goods and services and are generally evidenced by
3 outstanding purchase orders, contracts, and interdepartmental work requests.
4 Encumbrances reported at year end are reported as reservation of fund
5 balance since they do not constitute expenditures or liabilities.

6 (f) **“Expenditures”** means all amounts of money, other than
7 refunds authorized by law, paid out or encumbered for payment by a
8 territorial agency other than for investment securities or as agent or trustee
9 for other governmental entities or private persons.

10 (g) **“Federal Funds”** means payment by the United States
11 Government to the territorial government or agencies for specific purposes or
12 in lieu of taxes, including grants, reimbursements, and payments made in
13 accordance with contracts but does not include payments pursuant to Section
14 30 of the Organic Act of Guam.

15 (h) **“Full Time Equivalency”** or **“FTE”** means the equivalent of one
16 (1) permanent position continuously filled for two thousand eighty (2,080)
17 hours per year commencing October 1, 1996.

18 (i) **“General Fund”** means that Fund as defined by §21110 of Title 5,
19 Guam Code Annotated.

20 (j) **“Office Space Rental”** means payments to an entity for rental of
21 office space and may include the cost maintenance, power, and other utility
22 expenses.

23 (k) **“Match”** means direct cost sharing or in-kind General Fund
24 support required as a conditions for acceptance for federal funds.

25 (l) **“Special Fund”** means revenue available to territorial agencies
26 from sources other than the General Fund and Federal Funds.

27 (m) **“Personnel Services”** includes:

1 (1) salaries and wages payable to persons employed by the
2 government; and

3 (2) the government's contributions to the Government of Guam
4 Retirement Fund and the employer's contribution under the Federal
5 Insurance Contribution Act; and

6 (3) the government's contributions for health, dental, and life
7 insurance plans.

8 (n) **"Power"** includes all expenses incurred for the use of electricity
9 or liquid propane gas, propane, or butane gas.

10 (o) **"Revenue"** means all amounts received by a territorial agency
11 from sources external to that agency , net of refunds and other correcting
12 transactions, other than from issue of debt liquidation of investment or as
13 agent or trustee for other governmental agents, entities, or private persons.

14 (p) **"Supplies and Materials"** means materials which by their nature
15 are consumable, which have useful lifetime of less than one (1) year, and
16 which after use, undergo an impairment or a material change in physical
17 condition.

18 (q) **"Telephone"** includes all charges for telephone and cellular
19 telephone services.

20 (r) **"Territorial Agency"** means any office, department, institution,
21 board, bureau, commission, council, authority, branch, or committee of
22 territorial government which receives funding pursuant to this Act.

23 (s) **"Toll Calls"** includes all charges for long distances telephone
24 calls and facsimile.

25 (t) **"Travel and Transportation"** means off-island travel expenses
26 and local mileage reimbursement in accordance with the laws of Guam.

1 the Two Lovers' Point Jogging/Biking Trail, is conditional, based upon transmittal
2 to the Legislature's Committee on Tourism & Transportation of written approval of
3 the project by the private property owners so affected.

4 **Section 27. Appropriation for Dedication of Adelup Ricardo J. Bordallo**
5 **Governor's Complex.** Fifteen Thousand Dollars (\$15,000) are appropriated from the
6 General Fund to the Department of Administration to pay for expenses for the
7 dedication of the Ricardo J. Bordallo Governor's Complex on December 11, 1996. All
8 funds unexpended therefrom shall be reimbursed to the General Fund.

9 **Section 28. Appropriation for Paratransit Services.** The sum of Seven
10 Hundred Five Thousand Dollars (\$705,000) are appropriated from the surplus of the
11 Territorial Highway Fund to the Guam Mass Transit Authority for the purpose of
12 buying or leasing buses or vans for Paratransit services.

13 **Section 29. Appropriation for the South Pacific Games Commission.** The
14 sum of Two Hundred Eighty-five Thousand Three Hundred Twenty-seven Dollars
15 (\$285,327) are appropriated from the General Fund to the South Pacific Games
16 Commission.

17 **Section 30. Legislative Operations Fund. (a) Operations.** Three Million
18 Three Hundred Thirty-six Thousand Nine Hundred Twenty-seven Dollars
19 (\$3,336,927) are appropriated from the General Fund to the Legislative Operations
20 Fund to fund the operations of the 23rd Guam Legislature for the first quarter of
21 Fiscal Year 1997 plus the period January 1996 through 4 January 1997. This sum
22 shall be allocated as approved by the Committee on Rules at its meeting of
23 September 4, 1996. Any remaining balances from previous appropriations and
24 approved allocations shall continue to be available in Fiscal Year 1997.

25 **(b) Lump Sum Appropriation to the Legislature.** One Million Seven
26 Hundred Thousand Dollars (\$1,700,000) are appropriated from the General Fund to
27 the Legislative Operations Fund for the sole purpose of making lump sum

1 payments of accrued annual leave and the employer's contribution for retirement
2 for those eligible employees and members. This appropriation shall be made
3 available upon written request from the Legislature, but shall not be released prior
4 to December 1, 1996. After all accrued annual leave claims have been paid, any
5 remaining balance shall continue to be available for expenditure by the Legislature
6 upon approval by the Committee on Rules."

7 **Section 31. Legislative Operations Fund.** Ten Million Ten Thousand Seven
8 Hundred Eighty-two Dollars (\$10,010,782) are appropriated from the General Fund to
9 the Legislative Operations Fund to fund the operations of the 24th Guam
10 Legislature for the period January 5, 1997 through September 30, 1997 of Fiscal Year
11 1997. Any remaining balances from previous appropriations shall continue to be
12 available in Fiscal Year 1997.

13 **Section 32.** A new subsection (f) is added to Section 1202 of Title 5, Guam
14 Code Annotated, to read:

15 "(f) The life of the Council shall not extend beyond March 30, 1997,
16 unless the Council shall submit the I Tano'ta Plan to the Legislature for
17 action prior to that date.

18 Upon the termination of the Council, the remaining Council funds,
19 as well as assets, equipment, copyrights, and any existing positions shall
20 automatically be transferred to the Bureau of Planning."

21 **Section 33. Lump Sum Appropriation to the Mayors' Council.** Four
22 Hundred Eighty-Three Thousand Five Hundred Ninety-four Dollars (\$483,594) are
23 appropriated from the General Fund to the Mayors' Council for the sole purpose of
24 making lump sum payments of accrued annual leave and the employer's
25 contribution for retirement for those eligible employees and members. This
26 appropriation shall be made available upon written request from the Mayors'
27 Council, but shall not be released prior to December 1, 1996.

1 **Section 34. Appropriation for the Catastrophic Illness Assistance**
2 **Program.** One Million Dollars (\$1,000,000) is appropriated from the General Fund
3 to the Catastrophic Illness Assistance Program within the Department of Public
4 Health & Social Services. Notwithstanding any other provision of law, any lapsed
5 funds from the Department of Public Health & Social Services Fiscal Year 1996
6 appropriation for the Catastrophic Illness Assistance Program shall continue to
7 remain available until expended. Notwithstanding any other provision of law or
8 this Act, the appropriations in this Section shall not be subject to the Governor's
9 transfer authority.

10 **Section 35. Appropriation to the Judicial Council of Guam.** Two Hundred
11 Forty-one Thousand Nine Hundred Twenty-seven Dollars (\$241,927) are
12 appropriated from the General Fund to the Judicial Council of Guam for the
13 purpose of funding current retired Judges' annuities.

14 **Section 36. Appropriation to the Department of Education for**
15 **Textbooks.** The sum of Four Million Dollars (\$4,000,000) is hereby appropriated
16 from FY 1998 revenues of the General Fund to the Department of Education to
17 purchase textbooks for the school year 1998-1999. Said funds shall be appropriated in
18 advance in preparation for the opening of the 1998-99 School Year. A portion of this
19 sum shall be allocated to the thirty-six (36) school libraries using the formula of Six
20 Thousand Dollars (\$6,000) per school or Fifteen Dollars (\$15.00) per student enrolled
21 in the respective school, whichever amount is greater.

CHAPTER IV

Miscellaneous Provisions

1 **Section 1. Komitea Para Tiyan.** Continuing authorization of Komitea Para
2 Tiyan as an informal caretaker of the former Naval Air Station (NAS), Guam as
3 authorized under Executive Order 95-02.

4 (a) The Komitea Para Tiyan is authorized a maximum of seventy-two
5 (72) full time equivalent positions.

6 (b) The Komitea Para Tiyan is authorized to charge rent and fees for
7 the use of facilities at NAS except the Department of Education facilities, gym
8 and theater, and to deposit such funds in the Tiyan Revolving Fund of the
9 Government of Guam and shall not be exempted from the provisions of the
10 AAL.

11 (c) The final and/or revised Tiyan Reuse Plan must be submitted to
12 the Legislature for approval and review before it is submitted to the U.S.
13 Department of Defense and Housing and Urban Development. The
14 Legislature must approve the disposition and allocation of lands depicted in
15 the Reuse Plan.

16 **Section 2. Amendment to Guam Finance Commission duties.** A new
17 subsection (c) is added to §4103 of Chapter 4 of Title 11, Guam Code Annotated, to
18 read:

19 “(c) The Guam Finance Commission shall not take on additional
20 duties and responsibilities beyond those identified in subsections (a) and (b)
21 until such time as the Commission has forwarded proposed tax legislation to
22 the Legislature, the legislation has been passed, and a new tax code is adopted
23 for use.”

1 **Section 3. Increment(s) to be included in calculating retirement annuity.**

2 Any government of Guam Employee who elects to apply for retirement shall be
3 authorized to add in the increment(s) which such employee would have received if
4 the freeze mandated by Public Law 23-14 had not been in effect. For purposes of this
5 section, the government of Guam Salary and Increment Schedule shall be the basis
6 for determining the amount of the increment(s) to be used for computation. The
7 employee shall pay to the Retirement Fund the employer's and employee's
8 contribution on the salary increment.

9 **Section 4. Government Contribution Rate.** Based upon the most recent
10 actuarial valuation of the contribution rates to be assessed to meet both the Normal
11 costs and the Unfunded Liability Amortization costs in Fiscal Year 1997, the
12 government of Guam contribution rate to the Retirement Fund shall be eighteen
13 and sixty hundredths percent (18.60%).

14 **Section 5. Repeal of Fees Established by Rules and Regulations for the**
15 **services provided by the Department of Revenue and Taxation.** The fee schedule,
16 established by rules and regulations, for the services provided by the Department of
17 Revenue and Taxation and as submitted by the Governor to the Legislature on
18 November 9, 1995, is hereby repealed, with the exception of the streetlight fee of 16
19 GCA §7161. The fees previously charged by the Department of Revenue and
20 Taxation are reinstated in their place.

21 **Section 6. A new subsection (f) is added to §15106 of Chapter 15, Title 4,**
22 **Guam Code Annotated, to read:**

23 “(f) Scholarship recipients shall maintain an overall grade point
24 average of 2.5 for undergraduate students and 3.0 for graduate students.”

25 **Section 7. §15109 of Chapter 15, Title 4, Guam Code Annotated, is repealed**
26 **and reenacted to read:**

1 “§15109. **Administration.** The Program shall be administered by the Chair of
2 the Department of Public Administration and Legal Studies to include program
3 budgeting, compensation, staffing implementation of policies and procedures and
4 other duties and responsibilities of program management.”

5 **Section 8. §15110 of Chapter 15, Title 4, Guam Code Annotated, is repealed**
6 **and reenacted to read:**

7 “§15110. **Support and Budgeting.** (1) The College of Business and Public
8 Administration, University of Guam, shall provide the logistics, office space and
9 other needed support to assist the Chair of the Department of Public Administration
10 and Legal Studies in the administration of the Pedro “Doc” Sanchez Scholarship
11 Program for Career Employees of the government of Guam (“the Program”). The
12 Chair of the Department of Public Administration and Legal Studies shall reflect the
13 financial and other material needs to cover these costs and the costs of the
14 scholarships to be awarded in the yearly Departmental budget request of the College
15 of Business and Public Administration, University of Guam and shall submit the
16 same to the Legislature via the University of Guam. The budget request shall also
17 include the projected monies needed for tuition, fees and textbooks of the
18 scholarship recipients, and the personnel costs for the administrative daily
19 oversight of the Program.

20 In order to keep the administrative costs to a minimum, the Chair of the
21 Department of Public Administration and Legal Studies shall select a person
22 knowledgeable about this program to appoint to the position of program
23 coordinator in the classified service of the government of Guam. The program
24 coordinator shall manage the daily oversight of the Program. The general
25 responsibilities of the program coordinator, under the direct supervision of the
26 Chair of the Department of Public Administration and Legal Studies, shall be to

1 plan, develop, implement and manage the Pedro "Doc" Sanchez Professional
2 Scholarship for Career Employees of the government of Guam.

3 There is hereby created the position of Program Coordinator in the classified
4 service of the government of Guam.

5 (2) Based on the established criteria of the various academic undergraduate
6 degree programs at the College of Business and Public Administration, University of
7 Guam, the Chair and faculty of the Department of Public Administration and Legal
8 Studies shall interview, select and award scholarships to eligible applicants of the
9 Pedro "Doc" Sanchez Professional Scholarship for Career Employees of the
10 government of Guam. Successful scholarship applicants may major in any
11 undergraduate degree program including Public Administration, offered at the
12 College of Business and Public Administration, University of Guam, but must
13 pursue a minor in Public Administration if they choose not to major in Public
14 Administration.

15 (3) The Chair and faculty of the Department of Public Administration and
16 Legal Studies at the College of Business and Public Administration, University of
17 Guam, with the assistance of other academic unit Chairs of the College of Business
18 and Public Administration, shall periodically make an assessment of the
19 professional staffing needs of the Government of Guam and the Judiciary and assess
20 the adequacy and up to dateness of the professional undergraduate degree programs
21 of the College of Business and Public Administration, University of Guam, to the
22 President of the University of Guam and to the Board of Regents of the University
23 of Guam.

24 (4) The Chair and faculty of the Department Public Administration and Legal
25 Studies, with the support of the College of business and Public Administration,
26 University of Guam, shall do any and all necessary to properly carry out the intent

1 and purposes of the Pedro "Doc" Sanchez Professional Scholarship of Career
2 Employees of the Government of Guam."

3 **Section 9. §15111 of Chapter 15, Title 4, Guam Code Annotated, is repealed**
4 **and reenacted to read:**

5 "§15111. **No disruption of government service.** The Director of the agency or
6 department whose employee has been awarded a scholarship under this law shall
7 balance the need to support the scholarship recipients in the minimum number of
8 six (6) credit hours as required by the program per semester to enable the recipient to
9 graduate within seven (7) years for an undergraduate degree or four (4) years for a
10 graduate degree and the need to ensure that the agency's or department's operations
11 are not hindered and that government service to the public is not impaired due to
12 the recipient's absence from work because of class schedules.

13 In balancing these needs, the Director shall have the discretion to approve or
14 disapprove the employee's class schedule, or to limit the number of credit hours
15 enrolled per semester, provided that a written justification is made by the Director
16 concerning the critical need of services by the employee and that government
17 service to the public will be hindered or substantially impaired if the employee's
18 proposed class schedule be approved. The Director shall exercise his or her
19 discretion in good faith and not unreasonably disapprove or limit employees
20 proposed class schedule unless good cause is shown."

21 **Section 10. Amendment.** Section 6(e) of Public Law 23-14, as amended by
22 Section 29 of Chapter IV of Public Law 23-45, is amended to read:

23 "Section 6(e). Immediate Freeze on Salary Increments and Merit
24 Bonuses. Effective October 1, 1995, there is hereby put into effect a
25 comprehensive freeze on payment of all salary increments and merit bonuses
26 which will remain in effect for Fiscal Year 1996 applicable to all full-time
27 positions within each branch of government, public corporations, all

1 government of Guam departments, bureaus, and agencies, instrumentalities,
2 entities or sub-entities of the Executive, Legislative, or Judicial branches, the
3 Mayors' Council, and Mayor's Offices. All personnel performance
4 evaluations, for purposes of determining salary increments shall continue as
5 prescribed without compensation. A completed performance evaluation with
6 a satisfactory rating shall be necessary for determining step increases. The
7 merit bonus program is frozen for Fiscal Year 1996. Effective October 1, 1996,
8 all salary increments will resume in full force and effect, with no retroactive
9 payment for the period of this freeze.

10 This Section does not, and is not intended to, affect or apply to the
11 terms of the bond contract, nor is it intended to effect a technical default
12 thereon."

13 **Section 11. Community Development Fund Use Option.** For Fiscal Year
14 1997 only, each Mayor may decide to expend funds appropriated from the
15 Community Development Fund for "Personnel Services", for "Contractual
16 Services", or for a combination thereof.

17 **Section 12. Repeal and reversion of Lost Book Fund.** §11126 of Title 17,
18 Guam Code Annotated, is hereby repealed and any and all remaining balances are
19 reverted to the General Fund. All revenue previously earmarked into this Fund
20 shall continue to be collected and credited to the General Fund.

21 **Section 13. Repeal and reversion of Gambling Device Fund.** §6420 of Title 9,
22 Guam Code Annotated, is hereby repealed and any and all remaining balances are
23 reverted to the General Fund. All revenue previously earmarked into this Fund
24 shall continue to be collected and credited to the General Fund.

25 **Section 14. Repeal and reversion of Customs Inspection Fund.** §73145 of
26 Title 5, Guam Code Annotated, is hereby repealed and any and all remaining

1 balances are reverted to the General Fund. All revenue previously earmarked into
2 this Fund shall continue to be collected and credited to the General Fund.

