



OFFICE OF THE GOVERNOR  
GUAM

MAY 12 2000

The Honorable Joanne M. S. Brown  
Legislative Secretary  
I Mina'Bente Singko na Liheslaturan Guåhan  
Twenty-Fifth Guam Legislature  
Suite 200  
130 Aspal Street  
Hagåtña, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By	<i>[Signature]</i>
Time	3:44 PM
Date	12 May 2000

Dear Legislative Secretary Brown:

Enclosed please find Bill No. 424 (LS), "AN ACT TO PROVIDE FINANCIAL ASSISTANCE TO THE GUAM MEMORIAL HOSPITAL, AND FOR OTHER PURPOSES", which I have signed into law today as Public Law No. 25-122.

This legislation reflects a common understanding that the immediate financial situation at the Guam Memorial Hospital Authority (GMHA) must be addressed at once. The passage of this legislation will alleviate the immediate inability to satisfy certain obligations. Financial obligations to the Department of Revenue and Taxation for a tax levy and to the Department of Public Health and Social Services for Medically Indigent Program and Public Assistance Program requirements can be now addressed. This clears the tax obligation of the GMHA for withholding tax and allows payment for the medical and other care given to the residents of our island who cannot afford to pay for these items by other means.

Very truly yours,

*[Signature: Madeleine Z. Bordallo]*  
Madeleine Z. Bordallo  
I Maga'Lahen Guåhan, Akto  
Acting Governor of Guam

Attachment: copy attached for signed bill or overridden bill  
original attached for vetoed bill

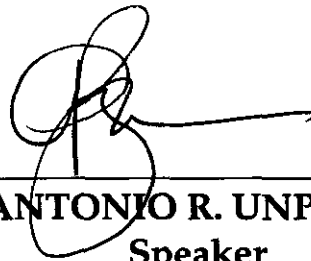
cc: The Honorable Antonio R. Unpingco  
Speaker

00925

MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN  
2000 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Bill No. 424 (LS) "AN ACT TO PROVIDE FINANCIAL ASSISTANCE TO THE GUAM MEMORIAL HOSPITAL AUTHORITY, AND FOR OTHER PURPOSES," was on the 11<sup>th</sup> day of May 2000, duly and regularly passed.




ANTONIO R. UNPINGCO  
Speaker

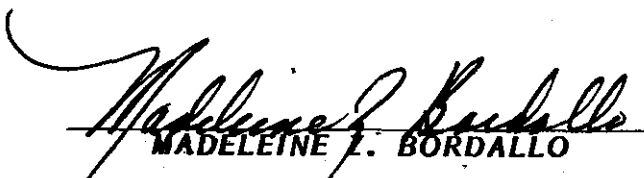
Attested:

  
JOANNE M.S. BROWN  
Senator and Legislative Secretary

This Act was received by *I Maga'lahen Guahan* this 11 day of May, 2000,  
at 6:32 o'clock P..M.

  
Assistant Staff Officer  
*Maga'lahi's Office*

APPROVED:

  
MADELEINE I. BORDALLO  
*I Maga'lahen Guahan, Akto*

Date: 5/12/2000

Public Law No. 25-122

**MINA'BENTE SINGKO NA LIHESLATURAN GUÅHAN**  
**2000 (SECOND) Regular Session**

**Bill No. 424 (LS)**

As amended on the Floor.

Introduced by:

Committee on Rules,  
Government Reform,  
Reorganization and  
Federal Affairs  
by request of *I Maga'laha*  
*Guåhan* in accordance with the  
Organic Act of Guam  
Mark Forbes  
F. B. Aguon, Jr.  
E. C. Bermudes  
A. C. Blaz  
J. M.S. Brown  
E. B. Calvo  
M. G. Camacho  
L. F. Kasperbauer  
A.C. Lamorena, V  
C. A. Leon Guerrero  
K. S. Moylan  
V. C. Pangelinan  
J. C. Salas  
S. A. Sanchez, II  
A. R. Unpingco

**AN ACT TO PROVIDE FINANCIAL ASSISTANCE TO  
THE GUAM MEMORIAL HOSPITAL AUTHORITY,  
AND FOR OTHER PURPOSES.**

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

2           **Section 1. Appropriation to GMHA from Tax Lien Collection Paid by**  
3 **GMHA into the General Fund. (a) All monies collected by the**

4 Department of Revenue and Taxation as a result of any and all tax levies  
5 placed upon the Guam Memorial Hospital Authority bank accounts, or  
6 upon any of the Authority's accounts receivables due from its  
7 customers, including, but *not* limited to Levy No. 000400013, dated April  
8 6, 2000, and any monies collected from direct payments made by the  
9 Guam Memorial Hospital Authority, or its successor, in order to pay  
10 past due tax obligations, shall be deposited into the General Fund.

11           **(b) Appropriation to Guam Memorial Hospital Authority.**

12           An amount *not to exceed* Seven Million Eight Hundred Thousand  
13 Dollars (\$7,800,000) is appropriated from the General Fund in Fiscal  
14 Year 2000 to the Guam Memorial Hospital Authority.

15           **Section 2. Clarifying Intent of P.L. No. 25-72:III:2.**

16           (a) Section 2 of Chapter IV, *Miscellaneous Provisions*, of Public  
17 Law Number 25-72, is hereby *repealed and reenacted* to read as follows:

18           **"Section 2. (a) Legislative Findings and Intent.**

19           *I Liheslaturan Guåhan* finds that the supplemental annuity  
20 benefit, which is Four Thousand Two Hundred Thirty-eight  
21 Dollars (\$4,238.00), and the cost of living allowance, which is  
22 currently One Thousand One Hundred Dollars (\$1,100.00),  
23 coupled with *I Maga'lahren Guåhan* and *I Segundu Na*  
24 *Maga'lahren Guåhan's* pensions; retiree group health, dental

1 and life insurance premiums; retiree life insurance subsidy,  
2 and to defray Medicare premiums for retirees and their  
3 survivors that have been appropriated each year by the  
4 government of Guam for the benefit of Defined Benefit Plan  
5 retirees and their survivors, will be difficult to fund due to  
6 declining revenues of the General Fund. *However, I*  
7 *Liheslaturan Guåhan* notes that retirees and their survivors, in  
8 particular, have come to depend upon the annual  
9 supplemental annuity benefit and cost of living adjustment  
10 payments.

11 *I Liheslaturan Guåhan* further finds that, in order to give  
12 full effect to the underlying purposes of providing  
13 supplemental annuity benefits and cost of living allowances  
14 to preserve the purchasing power of retirees and  
15 beneficiaries during this period of economic austerity, it is  
16 necessary to enact legislation to continue the supplemental  
17 annuities and cost of living allowances as vested, limited-  
18 term benefits provided by the Retirement Fund, and to be  
19 funded by increased employer contributions, and earnings  
20 thereon. Similarly, *I Maga'lahaen Guåhan* and *I Segundu Na*  
21 *Maga'lahaen Guåhan's* pensions; retiree group health, dental  
22 and life insurance premiums; retiree life insurance subsidy;  
23 and Medicare premiums are also to be treated as vested,  
24 limited-term benefits provided by the Retirement Fund and

1 to be funded by employer contributions and the earnings  
2 thereon.

