



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

Refer to
Legislative Secretary

JUN 20 1997

The Honorable Antonio R. Unpingco
Speaker
Twenty-Fourth Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Agana, Guam 96910


OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By	<u>D. J. F.</u>
Time	<u>3:36pm</u>
Date	<u>6-20-97</u>

Dear Speaker Unpingco:

Enclosed please find a copy of Substitute Bill No. 122 (COR), "AN ACT TO AMEND SECTION 12001(a) OF TITLE 12 OF THE GUAM CODE ANNOTATED, RELATIVE TO THE PUBLIC UTILITIES COMMISSION.", which I have signed into law today as **Public Law No. 24-47**.

This legislation will affect future appointments to the Public Utilities Commission, restricting Directors, Deputy Directors, and persons appointed to other boards and commissions which are confirmed by the Legislature from serving as members of the Public Utilities Commission.

Very truly yours,


Carl T. C. Gutierrez
Governor of Guam

Attachment 00289

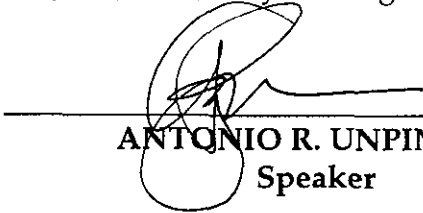
cc: The Honorable Joanne M. S. Brown
Legislative Secretary

Office of the Speaker
ANTONIO R. UNPINGCO
Date: 6-20-97
Time: 2pm
Rec'd by: myh
Print Name: Guillermo Yuse He


TWENTY-FOURTH GUAM LEGISLATURE
1997 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

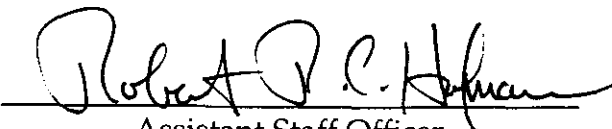
This is to certify that Substitute Bill No. 122 (COR), "AN ACT TO AMEND SECTION 12001(a) OF TITLE 12 OF THE GUAM CODE ANNOTATED, RELATIVE TO THE PUBLIC UTILITIES COMMISSION," was on the 7th day of June, 1997, duly and regularly passed.


ANTONIO R. UNPINGCO
Speaker


Attested:


JOANNE M.S. BROWN
Senator and Legislative Secretary

This Act was received by the Governor this 13th day of June, 1997, at
8:10 o'clock A.M.


Assistant Staff Officer
Governor's Office

APPROVED:


CARL T. C. GUTIERREZ
Governor of Guam

Date: 6-20-97

Public Law No. 24-47

TWENTY-FOURTH GUAM LEGISLATURE
1997 (FIRST) Regular Session

Bill No. 122 (COR)

As substituted by the Committee on Power,
Foreign Affairs and General Government Services,
and as amended on the Floor.

Introduced by:

M. C. Charfauros
A. L.G. Santos
T. C. Ada
F. B. Aguon, Jr.
E. Barrett-Anderson
A. C. Blaz
J. M.S. Brown
Felix P. Camacho
Francisco P. Camacho
E. J. Cruz
W. B.S.M. Flores
Mark Forbes
L. F. Kasperbauer
A. C. Lamorena, V
C. A. Leon Guerrero
L. Leon Guerrero
V. C. Pangelinan
J. C. Salas
F. E. Santos
A. R. Unpingco
J. Won Pat-Borja

**AN ACT TO AMEND SECTION 12001(a) OF TITLE
12 OF THE GUAM CODE ANNOTATED,
RELATIVE TO THE PUBLIC UTILITIES
COMMISSION.**

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

2 **Section 1.** Section 12001(a) of Title 12 of the Guam Code Annotated is
3 hereby amended to read as follows:

4 “(a) The Governor shall appoint, with the advice and consent of
5 the Guam Legislature, two (2) members from the business community
6 of Guam; one (1) member who is a certified public accountant; one (1)
7 member who has managerial or engineering experience in the field of
8 power generation; one (1) member who has training and experience in
9 the field of telephone, water or sewer utilities management or a related
10 area; and two (2) members who are from the community-at-large.
11 Except for the initial term, the terms of such members shall be for six (6)
12 years. No member shall be a director, deputy director, appointed
13 unclassified employee, any other unclassified employee of the
14 government of Guam, or a member of any other board or commission.
15 The appointment of any person to the Commission shall become void if
16 at any time during his/her term of office, he/she shall become a
17 director, deputy director, appointed to any unclassified position in the
18 government of Guam, or accept appointment to any other board or
19 commission.”

24-47



TWENTY • FOURTH
GUAM LEGISLATURE

Senator Felix P. Camacho

Chairman, Committee on Power, Foreign Affairs and General Government Services

155 Hesler Street
Agana, Guam 96910

Telex: 6711
472-3505 / 6

Fax: 6711
472-9747

April 25, 1997

The Honorable
Antonio R. Unpingco
Speaker, 24th Guam Legislature
Agana, Guam

via: Committee on Rules

Dear Mr. Speaker:

The Committee on Power, Foreign Affairs & General Government Services, to which was referred Bill No. 122, "An act to amend section 12001(a) of Title 12 Guam Code Annotated, relative to the Public Utilities Commission" as substituted by the Committee herein reports back with the recommendation **TO DO PASS**.