3 **Section 15. Repeal and reversion of the Council on the Arts and the**
4 **Humanities Off-Island Educational, Training and Cultural Enhancement Fund.**

5 Section 2 of P.L. 22-060 is hereby repealed and any and all remaining balances are
6 reverted to the General Fund. All revenue previously earmarked into this Fund
7 shall continue to be collected and credited to the General Fund.

8 **Section 16. Repeal and reversion of Ocean Freight Legal Fund.** Section 51 of
9 P.L. 22-221 is hereby repealed and any and all remaining balances are reverted to the

10 General Fund. All revenue previously earmarked into this Fund shall continue to
11 be collected and credited to the General Fund.

12 **Section 17. Repeal and reversion of Instructional Personnel Fund.** Section
13 35 of P.L. 18-33 is hereby repealed and any and all remaining balances are reverted to

14 the General Fund. All revenue previously earmarked into this Fund shall continue
15 to be collected and credited to the General Fund.

16 **Section 18. Repeal and reversion of Option I Retro Fund.** Section 5 of P.L. 20-
17 65 is hereby repealed and any and all remaining balances are reverted to the General

18 Fund. All revenue previously earmarked into this Fund shall continue to be
19 collected and credited to the General Fund.

20 **Section 19. Repeal and reversion of Hazardous Substance Fund.** §32117 of
21 Title 10, Guam Code Annotated, is hereby repealed and any and all remaining

22 balances are reverted to the General Fund. All revenue previously earmarked into
23 this Fund shall continue to be collected and credited to the General Fund.

24 **Section 20. Repeal and reversion of Off-island Treatment Fund.** Section 25
25 of P.L. 20-220 is hereby repealed and any and all remaining balances are reverted to

26 the General Fund. All revenue previously earmarked into this Fund shall continue
27 to be collected and credited to the General Fund.

1 **Section 21. Repeal and reversion of Abandoned Vessel Fund.** §69110 of Title
2 10, Guam Code Annotated, is hereby repealed and any and all remaining balances
3 are reverted to the General Fund. All revenue previously earmarked into this Fund
4 shall continue to be collected and credited to the General Fund.

5 **Section 22. Repeal and reversion of PCB Recovery Fund.** Section 3 of P.L.
6 20-032 is hereby repealed and any and all remaining balances are reverted to the
7 General Fund. All revenue previously earmarked into this Fund shall continue to
8 be collected and credited to the General Fund.

9 **Section 23. Repeal and reversion of Group Life Insurance Program Fund.**
10 §4303 of Title 4, Guam Code Annotated, is hereby repealed and any and all
11 remaining balances are reverted to the General Fund. All revenue previously
12 earmarked into this Fund shall continue to be collected and credited to the General
13 Fund.

14 **Section 24. Effective Date.** The repeal of the Special Funds listed in Sections
15 14 through 23 and the reversion of the remaining balances to the identified fund
16 shall take effect on October 2, 1996.

17 **Section 25. Creation of Village Streets Fund.** A new subsection (k) is added
18 to 5 GCA §1504 to read:

19 **"(k) Village Streets Fund.** (1) There is hereby created, separate and apart from
20 other funds of the government of Guam, a fund known as the Village Streets Fund
21 (hereinafter "VSF"). The VSF shall be used exclusively for the purposes of payment
22 to vendors for village road planning, design, construction, reconstruction,
23 improvement, repair and maintenance services, the acquisition of rights of way, or
24 to service debt payments of revenue bond which may be issued to fund the
25 construction, repair and maintenance of secondary and tertiary roads.

26 (2) Notwithstanding any other provision of law, fifty percent (50%) of all
27 monies in the Surplus Fund of the Limited Obligation Highway Bonds, Series 1992

1 A Debt Service Fund on the fifth day of each month shall be paid by the Depository
2 to the VSF. Accounting procedures for the funds shall be prescribed by the Director
3 of Administration and suitable reserves shall be maintained for tax drawbacks
4 under this Article which shall be paid from the Fund.

5 (3) The monies deposited in the VSF shall be expended only after
6 appropriation by the Legislature, and upon submission of vouchers as certified by
7 the Director of Public Works for those purposes allowed in the VSF."

8 (4) Notwithstanding any other provision of law, the Governor may not use
9 his transfer authority to utilize any monies deposited in the VSF.

10 (5) Notwithstanding the general provisions of §22406 of Title 5 GCA which
11 requires that unused and de-appropriated funds revert to the General Fund, or any
12 other provision of Guam law to the contrary, all de-appropriated or unused funds
13 appropriated from the VSF shall, in all circumstances, be returned to the VSF and
14 not the General Fund."

15 **Section 26. Personal Liability for Senator's Overexpenditure.** A new
16 subsection (e) is added to 2 GCA §1121 to read:

17 "(e) Notwithstanding any provision of law to the contrary, any member of
18 the Legislature who, after audit under the direction of the Legislature and
19 supervision of the Public Auditor, has been determined by 14 votes of the
20 Legislature, to have knowingly expended an amount in excess of his annual
21 allocated budget, shall be personally held liable for the reimbursement of such
22 overexpenditure."

23 **Section 27. Health Insurance payments to Guam Memorial Hospital**
24 **Authority.** §80117 is added to Chapter 80 of Title 10, Guam Code Annotated, to read:

25 "§80117. **Insurance Payments. Agreements. Deposits. Patient Treatment**
26 **Costs.**

1 In order to insure the Authority's fiscal survival, all insurance
2 companies must pay hospital charges or billings within a thirty (30) day
3 period. An interest rate of two percent (2%) per month shall be applied on
4 the unpaid charges or bill. All undisputed portions of a patient's bill must be
5 paid by the health maintenance organization or insurance carrier within a
6 thirty (30) day period from the date of billing. The disputed balance must be
7 reconciled or resolved between the hospital and insurance carrier within the
8 next sixty (60) day period.

9 The Authority and all insurance companies dealing with the hospital
10 shall have written payment/payor agreements which shall provide the
11 Authority with advanced monthly payments to be applied from the oldest to
12 the most current account, or actual payments within thirty (30) days to cover
13 anticipated patient usage or actual patient(s) billing(s). Furthermore, all
14 insurance companies must have written payment/payor agreements within
15 one hundred eighty (180) days of the enactment of this Act.

16 In addition, insurance companies must pay for any and all reasonable,
17 medically required services ordered by physicians responsible for the care and
18 treatment of the patient, provided that the service ordered is an appropriate
19 and relevant treatment modality, to the circumstances surrounding the
20 patient's care, which is generally accepted by the medical community or
21 medical specialty. If the treatment or service ordered is experimental and/or
22 a new treatment modality which is considered expensive or beyond the scope
23 of services normally covered by an insurance plan, the patient and health
24 subscriber must be informed of it so that the responsibility for assuming
25 payments can be partly shifted to the patient, with the physician's approval
26 and with the insurance company assuming responsibility for its appropriate

1 share of the treatment cost(s) as evidenced by a consent form signed by all
2 parties.

3 If an insurance company places a good faith deposit with the Authority,
4 the insurance company must identify the patients whose charges are to be
5 paid off or offset against the deposit within thirty (30) days. If the insurance
6 company fails to provide such a listing of patients, the Authority shall be
7 permitted to offset against that deposit the charges or costs incurred by
8 patients covered by such insurance companies for still unpaid treatment
9 charges or billings from the oldest to the most current account. The
10 Authority, at its discretion, is authorized as a final, last resort option, in those
11 instances where insurance companies continue to fail to comply with the
12 Authority's prompt payment policies, to refuse to accept the assignment of
13 insurance for those organizations that do not meet the Authority's policies
14 and regulations, notwithstanding any other provision of law or contract.
15 Insurance companies which habitually fail to pay their hospital bills and/or
16 also have a general reputation for non-payment to other health providers in
17 the community, shall be barred from participating in Government of Guam
18 insurance negotiations until such insurance companies clear up all their
19 unpaid bills to the degree they are deemed acceptable by the hospital
20 administrator and Board.

21 The violation of any part of §80117 shall be subject to a penalty
22 assessment of One Hundred Dollars (\$100.00) per month per account to the
23 violator which shall be assessed by the Department of Revenue and Taxation.
24 The moneys collected shall be transferred to the hospital for use in the
25 provision of indigent care.

1 **Section 28. Amendments and Additions to Certificate of Occupancy**
2 **Requirements and the Building Code. (a) Section 66303 of Title 21, Guam Code**
3 **Annotated, is amended to read:**

4 **"§66303. Same: Content.** In addition to the certification as to compliance
5 with the provisions of this Chapter, the Certificate of Occupancy shall state the
6 purposes for which the building may be used in its several parts, the maximum
7 permissible live loads on the several floors, the number of individual persons that
8 may be accommodated in the several stories, in case such number is limited by
9 provision of law or by the permit, and whether the structure is a fully concrete
10 building installed with typhoon shutters."

11 **(b) A new §67105 is added to Chapter 67 of Title 21, Guam Code Annotated,**
12 **to read:**

13 **"§67105. Concrete/Masonry Standards.** The latest editions of the Guam
14 Building Code, the American Concrete Institute and the Uniform Building Code
15 shall be accepted as the generally recognized standard for the design and
16 construction of fully concrete buildings as reviewed and certified by a registered
17 engineer or architect. Where standards are more restrictive in either the Guam
18 Building Code, the Uniform Building Code, or the American Concrete Institute for
19 plans, specification and calculations the more restrictive standard shall apply."

20 **(c) Two new definitions are added to §67411 of Title 21, Guam Code**
21 **Annotated, to read:**

22 **"Fully Concrete Building"** means a building designed and constructed in
23 accordance with reinforced concrete, reinforced masonry, reinforced concrete or
24 masonry shear walls, and reinforced concrete roof in accordance with
25 administrative provisions of the most recent edition of the Guam Building Code,
26 the Uniform Building Code and the American Concrete Institute (ACI 318)."

1 "Typhoon Shutter" means any window covering constructed of metal,
2 wood, or composite material, including, but not limited to panels, accordion panels,
3 whether hinged, track rolling, or roll-up, whether permanently attached or
4 removable, that are designed and certified by a Guam License Engineer or Architect
5 and approved by the building official as component and cladding to buildings to
6 protect windows and openings."

7 **Section 29. Amendments to Y Kuantan Salappe' Prinsepat. (a) §10102 of**
8 **Title 17, Guam Code Annotated, is amended to read:**

9 "§10102. **Creation of Y Kuantan Salappe' Prinsepat (Principal's Fund).** There
10 is created a fund to be known as the "Y Kuantan Salappe' Prinsepat", which is an
11 allocation to each public school in the amount of Fifty Dollars (\$50.00) per student
12 enrolled in each respective school, placed under the control of the principal of each
13 school who shall be the designated purchasing officer for purchases made under the
14 fund. The fund shall be used to purchase small miscellaneous items for direct
15 school maintenance and repairs and for classroom and library materials, supplies
16 and equipment in accordance with Chapter 3 of the Procurement Regulations of the
17 Department of Education."

18 **(b) §10105 of Title 17, Guam Code Annotated, is amended to read:**

19 "§10105. **Accountability of Funds.** Each principal shall be accountable for the
20 specific application of Y Kuantan Salappe' Prinsepat funds. Receipts and records of
21 the purchase of the items shall be made into a balance sheet and submitted to the
22 Director of Education on January 15, April 15, June 15 and September 30 of each year.

23 If any principal is unable to provide receipts or proof of expenditure of funds,
24 this shall subject the principal to civil or criminal penalties. The principal of each
25 school will be held personally liable for any unaccounted funds. Inability of any
26 principal to account for the expenditures of these funds, or the spending of the

1 funds for unauthorized purposes, shall be reported to the Attorney General's office
2 for disposition, and shall subject the principal to disciplinary action if warranted."

3 (c) **A new §10107 is added to Title 17, Guam Code Annotated, to read:**

4 "§10107. The amount of One Million Six Hundred Ninety-one Thousand
5 One Hundred Fifty Dollars (\$1,691,150) is hereby allotted to the fund "Y Kuantan
6 Salappe' Prinsepat", established pursuant to Section 10102 of Chapter 10, Title 17 of
7 the Government Code of Guam. Those schools with enrollments of One Hundred
8 (100) to Five Hundred (500) students will be allocated funds for Five Hundred (500)
9 students. Schools with enrollments of Five Hundred One (501) or greater will be
10 allocated funds based on actual enrollment.

11 Within the Fiscal Year 1997 Department of Education "Y Kuantan Salappe"
12 Prinsepat" budget category are funds allotted at a rate of Fifty Dollars (\$50) per
13 student with the exception of the following schools with student populations at less
14 than Five Hundred (500) which will receive a minimum of Twenty Five Thousand
15 Dollars (\$25,000) per school. These schools are as follows: F.Q. Sanchez (120);
16 Inarajan Elementary (399); Merizo Elementary (354); J.P. Torres (338); Talofoto
17 Elementary (359); and, L.B. Johnson (416) funding for Salappe' Prinsepat. The funds
18 shall be made available in two installments, payable in an amount equal to the
19 number of students officially registered at each school as reported in September and
20 February, except for schools stated above. This category, "Y Kuantan Salappe'
21 Prinsepat", shall be exempt from any administrative transfer authority granted or
22 authorized pursuant to this Act."

23 **Section 30. Teacher Personal Leave.** The Territorial Board of Education is
24 hereby authorized to convert any unused personal leave hours earned by teachers
25 during a school year to the cash value of eight (8) hours for each eight (8) hours of
26 unused personal leave, payable in lump sum at the end of the fiscal year.

1 **Section 31. Use of Chamorro Commercial Loan Fund.** Notwithstanding 12
2 GCA §75112(f) or any other provision of law, the Chamorro Land Trust Commission
3 is authorized to use any amounts currently allocated to the “Chamorro Commercial
4 Loan Fund” (DOA Account #341152101) to complete the processing of land lease
5 applications submitted in accordance with Public Law 23-38.

6 **Section 32. Amendment to Inverse Commendation filing period.** §11311.1 of
7 Title 7, Guam Code Annotated, as added by Section 9 of Public Law 22-73, is hereby
8 amended to read as follows:

9 “**§11311.1. Inverse condemnation.** Any person whose land was
10 expropriated for public purposes by the government of Guam between
11 August 1, 1950, and July 1, 1994, and who has not been compensated by the
12 government of Guam for such taking may institute an action for inverse
13 condemnation. In any taking by the government of Guam after July 1, 1994,
14 in which the government fails to follow the eminent domain provisions of
15 Title 21, Guam Code Annotated, the person whose land is taken shall have
16 four (4) years from the time of such taking to institute an action for inverse
17 condemnation. An action shall lie for the taking of a person’s fee or for lesser
18 compensable interest in the property which has been expropriated by the
19 government of Guam without according the person due process. In any
20 action for inverse condemnation in which an award is made to a person for a
21 taking, the court shall also award reasonable attorney’s fees and costs.”

CHAPTER V

Administrative Provisions

1 **Section 1. Appropriations from Guam Contractors License Board Fund and**
2 **Professional Engineers, Architects, and Land Surveyors Board Fund to revert to the**
3 **General Fund for Fiscal Year 1997.** At the end of Fiscal year 1997, any
4 unappropriated balances from the Guam Contractors License Board Fund and the
5 Professional Engineers, Architects and Land Surveyors Board Fund shall revert to
6 the General Fund.

7 **Section 2. Except those specified, at the end of Fiscal Year 1997, unexpended**
8 **or unencumbered General Fund appropriations revert to the General Fund, and**
9 **unexpended or unencumbered Tourist Attraction Fund appropriations revert to the**
10 **Tourist Attraction Fund.** Notwithstanding any other provision of law, unless
11 otherwise specified in this Act or subsequent legislation:

12 (a) **General Fund, reversion.** All unexpended or unencumbered
13 appropriations made from the General Fund pursuant to this Act for Fiscal
14 Year 1997 shall revert to the General Fund on the last day of that fiscal year;
15 and

16 (b) **Tourist Attraction Fund, reversion.** All unexpended or
17 unencumbered appropriations made in this Act for Fiscal Year 1997 from the
18 Tourist Attraction Fund shall revert to the Tourist Attraction Fund on the
19 last day of that fiscal year.

20 **Section 3. Carryover of Local and Federal Matching Programs for**
21 **grants.** The Local and Federal Matching Programs Funds for programs whose
22 expiration dates extend beyond September 30, 1997 are hereby authorized to be
23 carried over and expended through the period of the grant award.

1 **Section 4. Money reimbursed by the federal government shall be placed in**
2 **the General Fund.** Except as provided by the provisions of Public Law 22-24, if the
3 Territory expends any funds which are reimbursed by the federal government, the
4 reimbursed funds shall be placed in the General Fund upon receipt.

5 **Section 5. Authorization for departments to expend appropriated funds for**
6 **matching requirements for new federal programs.** Notwithstanding any other
7 provision of law, Departments are authorized to expend funds appropriated in this
8 Act for matching requirements of new federal programs.

9 **Section 6. Transfer authority of general government operations.** (a) The
10 Governor is authorized to transfer by Executive Order from the operating expense
11 appropriation of one territorial agency of the Executive Branch, not including the
12 Department of Education, to another territorial agency's operating expense
13 appropriation; provided, that not more than a cumulative total of five percent (5%)
14 of the appropriated funds from the current annual budget of any territorial agency
15 shall be transferred out of the territorial agency; and provided further, that notice of
16 each transfer is delivered prior to the effective date of such transfer to the Speaker of
17 the Legislature.

18 (b) The Governor is authorized to transfer by Executive Order not more than
19 five percent (5%) of an agency's funds within a territorial agency of the Executive
20 Branch; provided, that no fund shall be transferred to the territorial agency's
21 personnel expense appropriation; and provided further, that notice of each transfer
22 is delivered prior to the effective date of such transfer to the Speaker of the
23 Legislature.