3 *I Liheslaturan Guåhan* further intends that the  
4 Retirement Fund shall provide these benefits for a limited  
5 duration; namely, during the fiscal years commencing on  
6 October 1, 1998. On September 30, 2001 these limited-  
7 duration benefits shall cease. The benefits shall be in an  
8 amount equivalent to: (1) Four Thousand Two Hundred  
9 Thirty-eight Dollars (\$4,238.00), known as the sum of the  
10 One Thousand Two Hundred Dollar (\$1,200.00), One  
11 Thousand Five Hundred Dollar (\$1,500.00), Seven Hundred  
12 Dollar (\$700.00), and Eight Hundred Thirty-eight Dollar  
13 (\$838.00) supplemental annuity benefits formerly contained  
14 in various General Appropriation Acts; *plus* (2) One  
15 Thousand One Hundred Dollars (\$1,100.00), known as the  
16 latest cost of living adjustment funded by General  
17 Appropriation; and applicable amounts for *I Maga'lahren*  
18 *Guåhan* and *I Segundu Na Maga'lahren Guåhan's* pensions;  
19 retiree group health, dental and life insurance premiums;  
20 retiree life insurance subsidy; and Medicare premiums.

21 *I Liheslaturan Guåhan* further intends that the  
22 supplemental annuity benefits shall be paid in the same time  
23 and manner that retirement and survivor benefits are paid,  
24 and *not* in a lump sum. The cost of living adjustments shall  
25 continue to be paid in a lump sum, with each such payment

1           made *no later than* November 30th of each year. Retirement  
2           annuitants, disability retirement annuitants, and survivor  
3           annuitants, who commenced receiving annuity benefits *prior*  
4           to October 1, 1995 shall be eligible to receive the Four  
5           Thousand Two Hundred Thirty-eight Dollar (\$4,238.00)  
6           benefit payment during the fiscal years commencing on  
7           October 1, 1998 and ending on September 30, 2001.  
8           *Additionally*, retirement annuitants, disability retirement  
9           annuitants, and survivor annuitants who commenced  
10          receiving annuity benefits *prior to* October 1, 1999 shall be  
11          eligible to receive a One Thousand One Hundred Dollar  
12          (\$1,100.00) benefit payment during the fiscal years  
13          commencing on October 1, 1999 and ending on September  
14          30, 2001. Retirement annuitants, disability retirement  
15          annuitants, and survivor annuitants who commenced  
16          receiving annuity benefits on or after October 1, 1999, but  
17          *prior to* January 1, 2000, shall be eligible to receive a One  
18          Thousand One Hundred Dollar (\$1,100.00) benefit payment  
19          only during the fiscal year commencing on October 1, 2000.

20                 *I Liheslaturan Guåhan* further intends that the benefits to  
21          be provided by the Retirement Fund shall be funded by  
22          employer contributions, as reflected in increased employer  
23          contribution rates as amortized over a twenty (20) year  
24          period. Increased employer contributions shall commence as  
25          soon as practicable following the enactment of this

1 legislation, but *no later than* November 1, 1999. *I Liheslaturan*  
2 *Guåhan* further intends that the enactment into law of this  
3 legislation will yield a reduction in payments to the  
4 Government of Guam Retirement Fund by the General Fund  
5 totaling some Twenty Seven Million Dollars (\$27,000,000) in  
6 Fiscal Year 1999, Thirty Million Dollars (\$30,000,000) in Fiscal  
7 Year 2000, Thirty Million Dollars (\$30,000,000) in Fiscal Year  
8 2001, while continuing to fund the supplemental annuity  
9 benefits, cost of living allowances, *I Maga'lahren Guåhan* and *I*  
10 *Segundu Na Maga'lahren Guåhan's* pensions; retiree group  
11 health, dental and life insurance premiums; retiree life  
12 insurance subsidy; and Medicare premiums through  
13 employers' contributions and the earnings thereon. This  
14 reduction in payments also allows funds to become available  
15 during this three (3) year period to assist the government of  
16 Guam in its provision of essential public services.

17 *I Liheslaturan Guahån* believes this approach to be a  
18 more prudent means to realize cost savings, rather than  
19 extending the amortization of the un-funded liability from  
20 its current fifteen (15) year period to *no less than* thirty (30)  
21 years, or having the Government of Guam Retirement Fund  
22 shoulder the burden of payment of the supplemental  
23 annuity benefits and cost of living allowances outright.

24 **(b) Twenty (20) Year Amortization of Employer's**  
25 **Contributions.** In order to continue the supplemental



1 annuities enumerated in Sub-items (i) - (viii) of Public Law  
2 Number 24-59:III:6(a) in a manner that will *not* adversely  
3 affect the government's budget during this period of  
4 declining government revenues, and so that retirees and  
5 beneficiaries will *not* suffer undue hardship, the Retirement  
6 Fund shall provide a limited duration benefit in an amount  
7 equal to the Four Thousand Two Hundred Thirty-eight  
8 Dollar (\$4,238.00) supplemental annuities, the One  
9 Thousand One Hundred Dollar (\$1,100.00) cost of living  
10 adjustment, *I Maga'lahen Guãhan* and *I Segundu Na*  
11 *Maga'lahen Guãhan's* pensions; the retiree group health,  
12 dental and life insurance premiums; the retiree life insurance  
13 subsidy; and the Medicare premiums for a three (3) year  
14 period, which shall sunset on September 30, 2001. Said  
15 benefits shall be funded by increasing the amount of  
16 employer contributions amortized over a period of twenty  
17 (20) years. The legislation herein does *not* affect the benefits  
18 enumerated in Public Law Number 24-59:III:6(a)(v)-(viii) *I*  
19 *Maga'lahen Guãhan* and *I Segundu Na Maga'lahen Guãhan's*  
20 pensions; retiree group health, dental and life insurance  
21 premiums; retiree life insurance subsidy; and to defray  
22 Medicare premiums for retirees and their survivor(s), which  
23 shall continue to be provided during Fiscal Year 1999 as  
24 limited duration benefits provided by the Retirement Fund  
25 to be funded by increasing the amount of employer

1 contributions amortized over a period of twenty (20) years  
2 as provided by this Section.

3 **(c) Retirement Fund To Fully Credit Eligible**  
4 **Beneficiaries.** Notwithstanding any other provision of  
5 law and despite the temporary payment deferral resulting  
6 from the provisions of §2 of Chapter IV, *Miscellaneous*  
7 *Provisions*, of Public Law Number 25-72, the Retirement  
8 Fund shall fully credit the retirement accounts of eligible  
9 retirees, survivors and annuitants all benefits and credits  
10 which would have otherwise resulted *if* the employer  
11 contribution remitted by the General Fund on behalf of line  
12 agency employers, as well as the contributions by  
13 autonomous agency employers had actually occurred. No  
14 eligible employee shall lose any applicable retirement credits  
15 or benefits as a result of the provisions of §2 of Chapter IV,  
16 *Miscellaneous Provisions*, of Public Law Number 25-72.