Votes of committee members are as follows:

- 9 To Pass
- Not To Pass
- To The Inactive File
- Abstained
- Off-Island
- 5 Not Available

Sincerely,

Felix P. Camacho

Attachments

**COMMITTEE ON POWER, FOREIGN AFFAIRS
& GENERAL GOVERNMENT SERVICES
TWENTY-FOURTH GUAM LEGISLATURE
155 Hesler Street, Agana, Guam 96910**

Chairman: Senator Felix P. Camacho Vice Chairman: Senator Lawrence F. Kasperbauer
Ex-Officio Member: Speaker Antonio R. Unpingco

VOTING SHEET ON:

BILL NO.122, "AN ACT TO AMEND SECTION 12001(a) OF TITLE 12 GUAM CODE
ANNOTATED, RELATIVE TO THE PUBLIC UTILITIES COMMISSION"

<u>COMMITTEE MEMBERS</u>	<u>INITIAL</u>	<u>TO PASS</u>	<u>NOT TO PASS</u>	<u>ABSTAIN</u>	<u>TO PLACE IN INACTIVE FILE</u>
Sen. Felix P. Camacho	<i>FC</i>	✓			
Sen. Lawrence F. Kasperbauer	<i>LJK</i>	X			
Sen. Antonio R. Unpingco (ex-officio)					
Sen. Thomas C. Ada	<i>TC</i>	✓			
Sen. Elizabeth Barrett-Anderson					
Sen. Francisco P. Camacho					
Sen. Mark C. Charfauros	<i>MC</i>	✓			
Sen. Edwardo J. Cruz, MD	<i>EJC</i>	✓			
Sen. William B. S.M. Flores	<i>WB</i>	✓			
Sen. Carlotta A. Leon Guerrero	<i>CL</i>	✓			
Sen. Alberto A.C. Lamorena V					
Sen. Vicente C. Pangelinan		✓			
Sen. Angel L.G. Santos	<i>AS</i>	✓			
Sen. Francis E. Santos					
Sen. Judith Won Pat-Borja					

**COMMITTEE ON POWER, FOREIGN AFFAIRS
& GENERAL GOVERNMENT SERVICES
TWENTY-FOURTH GUAM LEGISLATURE**

COMMITTEE REPORT

ON

BILL NO. 122

**“AN ACT TO AMEND SECTION 12001(a) GUAM CODE ANNOTATED,
RELATIVE TO THE PUBLIC UTILITIES COMMISSION”**

COMMITTEE MEMBERS

Chairman: Felix P. Camacho

Vice Chairman: Senator Lawrence F. Kasperbauer

Ex-Officio Member: Speaker Antonio R. Unpingco

Thomas C. Ada

Francisco P. Camacho

Edwardo J. Cruz, MD

Alberto A.C. Lamorena V

Vicente C. Pangelinan

Francis E. Santos

Elizabeth Barrett-Anderson

Mark C. Charfauros

William B. S.M. Flores

Carlotta A. Leon Guerrero

Angel L.G. Santos

Judith Won Pat -Borja

COMMITTEE REPORT
POWER, FOREIGN AFFAIRS & GENERAL GOVERNMENT SERVICES

BILL NO. 122

"An Act to Amend Section 12001(a) of Title 12 Guam Code Annotated, Relative
the Public Utilities Commission.

I. PUBLIC HEARING

The Committee on Power, Foreign Affairs & General Government Services (CPFA&GGS) held a public hearing on Bill No. 122 at 8:30 a.m. on Monday, April 14, 1997 in the Public Hearing Room of the Temporary Guam legislature. Notices were placed in the Pacific Daily News.

The hearing was called to order by Senator Felix P. Camacho, Chairman of CPFA&GGS. Members present included Senator Lawrence F. Kasperbauer Vice-Chairman, Senators Francisco P. Camacho, Carlotta Leon Guerrero, Tom Ada, Vicente Pangelinan, Dr. Edwardo Cruz, Mark Charfauros, Alberto Lamorena V., Judith Won Pat. Borja and William Flores, with Senator Frank Aguon as Guest.

Mr. Eloy P. Hara, a Commissioner of the Public Utilities Commission was the only witness to appear before the Committee. He presented written testimony which is attached to this report.

II. BACKGROUND.

The Commissioners of the Public Utilities Commission are placed in a position to make decisions regarding utility rates. There are occasions when requests by the Guam Power Authority, the Guam Telephone Authority, and the Guam Waterworks Authority are the direct result of a political decisions. Because Commissioners are appointed by the Governor and who are government of Guam employees, especially employees who are occupying appointed positions and who are unclassified employees, they may find themselves unduly pressured into making decisions which they otherwise would not make if it were not for the pressure of possibly having their jobs jeopardized. The amendment proposed by Bill No. 122 will relieve Commissioners of any undue pressure and allow them to make decisions based on factual information presented before the Commission.