24 **Section 7. Full-Time Equivalency (FTE) restrictions not applicable to the**
25 **University of Guam.** Notwithstanding any other provision of law, the Full-Time
26 Equivalency (FTE) restrictions imposed by this Act shall not be applicable to the
27 University of Guam instructional positions.

1 **Section 8. Full-Time Equivalency (FTE) restrictions not applicable to the**
2 **Guam Community College.** Notwithstanding any other provision of law, the Full-
3 Time Equivalency (FTE) restrictions imposed by this Act shall not be applicable to
4 the Guam Community College instructional positions.

5 **Section 9. Medically Indigent Program Funds available until expended.** All
6 appropriations made to the Medically Indigent Program of the Department of Public
7 Health and Social Services shall remain available until expended.

8 **Section 10. Restriction on filling of vacancies.** All Classified positions
9 funded one hundred percent (100%) by the General Fund and which are vacant as of
10 enactment of this Act, are funded at fifty percent (50%) of the total appropriation
11 allocated for their salaries and benefits. Notwithstanding the restriction in the
12 previous sentence, positions in the Department of Education which were filled at
13 the beginning of the School year by school-based instructional, principal and
14 assistant principal positions and which became vacant after the beginning of the
15 school year may be filled.

16 **Section 11. New subsections (f) and (g) are added to Section 6 of Public Law**
17 **23-14 to read:**

18 **“(f) Five Percent (5%) Reserve to be Approved.** The five percent (5%)
19 reserve of total revenues projected each fiscal year, and any available balance
20 resulting from taking the lesser of projected revenues versus actual revenues
21 collected during the previous fiscal year, cannot be expended until the list of items
22 to be retired is approved by the Legislature. These revenues shall not be available to
23 pay costs resulting from the Governor’s use of transfer authority.

24 **(g) Submission of Listing.** On or before September 1st of each fiscal year, the
25 Governor shall submit to the Legislature a listing of those items which are to be
26 reduced from the existing deficit.”

1 **Section 12. Limitation on Temporary and Limited Term Appointments. (a)**

2 **Legislative Findings.** The Legislature believes that it is in the best interest of the
3 people of Guam to attract and retain the most qualified individuals for each position
4 within the government of Guam. The Legislature finds, however, that the use of
5 temporary and limited term appointments to fill vacant permanent positions in the
6 classified service will cost the taxpayers at least Ten Million Dollars (\$10,000,000) in
7 fiscal years 1996 and 1997. Despite this cost, many of these temporary or limited term
8 hires continue to occupy their positions in contravention of the merit system. Once
9 a legitimate management tool, this practice has gained a reputation as being
10 synonymous with political patronage. The Legislature believes that this situation
11 should be corrected and these appointments should become, once again, the
12 management tool they were meant to be.

13 **(b) Restriction on Temporary or Limited Term Appointments.** Upon
14 enactment of this Act, any person who is serving, or has been given, a temporary or
15 limited term appointment shall be given up to six (6) months to qualify pursuant to
16 the merit system for the position held. At the end of the six (6) month period, all
17 limited term and temporary appointments who do not qualify for the position held,
18 shall be advised that their appointment will not be renewed. Nothing herein shall
19 be deemed to allow filling of a position without competing through the merit
20 system.

21 **Section 13. Prohibition on Changing Position Status.** Notwithstanding any
22 other law to the contrary, a position in the classified service shall not be changed to a
23 position in the unclassified service without prior legislative approval. Any person
24 employed in a position which has not received such approval shall be removed
25 from the employ of the Government.

26 **Section 14. Payment of Expenses Disallowed.** Notwithstanding any other
27 provision of law, funds appropriated to a territorial agency for its operating expenses

1 in Fiscal Year 1997, shall not be used to pay for expenses incurred by the Office of the
2 Governor.

3 **Section 15. Authorization for the Chamorro Heritage Working Group to**
4 **expend all lapses and revenues collected from the sale of Hale'-ta series books from**
5 **prior years.** The Chamorro Heritage Working Group of the Governor's Office is
6 hereby authorized to expend all revenue collected from the sale of Hale'-ta series
7 books from prior years, and all lapses from 1996 appropriations to it, for the purpose
8 of printing the Hale'-ta series books. The deadline for submitting proposed
9 legislation on the proposed Chamorro Heritage Institute shall be extended to June
10 31, 1997.

11 **Section 16. Authorization to transfer to the Guam Memorial Hospital**
12 **Authority.** Notwithstanding any other provision of law, and with the exceptions of
13 the Tourist Attraction Fund (TAF), the Government of Guam Retirement Fund,
14 and all appropriations to the Retirement Fund, the Governor is authorized to
15 transfer appropriations to and to spend or transfer money from any available fund
16 or account of the Executive Branch of government not restricted under bond
17 covenants, in the amounts not to exceed Six Million Dollars (\$6,000,000), to the
18 Guam Memorial Hospital Authority. This authority shall be exercised by Executive
19 Order. All such orders shall not be effective until the Executive Order therefore is
20 transmitted to and received by the Speaker of the Legislature. This transfer
21 authority shall expire on September 30, 1997.

22 **Section 17. Addition and subtraction of errors or inconsistencies.** If the total
23 shown for several appropriation items does not agree with the sum of the
24 individual line items, the actual mathematical sum shall prevail over the incorrect
25 total shown.

1 **Section 18.** Each territorial agency shall first apply local funds appropriated to
2 that territorial agency for its operations to federal programs requiring local matching
3 funds for receipt of federal funds.

4 **Section 19.** Upon enactment of this Act, any and all appropriations deemed
5 effective for FY 1997 pursuant to 48 U.S.C. §1423 j(b) of the Organic Act of Guam,
6 shall be hereby de-appropriated and repealed. Any sum spent, used, or encumbered
7 pursuant to the Organic Act appropriation described in this Section on or after
8 October 1, 1996, shall be charged against the respective agency's, department's, or
9 other entity's FY 1997 budgeted appropriation as established in this Act.

10 **Section 20.** The Governor shall submit to the Legislature within 45 days of
11 enactment of this Act for each division of each Department an itemized allocation
12 to be used for governing the expenditures by the Executive Branch of the
13 appropriations herein. The breakdown shall itemize the categories of personnel
14 services, capital outlay, utilities, operating expenses, and office space rental.

15 **Section 21. Severability.** If any provision of this Act or its application to any
16 person or circumstances is held invalid, the invalidity does not affect other
17 provisions or applications of this Act which can be given effect with out the invalid
18 provisions or application, and to this end the provisions of this Act are severable.

TWENTY-THIRD GUAM LEGISLATURE

1996 (SECOND) Regular Session

Date: 11/12/96

VOTING SHEET

Bill No. 517

Resolution No. _____

Question: Budget Bill - Passage of

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	ABSENT/ OUT DURING ROLL CALL
ADA, Thomas C.	✓			
AGUON, John P.	✓			
BARRETT-ANDERSON, Elizabeth	✓			
BLAZ, Anthony C.	✓			
BROWN, Joanne S.	✓			
CAMACHO, Felix P.	✓			
CHARFAUROS, Mark C	✓			
CRISTOBAL, Hope A.	✓			
FORBES, MARK	✓			
LAMORENA, Alberto C., V	✓			
LEON GUERRERO, Carlotta	✓			
LEON GUERRERO, Lou	✓			
NELSON, Ted S.	✓			
ORSINI, Sonny L.	✓	✗		
PANGELINAN, Vicente C	✓			
PARKINSON, Don				✓
SAN AGUSTIN, Joe T.	✓			
SANTOS, Angel L. G.	✓			
SANTOS, Francis E.				✓
UNPINGCO, Antonio R.	✓			
WONPAT-BORJA, Judith	✓			

TOTAL

19 0 0 2

CERTIFIED TRUE AND CORRECT:

Recording Secretary

23-128



TWENTY-THIRD
GUAM LEGISLATURE
155 Hesler St.
Agana, Guam 96910

Office of
Senator Francis E. Santos

Committee on Ways & Means
Phone: (671) 472-3414/5 Fax: (671) 477-3048

September 9, 1996

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

Dear Speaker Parkinson:

The Committee on Ways and Means, now reports its findings on **Bill No. 517 AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS** to the full legislature with the recommendation to **do pass**.

To Pass	<u>10</u>
Not To Pass	<u>0</u>
Abstain	<u>0</u>
Inactive File	<u>0</u>
Off Island	<u>0</u>
Unavailable	<u>0</u>
Report out only	<u>0</u>

Copies of the Committee Report and all pertinent documents are attached for your information.

Respectfully,

Francis E. Santos



Senator Francis E. Santos

Chairperson, Committee on Ways & Means

Phone: (671) 472-3414/5 Fax: (671) 477-3048

**TWENTY-THIRD
GUAM LEGISLATURE**
155 Hesler St.
Agana, Guam 96910

VOTING SHEET

BILL NO. 517 - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Member,
Committee on
Economic-Agricultural
Development & Insurance

Member,
Committee on
Electrical Power &
Consumer Protection

Member,
Committee on Federal
& Foreign Affairs

Member,
Committee on Rules

Member,
Committee on
Tourism & Transportation

Member,
Commission on
Self-Determination

Member,
Guam Finance Commission

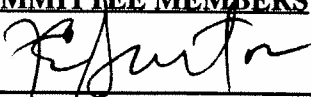
COMMITTEE MEMBERS

TO
PASS

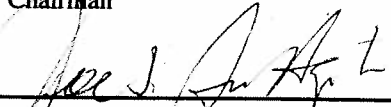
NOT
TO PASS

TO
ABSTAIN

FOR THE
PURPOSE OF
DISCUSSION



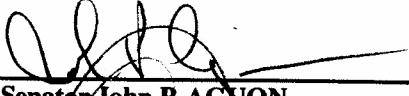
Senator Francis E. SANTOS
Chairman



Senator Joe T. SAN AGUSTIN
Vice-Chairman



Speaker Don PARKINSON
Ex-Officio Member




Senator John P. AGUON
Member



Senator Sonny L. ORSINI
Member



Senator Judith WON PAT-BORJA
Member



**Senator Elizabeth BARRETT-
ANDERSON, Member**



Senator Anthony C. BLAZ
Member



Senator Felix CAMACHO
Member



Senator Antonio R. UNPINGCO
Member

TWENTY-THIRD GUAM LEGISLATURE

**Committee on Ways and Means
Senator Francis E. Santos, Chairman**

COMMITTEE REPORT ON BILL NO. 517, "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS."

The Committee on Ways and Means conducted a series of public hearings on Bill No. 517, beginning with four (4) days and five (5) nights for the Department of Education only (see hearing advertisement). The Committee subsequently held another three (3) weeks of hearings for the various agencies, departments and instrumentalities of the Executive Branch requesting funding for Fiscal Year 1997 (see attached schedule).

COMMITTEE MEMBERS PRESENT

Throughout the many days and nights of budget hearings the following members of the Committee attended: Senator Francis E. Santos, Chairman; Senator Joe T. San Agustin, Vice Chairman; Speaker W. Don Parkinson, Ex-Officio; and members Senator Sonny L. Orsini, Judith Won Pat-Borja, Senator Elizabeth Barrett-Anderson, Senator Anthony C. Blaz, Senator Felix P. Camacho, and Senator Antonio R. Unpingco. Non-members attending the budget hearings included: Senator Thomas C. Ada, Senator Joann M.S. Brown, Senator Mark Charfauros, Senator Hope A. Cristobal, Senator Mark Forbes, Senator Carlotta Leon Guerrero, Senator Lou Leon Guerrero, Senator Ted S. Nelson, and Senator Ben Pangelinan.

TESTIMONY/QUESTIONS/COMMENTS

Each agency, department or instrumentality head was advised by letter of the date(s) for their budget hearings. They were also advised of the type of questions to be asked and the types of information to be provided to the Committee both prior to and during the hearing.

A number of requests were made for additional information in the course of each hearing. Specifically, each entity was asked to provide its most current staffing pattern, including those positions under recruitment. A copy of the most recent expenditure report was also requested from all participants. Lastly, department and agency heads were given an opportunity to designate

its priority listing of what was felt was the most-needed to the least-needed items.

Each Committee analyst spent added manhours following up on these requests until fulfilled. With very few exceptions, all requests were answered to the satisfaction of the assigned analyst and ultimately the Committee Chairman.

RECOMMENDATIONS

The Committee on Ways and Means, having conducted sufficient budget hearings and follow up meetings with the agencies, departments and instrumentalities requesting funding for Fiscal Year 1997 presents its findings with a recommendation to do pass (see attached worksheet).

Attachments to this report:

- Committee on Rules Memorandum to Committee on Ways and Means transmitting FY1997 budget request
- Committee advertisements for budget hearings
- Committee worksheet recommending budget ceiling approvals
- Letter from Governor Gutierrez Re: UOG budget ceiling
- Letter from Governor Gutierrez Re: Budget Proposals
- Letter from Acting Governor Bordallo Re: Other Budget proposals

Want quick health info? Check the Internet

Dear Ann Landers: Your column has often given readers invaluable information about how to recognize and get help for their health problems. Computers can now provide even more help. Anyone with access to the Internet can tap into the world's largest and most up-to-date collection of medical and scientific information.

The National Library of Medicine's vast database, called "Internet Grateful Med," is available on the World Wide Web. This technology will be an important tool in saving lives and cutting health-care costs. Here are some examples of what Grateful Med has done.

A Maryland woman was heartbroken after experiencing six first-trimester miscarriages. She consulted Grateful Med and discovered a way to prevent these recurrent losses. She and her husband now have a healthy 11-month-old son.

A doctor in Watertown, N.Y., was baffled when an otherwise-healthy patient became



ANN LANDERS

beet red on one side of his body and chalky white on the other whenever he exercised. Through Grateful Med, the doctor was able to read articles about an extremely rare condition called harlequin syndrome. The man has since been successfully treated for the problem and is doing well.

A physician in a remote Alaska town had a patient who could not taste or smell. The doctor ran a computer search on Grateful Med and found 20 citations that fit the woman's condition and noted that nasal allergies could be the cause. The doctor used

drug therapy to treat the allergy symptoms, and the patient regained her sense of taste and smell. — Michael E. DeBakey, M.D., Baylor College of Medicine, Houston

Dear Dr. DeBakey: Thank you for making it possible for me to alert my readers to something that could help them cope with health problems and save lives.

Your dedication and innovative approach to medicine has made you one of the admired individuals in the annals of medical history. My warm regards and thanks for everything you've done these many years for all of us.

Dear Ann Landers: You are probably plenty fed up on the subject of Christmas newsletters, but since seven months have passed, I thought it might be safe to bring it up again.

A reader who signed himself "Bah, Humbug" blamed you because he didn't get any newsletters last Christmas. He said that

you had no business discouraging people from sending them and that just because YOU thought they were either brag sheets or boring, it didn't mean everyone else felt that way.

Instead of writing to you to complain, maybe "Bah" should have written to those friends he is so concerned about. I, too, enjoy reading Christmas newsletters, but I don't wait a year to write to someone I care about. — Lori in New Orleans

Dear Lori: Thanks for the innovative defense. I owe you one.

Dear Ann Landers: If you think this is as funny as I do, go ahead and print it. — Long-time Reader in Bentonville, Ark.

Dear Ark: I do, and I will. Here it is: "I asked my Uncle Jeb why he and Aunt Tessie had so many kids. He replied, 'We lived down by the tracks. The train woke me up at 6 a.m., and I didn't have to be anywhere 'til 7.'"

'Independence' grosses \$83M for best ever 5-day opening

LOS ANGELES (AP) — *Independence Day* grossed \$83.5 million over the July Fourth holiday for the best five-day opening in film history, industry sources estimated Sunday.

Buoyed by heavy media coverage and strong word of mouth, the alien invasion thriller out-muscled Arnold Schwarzenegger's *Eraser* and other summer blockbusters and appeared to be on track to reach the \$100 million mark with record speed.

"It's right up there with the biggest pictures of all time," said Tom Sherak, the executive vice president of 20th Century Fox.

The weekend's other debut was *Phenomenon*, starring John Travolta as a man who suddenly gains superintelligence and psychic power. It opened in third place with a five-day gross of \$25 million. Eddie Murphy's *The Nutty Professor* was second with \$26.5 million over five days.

Independence Day, produced for about \$70 million, stars Will Smith, Jeff Goldblum, Bill Pullman and spectacular special effects that include the fiery destruction of major cities by invading spaceships.

Many theaters sold out. Scalpers reportedly were getting up to \$20 a ticket.

"I enjoyed it tremendously. It reminded me a lot of the *Star Trek* (and *Indiana Jones*) movies — it's a big adventure," said Gary Murphy, 41, as he left the Mann Criterion Theater in Santa Monica.

"It was rockin'," added 35-year-old Michael Carberry.

Independence Day was expected to gross \$49 million from Friday through Sunday and \$83.5 million for the period from its Wednesday debut.

The previous five-day mark was set by 1991's *Terminator 2: Judgment Day*, which sold \$52.3 million worth of tickets. The three-day record is held by last year's *Batman Forever*, which grossed \$52.8 million.

However, Sherak said that figure included a midnight and a preview screening. *Independence Day* would have beaten that mark if Fox included the more than \$11 million it grossed in Tuesday previews, he said.