17 **(d) Department of Administration to Offset**  
18 **Provisions of §2 of Chapter IV, *Miscellaneous Provisions*,**  
19 **of P.L. No. 25-72.** As provided by this Act, the  
20 Department of Administration shall withhold an amount *not*  
21 *to exceed* Twelve Million Dollars (\$12,000,000) in employer  
22 contributions paid by the General Fund on behalf of line  
23 agency employers during Fiscal Year 2000.

1                   **(e) Appropriation to Department of Public Health**  
2                   **and Social Services' Miscellaneous Account for MIP and**  
3                   **Public Assistance Programs in FY2000.** As provided by this  
4                   Act, there is hereby appropriated from the General Fund to  
5                   the Department of Public Health and Social Services  
6                   Miscellaneous Account an amount *not to exceed* Twelve  
7                   Million Dollars (\$12,000,000). Such funds appropriated may  
8                   be used to defray prior year costs."

9                   **Section 3. Limited Transfer Authority.**       Notwithstanding any  
10                  other provision of law, and for Fiscal Year 2000 exclusively, *I Maga'laha*  
11                  *Guåhan* is authorized to transfer *no more than* Two Million Eight Hundred  
12                  Thousand Dollars (\$2,800,000), in total, from personnel categories in Executive  
13                  Branch Departments funded in the Fiscal Year 2000 Budget Act to personnel  
14                  categories of other Executive Branch Departments funded in the Fiscal Year  
15                  2000 Budget Act, exclusively for the purpose of covering any shortfalls in  
16                  personnel categories that may occur, *except* for overtime costs. No funds may  
17                  be transferred from personnel categories in the Department of Education, the  
18                  Guam Community College or the University of Guam. No overtime costs  
19                  shall be funded by amounts appropriated to personnel categories, but shall be  
20                  funded by appropriations made specifically to funds established exclusively  
21                  for that purpose in the Fiscal Year 2000 Budget Act.

22                  Total transfers out of personnel categories as authorized by this Section  
23                  shall *not* exceed Two Million Eight Hundred Thousand Dollars (\$2,800,000).

1           **Section 4. Severability.**    *If* any provision of this Act or its  
2 application to any person or circumstance is found to be invalid or contrary to  
3 law, such invalidity shall *not* affect other provisions or applications of this Act  
4 which can be given effect without the invalid provisions or application, and to  
5 this end the provisions of this Act are severable.



**MINA' BENTE SINGKO NA LIHESLATURAN GUÅHAN**  
**TWENTY-FIFTH GUAM LEGISLATURE**

155 Hesler Street, Hagåtña, Guam 96910

**2000 (SECOND) Regular Session**

I, Antonio R. Unpingco, Speaker of *I Mina'Bente Singko Na Liheslaturan Guåhan*, hereby certify, in conformance with Title 2 Guam Code Annotated §2103, *Public Hearings Mandatory*, as amended, that an emergency condition exists involving danger to the public health, safety and welfare of the people and therefore waive the statutory requirements for a public hearing on Bill Number 424 (LS), "AN ACT TO PROVIDE FINANCIAL ASSISTANCE TO THE GUAM MEMORIAL HOSPITAL, AND FOR OTHER PURPOSES," which was introduced "*at the request I Maga'láhen Guåhan in accordance with the Organic Act of Guam*" on this date, May 11, 2000, and therefore waive the statutory requirements for a public hearing on Bill Number 424 (LS).

Dated: May 11, 2000



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ANTONIO R. UNPINGCO  
Speaker



**MINA' BENTE SINGKO NA LIHESLATURAN GUÅHAN**  
**TWENTY-FIFTH GUAM LEGISLATURE**  
155 Hesler Street, Hagåtña, Guam 96910

May 11, 2000

The Honorable Carl T.C. Gutierrez  
*I Maga'lahaen Guåhan*  
*Ufisinan I Maga'laha*  
*Hagåtña, Guam 96910*

Dear *Maga'laha* Gutierrez:

Transmitted herewith is Bill No. 424(LS) which was passed by *I Mina' Bente Singko Na Liheslaturan Guåhan* on May 11, 2000.

Sincerely,

5/11/00  
*[Handwritten signature]*  
243

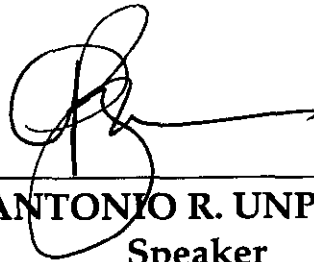
*[Handwritten signature]*  
JOANNE M.S. BROWN  
Senator and Legislative Secretary

Enclosure

MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN  
2000 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Bill No. 424 (LS) "AN ACT TO PROVIDE FINANCIAL ASSISTANCE TO THE GUAM MEMORIAL HOSPITAL AUTHORITY, AND FOR OTHER PURPOSES," was on the 11<sup>th</sup> day of May 2000, duly and regularly passed.



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Speaker

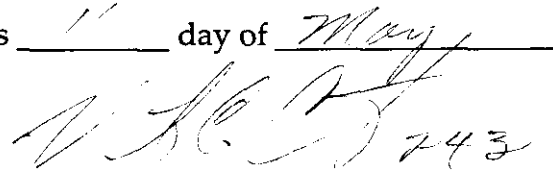
Attested:



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JOANNE M.S. BROWN  
Senator and Legislative Secretary

-----  
This Act was received by *I Maga'lahaen Guahan* this 11 day of May, 2000,  
at 6:30 o'clock P..M.



---

Assistant Staff Officer  
*Maga'lahaen's Office*

APPROVED:

---

CARL T. C. GUTIERREZ  
*I Maga'lahaen Guahan*

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

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

**MINA'BENTE SINGKO NA LIHESLATURAN GUÅHAN**  
**2000 (SECOND) Regular Session**

**Bill No. 424 (LS)**

As amended on the Floor.

