



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

OCT 20 2000

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

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By	<u>[Signature]</u>
Time	<u>11:19am</u>
Date	<u>Oct. 20, 2000</u>

Dear Legislative Secretary Brown:

Enclosed please find Substitute Bill No. 435 (COR), "AN ACT ADD §§9301(d), (e), (f), (g), (h), (i) AND (j) TO TITLE 5 OF THE GUAM CODE ANNOTATED, RELATIVE TO REQUIRING AN ECONOMIC IMPACT STATEMENT FOR PROPOSED GOVERNMENT REGULATIONS OR FEE INCREASES IN RULE-MAKING PROCEDURES AND FOR OTHER PURPOSES" which I have signed into law as **Public Law No. 25-173**.

This legislation will require the preparation of an economic impact statement, prior to the holding of an agency public hearing under the Administrative Adjudication Act, for all rules and regulations proposed which are judged by the agency proposing them to have an economic impact of more than \$500,000.

In order to produce economic impact statements for all of the government agencies for rule-making purposes, more resources, such as economists, will be needed. While a direct impact, such as the amount of a fee being changed or imposed, may be fairly easy to determine, other types of impacts, such as the cost of doing business in the private sector, the cost of living on Guam, impact upon employment or availability of jobs, are harder to determine. Perhaps some amendments to the legislation can be made in the future to accommodate the need to put some rules and regulations into effect fairly quickly and easily, for the convenience of the public.

Very truly yours,

[Signature]
Carl T. C. Gutierrez
I Maga'Lahen Guåhan
Governor of Guam

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

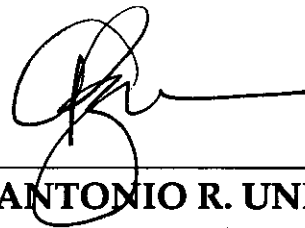
cc: The Honorable Antonio R. Unpingco
Speaker

01133

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

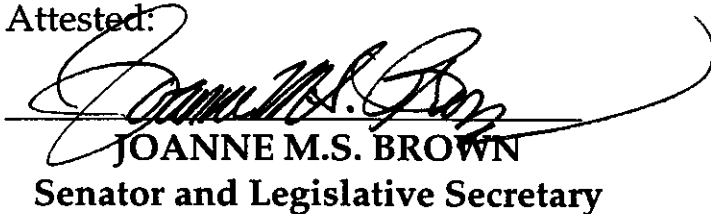
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Substitute Bill No. 435 (COR) "AN ACT TO ADD §§9301(d), (e), (f), (g), (h), (i) AND (j) TO TITLE 5 OF THE GUAM CODE ANNOTATED, RELATIVE TO REQUIRING AN ECONOMIC IMPACT STATEMENT FOR PROPOSED GOVERNMENT REGULATIONS OR FEE INCREASES IN RULE-MAKING PROCEDURES AND FOR OTHER PURPOSES," was on the 5th day of October 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 9 day of October, 2000,
at 6:30 o'clock P.M.



Assistant Staff Officer
Maga'lahi's Office

APPROVED:



CARL T. C. GUTIERREZ
I Maga'lahen Guahan

Date: 10-20-00

Public Law No. 25-173

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

Bill No. 435 (COR)

As substituted by the Committee on Power,
Public Works, Tax and Regulatory Reform,
Municipal and Community Affairs and amended
on the Floor.

Introduced by:

E. B. Calvo
F. B. Aguon, Jr.
A. C. Blaz
J. M.S. Brown
M. G. Camacho
Mark Forbes
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 ADD §§9301(d), (e), (f), (g), (h), (i) AND (j)
TO TITLE 5 OF THE GUAM CODE ANNOTATED,
RELATIVE TO REQUIRING AN ECONOMIC
IMPACT STATEMENT FOR PROPOSED
GOVERNMENT REGULATIONS OR FEE INCREASES
IN RULE-MAKING PROCEDURES AND FOR OTHER
PURPOSES.**

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

2 **Section 1. Legislative Findings and Intent. I Liheslaturan Guåhan**

1 finds that too often the government will adopt rules, regulations or fee
2 increases without informing the public of the economic impact that they will
3 have on the general public or upon individuals. The actual costs of these
4 rules, regulations or fee increases are seldom calculated or released and made
5 publicly known.