MOTEL ORANGE
\$40.00 \$25.00
A DAY 3 Hours
477-4677

Capture your share of Guam's dynamic growth market. Advertise in the
Pacific Daily News

Divorce
Basic Uncontested: \$495 + costs
Uncontested with settlement agreement
Three days processing time: \$750 + costs
Agana Legal Clinic
Attorney William D. Peck
472-6472



Committee on Ways & Means Sen. Francis E. Santos, Chairman NOTICE OF PUBLIC HEARING

The public is invited to attend discussions on the following topics:
Fiscal Year 1997 Budget Request of The Department of Education's
Elementary and Secondary Schools

- Date / Time: Tuesday July 9, 1996, 6:00 p.m.
Location: Dededo Middle School
1. Upi Elementary
 2. M.A. Ulloa Elementary
 3. Wettengel Elementary
 4. Yigo Elementary
 5. Dededo Middle
 6. F. B. L. G. Middle
 7. Simon Sanchez High

- Date / Time: Thursday, July 11, 1996, 6:00 p.m.
Location: John F. Kennedy High School
1. Chief Brodie Memorial Elementary
 2. Tamuning Elementary
 3. L.B. J. Elementary
 4. P.C. Lujan Elementary
 5. Harmon Loop Elementary
 6. Firegayan Elementary
 7. J.F.K. High

- Date / Time: Monday July 15, 1996, 6:00 p.m.
Location: B. P. Carbullido Elementary
1. Agana Heights Elementary
 2. C.L. Taitano Elementary
 3. J.Q. San Miguel Elementary
 4. Ordot Chalan Pago Elementary
 5. Price Elementary
 6. B.P. Carbullido Elementary
 7. L.P. Untalan Middle

- Date / Time: Wednesday July 17, 1996, 6:00 p.m.
Location: M.U. Lujan Elementary
1. Talofoto Elementary
 2. Inarajan Elementary
 3. Inarajan Middle
 4. Inarajan High
 5. M.U. Lujan Elementary
 6. Aguada Johnston Middle
 7. George Washington High

- Date / Time: Friday July 19, 1996, 6:00 p.m.
Location: Oceanview High
1. Agat Elementary
 2. J.P. Torres Elementary
 3. H.S. Truman Elementary
 4. F.Q. Sanchez Elementary
 5. Merizo Elementary
 6. Piti Middle
 7. Oceanview High

The Southern High School Budget Request shall be heard at a later date and time.
The public is encouraged to attend.

PACIFIC DAILY NEWS, Tuesday, July 16, 1996

It's 3 a.m. and you need your pediatrician ... what do you do?

Go surfing: Parents find that Net diving can be the easiest way to get help and support

Gannett News Service
A new mother wants to breast-feed her baby but can't figure out how. A frustrated father can't get his little boy to stop biting people. A divorced mom wonders why her 12-year-old daughter wants to live with dad.

In years past, these parents might have turned to a tattered copy of Dr. Spock or walked across the street to ask a neighbor. But now they're finding answers through their computers and VCRs.

"We're a more fast-paced society," says George Ferrigno, a Primrose, N.Y., Elementary School psychologist who teaches parenting classes with the help of videos. "People need quick answers."

Parents don't read
Ferrigno says that he passes out articles in his classes, but that parents don't read them.

"At least with the video, I know they're watching it," says Ferrigno. "It's like watching TV. The videos give useful little vignettes of parents and children together. People often find that very useful. They say, 'Oh, that's me. I do that.'"

Elise Orlando, a Chappaqua, N.Y., mother, prefers going on line

"It's a tremendous resource. By going on line, it's just one other way of self-education. Most people with a child with a disability can't afford to spend five hours in the library."

— ELISE ORLANDO
mother of 3 1/2-year-old autistic boy

when she has questions about Jack, her 3 and one-half-year old autistic son. The first time she sent a query to America Online's support group, she received 50 responses.

"I was in tears," she says. "I couldn't believe there were all these nice people who took all the time to send me back their answers."

Orlando wishes she'd been on line when she found out her son was autistic.

"I did it the old-fashioned way in making hundreds of phone calls," she says. "That one call you don't make could be the answer."

Sending out one computer message — "My 2-year-old son has just been diagnosed with autism. What should I do?" — would have gotten 2,000 (responses)," she says. "I could have read through them at my leisure."

Parents like Orlando have spurred nonprofit groups and companies to create dozens of Web sites and on-line support groups that give parents a chance to read up on child-rearing techniques, share tips and track down other

resources. Some are geared for anyone with a child. Others target smaller groups, such as single dads or stay-at-home moms.

"It's a tremendous resource," Orlando says. "I only use the tip of the iceberg. By going on line, it's just one other way of self-education. Most people with a child with a disability can't afford to spend five hours in the library."

Help on CD-ROM

Software companies also are creating CD-ROMs that give parents instant medical advice via their computers. With reassuring titles like *The Family Doctor*, these encyclopedic discs can tell parents how to treat a fever or unclog a stuffed-up baby's nose at 3 a.m., when their regular pediatrician is asleep.

Of course, not everyone has a computer. But most people have a VCR. And that's spurring more companies to produce videos that show parents how to change a diaper, help a child with homework or diffuse a moody teen's anger.

□ See PARENTS, Page 29

14-20019
Committee on Ways & Means
Sen. Francis E. Santos, Chairman

NOTICE OF PUBLIC HEARING

Tuesday, July 16, 1996
Guam Legislature's
Public Hearing Room

The public is invited to attend discussions on the following topics:
9:00 a.m.

- Territorial Planning Council
- Agency for Human Resources Management
- Department of Youth Affairs
- Department of Land Management
- Bureau of Budget and Management Research

1:30 p.m.

Appointments of the following individuals:

To The
Guam Banking Board
Mr. Joseph Soriano

To The
Cockpit License Board
Vicente T. Champaco

Your views and comments are welcome.

MARK'S SPORTING GOODS
In Tamuning, across Ben Franklin, behind Mark's Motors

Summer SUPER specials

ENTIRE STOCK 20% OFF REG. PRICE

<p>LADIES' TWO-PIECE BIKINI REG. \$17.99</p> <p style="text-align: center; font-size: 2em;">6.98</p> 	<p>RUBBER BASKETBALL OR SOCCERBALL Official size. REG. \$12.99</p> <p style="text-align: center; font-size: 2em;">7.98</p> 	<p>BASKETBALL GOAL AND NET REG. \$29.99</p> <p style="text-align: center; font-size: 2em;">19.98</p> 	<p>TOP-FLITE X-OUT GOLF BALLS REG. \$17.99</p> <p style="text-align: center; font-size: 2em;">9.98 per dz.</p> 
<p>PUNCHING BAG ON WOODEN FLOOR STAND REG. \$99.99</p> <p style="text-align: center; font-size: 2em;">27.98</p> 	<p>VOIT 400 GRS GRAVITY RIDER Great for toning and burning fat for all ages. Exercises upper and lower body major muscle groups including pectorals, biceps, triceps, neck, hips and buttocks. Comes with instructional video. REG. \$199.99</p> <p style="text-align: center; font-size: 2em;">179.98</p> 	<p>10" TRICYCLE By Roadmaster. Steel, solid tires. REG. \$49.99</p> <p style="text-align: center; font-size: 2em;">29.98</p> 	<p>ACCURATE ELECTRONIC DART GAME REG. \$229.99</p> <p style="text-align: center; font-size: 2em;">129.98</p> 

ALL GOLF SET, BAGS AND SHOES
By Spalding, Etonic, Nike and Wilson

20% OFF REG. PRICE



SPERRY-TOP-SIDER DECK SHOES
Authentic 4-eyelets leather shoes for men. REG. \$95.99

55.98



AIRWALK SUEDE SHOES
Your choice of "Random" or "Gambler" styles. REG. \$99.99

49.98



CONVERSE ALL STAR SHOES
IN TOP REG. \$29.99

24.98



NEWLY ARRIVED DEXTER BOWLING SHOES
Available for men and women.

20% OFF REG. PRICE



TOTE BOWLING BAG
By Ebonite. Fits one ball. REG. \$14.99

9.98



"BOSS" BOWLING BALL
By famous brand. In assorted bright colors and weights. REG. \$42.99

29.98



<p>Friday, July 19, 1996 8:30 a.m. Office of Guam Financial Services Kerrin Commissioner</p>	<p>Thursday, July 19, 1996 8:30 a.m. Office of Guam Financial Services Kerrin Commissioner</p>	<p>Wednesday, August 1, 1996 9:00 a.m. Office of Guam Financial Services Kerrin Commissioner</p>	<p>Tuesday, August 14, 1996 9:00 a.m. Office of Guam Financial Services Kerrin Commissioner</p>
--	--	--	---

Budget Requests

MONDAY, August 13, 1996
9:00 a.m.
Superior Court
Dept. of Vocational Training
Guam Educational Telecommunications Center (KCC)

TUESDAY, August 14, 1996
9:00 a.m.
Public Utilities

WEDNESDAY, August 15, 1996
9:00 a.m.
Guam Commission on Government Procurement
Bill #517 Chapter 3, UOG for Student assistance, the UOG for Scholarship, Teacher Training, Guam Language and Culture
Bill #517 Chapter 3, UOG for Student assistance, the UOG for Scholarship, Teacher Training, Guam Language and Culture

THURSDAY, August 16, 1996
9:00 a.m.
Office of Guam Financial Services
Kerrin
Commissioner

Diabetic husband needs help of sex therapist

Dear Ann Landers: My husband suffers from impotence and blames me for not wanting to have sex. It is very frustrating to try to have sex with a man who can't perform. He is constantly telling me that no woman ever complained before he met me, implying, of course, that his failure is my fault.

After dozens of unsuccessful attempts at intercourse, we went to see a doctor about it. The doctor said the problem is caused by my husband's diabetes. He is now on a very strict diet, but it hasn't helped him with his inability to have sex. He is extremely frustrated, and I am exhausted from his failed attempts.

He considered penile injections but hates needles and generally passes out when he gets a shot. We also have a pump, which is not very romantic. He starts out trying to have sex and then asks, "Do you want me to pump it up or will you do it?" Questions like that turn me off completely. The doctor told him he must get some ex-



ANN LANDERS

ercise, but he even calls the housekeeper to bring him a glass of water. The man sits behind a computer all day and watches TV half the night. I'd appreciate any suggestions you might have. I am — Feeling Deprived, Frustrated and Fed Up in Texas
Dear Texas: Male diabetics often have problems performing sexually. With competent guidance, your husband could do quite well. I urge you to ask your husband's physician to recommend a sex therapist. There are specialists in this

field, and fortunately, you live in a city where there are several. If you are interested in a copy of the most often-asked questions about impotence, send \$1 and a business-size, self-addressed, stamped envelope to Impotence World Services, 119 S. Ruth St., Maryville, Tenn. 37803.

Dear Ann Landers: The letter from "Oakland, Calif." about welfare recipients prompted me to write and confirm what she said. "Oakland" needed assistance because she was mentally ill and unable to work. I, too, needed welfare. Never in my wildest dreams did I imagine I would be in such a spot.

As an executive in a major company, I was "sized down" when the company was swallowed by a bigger fish. Even though I was 55 at the time, I assumed that my education and professional background would make me attractive to other companies.

The weeks went by, then months and then a couple of years. Not only had I gone

through all my financial resources, but I had to sell off antiques, oil paintings and my wife's jewelry — much of which was inherited. When the sheriff delivered a foreclosure notice on our beautiful home, only then did I force myself to apply for public assistance — a euphemism I prefer to "welfare."

It was the most humiliating experience of my life, especially when a social worker came to check out our home and expressed amazement that we were asking for government help. Swallowing my pride made me gag, but I survived and finally got back on my feet, thanks to welfare. No, we are not all lazy freeloaders. Many of us are respectable people who were victims of the times. If it could happen to us, it could happen to anybody. We learn from life. — Washington, D.C.

Dear D.C.: Thank you for a letter that will open some eyes and some hearts as well. You've done your good deed for the day.

Discounts abound in Bertha's wake

Gannett News Service

Bertha may be history, but the first major hurricane of the season continues to spread anxiety — and travel discounts — in its wake.

Concerned that storm-leery vacationers might steer clear of the Caribbean this fall, several area resorts are cutting prices or promising refunds if another hurricane hits during a guest's stay.

Most of the deal-making is on St. Thomas, where only 55 percent of hotels have reopened since Hurricane Marilyn bashed the U.S. Virgin Islands of St. Thomas and St. John last September.

By contrast, Bertha's passage early this month caused relatively minor wind, water and landscaping damage, says Beverly Nicholson of the St. Thomas-St. John Hotel Association.

Earlier projections that 98 percent of St. Thomas' hotel rooms would reopen by Dec. 15 still stand.

More than a dozen St. Thomas hotels are offering post-Bertha discounts, ranging from 30 percent off already discounted summer rates at Elysian Beach to seventh night free at Sapphire Beach.

On Puerto Rico, where Bertha's calling cards were limited to heavy rain and high winds, El Conquistador Resort and Country Club, El San Juan Hotel and Conrado Plaza Hotel are giving a "Bertha Bonus" of one free night when two nights are booked.

Jamaica-based SuperClubs, meanwhile, launched a "hurricane guarantee" at its properties in Jamaica and the Bahamas. If a hurricane strikes the resort, travelers get a refund for the disrupted portion of their stay, plus a voucher for the same number of nights that can be used the same month of the following year.

"There's no doubt there's a little apprehension about traveling to the Caribbean this fall," says Greg Thorne of Inter-Island Tours in New York. Though Inter-Island's sales to Puerto Rico and the Dominican Republic are up sharply, bookings to the U.S. Virgin Islands and St. Maarten are down by as much as 50 percent from a year ago.

But the deal-making worries Thorne. "You're giving consumers an incentive to be nervous," he says.

NOTICE TO PUBLIC

All cars and equipment inside RBS Auto Repair Shop in Route 16 Barrigada will be thrown into the scrap yard or sold to recover losses and expenses. All owners of vehicles must claim and remove their vehicles by August 31, 1996. This action is due to the termination of contract.

FOR SALE

- 1. Sheet metal bender and sheet metal roller bender only \$5,500.00
- 2. Forklift as is \$3,800.00 OR BEST OFFER
Ask for Rick

Committee on Ways & Means
Sen. Francis E. Santos, Chairman

NOTICE OF PUBLIC HEARING

Tuesday, July 23, 1996
Guam Legislature's
Session Hall

The public is invited to attend discussions on the following topics:
9:00 a.m.

- Fiscal Year 1997 Budget Request of the The Department of Education
- Southern High School
- Yigo Elementary School
- Finegayan Elementary
- Untalan Middle School
- Headstart Division

Bill # 685 An act to amend § 10102 of Chapter 10, Title 17 of the Guam Code Annotated, relative to increasing the annual "Y Kuantan Salappe' Principat" Fund for each of Guam's Public Schools.

Fiscal Year 1997 Budget Request of the Department of Administration

Your views and comments are welcome.

WINDOWS/DOORS & SHUTTERS
MADE IN GUAM to your specifications
Equatorial Manufacturing Inc.
emi tel: 649-6148 (4527) fax: 646-4527

Capture your share of Guam's Dynamic growth market. Advertise in the Pacific Daily News 477-9711 Ext. 215
Capture your share of Guam's Dynamic growth market. Advertise in the Pacific Sunday News 477-9711 Ext. 216

MONDAY & TUESDAY NITES AT THE LONE STAR STEAKHOUSE GUAM
JOSE CUERVO CORRAL BASH!

JOSE CUERVO DRINK SPECIALS
Rawhide Rita \$4.25
Jose Cuervo Shots \$3.00
Tequila Sunrise \$3.25

Get your FREE Cowboy hat or get "Deputized" by the LoneStar Sheriff.

TEQUILA JOSE CUERVO MEXICO

STAKE

ord Explorer
ome Video Entertainment
Sony Computer 17" LCD Screen
13" Screen 3.2" TV
Sony Home Theater Speaker System
Sony Multi-Disc Player
Sony Hi-Fi VHS
Sony Home Theater Speaker System
Sony Hi-Fi Stand
Sony Home Theater Speaker System
Sony Multi-Disc Player
boro Chronograph Watch

PACIFIC DAILY NEWS, Tuesday, July 23, 1996

Anti-stalking bill gets snarled in gun issue

■ **Amendments:** Takes away guns from wife beaters, so they can't stalk, can't shoot

The Washington Post

WASHINGTON — A popular anti-stalking bill has become snarled in a behind-the-scenes Senate dispute over a Democratic proposal that would broaden the measure to prohibit people convicted of domestic violence from possessing firearms.

The struggle threatens to plunge the Senate into the kind of fight over gun control that Republican leaders have been trying to avoid as the election approaches. It is the type of issue that "blows this place up," Senate Majority Leader Trent Lott, R-Miss., observed last week as he attempted — without success — to force a vote on the anti-stalking bill without having to schedule a vote on guns.

Politically acute

The problem is made even more politically acute because the gun controls would be imposed in the name of curbing spousal and child abuse, another cause with wide political appeal.

Many lawmakers are not eager to choose between offending the powerful National Rifle Association, which opposes the gun proposal, and voting against legislation aimed at curbing domestic violence.

Sen. Frank R. Lautenberg, D-N.J., who is seeking to add the gun proposal to the anti-stalking bill introduced by Sen. Kay Bailey Hutchison, R-Texas, is not making the choice any easier. "I just want to take guns away from

wife beaters," he said. Republicans, he added, are saying they will not consider legislation unless it "passes the NRA test."

Under Lautenberg's proposal, anyone convicted of a crime involving domestic violence, including misdemeanors, would be barred by federal law from owning or possessing a firearm.

While federal law now prohibits most convicted felons from possessing guns, Lautenberg argues that, because of plea bargaining or "anachronistic attitudes or laws," many serious domestic-violence cases are handled as misdemeanors, which do not trigger the federal gun ban.