Introduced by:

Committee on Rules,  
Government Reform,  
Reorganization and  
Federal Affairs

by request of *I Maga'laha*  
*Guåhan* in accordance with the  
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**AN ACT TO PROVIDE FINANCIAL ASSISTANCE TO  
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AND FOR OTHER PURPOSES.**



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

2           **Section 1. Appropriation to GMHA from Tax Lien Collection Paid by**  
3 **GMHA into the General Fund. (a)** All monies collected by the

4 Department of Revenue and Taxation as a result of any and all tax levies  
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6 upon any of the Authority's accounts receivables due from its  
7 customers, including, but *not* limited to Levy No. 000400013, dated April  
8 6, 2000, and any monies collected from direct payments made by the  
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15           **Section 2. Clarifying Intent of P.L. No. 25-72:III:2.**

16           (a) Section 2 of Chapter IV, *Miscellaneous Provisions*, of Public  
17 Law Number 25-72, is hereby *repealed and reenacted* to read as follows:

18           **"Section 2. (a) Legislative Findings and Intent.**

19           *I Liheslaturan Guåhan* finds that the supplemental annuity  
20 benefit, which is Four Thousand Two Hundred Thirty-eight  
21 Dollars (\$4,238.00), and the cost of living allowance, which is  
22 currently One Thousand One Hundred Dollars (\$1,100.00),  
23 coupled with *I Maga'lahren Guåhan* and *I Segundu Na*  
24 *Maga'lahren Guåhan's* pensions; retiree group health, dental

1 and life insurance premiums; retiree life insurance subsidy,  
2 and to defray Medicare premiums for retirees and their  
3 survivors that have been appropriated each year by the  
4 government of Guam for the benefit of Defined Benefit Plan  
5 retirees and their survivors, will be difficult to fund due to  
6 declining revenues of the General Fund. *However, I*  
7 *Liheslaturan Guahån* notes that retirees and their survivors, in  
8 particular, have come to depend upon the annual  
9 supplemental annuity benefit and cost of living adjustment  
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11 *I Liheslaturan Guåhan* further finds that, in order to give  
12 full effect to the underlying purposes of providing  
13 supplemental annuity benefits and cost of living allowances  
14 to preserve the purchasing power of retirees and  
15 beneficiaries during this period of economic austerity, it is  
16 necessary to enact legislation to continue the supplemental  
17 annuities and cost of living allowances as vested, limited-  
18 term benefits provided by the Retirement Fund, and to be  
19 funded by increased employer contributions, and earnings  
20 thereon. Similarly, *I Maga'lahaen Guåhan* and *I Segundu Na*  
21 *Maga'lahaen Guåhan's* pensions; retiree group health, dental  
22 and life insurance premiums; retiree life insurance subsidy;  
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24 limited-term benefits provided by the Retirement Fund and

1 to be funded by employer contributions and the earnings  
2 thereon.

3 *I Liheslaturan Guåhan* further intends that the  
4 Retirement Fund shall provide these benefits for a limited  
5 duration; namely, during the fiscal years commencing on  
6 October 1, 1998. On September 30, 2001 these limited-  
7 duration benefits shall cease. The benefits shall be in an  
8 amount equivalent to: (1) Four Thousand Two Hundred  
9 Thirty-eight Dollars (\$4,238.00), known as the sum of the  
10 One Thousand Two Hundred Dollar (\$1,200.00), One  
11 Thousand Five Hundred Dollar (\$1,500.00), Seven Hundred  
12 Dollar (\$700.00), and Eight Hundred Thirty-eight Dollar  
13 (\$838.00) supplemental annuity benefits formerly contained  
14 in various General Appropriation Acts; *plus* (2) One  
15 Thousand One Hundred Dollars (\$1,100.00), known as the  
16 latest cost of living adjustment funded by General  
17 Appropriation; and applicable amounts for *I Maga'lahren*  
18 *Guåhan* and *I Segundu Na Maga'lahren Guåhan's* pensions;  
19 retiree group health, dental and life insurance premiums;  
20 retiree life insurance subsidy; and Medicare premiums.

21 *I Liheslaturan Guåhan* further intends that the  
22 supplemental annuity benefits shall be paid in the same time  
23 and manner that retirement and survivor benefits are paid,  
24 and *not* in a lump sum. The cost of living adjustments shall  
25 continue to be paid in a lump sum, with each such payment

1           made *no later than* November 30th of each year. Retirement  
2           annuitants, disability retirement annuitants, and survivor  
3           annuitants, who commenced receiving annuity benefits *prior*  
4           to October 1, 1995 shall be eligible to receive the Four  
5           Thousand Two Hundred Thirty-eight Dollar (\$4,238.00)  
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10          receiving annuity benefits *prior to* October 1, 1999 shall be  
11          eligible to receive a One Thousand One Hundred Dollar  
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13          commencing on October 1, 1999 and ending on September  
14          30, 2001. Retirement annuitants, disability retirement  
15          annuitants, and survivor annuitants who commenced  
16          receiving annuity benefits on or after October 1, 1999, but  
17          *prior to* January 1, 2000, shall be eligible to receive a One  
18          Thousand One Hundred Dollar (\$1,100.00) benefit payment  
19          only during the fiscal year commencing on October 1, 2000.

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21          be provided by the Retirement Fund shall be funded by  
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11 health, dental and life insurance premiums; retiree life  
12 insurance subsidy; and Medicare premiums through  
13 employers' contributions and the earnings thereon. This  
14 reduction in payments also allows funds to become available  
15 during this three (3) year period to assist the government of  
16 Guam in its provision of essential public services.

17 *I Liheslaturan Guahån* believes this approach to be a  
18 more prudent means to realize cost savings, rather than  
19 extending the amortization of the un-funded liability from  
20 its current fifteen (15) year period to *no less than* thirty (30)  
21 years, or having the Government of Guam Retirement Fund  
22 shoulder the burden of payment of the supplemental  
23 annuity benefits and cost of living allowances outright.

24 **(b) Twenty (20) Year Amortization of Employer's**  
25 **Contributions.** In order to continue the supplemental

1 annuities enumerated in Sub-items (i) - (viii) of Public Law  
2 Number 24-59:III:6(a) in a manner that will *not* adversely  
3 affect the government's budget during this period of  
4 declining government revenues, and so that retirees and  
5 beneficiaries will *not* suffer undue hardship, the Retirement  
6 Fund shall provide a limited duration benefit in an amount  
7 equal to the Four Thousand Two Hundred Thirty-eight  
8 Dollar (\$4,238.00) supplemental annuities, the One  
9 Thousand One Hundred Dollar (\$1,100.00) cost of living  
10 adjustment, *I Maga'lahaen Guahan* and *I Segundu Na*  
11 *Maga'lahaen Guahan's* pensions; the retiree group health,  
12 dental and life insurance premiums; the retiree life insurance  
13 subsidy; and the Medicare premiums for a three (3) year  
14 period, which shall sunset on September 30, 2001. Said  
15 benefits shall be funded by increasing the amount of  
16 employer contributions amortized over a period of twenty  
17 (20) years. The legislation herein does *not* affect the benefits  
18 enumerated in Public Law Number 24-59:III:6(a)(v)-(viii) *I*  
19 *Maga'lahaen Guahan* and *I Segundu Na Maga'lahaen Guahan's*  
20 pensions; retiree group health, dental and life insurance  
21 premiums; retiree life insurance subsidy; and to defray  
22 Medicare premiums for retirees and their survivor(s), which  
23 shall continue to be provided during Fiscal Year 1999 as  
24 limited duration benefits provided by the Retirement Fund  
25 to be funded by increasing the amount of employer

1 contributions amortized over a period of twenty (20) years  
2 as provided by this Section.