6 It is the intent of *I Liheslaturan Guåhan* that the economic impact that
7 rules, regulations or fee increases have on the general public, and on each
8 individual be made known and understood *before* any such rule, regulation or
9 fee increase, or any other government mandate, is implemented. It is also the
10 intent of *I Liheslaturan Guåhan* that the erosion of individual freedoms
11 resulting from the arbitrary imposition of regulations without justification be
12 curtailed, *unless* such regulations are absolutely necessary to protect the
13 welfare and the well-being of the people of Guam.

14 **Section 2.** Section 9301(d) is hereby *added* to Article 3, Chapter 9,
15 Division 1 of Title 5 of the Guam Code Annotated to read as follows:

16 “(d) Any government of Guam department, agency, autonomous
17 agency, office or instrumentality promulgating rules or regulations
18 under the Administrative Adjudication Law, shall include, as part of the
19 promulgation of such rules or regulations, an economic impact
20 statement. This statement must be completed and made available to the
21 public *prior to* any required hearings on the proposed rules or
22 regulations.”

23 **Section 3.** Section 9301(e) is hereby *added* to Article 3, Chapter 9,
24 Division 1 of Title 5 of the Guam Code Annotated to read as follows:

1 “(e) No proposed rule or regulation shall be transmitted to I
2 *Liheslaturan Guåhan* for consideration without an economic impact
3 statement, nor shall any proposed rule or regulation go into effect
4 without a completed economic impact statement.”

5 **Section 4.** Section 9301(f) is hereby *added* to Article 3, Chapter 9,
6 Division 1 of Title 5 of the Guam Code Annotated to read as follows:

7 “(f) The economic impact statement required by Subsections (d)
8 and (e) of this Section must directly address, *at a minimum*, the
9 following:

10 1. The purpose and the need for the rule or regulation; an
11 assessment of the risk and the cost of the imposed rule or
12 regulation. In addition, government agencies proposing a new
13 rule or regulation must include with the assessment, the
14 justification for the new rule or regulation.

15 2. The financial impact of the proposed rule or regulation
16 upon those persons or corporate entities directly affected by the
17 proposed rule or regulation, and upon the people and the
18 economy of Guam.

19 3. Any potential increase or decrease in the cost of living
20 on Guam, or any specific increase or decrease in the price or
21 availability of any good or service on Guam directly or indirectly
22 attributable to the proposed rule or regulation.

23 4. Any direct or indirect impact upon employment on
24 Guam or any increase or decrease in the availability of a particular

1 job or jobs, or jobs in general, attributable to the proposed rule or
2 regulation.

3 5. Any increase or decrease in the cost of doing business
4 as an enterprise or industry on Guam, or any increase or decrease
5 in doing business in general, which is attributable to the proposed
6 rule or regulation.

7 6. Any adverse or beneficial economic impact which is
8 attributable to the proposed rule or regulation."

9 **Section 5.** Section 9301(g) is hereby *added* to Article 3, Chapter 9,
10 Division 1 of Title 5 of the Guam Code Annotated to read as follows:

11 "(g) The provisions of this Section are also applicable to any
12 department, agency, autonomous agency, office or instrumentality of
13 the government of Guam, which is proposing to increase any fee for
14 service."

15 **Section 6.** Section 9301(h) is hereby *added* to Article 3, Chapter 9,
16 Division 1 of Title 5 of the Guam Code Annotated to read as follows:

17 "(h) An economic impact statement shall be produced by the
18 department, agency, autonomous agency, office or instrumentality of
19 the government of Guam which has proposed the rule, regulation or
20 increase of fees for services."