Federal felony

Hutchison's bill would make it a federal felony if a stalker crosses state lines to intimidate or threaten a person and puts the victim in fear of death or serious bodily injury. It also would extend federal anti-stalking protections to a victim's family, to people who live or work on federal property and to individuals who are being stalked by individuals other than their spouses or former spouses.

Hutchison said her bill, which passed the House by voice vote a few months ago, will get bogged down if any amendments are allowed.

Lautenberg disagreed, saying the anti-stalking bill may be the only vehicle left for consideration of his gun proposal as time runs out for passage of bills.

He wants a bill that is likely to pass and get signed into law, and there are not many of those left on the Senate calendar.

"In any case," Lautenberg said of the two proposals, "it's a perfect match-up: You can't stalk and you can't shoot."



Committee on Ways & Means
Sen. Francis E. Santos, Chairman

NOTICE OF PUBLIC HEARING

Wednesday, July 24, 1996

Guam Legislature's

Public Hearing Room

The public is invited to attend discussions on the following topics:

9:00 a.m.

Bill # 681 An act to repeal §30803 of the Banking Code and to add a new part "E" to Article I, Title XXI to authorize territorial chartered bank to engage in all activities allowable to national banks or FDIC Insured Banks.

Fiscal Year 1997 Budget Requests of the

Guam Police Department

Public Defenders Services Corporation

Guam Fire Department

Your views and comments are welcome.

12-30019

CAMPAIGN
KICKOFF

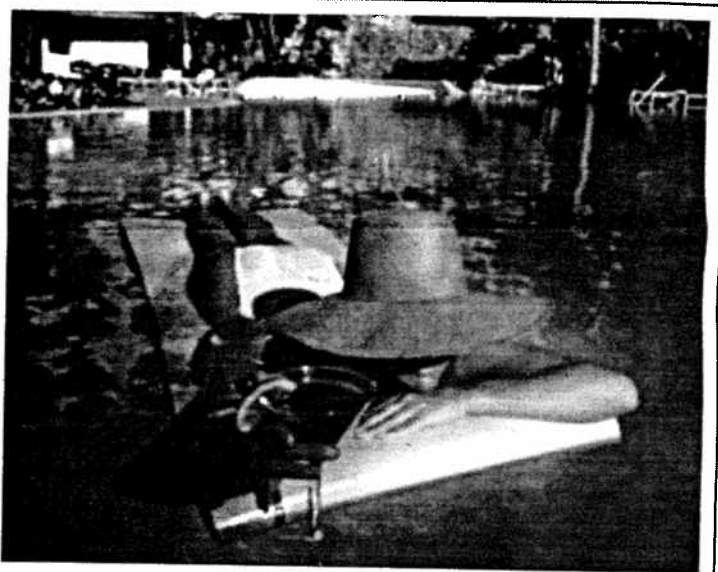
SONNY LUJAN

ORSINI

WEDNESDAY, JULY 24, 1996
SAGAN DINANA
11:30AM TO 2:00 PM

▶ DONATION: \$10.00

Authorized and paid for by Sonny Lujan Orsini Senatorial Committee, Treasurer, Jose Pangelinan Taitano
P.O. Box 20580 Barrigada, GMF Guam, U.S.A. 96921



TOTALLY THERAPUTIC!

You deserve a break from your everyday hectic schedule. Escape to the Guam Hilton to revitalize your body and mind! Pamper yourself in one of our comfortable guest rooms and savor the delights of our fine restaurants and bars. In between, invigorate yourself at our Fitness & Tennis Clubs or take a leisurely dip in our swimming pool, beach or jacuzzi. You'll leave the Guam Hilton feeling like a million bucks...not a bad deal for our Local Getaway Package* specially priced at \$140 daily!



THE HILTON · THE HOTEL

* Our Local Getaway Package includes room, room tax, welcome gift, welcome drink at Tree Bar and breakfast buffet at the Islander Terrace. For reservations, please call 646-7912. This twin/double occupancy package is for Guam residents only on availability basis.

Pacific Daily News

477-9711 Ext. 215

RESULTS... Find them fast by advertising in the Pacific Daily news Classified Section. For Employment, Real Estate, selling your car or appliance, get results fast.



UFISINAN I MAGA'LAHI
TERITORION GUAM

AUG 14 1996


Senator Francis E. Santos
Chairman
Committee on Ways and Means
Twenty-Third Guam Legislature
155 Hesler St.
Agana, Guam 96910

Dear Mr. Chairman:

I have reconsidered the University of Guam's Fiscal Year 1997 General Fund allocation. The initial amount of \$25,418,299 for operations per the Executive Budget request will not be sufficient for the University's operations. As such, I am requesting an additional One Million One Hundred Eighty-Eight Thousand Six Hundred Thirty-One Dollars (\$1,188,631) for the University of Guam for Fiscal Year 1997. With this additional amount, the University will receive the same General Fund subsidy level as Fiscal Year 1996.

Your assistance in accommodating this request will be greatly appreciated.

Sincerely,


CARL T. C. GUTIERREZ
Governor



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

AUG 19 1996

Senator Francis Santos
Chairman
Committee on Ways & Means
155 Hesler St.
Agana, Guam 96910

Dear Senator Santos,

As per our conversation, I am urging your consideration of some of the measures discussed today to reduce the deficit and meet the budgetary requirements of this government. Certainly, a key element in any such approach would be to limit actual expenditures of the government within a specified cap. To make such an expenditure cap realistic and workable, government managers must be granted concurrent flexibility in the administration of their respective agency budgets. This could be achieved by providing budget appropriations consolidated into three general categories: personnel, capital outlay, and operating expenses (including utilities and miscellaneous expenses). Such flexibility will enable our public administrators to live within expenditure ceilings that would otherwise be unworkable.

Further to our discussions, we would be amenable to providing a specific cap on actual spending for FY 1997 as opposed to an appropriation cap. This would have the effect of controlling expenditures from current year and prior year appropriations. For example, the Legislature, in appropriating this year's budget, specifically funded \$7 million for textbooks from prior year appropriations. The effect of this action was to increase spending over and above the approved budget for GovGuam. It was such mandated expenditures which offset any savings attributed to the 5% reserved. As you know, this reserve was derived from the 95% budgeting which was meant to reduce the deficit.

To briefly summarize some of these expenditures:

Textbooks	\$7 million
Public Assistance, MIP Catastrophic Illness	\$ 6 million
PUAG water testing to meet EPA order	\$ 2 million
PUAG CIPs	\$ 2 million
Other CIPs	\$ 2 million
Customs & Quarantine subsidy	\$ 4 million
Streetlights	\$ 3 million
Public safety telecommunications system	\$ 2 million
GMH subsidy	<u>\$ 0.5 million</u>
Total	\$ 28.5 million

Furthermore, the Legislature has continued to insist that CIP appropriations from prior years be spent as quickly as possible. Our Administration has proposed reducing the lifespan of CIP appropriations from 5 years to 1 year. However, this proposal has met with Legislative opposition along with other suggestions for expenditure curbs particularly in the area of public assistance.

You will note the table presented above totals \$28.5 million. By contrast, the 5% reserve was only expected to realize **\$27 million**. Given these mandated expenditures and despite the fact the revenues did not entirely meet estimates, it is still projected that we will achieve a modest reduction in the deficit. The government has lived within its means. However, only a modest dent has been made towards reducing the deficit in FY 1996. Although we cut the deficit by \$117 million by the end of FY 1995, it is estimated that the deficit will be reduced by only \$2 million this year. Despite our successful efforts in controlling expenditures from

current year appropriations, expenditures from prior year appropriations for textbooks, waterlines, and other needs have continued. This is illustrated by the \$4 million in water projects which was expended this year and the \$7 million needed for the Southern High School which is to be expended next year. Other prior year appropriations are also pending. Consequently, deappropriation by the Legislature of some prior year appropriations would most likely be necessary to keep us within any true expenditure cap.

Even with such expenditure caps, it is clear that this approach alone will be insufficient to reduce our deficit by a substantial margin. Additional measures will be necessary. Again as we discussed, there are programs whose expenditures continue to increase with Legislative support. As you have recognized yourself, the public assistance programs at Public Health have run short of money several times this year. These needs have been met only through Legislative appropriations or Legislative supported transfers by the Executive Branch. In either case, the result is the same. Costs are increasing and are likely to continue so. Other Legislative actions such as reducing the revenue base with \$5 million in costly real property tax rollbacks, have only exacerbated the situation.

Perhaps, some focus is also called for in areas other than expenditure control. For example, we discussed requiring autonomous agencies to pay for their fair share of the supplemental payments for retirement annuities which presently is funded by the General Fund entirely. I am pleased that you also acknowledged the necessity for a review of the over 80 existing government accounts which could be consolidated or eliminated for more effective use of limited government cash resources.

A second look at the Defined Contribution Plan should also be entertained. It was originally designed in part, to reduce the financial burden of new employees joining the Retirement Fund. While the employee rate of contribution was reduced to 5%, the government contribution was maintained at just under 20%, effectively nullifying any potential savings to the General Fund. Consideration should be directed towards reducing the government rate to a level more equitable with the employee rate.

Whatever course we do embark upon clearly has to be done in a spirit of cooperation and, perhaps more importantly, realism. If we stick to the facts and leave the politics aside, I am certain that we can arrive at a consensus budget that will contain government spending, cut the deficit, and meet the vital needs of our

people. Indeed, if our meeting today was any indication, then we certainly are heading in the right direction.

I look forward to your continued positive cooperation in developing a budget approach that is appropriate to the demands and needs of our Territory.

Yours very truly,



Carl T.C. Gutierrez



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

SEP 03 1996

Senator Francis Santos
Chairman
Committee on Ways & Means
23rd Guam Legislature
155 Hesler Street
Agana, Guam

Dear Senator Santos,

Since the beginning of this Administration, enormous progress has been made to place our government's fiscal house in order. The \$206 million deficit, inherited from the previous Administration, has been cut by more than half. Income Tax Refunds were paid on time this year without the need to borrow. Vital investments in our infrastructure have continued including new roads, water and sewer lines, recreational facilities, and schools. All of this was achieved without resorting to the layoffs and salary reductions that were predicted by some in our community.

To continue this progress, our Administration submitted a balanced budget in February that met the vital needs of our government and provided for further reduction in the Deficit. Since then, the Legislature, as is its prerogative, has taken a number of steps which will impact on the budget picture for next year. Most troubling though are the Legislature's actions to erode the government's revenue base in the face of increasing needs for resources. For example, the rollback of the triennial evaluation is estimated to cost the General Fund over \$5 million in FY 1997. Presumably, your Committee is working to allow for these impacts in developing your own budget plan for next year.

As you proceed in this process, I would strongly urge you to act on two important measures which I feel should be addressed in next fiscal year's budget. To begin with, I believe the time has come to restore the increments for government workers. Much of the burden for the government's fiscal progress has been born by our government employees. As a consequence of the Legislature's action in providing for an increment freeze in P.L. 23-14, our government workers have been denied their increments for a year now. I believe the suspension of the increments has gone on long enough particularly given the rising cost of living. We must therefore exert every possible effort to reinstate them by **next month**.

Another concern which requires attention is infrastructure. Again, despite the austerity measures in place over the last 20 months, we have been able to maintain significant levels of investment in new infrastructure. However, recent Legislative actions reducing revenue sources have made this



COMMITTEE ON RULES

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

May 13, 1996

MEMORANDUM

TO: Chairperson, Committee on Ways and Means

FROM: Chairman, Committee on Rules

SUBJECT: Referral - Bill No. 517

The above Bill is referred to your Committee. Please note that the referral is subject to ratification by the Committee on Rules at its next meeting. It is recommended you schedule a public hearing at your earliest convenience.

It is requested that you inform the Committee on Rules of the sequential referral date to the **Standing Committees listed below**. Thank you for your cooperation.

Committee on Rules
Committee on EADI
Committee on HWSC
Committee on T&T
Committee on YLPR
Committee on EPCP
Committee on FFA
Committee on CHCA
Committee on WUEC
Committee on GGOMA
Committee on COE
Committee on JCJEA



SONNY LUJAN ORSINI

Attachment: Revised Memo dated 5/9/96

TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session

BILL NO. 517

SONNY LUJAN ORSINI
COMMITTEE ON RULES

Introduced by:

**by request of the Governor in
accordance with the Organic
Act of Guam**

**AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS
OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF
GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND
MAKING OTHER APPROPRIATIONS, AND ESTABLISHING
MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.**

BE ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

CHAPTER I

GENERAL PROVISIONS

Section 1. Short Title. This Act may be known as the "General Appropriation Act of 1997." Except as otherwise provided in this Act, the appropriations made by this Act shall be available to pay for obligations incurred on or after October 1, 1996 but no later than September 30, 1997. In the event that any appropriation of this Act is found contrary to federal law, all portions not so found shall remain valid.

Section 2. Estimated Revenues. The Legislature adopts the following as its revenue forecast for Fiscal Year 1997:

1	I. GENERAL FUND REVENUES	<u>AMOUNT</u>
2	A. TAXES	
3	Income Tax (Corporate and Individual)	\$303,320,000
4	Federal Income Tax Collection (Section 30 Funds)	33,250,000
5	Gross Receipts Tax	183,690,000
6	Other Taxes	<u>\$ 8,280,000</u>
7	TOTAL TAXES	\$528,540,000
8	B. FEDERAL SOURCES	8,210,000
9	Immigration Fees, National School Lunch/Breakfast Program	
10	and Indirect Cost	
11	C. USE OF MONEY AND PROPERTY	1,510,000
12	Interest earned on accounts	
13	D. LICENSES, FEES & PERMITS	6,730,000
14	Business Licenses, Weights and Measures Fees and Others	
15	E. DEPARTMENT CHARGES	<u>\$ 3,280,000</u>
16	Education, Public Health, Agriculture and Others	
17	TOTAL GENERAL FUND REVENUE	\$548,270,000
18	II. SPECIAL FUND REVENUE	
19	A. Abandoned Vehicle and Streetlight Fund	\$ 1,530,000
20	B. Customs, Agricultural and Quarantine User Fund	14,000,000
21	C. Guam Contractors License Board Fund	455,000
22	D. Housing Revolving Fund	600,000

1	E. Land Survey Revolving Fund	234,000
2	F. Parks Fund	134,000
3	G. Professional Engineers, Architects and	
4	Land Surveyors Board Fund	200,000
5	H. Public Utility Agency of Guam Fund	41,500,000
6	I. Special Surplus Property Fund	50,000
7	J. Tourist Attraction Fund	<u>\$ 24,071,922</u>
8	TOTAL SPECIAL FUND REVENUE	\$ 82,774,922
9	III. FEDERAL MATCHING GRANTS-IN-AID REVENUES	
10	Federal Grants-In-Aid Requiring Local Match:	
11	A. Agriculture	\$ 393,653
12	B. Guam Council on the Arts and Humanities Agency	201,000
13	C. Guam Environmental Protection Agency	2,191,804
14	D. Labor	84,328
15	E. Law	1,999,829
16	F. Library	76,096
17	G. Military Affairs	706,401
18	H. Office of Civil Defense	199,999
19	I. Public Health and Social Services	12,996,044
20	J. University of Guam	1,370,000
21	K. Vocational Rehabilitation	<u>\$ 1,937,597</u>
22	TOTAL FEDERAL MATCHING GRANTS-IN-AID REVENUE	\$ 22,156,751

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

REVENUE SUMMARY:

TOTAL GENERAL FUND REVENUE	\$548,270,000
TOTAL SPECIAL FUND REVENUE	\$82,774,922
TOTAL FEDERAL MATCHING	
GRANTS-IN-AID REVENUE	<u>\$22,156,751</u>
GRAND TOTAL	\$653,201,673

Section 3. The following are estimated receipts for One Hundred Percent (100%)

federal grants-in-aid:

A. Agriculture	\$ 1,299,000
B. Agency for Human Resources Development	1,031,546
C. Bureau of Planning	1,702,000
D. Education	22,813,412
E. Guam Community College	1,660,080
F. Guam Public Library	20,731
G. Guam Energy Office	115,000
H. Guam Police	186,109
I. Guam Mass Transit Authority	336,720
J. Guam Occupational Information Coordinating Committee	87,920
K. Labor	1,679,879
L. Military Affairs	199,000
M. Mental Health and Substance Abuse	884,958

1	N. Office of Civil Defense	489,185
2	O. Office of the Governor	779,569
3	P. Parks and Recreation	245,000
4	Q. Public Health and Social Services	27,609,436
5	R. Public Works	332,098
6	S. Revenue and Taxation	240,325
7	T. State Council on Vocational Education	60,000
8	U. University of Guam	4,413,528
9	V. Vocational Rehabilitation	136,784
10	W. Youth Affairs	<u>\$ 223,917</u>
11	SUBTOTAL	\$ 66,546,197
12	TOTAL FEDERAL GRANTS	\$ 88,702,948
13	GRAND TOTAL ALL FUNDS	\$719,747,870
14	Section 4. The following are continuing appropriations:	
15	A. 1989 WATER SYSTEM BOND	
16	(P.L. 20-16, Infrastructure Improvements, Section 30 Pledged	
17	and FY2009 Final Year)	\$ 4,602,573
18	B. 1994 GENERAL OBLIGATION BOND	
19	(P.L. 22-138, Income Tax Refund, Section 30 Pledged	
20	and FY1999 Final Year)	<u>\$ 14,552,088</u>
21	GRAND TOTAL	\$ 19,154,661

1 **Section 5. Definitions.** The following definitions shall apply to this Act.