3 **(c) Retirement Fund To Fully Credit Eligible**  
4 **Beneficiaries.** Notwithstanding any other provision of  
5 law and despite the temporary payment deferral resulting  
6 from the provisions of §2 of Chapter IV, *Miscellaneous*  
7 *Provisions*, of Public Law Number 25-72, the Retirement  
8 Fund shall fully credit the retirement accounts of eligible  
9 retirees, survivors and annuitants all benefits and credits  
10 which would have otherwise resulted *if* the employer  
11 contribution remitted by the General Fund on behalf of line  
12 agency employers, as well as the contributions by  
13 autonomous agency employers had actually occurred. No  
14 eligible employee shall lose any applicable retirement credits  
15 or benefits as a result of the provisions of §2 of Chapter IV,  
16 *Miscellaneous Provisions*, of Public Law Number 25-72.

17 **(d) Department of Administration to Offset**  
18 **Provisions of §2 of Chapter IV, *Miscellaneous Provisions*,**  
19 **of P.L. No. 25-72.** As provided by this Act, the  
20 Department of Administration shall withhold an amount *not*  
21 *to exceed* Twelve Million Dollars (\$12,000,000) in employer  
22 contributions paid by the General Fund on behalf of line  
23 agency employers during Fiscal Year 2000.

1                   (e) **Appropriation to Department of Public Health**  
2                   **and Social Services' Miscellaneous Account for MIP and**  
3                   **Public Assistance Programs in FY2000.** As provided by this  
4                   Act, there is hereby appropriated from the General Fund to  
5                   the Department of Public Health and Social Services  
6                   Miscellaneous Account an amount *not to exceed* Twelve  
7                   Million Dollars (\$12,000,000). Such funds appropriated may  
8                   be used to defray prior year costs."

9                   **Section 3. Limited Transfer Authority.** Notwithstanding any  
10                  other provision of law, and for Fiscal Year 2000 exclusively, *I Maga'laha*  
11                  *Guahan* is authorized to transfer *no more than* Two Million Eight Hundred  
12                  Thousand Dollars (\$2,800,000), in total, from personnel categories in Executive  
13                  Branch Departments funded in the Fiscal Year 2000 Budget Act to personnel  
14                  categories of other Executive Branch Departments funded in the Fiscal Year  
15                  2000 Budget Act, exclusively for the purpose of covering any shortfalls in  
16                  personnel categories that may occur, *except* for overtime costs. No funds may  
17                  be transferred from personnel categories in the Department of Education, the  
18                  Guam Community College or the University of Guam. No overtime costs  
19                  shall be funded by amounts appropriated to personnel categories, but shall be  
20                  funded by appropriations made specifically to funds established exclusively  
21                  for that purpose in the Fiscal Year 2000 Budget Act.

22                  Total transfers out of personnel categories as authorized by this Section  
23                  shall *not* exceed Two Million Eight Hundred Thousand Dollars (\$2,800,000).



1           **Section 4. Severability.**    *If* any provision of this Act or its  
2 application to any person or circumstance is found to be invalid or contrary to  
3 law, such invalidity shall *not* affect other provisions or applications of this Act  
4 which can be given effect without the invalid provisions or application, and to  
5 this end the provisions of this Act are severable.



**MINA' BENTE SINGKO NA LIHESLATURAN GUÅHAN**  
**TWENTY-FIFTH GUAM LEGISLATURE**  
155 Hesler Street, Hagåtña, Guam 96910

**2000 (SECOND) Regular Session**

I, Antonio R. Unpingco, Speaker of *I Mina'Bente Singko Na Liheslaturan Guåhan*, hereby certify, in conformance with Title 2 Guam Code Annotated §2103, *Public Hearings Mandatory*, as amended, that an emergency condition exists involving danger to the public health, safety and welfare of the people and therefore waive the statutory requirements for a public hearing on Bill Number 424 (LS), "AN ACT TO PROVIDE FINANCIAL ASSISTANCE TO THE GUAM MEMORIAL HOSPITAL, AND FOR OTHER PURPOSES," which was introduced "*at the request I Maga'lahaen Guåhan in accordance with the Organic Act of Guam*" on this date, May 11, 2000, and therefore waive the statutory requirements for a public hearing on Bill Number 424 (LS).

Dated: May 11, 2000



---

**ANTONIO R. UNPINGCO**  
Speaker

**CLERK OF THE LEGISLATURE**  
**TRANSMISSION CHECKLIST TO IMAGA'LAHEN GUAHAN**

(Included in File w/ All Bills Transmitted)

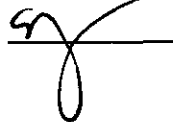
BILL NO. 424(25)

**FINAL PROOF-READING OF BLUEBACK COPY**

Initialed by:

and Date: 5/11/2000

- EXHIBITS ATTACHED *None*
- CONFIRM NUMBER OF PAGES *10 + cut page*
- CAPTION ON CERTIFICATION MATCHES BILL CAPTION
- ENGROSSED SIGN "\*" REMOVED FROM BILL
- 15 SENATORS IN SPONSORSHIP OR CONFIRM OTHERWISE
- CERTIFICATION SIGNED BY SPEAKER & LEGIS. SECRETARY
- EMERGENCY DECLARATION, if any

Confirmed By: 

Dated: \_\_\_\_\_

- HAND CARRY BILL IN BLUEBACK (ORIGINAL & COPY)  
TO THE GOVERNOR. (DANNY, ROBERT OR OTHERS )
- ACKNOWLEDGED COPY W/ ORIGINAL BLUEBACK  
PLACED ON CLERK'S DESK. (Same copy given to Susan)
- FILED by: Danny, Robert or others

MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN  
2000 (SECOND) Regular Session

Bill No. 424 (COR)

Introduced by:

Committee on Rules

At the request of I Maga'lahaen  
Guahan in accordance with the  
Organic Act of Guam, as amended

**AN ACT TO PROVIDE FINANCIAL ASSISTANCE TO  
THE GUAM MEMORIAL HOSPITAL, AND FOR  
OTHER PURPOSES.**

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

**Section 1. Appropriation to GMHA from tax lien collection paid by GMHA  
into the General Fund.**

(a) All monies collected by the Department of Revenue and Taxation as a result of any and all tax levies placed upon the Guam Memorial Hospital Authority bank accounts or upon any of the Authority's accounts receivables due from its customers, including but not limited to Levy No. 000400013 dated April 6, 2000, and any monies collected from direct payments made by the Guam Memorial Hospital Authority, or its successor, in order to pay past due tax obligations, shall be deposited into the General Fund.

(b) **Appropriation to Guam Memorial hospital Authority.** An amount not to exceed Seven Million Eight Hundred Thousand Dollars

1 (\$7,800,000.00) is appropriated from the General Fund to the Guam  
2 Memorial Hospital Authority.