III. TESTIMONY

Mr. Eloy Hara, a Commissioner of the Public Utilities Commission testified before the Committee and submitted written testimony which is attached to this report. Mr. Hara

testified that he did not support neither the intent nor the language of Bill No. 122 pointing out that singling out GovGuam employees and making them ineligible is discriminatory. Additionally, Mr. Hara stated that there are many GovGuam employees who have the qualifications and experiences which qualifies them to serve on the Commission.

Senator Felix Camacho then stated that perhaps changing the language to more specific by changing it from "No member shall be an employee of the Government of Guam, nor a member of any other board or Commission" to "No member shall be a director, deputy director, appointed unclassified employee, any other unclassified employees of the Government of Guam, nor a member of any board or commission" would make it more specific. The intent being to have Commissioners of the Public Utilities Commission who would not be directly influenced by the Governor.

IV. FINDINGS

The Committee finds that the decisions that the Commissioners of the Public Utilities Commission must make have an immediate impact on the entire community. Their decisions must be based on factual information and data presented to them by the utility appearing before them, taking into consideration the expert recommendations of their own consultants. The decisions the Commissioners must make must not be influenced by implied, explicit or perceived impressions that their jobs may be in jeopardy, if they are employees of the Government of Guam. The Committee also finds that classified employees of the Government of Guam are adequately protected by existing statutes and regulations. However, appointed employees of the government do not have the same kind of protection and serve solely at the pleasure of the appointing authority and are very susceptible to outside pressure which may have an impact on how they arrive at their decisions. Bill No. 122, as substituted by the Committee will prevent this potential problem.

V. RECOMMENDATIONS

The Committee on Power, Foreign Affairs & General Government Services hereby reports out Bill No. 140, as substituted by the Committee, with recommendation **TO DO PASS**.

FISCAL NOTE
BUREAU OF BUDGET AND MANAGEMENT RESEARCH

Bill No. 122 Date Received: 04/03/97
Amendatory Bill: Yes Date Reviewed: 04/16/97

Department/Agency Affected: Public Utilities Commission
Department/Agency Head: Terrance Brooks, Chairman
Total FY Appropriation to Date: N/A

Bill Title (preamble): **AN ACT TO AMEND §12001(a) OF TITLE 12 GUAM CODE ANNOTATED, RELATIVE TO THE PUBLIC UTILITIES COMMISSION.**

Change in Law: Amends §12001(a) of Title 12 GCA

Bill's Impact on Present Program Funding:

Increase _____ Decrease _____ Reallocation _____ No Change X

Bill is for:
Operations: X Capital Improvement: _____ Other: _____

FINANCIAL/PROGRAM IMPACT

ESTIMATED SINGLE-YEAR FUND REQUIREMENTS (Per Bill)			
Program Category	General Fund	OTHER	TOTAL
Autonomous Agencies	\$0	\$0	1/

ESTIMATED MULTI-YEAR FUND REQUIREMENTS (Per Bill)						
FUND	1st	2nd	3rd	4th	5th	Total
GENERAL FUND	\$0	\$0	\$0	\$0	\$0	\$0
OTHER -	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	1/

FUNDS ADEQUATE TO COVER INTENT OF THE BILL? No funds appropriated.

IF NO, ADDITIONAL AMOUNT REQUIRED: Not applicable.

AGENCY/PERSON/DATE CONTACTED: Public Utilities Commission / Monessa Cruz, Board Secretary / 4-22-97

ESTIMATED POTENTIAL MULTI-YEAR REVENUES (Per Bill)						
FUND	1st	2nd	3rd	4th	5th	Total
GENERAL FUND	\$0	\$0	\$0	\$0	\$0	\$0
OTHER -	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0

ANALYST: William P. Taitingfong DATE: 4/22/97
DIRECTOR: Joseph E. Rivera, Acting DATE: APR 23 1997

FOOTNOTE: 1/ See attached comments.

Comments to Bill No. 122

Bill No. 122 amends §17001(a) of Title 12 GCA relative to the Public Utilities Commission's Number and Appointment of Commissioners. The Bill provides additional eligibility requirements for appointment as Commission member, such that no member shall be an employee of the government of Guam, nor a member of any other board or commission. In addition, the appointment of any person to the Commission shall become void if at any time during his term of office become an employee of the government of Guam or accept an appointment to any other board or commission.

If enacted, the Bill will affect the present membership of the Public Utilities Commission which consist of at least three (3) Commissioners holding positions within the government of Guam. These members would therefore be deemed ineligible and would have to relinquish their appointments in compliance with the proposed measure.

Bill 122 will pose a minimal fiscal impact to the operating expenses of the Public Utilities Commission. A cost savings from the non-payment of stipends to those affected Commissioners for meetings unattended may be realized. Such savings is dependent on the number of Commission meetings held through the duration of the appointment process of the Governor to fill the vacancies caused by the enactment of Bill 122.