2 **(a) "Capital Outlay" includes:**

3 **(1)** equipment such as loader trucks, tractors, trailers, automobiles or other vehicles;
4 machinery; reference books; filing cabinets, typewriters, adding and calculating machines,
5 other business machines and office equipment; and tools, implements and instruments which
6 may be used continuously without material change in physical condition and must have a
7 useful life of one (1) year or longer and cost not less than Five Hundred Dollars (\$500);

8 **(2)** repair, remodeling or alteration of a building or replacement thereof and the
9 replacement and renewal of plumbing, wiring, and air conditioning systems costing more
10 than Thirty Thousand Dollars (\$30,000). Capital Outlay does not include normal mainte-
11 nance expenditures;

12 **(3)** construction of an entirely new building, including the materials and labor either
13 supplied by an agency of the government or supplied by contract; and

14 **(4)** non-structural improvements to buildings, the grading, leveling, drainage and
15 landscaping of land or the construction of roadways, fences, ditches, or sanitary or storm
16 sewers.

17 **(b) "Contingency"** means expenditure for unbudgeted items.

18 **(c) "Contractual Services"** include:

19 **(1)** services rendered or performed by businesses, other government agencies or
20 individuals other than expenses for personnel services;

1 (2) current services or charges for rental of personal property, insurance premiums (not
2 employee benefits), dues, paid subscriptions, and other fixed charges; and

3 (3) telex and other forms of communication except telephone and facsimile.

4 (d) **"Equipment"** means items having a purchase price of Five Hundred Dollars (\$500) or
5 less.

6 (e) **"Encumbrances"** means commitments related to unperformed (executory) contracts
7 for goods and services and are generally evidenced by outstanding purchase orders,
8 contracts, and interdepartmental work requests. Encumbrances reported at year end are
9 reported as a reservation of fund balance since they do not constitute expenditures or
10 liabilities.

11 (f) **"Expenditures"** means all amounts of money, other than refunds authorized by law,
12 paid out or encumbered for payment by a territorial agency other than for investment securi-
13 ties or as agent or trustee for other governmental entities or private persons.

14 (g) **"Federal Funds"** means payments by the United States Government to the territorial
15 government or territorial agencies for specific purposes or in lieu of taxes, including grants,
16 reimbursements, and payments made in accordance with contracts but does not include
17 payments pursuant to Section 30 of the Organic Act of Guam.

18 (h) **"Full Time Equivalency"** or **"FTE"** means the equivalent of one (1) permanent
19 position continuously filled for two thousand eighty (2,080) hours per year commencing
20 October 1, 1996.

- 1 (i) **"General Fund"** means that Fund as defined by §21110 or Title 5, Guam Code
2 Annotated.
- 3 (j) **"Office Space Rental"** means payment to an entity for rental of office space and may
4 include the cost of maintenance, power, and other utility expenses.
- 5 (k) **"Match"** means direct cost sharing or in-kind General Fund support required as a
6 condition for acceptance for federal funds.
- 7 (l) **"Special Fund"** means revenue available to territorial agencies from sources other
8 than the General Fund and Federal Funds.
- 9 (m) **"Personnel Services"** includes:
10 (1) salaries and wages payable to persons employed by the government; and
11 (2) the government's contributions to the Government of Guam Retirement Fund and
12 the employer's contribution under the Federal Insurance Contribution Act; and
13 (3) the government's contributions for health, dental, and life insurance plans.
- 14 (n) **"Power"** includes all expenses incurred for the use of electricity or liquid propane gas,
15 propane, or butane gas.
- 16 (o) **"Revenue"** means all amounts received by a territorial agency from sources external to
17 that agency, net of refunds and other correcting transactions, other than from issue of debt
18 liquidation of investment or as agent or trustee for other governmental agents, entities, or
19 private persons.
- 20 (p) **"Supplies and Materials"** means materials which by their nature are consumable,

1 which have a useful lifetime of less than one (1) year, and which, after use, undergo an
2 impairment or a material change in physical condition.

3 (q) **"Telephone"** includes all charges for telephone and cellular telephone services.

4 (r) **"Territorial Agency"** means any office, department, institution, board, bureau,
5 commission, council, authority, branch, or committee of territorial government which
6 receives funding pursuant to this Act.

7 (s) **"Toll Calls"** includes all charges for long distance telephone calls and facsimile.

8 (t) **"Travel and Transportation"** means off-island travel expenses and local mileage
9 reimbursement in accordance with the laws of Guam.

10 (u) **"Water/Sewer"** includes all expenses for the purchase of water and all expenses for
11 waste-water treatment.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

CHAPTER II

APPROPRIATIONS

FOR

EXECUTIVE BRANCH OPERATIONS

Section 1. Two Hundred Sixty-eight Million Four Hundred Four Thousand Five Hundred Sixty-five Dollars (\$268,404,565) are appropriated for the operations of the Executive Branch for the Fiscal Year ending September 30, 1997. This sum is composed of Two Hundred Thirty-two Million Ninety One Thousand Six Hundred Thirty-six Dollars (\$232,091,636) from the General Fund, Fifteen Million Five Hundred Twenty-six Thousand One Hundred Seventy-eight Dollars (\$15,526,178) from Special Funds and Twenty Million Seven Hundred Eighty-six Thousand Seven Hundred Fifty-one Dollars (\$20,786,751) from Federal Matching Grants-in-Aid. The appropriation shall be expended as follows:

	General Fund	Special Fund	Federal Fund Match	Total
I. GOVERNMENT-WIDE SUPPORT				
A. Administration	\$11,454,869	\$ 650,000 <u>1/</u>		\$12,104,869
B. Bureau of Budget and Management				
Research	1,677,566			1,677,566
C. Bureau of Planning	1,215,869			1,215,869
D. Civil Service				
Commission	1,362,038			1,362,038

	General Fund	Special Fund	Federal Fund Match	Total
1				
2				
3	E. Commission on Self-			
4	Determination	696,996		696,996
5	F. Office of the			
6	Governor	6,920,323		6,920,323
7	G. State Council on			
8	Vocational			
9	Education	201,457		201,457
10	H. Territorial Planning			
11	Council	382,751		382,751
12	II. COMMUNITY SERVICES			
13	A. Guam Election			
14	Commission	694,448		694,448
15	B. Mayors' Council	7,001,343		7,001,343
16	III. ECONOMICS AND FINANCE			
17	A. Commerce	1,954,150		1,954,150
18	B. Revenue and			
19	Taxation	11,768,544		11,768,544
20	IV. NATURAL RESOURCES,			
21	RECREATION AND ARTS			
22	A. Agriculture	3,588,727	1,490,000 <u>2/</u>	\$393,653 5,472,380
23	B. Chamorro Land Trust			
24	Commission	450,000		450,000
25	C. Guam Council on			
26	the Arts and			
27	Humanities Agency		705,101 <u>3/</u>	201,000 906,101

	General Fund	Special Fund	Federal Fund Match	Total
1				
2				
3	D. Land Management	3,960,466	234,000 <u>4/</u>	4,194,466
4	E. Library	1,660,694	76,096	1,736,790
5	F. Museum		320,231 <u>5/</u>	320,231
6	G. Parks and			
7	Recreation	3,886,914	2,363,287 <u>6/</u>	6,250,201
8	V. PUBLIC SAFETY			
9	A. Chief Medical			
10	Examiner	335,831		335,831
11	B. Corrections	14,819,902		14,819,902
12	C. Customs and			
13	Quarantine		9,175,559 <u>7/</u>	9,175,559
14	D. Guam Fire	19,110,339		19,110,339
15	E. Guam Police	24,054,747		24,054,747
16	F. Law	7,029,060	1,999,829	9,028,889
17	G. Military Affairs	488,288	706,401	1,194,689
18	H. Office of Civil			
19	Defense	285,432	199,999	485,431
20	I. Youth Affairs	4,184,011		4,184,011
21	VI. HEALTH AND WELFARE			
22	A. Agency for Human Resources			
23	Development	305,172		305,172
24	B. Guam Environmental			
25	Protection Agency	1,288,053	2,191,804	3,479,857

	General Fund	Special Fund	Federal Fund Match	Total
1				
2				
3	C. Guam Health Planning			
4	and Development Agency	436,241		436,241
5	D. Labor	3,212,355	84,328	3,296,683
6	E. Mental Health and			
7	Substance Abuse	5,522,480		5,522,480
8	F. Public Health and			
9	Social Services	65,164,842	12,996,044	78,160,886
10	G. Veterans Affairs	233,107		233,107
11	H. Vocational			
12	Rehabilitation	794,030	1,937,597	2,731,627
13	VII. EDUCATION			
14	A. Chamorro Language			
15	Commission	183,809		183,809
16	B. Guam Educational			
17	Telecommunication			
18	Corporation	542,182		542,182
19	VIII. UTILITIES AND INFRASTRUCTURE			
20	A. Guam Contractors			
21	License Board		370,000 <u>8/</u>	370,000
22	B. Professional Engineers,			
23	Architects and Land			
24	Surveyors Board		65,000 <u>9/</u>	65,000
25	C. Public Works	25,224,600	153,000 <u>10/</u>	25,377,600
26	GRAND TOTAL	\$232,091,636	\$15,526,178	\$20,786,751
			\$268,404,565	

- 1 **NOTES:**
- 2 **1/ Housing Revolving Fund (\$600,000), Special Surplus Property Fund (\$50,000)**
- 3 **2/ Customs, Agricultural and Quarantine Inspection Services Fund**
- 4 **3/ Tourist Attraction Fund**
- 5 **4/ Land Survey Revolving Fund**
- 6 **5/ Tourist Attraction Fund**
- 7 **6/ Parks Fund (\$100,000), Tourist Attraction Fund (\$2,263,287)**
- 8 **7/ Customs, Agricultural and Quarantine Inspection Services Fund**
- 9 **8/ Guam Contractors License Board Fund**
- 10 **9/ Professional Engineers, Architects and Land Surveyors Board Fund**
- 11 **10/ Abandoned Vehicle and Streetlight Fund**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

CHAPTER III

MISCELLANEOUS APPROPRIATIONS

Section 1. Three Hundred Thousand Dollars (\$300,000) to Department of Mental Health and Substance Abuse for the "Mary Clare Home". Three Hundred Thousand Dollars (\$300,000) are appropriated from the General Fund to the Department of Mental Health and Substance Abuse for contractual expenses to operate the "Mary Clare Home" for Fiscal Year 1997.

Section 2. (a) Student scholarships, financial assistance, and program administration. Four Million Dollars (\$4,000,000) are appropriated from the General Fund to the University of Guam to be expended for the following student scholarships, financial assistance and program administration: Merit Awards, Student Loans, Nurses Training, Professional and Technical Awards, Doctoral Fellowships, Reserve Officer Training Corp (ROTC), Regent Scholarships, Marine Lab Graduates Assistance, Advanced High School Placement, Senior Citizens, and Administration of all student financial assistance programs. The University of Guam shall determine the allocation of this appropriation in order to fund the various student scholarships, financial assistance and its program administration for Fiscal Year 1997; provided, that the expenditures do not exceed the total appropriation made in this Subsection (a).

(b) Pedro "Doc" Sanchez Scholarship Program. Four Hundred Ten Thousand Six Hundred Forty-one Dollars (\$410,641) are appropriated from the General Fund to the College of Business and Public Administration of the University of Guam for the Pedro "Doc" Sanchez Scholarship Program.

1 **(c) Teacher Training Council and Guam Teacher Corps.** Three Million Thirty-
2 nine Thousand Four Hundred Sixty-five Dollars (\$3,039,465) are appropriated from the
3 General Fund to the University of Guam, which shall disburse the funds pursuant to the
4 directives and policies of the Teacher Training Council, for stipends for the Guam Teacher
5 Corps and for the administration of the Teacher Training Council, in accordance with the
6 provisions of Public Law 21-88.

7 **(d) Chamorro Language and Culture Institute.** One Hundred Seventy-five
8 Thousand Four Hundred Ninety-seven Dollars (\$175,497) are appropriated from the General
9 Fund to the Chamorro Language and Culture Institute of the University of Guam for the
10 operations of this Institute. This appropriation shall continue until expended for the opera-
11 tions and purposes of the Institute.

12 **Section 3. Four Hundred Eighty Thousand Dollars (\$480,000) for Sanctuary, Inc.**
13 Four Hundred Eighty Thousand Dollars (\$480,000) are appropriated from the General Fund
14 to the Department of Youth Affairs for Sanctuary, Inc. for its Fiscal Year 1997 operations.
15 The recipient of this appropriation shall make a report of the expenditures of funds in this
16 appropriation to the Governor and the Legislature within the sixty (60) days following the
17 end of the fiscal year.

18 **Section 4. One Million Dollars (\$1,000,000) to Department of Administration for**
19 **the Off-Island Residential Treatment Fund.** One Million Dollars (\$1,000,000) are
20 appropriated from the General Fund to the Department of Administration to pay authorized
21 expenses for persons under the jurisdiction of the Superior Court of Guam for residential

1 care arising from physical, mental or emotional handicaps or from severe emotional distur-
2 bances. All patients and escorts referred off-island shall submit to the Director of Admin-
3 istration supporting documents to justify reimbursement of their travel expenses.

4 **Section 5. Twenty-eight Million One Hundred Ninety-one Thousand Two**
5 **Hundred Seventy-five Dollars (\$28,191,275) to Government of Guam Retirement Fund**
6 **for supplemental annuity benefits.** Twenty-eight Million One Hundred Ninety-one
7 Thousand Two Hundred Seventy-five Dollars (\$28,191,275) are appropriated from the
8 General Fund to the Government of Guam Retirement Fund for the benefits of current retir-
9 ees, consisting of the continuing provisions of items (i) through (vii) below:

10 (i) the One Thousand Two Hundred Dollar (\$1,200) annuity benefits (to
11 continue existing programs currently contained in the semi-monthly
12 payments);

13 (ii) the One Thousand Five Hundred Dollar (\$1,500) supplemental
14 annuity benefits (to continue existing programs currently contained in
15 the semi-monthly payments);

16 (iii) the Seven Hundred Dollar (\$700) supplemental annuity benefits (to
17 continue existing programs currently contained in the semi-monthly
18 payments);

19 (iv) the Eight Hundred Thirty-Eight Dollar (\$838) annuity benefits (to
20 continue existing programs currently contained in the semi-monthly
21 payments);

- 1 (v) the Governor and Lieutenant Governor Pensions (to continue existing
2 programs currently contained in the semi-monthly payments);
- 3 (vi) the Retiree group health, dental, and life insurance premiums (to
4 continue existing programs currently contained in the semi-monthly
5 payments);
- 6 (vii) the Retiree life insurance subsidy (to continue existing programs
7 currently contained in the semi-monthly payments).

8 **Section 6. Two Million Dollars (\$2,000,000) to the Department of Admin-**
9 **istration for the cost of overtime for line agencies of the Executive Branch.** Two
10 Million Dollars (\$2,000,000) are appropriated from the General Fund to the Depart-
11 ment of Administration to be used under the direction of the Governor of Guam or his
12 designee for the purpose of funding overtime for all line agencies and departments in
13 the Executive Branch. Appropriations for overtime are not contained within the
14 appropriation for operations for each line agency.

15 **Section 7. Three Million Five Hundred Thousand Dollars (\$3,500,000) to the**
16 **Komitea Para Tiyan for personnel and operations associated with the relocation,**
17 **renovation and maintenance costs due to the closure of Naval Air Station, Guam.**
18 Three Million Five Hundred Thousand Dollars (\$3,500,000) are appropriated from the
19 General Fund to the Komitea Para Tiyan for the purpose of paying personnel and operational
20 costs as caretaker of NAS to include costs associated with the relocation, renovation and
21 maintenance of Naval Air Station, Guam.

1 **Section 8. Nine Hundred Fifty Thousand Dollars (\$950,000) to the Worker's**
2 **Compensation Fund.** Nine Hundred Fifty Thousand Dollars (\$950,000) are appropriated
3 from the General Fund to the Worker's Compensation Fund for the purposes set out in
4 Section 37042 of Title XXXIII of the Government Code to pay worker's compensation for
5 claims by employees of the Government of Guam.

6 **Section 9. One Hundred Seventy-eight Thousand One Hundred Fifty-four**
7 **Dollars (\$178,154) for the Crisis Hotline Project.** One Hundred Seventy-eight Thousand
8 One Hundred Fifty-four Dollars (\$178,154) are appropriated from the General Fund to the
9 Department of Mental Health and Substance Abuse for the Fiscal Year 1997 operations of
10 the Crisis Hotline Project.

11 **Section 10. Forty-one Million Five Hundred Thousand Dollars (\$41,500,000) to**
12 **the Public Utility Agency of Guam.** Forty-one Million Five Hundred Thousand Dollars
13 (\$41,500,000) are appropriated from the Public Utility Agency of Guam Fund to the Public
14 Utility Agency of Guam for its operations during Fiscal Year 1997.

15 **Section 11. Fifteen Thousand Dollars (\$15,000) for the Seventeenth Island**
16 **Conference on Public Administration.** Fifteen Thousand Dollars (\$15,000) are appropri-
17 ated from the General Fund to the College of Business and Public Administration of the
18 University of Guam to cover all costs associated with the holding of the Seventeenth Island
19 Conference on Public Administration.

1
2
3
4

Section 12. Such sums as are necessary for the 1997 Summer School Program.

There is hereby appropriated such sums as are necessary from the Summer School Fund established pursuant to §6118 of Title 17, Guam Code Annotated, to the Department of Education to fund the operations of the 1997 Summer School Program.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

CHAPTER IV

MISCELLANEOUS PROVISIONS

Section 1. Continuing authorization of Komitea Para Tiyan as caretaker of Former Naval Air Station, Guam (NAS). A new §3128 is added to Title 5, Guam Code Annotated, to read:

“§3128. Komitea Para Tiyan. (a) Legislative history. The Komitea Para Tiyan, as agent for the Governor of Guam under Executive Order 95-02, and on behalf of the people of Guam, has issued official notice to the United States Navy, to the federal government and to all other concerned individuals or authorities, that the Komitea Para Tiyan shall assume the authority and duties and responsibilities as “caretaker” of Naval Air Station (NAS) Guam during the interim period and until such time as all requirements are successfully accomplished for the issuance of title to the Government of Guam to the property and parcels comprising NAS.