21 **Section 7.** Section 9301(i) is hereby *added* to Article 3, Chapter 9,
22 Division 1 of Title 5 of the Guam Code Annotated to read as follows:

23 "(i) Exemptions. Any proposed rule, change of rule,
24 regulation or request to impose or raise fees or rates shall be exempted

1 from the requirements of this Act *if* the annual economic impact to the
2 general public is Five Hundred Thousand Dollars (\$500,000.00) or less,
3 as determined by the department, agency, autonomous agency, office or
4 instrumentality proposing the rule, change of rule, regulation or request
5 to impose or raise fees.”

6 **Section 8.** Section 9301(j) is hereby *added* to Article 3, Chapter 9,
7 Division 1 of Title 5 of the Guam Code Annotated to read as follows:

8 “(j) A rule, change of rule, regulation or request to impose or
9 raise fees adopted under the exemption granted in Subsection (i) of this
10 Section shall, one (1) year after adoption, have a preliminary cost impact
11 assessment performed by the Bureau of Budget and Management
12 Research. *If* the preliminary cost impact assessment shows that the cost
13 impact of the rule, change of rule, regulation, or request to impose or
14 raise fees exceeds Five Hundred Thousand Dollars (\$500,000.00)
15 annually, then an economic impact statement, as required in
16 Subsections (d), (e), (f), (g) and (h), shall be prepared and transmitted to
17 *I Liheslaturan Guåhan* within sixty (60) days after the completion of the
18 preliminary cost impact assessment.”

19 **Section 9. Severability.** *If* any provision of this Law or its
20 application to any person or circumstance is found to be invalid or contrary to
21 law, such invalidity shall *not* affect other provisions or applications of this
22 Law which can be given effect without the invalid provisions or application,
23 and to this end the provisions of this Law are severable.

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 Substitute Bill No. 435 (COR) "AN ACT TO ADD §§9301(d), (e), (f), (g), (h), (i) AND (j) TO TITLE 5 OF THE GUAM CODE ANNOTATED, RELATIVE TO REQUIRING AN ECONOMIC IMPACT STATEMENT FOR PROPOSED GOVERNMENT REGULATIONS OR FEE INCREASES IN RULE-MAKING PROCEDURES AND FOR OTHER PURPOSES," was on the 5th day of October 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'lahaen Guahan* this _____ day of _____, 2000,
at _____ o'clock _____.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. 435 (COR)

As substituted by the Committee on Power,
Public Works, Tax and Regulatory Reform,
Municipal and Community Affairs and amended
on the Floor.

Introduced by:

E. B. Calvo
F. B. Aguon, Jr.
A. C. Blaz
J. M.S. Brown
M. G. Camacho
Mark Forbes
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9 fee increase, or any other government mandate, is implemented. It is also the
10 intent of *I Liheslaturan Guåhan* that the erosion of individual freedoms
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22 regulations.”

23 **Section 3.** Section 9301(e) is hereby *added* to Article 3, Chapter 9,
24 Division 1 of Title 5 of the Guam Code Annotated to read as follows:

1 “(e) No proposed rule or regulation shall be transmitted to *I*
2 *Liheslaturan Guåhan* for consideration without an economic impact
3 statement, nor shall any proposed rule or regulation go into effect
4 without a completed economic impact statement.”

5 **Section 4.** Section 9301(f) is hereby *added* to Article 3, Chapter 9,
6 Division 1 of Title 5 of the Guam Code Annotated to read as follows:

7 “(f) The economic impact statement required by Subsections (d)
8 and (e) of this Section must directly address, *at a minimum*, the
9 following:

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11 assessment of the risk and the cost of the imposed rule or
12 regulation. In addition, government agencies proposing a new
13 rule or regulation must include with the assessment, the
14 justification for the new rule or regulation.

15 2. The financial impact of the proposed rule or regulation
16 upon those persons or corporate entities directly affected by the
17 proposed rule or regulation, and upon the people and the
18 economy of Guam.

19 3. Any potential increase or decrease in the cost of living
20 on Guam, or any specific increase or decrease in the price or
21 availability of any good or service on Guam directly or indirectly
22 attributable to the proposed rule or regulation.