3 **Section 2. Clarifying Intent of P.L. 25-72, Chapter III, Section 2.**

4 **(a) Section 2 of Chapter IV (Miscellaneous Provisions) of P.L. 25-**  
5 **72, is hereby *repealed and re-enacted* to read as follows:**

6 **“Section 2. (a) Legislative Findings and Intent. *I***  
7 ***Liheslaturan Guåhan* finds that the supplemental annuity benefit, which**  
8 **is Four Thousand Two Hundred Thirty-eight Dollars (\$4,238.00), and the**  
9 **cost of living allowance, which is currently One Thousand One Hundred**  
10 **Dollars (\$1,100.00), coupled with *I Maga'lahren Guåhan* and *I Segundu***  
11 ***Na Maga'lahren Guåhans'* pensions; retiree group health, dental and life**  
12 **insurance premiums; retiree life insurance subsidy, and to defray**  
13 **Medicare premiums for retirees and their survivors that have been**  
14 **appropriated each year by the government of Guam for the benefit of**  
15 **Defined Benefit Plan retirees and their survivors, will be difficult to fund**  
16 **due to declining revenues of the General Fund. *However, I Liheslaturan***  
17 ***Guahån* notes that retirees and their survivors, in particular, have come to**  
18 **depend upon the annual supplemental annuity benefit and cost of living**  
19 **adjustment payments.**

20 ***I Liheslaturan Guåhan* further finds that, in order to give full effect to the**  
21 **underlying purposes of providing supplemental annuity benefits and cost**  
22 **of living allowances to preserve the purchasing power of retirees and**  
23 **beneficiaries during this period of economic austerity, it is necessary to**  
24 **enact legislation to continue the supplemental annuities and cost of living**  
25 **allowances as vested, limited-term benefits provided by the Retirement**  
26 **Fund, and to be funded by increased employer contributions, and**

1 earnings thereon. Similarly, *I Maga'lahaen Guahan* and *I Segundu Na*  
2 *Maga'lahaen Guahans'* pensions; retiree group health, dental and life  
3 insurance premiums; retiree life insurance subsidy; and Medicare  
4 premiums are also to be treated as vested, limited-term benefits provided  
5 by the Retirement Fund and to be funded by employer contributions and  
6 the earnings thereon.

7 *I Liheslaturan Guahan* further intends that the Retirement Fund shall  
8 provide these benefits for a limited duration; namely, during the fiscal  
9 years commencing on October 1, 1998. On September 30, 2001, these  
10 limited-duration benefits shall cease. The benefits shall be in an amount  
11 equivalent to: (1) Four Thousand Two Hundred Thirty-eight Dollars  
12 (\$4,238.00), known as the sum of the One Thousand Two Hundred  
13 Dollar (\$1,200.00), One Thousand Five Hundred Dollar (\$1,500.00),  
14 Seven Hundred Dollar (\$700.00), and Eight Hundred Thirty-eight Dollar  
15 (\$838.00) supplemental annuity benefits formerly contained in various  
16 General Appropriation Acts; *plus* (2) One Thousand One Hundred  
17 Dollars (\$1,100.00), known as the latest cost of living adjustment funded  
18 by General Appropriation; and applicable amounts for *I Maga'lahaen*  
19 *Guahan* and *I Segundu Na Maga'lahaen Guahans'* pensions; retiree group  
20 health, dental and life insurance premiums; retiree life insurance subsidy;  
21 and Medicare premiums.

22 *I Liheslaturan Guahan* further intends that the supplemental annuity  
23 benefits shall be paid in the same time and manner that retirement and  
24 survivor benefits are paid, and not in a lump sum. The cost of living  
25 adjustments shall continue to be paid in a lump sum, with each such  
26 payment made no later than November 30th of each year. Retirement

1 annuitants, disability retirement annuitants, and survivor annuitants, who  
2 commenced receiving annuity benefits *prior to* October 1, 1995 shall be  
3 eligible to receive the Four Thousand Two Hundred Thirty-eight Dollar  
4 (\$4,238.00) benefit payment during the fiscal years commencing on  
5 October 1, 1998 and ending on September 30, 2001. *Additionally,*  
6 retirement annuitants, disability retirement annuitants, and survivor  
7 annuitants who commenced receiving annuity benefits *prior to* October  
8 1, 1999 shall be eligible to receive a One Thousand One Hundred Dollar  
9 (\$1,100.00) benefit payment during the fiscal years commencing on  
10 October 1, 1999 and ending on September 30, 2001. Retirement  
11 annuitants, disability retirement annuitants, and survivor annuitants who  
12 commenced receiving annuity benefits on or after October 1, 1999, but  
13 prior to January 1, 2000, shall be eligible to receive a One Thousand One  
14 Hundred Dollar (\$1,100.00) benefit payment only during the fiscal year  
15 commencing on October 1, 2000.

16 *I Liheslaturan Guåhan* further intends that the benefits to be provided by  
17 the Retirement Fund shall be funded by employer contributions, as  
18 reflected in increased employer contribution rates as amortized over a  
19 twenty (20) year period. Increased employer contributions shall  
20 commence as soon as practicable following the enactment of this  
21 legislation, but no later than November 1, 1999. ~~The amounts already~~  
22 ~~contributed by General Fund appropriation for the period of October 1,~~  
23 ~~1998 to February 28, 1999 shall be used to offset the projected increase~~  
24 ~~in contribution rates by line agency employers during the three (3) year~~  
25 ~~benefit period.~~ *I Liheslaturan Guåhan* further intends that the enactment  
26 into law of this legislation will yield a reduction in payments to the

1 Government of Guam Retirement Fund by the General Fund totaling  
2 some ~~Fifteen Million Dollars (\$15,000,000)~~ Twenty Seven Million  
3 (\$27,000,000) in Fiscal Year 1999, Thirty Million Dollars (\$30,000,000)  
4 in Fiscal Year 2000, Thirty Million Dollars (\$30,000,000) in Fiscal Year  
5 2001, while continuing to fund the supplemental annuity benefits, cost of  
6 living allowances, *I Maga'lahren Guåhan* and *I Segundu Na Maga'lahren*  
7 *Guåhans'* pensions; retiree group health, dental and life insurance  
8 premiums; retiree life insurance subsidy; and Medicare premiums  
9 through employers' contributions and the earnings thereon. This  
10 reduction in payments also allows funds to become available ~~in each~~  
11 ~~respective fiscal year~~ during this three (3) year period to assist the  
12 government of Guam in its provision of essential public services.

13 *I Liheslaturan Guahån* believes this approach to be a more prudent  
14 means to realize cost savings, rather than extending the amortization of  
15 the un-funded liability from its current fifteen (15) year period to no less  
16 than thirty (30) years, or having the Government of Guam Retirement  
17 Fund shoulder the burden of payment of the supplemental annuity  
18 benefits and cost of living allowances outright.