(b) Personnel. The Komitea Para Tiyan may hire personnel to perform the functions that are necessary for the effective performance of the responsibilities and obligations of caretaker.

(c) Komitea Para Tiyan authorized to charge rents and fees. The Komitea Para Tiyan is designated the responsibility of developing and recommending the planning activities in the reuse of NAS or the various use or potential uses of the facilities within NAS for the maximum benefit of the people of Guam. The Komitea Para Tiyan is authorized to identify and adopt the types of fees, charges and assessments for use of NAS facilities, and

1 is exempt from the provisions of the Administrative Adjudication Law. All money collected
2 or proceeds received from lease fees or rentals of equipment and facilities within NAS, and
3 service fees shall be properly accounted for and deposited into the General Fund of the
4 Government of Guam.”

5 **Section 2. Authorization for Guam Memorial Hospital Authority to utilize Hospi-**
6 **tal Operations Fund for its operations in the absence of General Fund Subsidy.**
7 Subsection (e) of 80112 of Title 10, Guam Code Annotated, is amended to read:

8 “(e) The hospital shall disburse money from the fund [~~only after appropriation for such~~
9 ~~expenditure by the Legislature]~~ for the operations of the hospital as money becomes
10 available;”

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

CHAPTER V

ADMINISTRATIVE PROVISIONS

Section 1. Appropriations from Guam Contractors License Board Fund and Professional Engineers, Architects and Land Surveyors Board Fund to revert to the General Fund for Fiscal Year 1997. At the end of Fiscal Year 1997, any unappropriated balances from the Guam Contractors License Board Fund and the Professional Engineers, Architects and Land Surveyors Board Fund shall revert to the General Fund.

Section 2. Except those specified, at the end of Fiscal Year 1997, unexpended or unencumbered General Fund appropriations revert to the General Fund, and unexpended or unencumbered Tourist Attraction Fund appropriations revert to the Tourist Attraction Fund. Notwithstanding any other provision of law, unless otherwise specified in this Act or subsequent legislation:

(a) General Fund, reversion. All unexpended or unencumbered appropriations made from the General Fund pursuant to this Act for Fiscal Year 1997 shall revert to the General Fund on the last day of that fiscal year; and

(b) Tourist Attraction Fund, reversion. All unexpended or unencumbered appropriations made in this Act for Fiscal Year 1997 from the Tourist Attraction Fund shall revert to the Tourist Attraction Fund on the last day of that fiscal year.

Section 3. Carryover of Local and Federal Matching Program Funds for grants. The Local and Federal Matching Funds for programs whose expiration dates extend beyond September 30, 1997 are hereby authorized to be carried over and expended through the period of the grant award.

1 **Section 4. Money reimbursed by the federal government shall be placed in the**
2 **General Fund.** Except as provided by the provisions of Public Law 22-24, if the territory
3 expends any funds which are reimbursed by the federal government, the reimbursed funds
4 shall be placed in the General Fund upon receipt.

5 **Section 5. Prior Years' Obligations.** Notwithstanding any other provision of law,
6 appropriations made in this Act may be expended for the payment of prior years' obligations.
7 Notice of each proposed expenditure shall be delivered to the Speaker of the Legislature by
8 the Governor no less than Seven (7) days before the effective date of the expenditure.

9 **Section 6. Authorization for departments to expend appropriated funds for**
10 **matching requirements for new federal programs.** Notwithstanding any other provision
11 of law, Departments are authorized to expend funds appropriated in this Act for matching
12 requirements of new federal programs.

13 **Section 7. Transfer authority for general government operations.** The Governor is
14 authorized to transfer from one appropriation of the Executive Branch to another appropria-
15 tion of the Executive Branch, provided, that not more than Five Percent (5%) of the funds of
16 any territorial agency shall be transferred out of the territorial agency; and provided further,
17 that notice of each transfer and justification therefor, is delivered by the end of the month in
18 which the transfer takes place to the Speaker of the Legislature.

19 **Section 8. Full-Time Equivalency (FTE) restrictions to the University of Guam.**
20 Notwithstanding any other provision of law, the Full-Time Equivalency (FTE) restrictions
21 imposed by this Act shall not be applicable to the University of Guam instructional
22 positions.

1 **Section 9. Full-Time Equivalency (FTE) restrictions to the Guam Community**
2 **College.** Notwithstanding any other provision of law, the Full-Time Equivalency (FTE)
3 restrictions imposed by this Act shall not be applicable to the Guam Community College
4 instructional positions.

5 **Section 10. Medically Indigent Program Funds available until expended.** All
6 appropriations made to the Medically Indigent Program of the Department of Public Health
7 and Social Services shall remain available until expended.

8 **Section 11. Provision for compliance with cost containment plan requirement**
9 **contained in bond authorization legislation, Subsection (b) of Section 6 of Public Law**
10 **23-14. (a) Background.** The provisions of Subsection (b) of Section 6 of Public Law
11 23-14 state in part:

12 “...For Fiscal Year 1997 and beyond, the Legislature shall not appropriate from the
13 general fund more than ninety-five percent (95%) of the total revenues projected for the
14 general fund for that fiscal year, or ninety-five percent (95%) of the total actual revenues
15 collected for the general fund for the previous fiscal year, whichever number is smaller...”

16 The appropriations contained in this Act were computed based on the assumption that
17 the Estimated Revenues for Fiscal Year 1997 set out in Chapter I of this Act are set at
18 Ninety-five percent (95%) of the Actual Revenues to be collected for Fiscal Year 1996. At
19 the time of transmittal of this budget request, January 31, 1996, the Total Actual Revenues
20 for Fiscal Year 1996 cannot yet be accurately determined.

Introduced

FEB 20 1996

**TWENTY-THIRD GUAM LEGISLATURE
1996 (SECOND) Regular Session**

BILL NO. 517 (LS)

Introduced by:

SONNY LUJAN ORSINI
COMMITTEE ON RULES

**by request of the Governor in
accordance with the Organic
Act of Guam**

**AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS
OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF
GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 1997 AND
MAKING OTHER APPROPRIATIONS, AND ESTABLISHING
MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.**

BE ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

CHAPTER I

GENERAL PROVISIONS

Section 1. Short Title. This Act may be known as the "General Appropriation Act of 1997." Except as otherwise provided in this Act, the appropriations made by this Act shall be available to pay for obligations incurred on or after October 1, 1996 but no later than September 30, 1997. In the event that any appropriation of this Act is found contrary to federal law, all portions not so found shall remain valid.

Section 2. Estimated Revenues. The Legislature adopts the following as its revenue forecast for Fiscal Year 1997:

1	I. GENERAL FUND REVENUES	<u>AMOUNT</u>
2	A. TAXES	
3	Income Tax (Corporate and Individual)	\$303,320,000
4	Federal Income Tax Collection (Section 30 Funds)	33,250,000
5	Gross Receipts Tax	183,690,000
6	Other Taxes	<u>\$ 8,280,000</u>
7	TOTAL TAXES	\$528,540,000
8	B. FEDERAL SOURCES	8,210,000
9	Immigration Fees, National School Lunch/Breakfast Program	
10	and Indirect Cost	
11	C. USE OF MONEY AND PROPERTY	1,510,000
12	Interest earned on accounts	
13	D. LICENSES, FEES & PERMITS	6,730,000
14	Business Licenses, Weights and Measures Fees and Others	
15	E. DEPARTMENT CHARGES	<u>\$ 3,280,000</u>
16	Education, Public Health, Agriculture and Others	
17	TOTAL GENERAL FUND REVENUE	\$548,270,000
18	II. SPECIAL FUND REVENUE	
19	A. Abandoned Vehicle and Streetlight Fund	\$ 1,530,000
20	B. Customs, Agricultural and Quarantine User Fund	14,000,000
21	C. Guam Contractors License Board Fund	455,000
22	D. Housing Revolving Fund	600,000

1	E. Land Survey Revolving Fund	234,000
2	F. Parks Fund	134,000
3	G. Professional Engineers, Architects and	
4	Land Surveyors Board Fund	200,000
5	H. Public Utility Agency of Guam Fund	41,500,000
6	I. Special Surplus Property Fund	50,000
7	J. Tourist Attraction Fund	<u>\$ 24,071,922</u>
8	TOTAL SPECIAL FUND REVENUE	\$ 82,774,922
9	III. FEDERAL MATCHING GRANTS-IN-AID REVENUES	
10	Federal Grants-In-Aid Requiring Local Match:	
11	A. Agriculture	\$ 393,653
12	B. Guam Council on the Arts and Humanities Agency	201,000
13	C. Guam Environmental Protection Agency	2,191,804
14	D. Labor	84,328
15	E. Law	1,999,829
16	F. Library	76,096
17	G. Military Affairs	706,401
18	H. Office of Civil Defense	199,999
19	I. Public Health and Social Services	12,996,044
20	J. University of Guam	1,370,000
21	K. Vocational Rehabilitation	<u>\$ 1,937,597</u>
22	TOTAL FEDERAL MATCHING GRANTS-IN-AID REVENUE	\$ 22,156,751

1	REVENUE SUMMARY:	
2	TOTAL GENERAL FUND REVENUE	\$548,270,000
3	TOTAL SPECIAL FUND REVENUE	\$82,774,922
4	TOTAL FEDERAL MATCHING	
5	GRANTS-IN-AID REVENUE	<u>\$22,156,751</u>
6	GRAND TOTAL	\$653,201,673
7	Section 3. The following are estimated receipts for One Hundred Percent (100%)	
8	federal grants-in-aid:	
9	A. Agriculture	\$ 1,299,000
10	B. Agency for Human Resources Development	1,031,546
11	C. Bureau of Planning	1,702,000
12	D. Education	22,813,412
13	E. Guam Community College	1,660,080
14	F. Guam Public Library	20,731
15	G. Guam Energy Office	115,000
16	H. Guam Police	186,109
17	I. Guam Mass Transit Authority	336,720
18	J. Guam Occupational Information Coordinating Committee	87,920
19	K. Labor	1,679,879
20	L. Military Affairs	199,000
21	M. Mental Health and Substance Abuse	884,958

1	N. Office of Civil Defense	489,185
2	O. Office of the Governor	779,569
3	P. Parks and Recreation	245,000
4	Q. Public Health and Social Services	27,609,436
5	R. Public Works	332,098
6	S. Revenue and Taxation	240,325
7	T. State Council on Vocational Education	60,000
8	U. University of Guam	4,413,528
9	V. Vocational Rehabilitation	136,784
10	W. Youth Affairs	<u>\$ 223,917</u>
11	SUBTOTAL	\$ 66,546,197
12	TOTAL FEDERAL GRANTS	\$ 88,702,948
13	GRAND TOTAL ALL FUNDS	\$719,747,870
14	Section 4. The following are continuing appropriations:	
15	A. 1989 WATER SYSTEM BOND	
16	(P.L. 20-16, Infrastructure Improvements, Section 30 Pledged	
17	and FY2009 Final Year)	\$ 4,602,573
18	B. 1994 GENERAL OBLIGATION BOND	
19	(P.L. 22-138, Income Tax Refund, Section 30 Pledged	
20	and FY1999 Final Year)	<u>\$ 14,552,088</u>
21	GRAND TOTAL	\$ 19,154,661

1 **Section 5. Definitions.** The following definitions shall apply to this Act.

2 **(a) "Capital Outlay"** includes:

3 **(1)** equipment such as loader trucks, tractors, trailers, automobiles or other vehicles;
4 machinery; reference books; filing cabinets, typewriters, adding and calculating machines,
5 other business machines and office equipment; and tools, implements and instruments which
6 may be used continuously without material change in physical condition and must have a
7 useful life of one (1) year or longer and cost not less than Five Hundred Dollars (\$500);

8 **(2)** repair, remodeling or alteration of a building or replacement thereof and the
9 replacement and renewal of plumbing, wiring, and air conditioning systems costing more
10 than Thirty Thousand Dollars (\$30,000). Capital Outlay does not include normal mainte-
11 nance expenditures;

12 **(3)** construction of an entirely new building, including the materials and labor either
13 supplied by an agency of the government or supplied by contract; and

14 **(4)** non-structural improvements to buildings, the grading, leveling, drainage and
15 landscaping of land or the construction of roadways, fences, ditches, or sanitary or storm
16 sewers.

17 **(b) "Contingency"** means expenditure for unbudgeted items.

18 **(c) "Contractual Services"** include:

19 **(1)** services rendered or performed by businesses, other government agencies or
20 individuals other than expenses for personnel services;

1 (2) current services or charges for rental of personal property, insurance premiums (not
2 employee benefits), dues, paid subscriptions, and other fixed charges; and

3 (3) telex and other forms of communication except telephone and facsimile.

4 (d) "**Equipment**" means items having a purchase price of Five Hundred Dollars (\$500) or
5 less.

6 (e) "**Encumbrances**" means commitments related to unperformed (executory) contracts
7 for goods and services and are generally evidenced by outstanding purchase orders,
8 contracts, and interdepartmental work requests. Encumbrances reported at year end are
9 reported as a reservation of fund balance since they do not constitute expenditures or
10 liabilities.

11 (f) "**Expenditures**" means all amounts of money, other than refunds authorized by law,
12 paid out or encumbered for payment by a territorial agency other than for investment securi-
13 ties or as agent or trustee for other governmental entities or private persons.

14 (g) "**Federal Funds**" means payments by the United States Government to the territorial
15 government or territorial agencies for specific purposes or in lieu of taxes, including grants,
16 reimbursements, and payments made in accordance with contracts but does not include
17 payments pursuant to Section 30 of the Organic Act of Guam.

18 (h) "**Full Time Equivalency**" or "**FTE**" means the equivalent of one (1) permanent
19 position continuously filled for two thousand eighty (2,080) hours per year commencing
20 October 1, 1996.

- 1 (i) **"General Fund"** means that Fund as defined by §21110 or Title 5, Guam Code
2 Annotated.
- 3 (j) **"Office Space Rental"** means payment to an entity for rental of office space and may
4 include the cost of maintenance, power, and other utility expenses.
- 5 (k) **"Match"** means direct cost sharing or in-kind General Fund support required as a
6 condition for acceptance for federal funds.
- 7 (l) **"Special Fund"** means revenue available to territorial agencies from sources other
8 than the General Fund and Federal Funds.
- 9 (m) **"Personnel Services"** includes:
10 (1) salaries and wages payable to persons employed by the government; and
11 (2) the government's contributions to the Government of Guam Retirement Fund and
12 the employer's contribution under the Federal Insurance Contribution Act; and
13 (3) the government's contributions for health, dental, and life insurance plans.
- 14 (n) **"Power"** includes all expenses incurred for the use of electricity or liquid propane gas,
15 propane, or butane gas.
- 16 (o) **"Revenue"** means all amounts received by a territorial agency from sources external to
17 that agency, net of refunds and other correcting transactions, other than from issue of debt
18 liquidation of investment or as agent or trustee for other governmental agents, entities, or
19 private persons.
- 20 (p) **"Supplies and Materials"** means materials which by their nature are consumable,

1 which have a useful lifetime of less than one (1) year, and which, after use, undergo an
2 impairment or a material change in physical condition.

3 (q) **"Telephone"** includes all charges for telephone and cellular telephone services.

4 (r) **"Territorial Agency"** means any office, department, institution, board, bureau,
5 commission, council, authority, branch, or committee of territorial government which
6 receives funding pursuant to this Act.

7 (s) **"Toll Calls"** includes all charges for long distance telephone calls and facsimile.

8 (t) **"Travel and Transportation"** means off-island travel expenses and local mileage
9 reimbursement in accordance with the laws of Guam.

10 (u) **"Water/Sewer"** includes all expenses for the purchase of water and all expenses for
11 waste-water treatment.