19 **(b) 20-year Amortization of Employer's Contributions.**

20 In order to continue the supplemental annuities enumerated in sub-  
21 items (i) - (viii) of Public Law Number 24-59:III:6(a) in a manner that  
22 will not adversely affect the government's budget during this period of  
23 declining government revenues, and so that retirees and beneficiaries will  
24 *not* suffer undue hardship, the Retirement Fund shall provide a limited  
25 duration benefit in an amount equal to the Four Thousand Two Hundred  
26 Thirty-eight Dollar (\$4,238.00) supplemental annuities, the One



1 Thousand One Hundred Dollar (\$1,100.00) cost of living adjustment, *I*  
2 *Maga'lahen Guàhan* and *I Segundu Na Maga 'lahen Guàhans'* pensions;  
3 the retiree group health, dental and life insurance premiums; the retiree  
4 life insurance subsidy; and the Medicare premiums for a three (3) year  
5 period, which shall sunset on September 30, 2001. Said benefits shall be  
6 funded by increasing the amount of employer contributions amortized  
7 over a period of twenty (20) years, ~~although the contribution rate shall~~  
8 ~~be offset by amounts already appropriated from the General Fund for~~  
9 ~~portions of the Fiscal Year 1999, pursuant to Public Law Number~~  
10 ~~24-59:III:6(a)(i)-(viii).~~ The legislation herein does *not* affect the benefits  
11 enumerated in Public Law Number 24-59:III:6(a)(v)-(viii) (*I Maga'lahen*  
12 *Guàhan* and *I Segundu Na Maga 'lahen Guàhans'* pensions; retiree group  
13 health, dental and life insurance premiums; retiree life insurance subsidy;  
14 and to defray Medicare premiums for retirees and their survivors), which  
15 shall continue to be provided during Fiscal Year 1999 ~~as fully funded by~~  
16 ~~amounts already remitted by General Fund appropriation on behalf of~~  
17 ~~line agency employers and by autonomous agency employers during the~~  
18 ~~period from October 1, 1998 through February 28, 1999.~~ as limited  
19 duration benefits provided by the Retirement Fund to be funded by  
20 increasing the amount of employer contributions amortized over a period  
21 of twenty (20) years as provided by this Section.”

22 **(c). Retirement Fund To Fully Credit Eligible Beneficiaries.**

23 Notwithstanding any other provision of law and despite the temporary  
24 payment deferral resulting from the provisions of Section 2 of Chapter IV  
25 (Miscellaneous Provisions) of P.L. 25-72, the Retirement Fund shall fully  
26 credit the retirement accounts of eligible retirees, survivors and

1 annuitants all benefits and credits which would have otherwise resulted if  
2 the employer contribution remitted by the general fund on behalf of line  
3 agency employers as well as the contributions by autonomous agency  
4 employers had actually occurred. No eligible employee shall lose any  
5 applicable retirement credits or benefits as a result of the provisions of  
6 Section 2 of Chapter IV (Miscellaneous Provisions) of P.L. 25-72.

7 **(d) Department of Administration to Offset Provisions of Section 2**  
8 **of Chapter IV (Miscellaneous Provisions) of P.L. 25-72.**

9 As provided by this Act, the Department of Administration shall  
10 withhold an amount not to exceed Twelve Million Dollars  
11 (\$12,000,000.00) in employer contributions paid by the General Fund on  
12 behalf of line agency employers during Fiscal Year 2000.

13 **(e) Appropriation to Department of Public Health and Social**  
14 **Services Miscellaneous Account for MIP and Public Assistance**  
15 **Programs in FY 2000.**

16 As provided by this Act, there is hereby appropriated from the  
17 General Fund to the Department of Public Health and Social Services  
18 Miscellaneous Account an amount not to exceed Twelve Million  
19 Dollars (\$12,000,000.00). Such funds appropriated may be used to  
20 defray prior year costs.”

21 **Section 3. Limited Transfer Authority.** Notwithstanding any other provision  
22 of law, and for fiscal year 2000 exclusively, I Maga’lahen Guahan is authorized to  
23 transfer no more than two million seven hundred thousand dollars (\$2,700,000), in  
24 total, from personnel categories in executive branch departments funded in the fiscal  
25 year 2000 Budget Act to personnel categories of other executive branch departments  
26 funded in the fiscal year 2000 Budget Act, exclusively for the purpose of covering any

1 shortfalls in personnel categories that may occur, except for overtime costs. No  
2 funds may be transferred from personnel categories in the Department of Education,  
3 the Guam Community College or the University of Guam. No overtime costs shall be  
4 funded by amounts appropriated to personnel categories but shall be funded by  
5 appropriations made specifically to funds established exclusively for that purpose in  
6 the fiscal year 2000 Budget Act. Total transfers out of personnel categories as  
7 authorized by this section shall not exceed two million eight hundred thousand dollars  
8 (\$2,800,000).

9       **Section 4. Severability.** If any provision of this Act or its application to any  
10 person or circumstance is found to be invalid or contrary to law, such invalidity shall  
11 not affect other provisions or applications of this Act which can be given effect  
12 without the invalid provisions or application, and to this end the provisions of this Act  
13 are severable.

14

**MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN  
2000 (SECOND) Regular Session**

Bill No. 424 (COR)

Introduced by:

Committee on Rules

At the request of I Maga'lahaen  
Guahan in accordance with the  
Organic Act of Guam, as amended

**AN ACT TO PROVIDE FINANCIAL ASSISTANCE TO  
THE GUAM MEMORIAL HOSPITAL, AND FOR  
OTHER PURPOSES.**

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

**Section 1. Appropriation to GMHA from tax lien collection paid by GMHA  
into the General Fund.**

(a) All monies collected by the Department of Revenue and Taxation as a result of any and all tax levies placed upon the Guam Memorial Hospital Authority bank accounts or upon any of the Authority's accounts receivables due from its customers, including but not limited to Levy No. 000400013 dated April 6, 2000, and any monies collected from direct payments made by the Guam Memorial Hospital Authority, or its successor, in order to pay past due tax obligations, shall be deposited into the General Fund.

(b) **Appropriation to Guam Memorial hospital Authority.** An amount not to exceed Seven Million Eight Hundred Thousand Dollars

1 (\$7,800,000.00) is appropriated from the General Fund to the Guam  
2 Memorial Hospital Authority.