CHAPTER II
APPROPRIATIONS
FOR

EXECUTIVE BRANCH OPERATIONS

Section 1. Two Hundred Sixty-eight Million Four Hundred Four Thousand Five Hundred Sixty-five Dollars (\$268,404,565) are appropriated for the operations of the Executive Branch for the Fiscal Year ending September 30, 1997. This sum is composed of Two Hundred Thirty-two Million Ninety One Thousand Six Hundred Thirty-six Dollars (\$232,091,636) from the General Fund, Fifteen Million Five Hundred Twenty-six Thousand One Hundred Seventy-eight Dollars (\$15,526,178) from Special Funds and Twenty Million Seven Hundred Eighty-six Thousand Seven Hundred Fifty-one Dollars (\$20,786,751) from Federal Matching Grants-in-Aid. The appropriation shall be expended as follows:

	General Fund	Special Fund	Federal Fund Match	Total
I. GOVERNMENT-WIDE SUPPORT				
A. Administration	\$11,454,869	\$ 650,000 <u>1/</u>		\$12,104,869
B. Bureau of Budget and Management				
Research	1,677,566			1,677,566
C. Bureau of Planning	1,215,869			1,215,869
D. Civil Service Commission	1,362,038			1,362,038

	General Fund	Special Fund	Federal Fund Match	Total	
1					
2					
3	E. Commission on Self-				
4	Determination	696,996		696,996	
5	F. Office of the				
6	Governor	6,920,323		6,920,323	
7	G. State Council on				
8	Vocational				
9	Education	201,457		201,457	
10	H. Territorial Planning				
11	Council	382,751		382,751	
12	II. COMMUNITY SERVICES				
13	A. Guam Election				
14	Commission	694,448		694,448	
15	B. Mayors' Council	7,001,343		7,001,343	
16	III. ECONOMICS AND FINANCE				
17	A. Commerce	1,954,150		1,954,150	
18	B. Revenue and				
19	Taxation	11,768,544		11,768,544	
20	IV. NATURAL RESOURCES,				
21	RECREATION AND ARTS				
22	A. Agriculture	3,588,727	1,490,000 <u>2/</u>	\$393,653	5,472,380
23	B. Chamorro Land Trust				
24	Commission	450,000		450,000	
25	C. Guam Council on				
26	the Arts and				
27	Humanities Agency		705,101 <u>3/</u>	201,000	906,101

	General	Special	Federal Fund	
	Fund	Fund	Match	Total
1				
2				
3	D. Land Management	3,960,466	234,000 <u>4/</u>	4,194,466
4	E. Library	1,660,694	76,096	1,736,790
5	F. Museum		320,231 <u>5/</u>	320,231
6	G. Parks and			
7	Recreation	3,886,914	2,363,287 <u>6/</u>	6,250,201
8	V. PUBLIC SAFETY			
9	A. Chief Medical			
10	Examiner	335,831		335,831
11	B. Corrections	14,819,902		14,819,902
12	C. Customs and			
13	Quarantine		9,175,559 <u>7/</u>	9,175,559
14	D. Guam Fire	19,110,339		19,110,339
15	E. Guam Police	24,054,747		24,054,747
16	F. Law	7,029,060	1,999,829	9,028,889
17	G. Military Affairs	488,288	706,401	1,194,689
18	H. Office of Civil			
19	Defense	285,432	199,999	485,431
20	I. Youth Affairs	4,184,011		4,184,011
21	VI. HEALTH AND WELFARE			
22	A. Agency for Human Resources			
23	Development	305,172		305,172
24	B. Guam Environmental			
25	Protection Agency	1,288,053	2,191,804	3,479,857

	General Fund	Special Fund	Federal Fund Match	Total
1				
2				
3	C. Guam Health Planning			
4	and Development Agency	436,241		436,241
5	D. Labor	3,212,355	84,328	3,296,683
6	E. Mental Health and			
7	Substance Abuse	5,522,480		5,522,480
8	F. Public Health and			
9	Social Services	65,164,842	12,996,044	78,160,886
10	G. Veterans Affairs	233,107		233,107
11	H. Vocational			
12	Rehabilitation	794,030	1,937,597	2,731,627
13	VII. EDUCATION			
14	A. Chamorro Language			
15	Commission	183,809		183,809
16	B. Guam Educational			
17	Telecommunication			
18	Corporation	542,182		542,182
19	VIII. UTILITIES AND INFRASTRUCTURE			
20	A. Guam Contractors			
21	License Board		370,000 <u>8/</u>	370,000
22	B. Professional Engineers,			
23	Architects and Land			
24	Surveyors Board		65,000 <u>9/</u>	65,000
25	C. Public Works	25,224,600	153,000 <u>10/</u>	25,377,600
26	GRAND TOTAL	\$232,091,636	\$15,526,178	\$20,786,751
			\$268,404,565	

- 1 **NOTES:**
- 2 **1/ Housing Revolving Fund (\$600,000), Special Surplus Property Fund (\$50,000)**
- 3 **2/ Customs, Agricultural and Quarantine Inspection Services Fund**
- 4 **3/ Tourist Attraction Fund**
- 5 **4/ Land Survey Revolving Fund**
- 6 **5/ Tourist Attraction Fund**
- 7 **6/ Parks Fund (\$100,000), Tourist Attraction Fund (\$2,263,287)**
- 8 **7/ Customs, Agricultural and Quarantine Inspection Services Fund**
- 9 **8/ Guam Contractors License Board Fund**
- 10 **9/ Professional Engineers, Architects and Land Surveyors Board Fund**
- 11 **10/ Abandoned Vehicle and Streetlight Fund**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

CHAPTER III

MISCELLANEOUS APPROPRIATIONS

Section 1. Three Hundred Thousand Dollars (\$300,000) to Department of Mental Health and Substance Abuse for the "Mary Clare Home". Three Hundred Thousand Dollars (\$300,000) are appropriated from the General Fund to the Department of Mental Health and Substance Abuse for contractual expenses to operate the "Mary Clare Home" for Fiscal Year 1997.

Section 2. (a) Student scholarships, financial assistance, and program administration. Four Million Dollars (\$4,000,000) are appropriated from the General Fund to the University of Guam to be expended for the following student scholarships, financial assistance and program administration: Merit Awards, Student Loans, Nurses Training, Professional and Technical Awards, Doctoral Fellowships, Reserve Officer Training Corp (ROTC), Regent Scholarships, Marine Lab Graduates Assistance, Advanced High School Placement, Senior Citizens, and Administration of all student financial assistance programs. The University of Guam shall determine the allocation of this appropriation in order to fund the various student scholarships, financial assistance and its program administration for Fiscal Year 1997; provided, that the expenditures do not exceed the total appropriation made in this Subsection (a).

(b) Pedro "Doc" Sanchez Scholarship Program. Four Hundred Ten Thousand Six Hundred Forty-one Dollars (\$410,641) are appropriated from the General Fund to the College of Business and Public Administration of the University of Guam for the Pedro "Doc" Sanchez Scholarship Program.

1 **(c) Teacher Training Council and Guam Teacher Corps.** Three Million Thirty-
2 nine Thousand Four Hundred Sixty-five Dollars (\$3,039,465) are appropriated from the
3 General Fund to the University of Guam, which shall disburse the funds pursuant to the
4 directives and policies of the Teacher Training Council, for stipends for the Guam Teacher
5 Corps and for the administration of the Teacher Training Council, in accordance with the
6 provisions of Public Law 21-88.

7 **(d) Chamorro Language and Culture Institute.** One Hundred Seventy-five
8 Thousand Four Hundred Ninety-seven Dollars (\$175,497) are appropriated from the General
9 Fund to the Chamorro Language and Culture Institute of the University of Guam for the
10 operations of this Institute. This appropriation shall continue until expended for the opera-
11 tions and purposes of the Institute.

12 **Section 3. Four Hundred Eighty Thousand Dollars (\$480,000) for Sanctuary, Inc.**
13 Four Hundred Eighty Thousand Dollars (\$480,000) are appropriated from the General Fund
14 to the Department of Youth Affairs for Sanctuary, Inc. for its Fiscal Year 1997 operations.
15 The recipient of this appropriation shall make a report of the expenditures of funds in this
16 appropriation to the Governor and the Legislature within the sixty (60) days following the
17 end of the fiscal year.

18 **Section 4. One Million Dollars (\$1,000,000) to Department of Administration for**
19 **the Off-Island Residential Treatment Fund.** One Million Dollars (\$1,000,000) are
20 appropriated from the General Fund to the Department of Administration to pay authorized
21 expenses for persons under the jurisdiction of the Superior Court of Guam for residential

1 care arising from physical, mental or emotional handicaps or from severe emotional distur-
2 bances. All patients and escorts referred off-island shall submit to the Director of Admin-
3 istration supporting documents to justify reimbursement of their travel expenses.

4 **Section 5. Twenty-eight Million One Hundred Ninety-one Thousand Two**
5 **Hundred Seventy-five Dollars (\$28,191,275) to Government of Guam Retirement Fund**
6 **for supplemental annuity benefits.** Twenty-eight Million One Hundred Ninety-one
7 Thousand Two Hundred Seventy-five Dollars (\$28,191,275) are appropriated from the
8 General Fund to the Government of Guam Retirement Fund for the benefits of current retir-
9 ees, consisting of the continuing provisions of items (i) through (vii) below:

- 10 (i) the One Thousand Two Hundred Dollar (\$1,200) annuity benefits (to
11 continue existing programs currently contained in the semi-monthly
12 payments);
- 13 (ii) the One Thousand Five Hundred Dollar (\$1,500) supplemental
14 annuity benefits (to continue existing programs currently contained in
15 the semi-monthly payments);
- 16 (iii) the Seven Hundred Dollar (\$700) supplemental annuity benefits (to
17 continue existing programs currently contained in the semi-monthly
18 payments);
- 19 (iv) the Eight Hundred Thirty-Eight Dollar (\$838) annuity benefits (to
20 continue existing programs currently contained in the semi-monthly
21 payments);

1 **Section 8. Nine Hundred Fifty Thousand Dollars (\$950,000) to the Worker's**
2 **Compensation Fund.** Nine Hundred Fifty Thousand Dollars (\$950,000) are appropriated
3 from the General Fund to the Worker's Compensation Fund for the purposes set out in
4 Section 37042 of Title XXXIII of the Government Code to pay worker's compensation for
5 claims by employees of the Government of Guam.

6 **Section 9. One Hundred Seventy-eight Thousand One Hundred Fifty-four**
7 **Dollars (\$178,154) for the Crisis Hotline Project.** One Hundred Seventy-eight Thousand
8 One Hundred Fifty-four Dollars (\$178,154) are appropriated from the General Fund to the
9 Department of Mental Health and Substance Abuse for the Fiscal Year 1997 operations of
10 the Crisis Hotline Project.

11 **Section 10. Forty-one Million Five Hundred Thousand Dollars (\$41,500,000) to**
12 **the Public Utility Agency of Guam.** Forty-one Million Five Hundred Thousand Dollars
13 (\$41,500,000) are appropriated from the Public Utility Agency of Guam Fund to the Public
14 Utility Agency of Guam for its operations during Fiscal Year 1997.

15 **Section 11. Fifteen Thousand Dollars (\$15,000) for the Seventeenth Island**
16 **Conference on Public Administration.** Fifteen Thousand Dollars (\$15,000) are appropri-
17 ated from the General Fund to the College of Business and Public Administration of the
18 University of Guam to cover all costs associated with the holding of the Seventeenth Island
19 Conference on Public Administration.

1 **Section 12. Such sums as are necessary for the 1997 Summer School Program.**
2 There is hereby appropriated such sums as are necessary from the Summer School Fund
3 established pursuant to §6118 of Title 17, Guam Code Annotated, to the Department of
4 Education to fund the operations of the 1997 Summer School Program.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

CHAPTER IV

MISCELLANEOUS PROVISIONS

Section 1. Continuing authorization of Komitea Para Tiyan as caretaker of Former Naval Air Station, Guam (NAS). A new §3128 is added to Title 5, Guam Code Annotated, to read:

“§3128. Komitea Para Tiyan. (a) Legislative history. The Komitea Para Tiyan, as agent for the Governor of Guam under Executive Order 95-02, and on behalf of the people of Guam, has issued official notice to the United States Navy, to the federal government and to all other concerned individuals or authorities, that the Komitea Para Tiyan shall assume the authority and duties and responsibilities as “caretaker” of Naval Air Station (NAS) Guam during the interim period and until such time as all requirements are successfully accomplished for the issuance of title to the Government of Guam to the property and parcels comprising NAS.

(b) Personnel. The Komitea Para Tiyan may hire personnel to perform the functions that are necessary for the effective performance of the responsibilities and obligations of caretaker.

(c) Komitea Para Tiyan authorized to charge rents and fees. The Komitea Para Tiyan is designated the responsibility of developing and recommending the planning activities in the reuse of NAS or the various use or potential uses of the facilities within NAS for the maximum benefit of the people of Guam. The Komitea Para Tiyan is authorized to identify and adopt the types of fees, charges and assessments for use of NAS facilities, and

1 is exempt from the provisions of the Administrative Adjudication Law. All money collected
2 or proceeds received from lease fees or rentals of equipment and facilities within NAS, and
3 service fees shall be properly accounted for and deposited into the General Fund of the
4 Government of Guam.”

5 **Section 2. Authorization for Guam Memorial Hospital Authority to utilize Hospi-**
6 **tal Operations Fund for its operations in the absence of General Fund Subsidy.**

7 Subsection (e) of 80112 of Title 10, Guam Code Annotated, is amended to read:

8 “(e) The hospital shall disburse money from the fund [~~only after appropriation for such~~
9 ~~expenditure by the Legislature]~~ for the operations of the hospital as money becomes
10 available;”

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

CHAPTER V

ADMINISTRATIVE PROVISIONS

Section 1. Appropriations from Guam Contractors License Board Fund and Professional Engineers, Architects and Land Surveyors Board Fund to revert to the General Fund for Fiscal Year 1997. At the end of Fiscal Year 1997, any unappropriated balances from the Guam Contractors License Board Fund and the Professional Engineers, Architects and Land Surveyors Board Fund shall revert to the General Fund.

Section 2. Except those specified, at the end of Fiscal Year 1997, unexpended or unencumbered General Fund appropriations revert to the General Fund, and unexpended or unencumbered Tourist Attraction Fund appropriations revert to the Tourist Attraction Fund. Notwithstanding any other provision of law, unless otherwise specified in this Act or subsequent legislation:

(a) General Fund, reversion. All unexpended or unencumbered appropriations made from the General Fund pursuant to this Act for Fiscal Year 1997 shall revert to the General Fund on the last day of that fiscal year; and

(b) Tourist Attraction Fund, reversion. All unexpended or unencumbered appropriations made in this Act for Fiscal Year 1997 from the Tourist Attraction Fund shall revert to the Tourist Attraction Fund on the last day of that fiscal year.

Section 3. Carryover of Local and Federal Matching Program Funds for grants. The Local and Federal Matching Funds for programs whose expiration dates extend beyond September 30, 1997 are hereby authorized to be carried over and expended through the period of the grant award.

1 **Section 4. Money reimbursed by the federal government shall be placed in the**
2 **General Fund.** Except as provided by the provisions of Public Law 22-24, if the territory
3 expends any funds which are reimbursed by the federal government, the reimbursed funds
4 shall be placed in the General Fund upon receipt.

5 **Section 5. Prior Years' Obligations.** Notwithstanding any other provision of law,
6 appropriations made in this Act may be expended for the payment of prior years' obligations.
7 Notice of each proposed expenditure shall be delivered to the Speaker of the Legislature by
8 the Governor no less than Seven (7) days before the effective date of the expenditure.

9 **Section 6. Authorization for departments to expend appropriated funds for**
10 **matching requirements for new federal programs.** Notwithstanding any other provision
11 of law, Departments are authorized to expend funds appropriated in this Act for matching
12 requirements of new federal programs.

13 **Section 7. Transfer authority for general government operations.** The Governor is
14 authorized to transfer from one appropriation of the Executive Branch to another appropria-
15 tion of the Executive Branch, provided, that not more than Five Percent (5%) of the funds of
16 any territorial agency shall be transferred out of the territorial agency; and provided further,
17 that notice of each transfer and justification therefor, is delivered by the end of the month in
18 which the transfer takes place to the Speaker of the Legislature.

19 **Section 8. Full-Time Equivalency (FTE) restrictions to the University of Guam.**
20 Notwithstanding any other provision of law, the Full-Time Equivalency (FTE) restrictions
21 imposed by this Act shall not be applicable to the University of Guam instructional
22 positions.

1 **Section 9. Full-Time Equivalency (FTE) restrictions to the Guam Community**
2 **College.** Notwithstanding any other provision of law, the Full-Time Equivalency (FTE)
3 restrictions imposed by this Act shall not be applicable to the Guam Community College
4 instructional positions.

5 **Section 10. Medically Indigent Program Funds available until expended.** All
6 appropriations made to the Medically Indigent Program of the Department of Public Health
7 and Social Services shall remain available until expended.

8 **Section 11. Provision for compliance with cost containment plan requirement**
9 **contained in bond authorization legislation, Subsection (b) of Section 6 of Public Law**
10 **23-14. (a) Background.** The provisions of Subsection (b) of Section 6 of Public Law
11 23-14 state in part:

12 “...For Fiscal Year 1997 and beyond, the Legislature shall not appropriate from the
13 general fund more than ninety-five percent (95%) of the total revenues projected for the
14 general fund for that fiscal year, or ninety-five percent (95%) of the total actual revenues
15 collected for the general fund for the previous fiscal year, whichever number is smaller...”

16 The appropriations contained in this Act were computed based on the assumption that
17 the Estimated Revenues for Fiscal Year 1997 set out in Chapter I of this Act are set at
18 Ninety-five percent (95%) of the Actual Revenues to be collected for Fiscal Year 1996. At
19 the time of transmittal of this budget request, January 31, 1996, the Total Actual Revenues
20 for Fiscal Year 1996 cannot yet be accurately determined.

1 **(b) Budget request adjustment to comply with Ninety-five Percent (95%) reduc-**
2 **tion requirement.** Notwithstanding any other provision of law, if actual revenues for fiscal
3 year 1996 are lower than the appropriation levels utilized in this General Appropriation Act
4 of 1997, then each appropriation from the General Fund which is contained in this Act is
5 automatically adjusted by an equal percentage in order to ensure compliance with the
6 Ninety-five Percent (95%) appropriation reduction requirement of Public Law 23-14.

7 **Section 12. Restriction on filling of vacancies as of October 1, 1996.** All Classified
8 positions funded One Hundred Percent (100%) by the General Fund and which are vacant as
9 of October 1, 1996, are funded at Fifty Percent (50%) of the total appropriation allocated for
10 their salaries and benefits. Notwithstanding the restriction in the previous sentence,
11 positions in the Department of Education which were filled at the beginning of the School
12 Year by teachers and which became vacant prior to October 1, 1996 may be filled.

13 **Section 13. Severability.** If any provision of this Act or its application to any person
14 or circumstances is held invalid, the invalidity does not affect other provisions or applica-
15 tions of this Act which can be given effect without the invalid provision or application, and
16 to this end the provisions of this Act are severable.