3 **Section 2. Clarifying Intent of P.L. 25-72, Chapter III, Section 2.**

4 (a) Section 2 of Chapter IV (Miscellaneous Provisions) of P.L. 25-  
5 72, is hereby *repealed and re-enacted* to read as follows:

6 “Section 2. (a) Legislative Findings and Intent. *I*  
7 *Liheslaturan Guåhan* finds that the supplemental annuity benefit, which  
8 is Four Thousand Two Hundred Thirty-eight Dollars (\$4,238.00), and the  
9 cost of living allowance, which is currently One Thousand One Hundred  
10 Dollars (\$1,100.00), coupled with *I Maga'lahen Guåhan* and *I Segundu*  
11 *Na Maga'lahen Guåhans'* pensions; retiree group health, dental and life  
12 insurance premiums; retiree life insurance subsidy, and to defray  
13 Medicare premiums for retirees and their survivors that have been  
14 appropriated each year by the government of Guam for the benefit of  
15 Defined Benefit Plan retirees and their survivors, will be difficult to fund  
16 due to declining revenues of the General Fund. *However, I Liheslaturan*  
17 *Guahån* notes that retirees and their survivors, in particular, have come to  
18 depend upon the annual supplemental annuity benefit and cost of living  
19 adjustment payments.

20 *I Liheslaturan Guåhan* further finds that, in order to give full effect to the  
21 underlying purposes of providing supplemental annuity benefits and cost  
22 of living allowances to preserve the purchasing power of retirees and  
23 beneficiaries during this period of economic austerity, it is necessary to  
24 enact legislation to continue the supplemental annuities and cost of living  
25 allowances as vested, limited-term benefits provided by the Retirement  
26 Fund, and to be funded by increased employer contributions, and

1 annuitants, disability retirement annuitants, and survivor annuitants, who  
2 commenced receiving annuity benefits *prior to* October 1, 1995 shall be  
3 eligible to receive the Four Thousand Two Hundred Thirty-eight Dollar  
4 (\$4,238.00) benefit payment during the fiscal years commencing on  
5 October 1, 1998 and ending on September 30, 2001. *Additionally,*  
6 retirement annuitants, disability retirement annuitants, and survivor  
7 annuitants who commenced receiving annuity benefits *prior to* October  
8 1, 1999 shall be eligible to receive a One Thousand One Hundred Dollar  
9 (\$1,100.00) benefit payment during the fiscal years commencing on  
10 October 1, 1999 and ending on September 30, 2001. Retirement  
11 annuitants, disability retirement annuitants, and survivor annuitants who  
12 commenced receiving annuity benefits on or after October 1, 1999, but  
13 prior to January 1, 2000, shall be eligible to receive a One Thousand One  
14 Hundred Dollar (\$1,100.00) benefit payment only during the fiscal year  
15 commencing on October 1, 2000.

16 *I Liheslaturan Guåhan* further intends that the benefits to be provided by  
17 the Retirement Fund shall be funded by employer contributions, as  
18 reflected in increased employer contribution rates as amortized over a  
19 twenty (20) year period. Increased employer contributions shall  
20 commence as soon as practicable following the enactment of this  
21 legislation, but no later than November 1, 1999. ~~The amounts already~~  
22 ~~contributed by General Fund appropriation for the period of October 1,~~  
23 ~~1998 to February 28, 1999 shall be used to offset the projected increase~~  
24 ~~in contribution rates by line agency employers during the three (3) year~~  
25 ~~benefit period.~~ *I Liheslaturan Guåhan* further intends that the enactment  
26 into law of this legislation will yield a reduction in payments to the

1 Government of Guam Retirement Fund by the General Fund totaling  
2 some ~~Fifteen Million Dollars (\$15,000,000)~~ Twenty Seven Million  
3 (\$27,000,000) in Fiscal Year 1999, Thirty Million Dollars (\$30,000,000)  
4 in Fiscal Year 2000, Thirty Million Dollars (\$30,000,000) in Fiscal Year  
5 2001, while continuing to fund the supplemental annuity benefits, cost of  
6 living allowances, *I Maga'lahen Guåhan* and *I Segundu Na Maga'lahen*  
7 *Guåhans'* pensions; retiree group health, dental and life insurance  
8 premiums; retiree life insurance subsidy; and Medicare premiums  
9 through employers' contributions and the earnings thereon. This  
10 reduction in payments also allows funds to become available ~~in each~~  
11 ~~respective fiscal year~~ during this three (3) year period to assist the  
12 government of Guam in its provision of essential public services.

13 *I Liheslaturan Guahån* believes this approach to be a more prudent  
14 means to realize cost savings, rather than extending the amortization of  
15 the un-funded liability from its current fifteen (15) year period to no less  
16 than thirty (30) years, or having the Government of Guam Retirement  
17 Fund shoulder the burden of payment of the supplemental annuity  
18 benefits and cost of living allowances outright.

19 **(b) 20-year Amortization of Employer's Contributions.**

20 In order to continue the supplemental annuities enumerated in sub-  
21 items (i) - (viii) of Public Law Number 24-59:III:6(a) in a manner that  
22 will not adversely affect the government's budget during this period of  
23 declining government revenues, and so that retirees and beneficiaries will  
24 *not* suffer undue hardship, the Retirement Fund shall provide a limited  
25 duration benefit in an amount equal to the Four Thousand Two Hundred  
26 Thirty-eight Dollar (\$4,238.00) supplemental annuities, the One

1 Thousand One Hundred Dollar (\$1,100.00) cost of living adjustment, *I*  
2 *Maga'lahaen Guåhan* and *I Segundu Na Maga'lahaen Guåhans'* pensions;  
3 the retiree group health, dental and life insurance premiums; the retiree  
4 life insurance subsidy; and the Medicare premiums for a three (3) year  
5 period, which shall sunset on September 30, 2001. Said benefits shall be  
6 funded by increasing the amount of employer contributions amortized  
7 over a period of twenty (20) years, ~~although the contribution rate shall~~  
8 ~~be offset by amounts already appropriated from the General Fund for~~  
9 ~~portions of the Fiscal Year 1999, pursuant to Public Law Number~~  
10 ~~24-59:III:6(a)(i)-(viii).~~ The legislation herein does *not* affect the benefits  
11 enumerated in Public Law Number 24-59:III:6(a)(v)-(viii) (*I Maga'lahaen*  
12 *Guåhan* and *I Segundu Na Maga'lahaen Guåhans'* pensions; retiree group  
13 health, dental and life insurance premiums; retiree life insurance subsidy;  
14 and to defray Medicare premiums for retirees and their survivors), which  
15 shall continue to be provided during Fiscal Year 1999 ~~as fully funded by~~  
16 ~~amounts already remitted by General Fund appropriation on behalf of~~  
17 ~~line agency employers and by autonomous agency employers during the~~  
18 ~~period from October 1, 1998 through February 28, 1999.~~ as limited  
19 duration benefits provided by the Retirement Fund to be funded by  
20 increasing the amount of employer contributions amortized over a period  
21 of twenty (20) years as provided by this Section."

22 **(c). Retirement Fund To Fully Credit Eligible Beneficiaries.**

23 Notwithstanding any other provision of law and despite the temporary  
24 payment deferral resulting from the provisions of Section 2 of Chapter IV  
25 (Miscellaneous Provisions) of P.L. 25-72, the Retirement Fund shall fully  
26 credit the retirement accounts of eligible retirees, survivors and