23 4. Any direct or indirect impact upon employment on
24 Guam or any increase or decrease in the availability of a particular

6

I MINA' BENTE SINGKO NA LIHESLATURAN GUAHAN

2000 (SECOND) Regular Session

Date: 10/5/00

VOTING SHEET

Bill No. 435 (COR)

Resolution No. _____

Question: _____

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
AGUON, Frank B., Jr.	✓				
BERMUDES, Eulogio C. 111		A ✓			
BLAZ, Anthony C. 11	✓				
BROWN, Joanne M.S.	✓				
CALVO, Eduardo B.	✓				
CAMACHO, Marcel G.	✓				
FORBES, Mark	✓				
KASPERBAUER, Lawrence F. 1	✓				
LAMORENA, Alberto C., V		✓			
LEON GUERRERO, Carlotta A.	✓				
MOYLAN, Kaleo Scott 11	✓				
PANGELINAN, Vicente C.		✓			
SALAS, John C. 11	✓				
SANCHEZ, Simon A., II	✓				
UNPINGCO, Antonio R. 111		A ✓			

TOTAL 11 4 0 0 0

CERTIFIED TRUE AND CORRECT:

Clerk of the Legislature

* 3 Passes = No vote
EA = Excused Absence



FILE

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

October 1, 2000
(DATE)

Memorandum

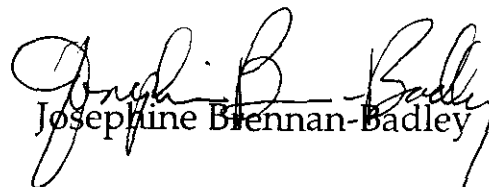
To: Senator Eduardo B. Calvo

From: Clerk of the Legislature

Subject: Report on Bill No. 435(COR)

Pursuant to §7.04 of Rule VII of the 25th Standing Rules, transmitted herewith is a copy of the Committee Report on Bill No. 435(COR), for which you are the prime sponsor.

Should you have any questions or need further information, please call the undersigned at 472-3464/5.


Josephine Brennan-Badley

Attachment

Handwritten note:
M/pe
00-02-00



MINA' B TE SINGKO NA LIHESLATURAN GUÅHAN
TWENTY-FIFTH GUAM LEGISLATURE

SENATOR EDDIE BAZA CALVO

CHAIRMAN
COMMITTEE ON POWER, PUBLIC WORKS, TAX AND REGULATORY REFORM,
MUNICIPAL AND COMMUNITY AFFAIRS

E-MAIL ADDRESS: SENCALVO@ITE.NET
120 FATHER DIEÑAS AVENUE, CAPITOL PLAZA, SUITE 109
HAGÁTÑA, GUAM 96910

TELEPHONE: (671) 472-4040/4518
FACSIMILE: (671) 472-4100

August 23, 2000

The Honorable Antonio R. Unpingco
Speaker
I Mina' Bente Singko Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

via: Committee on Rules

Dear Mr. Speaker:

The Committee on Power, Public Works, Tax and Regulatory Reform, Municipal and Community Affairs, to which was referred **BILL NO. 435 (COR)** "AN ACT TO ADD NEW SUBSECTIONS (d), (e), (f), (g), (h), (i) AND (j) TO SECTION 9301 OF ARTICLE 3, CHAPTER 9, PART 1, DIVISION 1 OF TITLE 5 OF THE GUAM CODE ANNOTATED RELATIVE TO REQUIRING AN ECONOMIC IMPACT STATEMENT FOR ALL PROPOSED GOVERNMENT REGULATIONS OR FEE INCREASES IN RULE-MAKING PROCEDURES." does hereby report back, with the recommendation **TO DO PASS AS SUBSTITUTED BY THE COMMITTEE**.

SUBSTITUTE BILL NO. 435 (COR) "AN ACT TO ADD NEW SUBSECTIONS (d), (e), (f), (g), (h), (i) AND (j) TO SECTION 9301 OF ARTICLE 3, CHAPTER 9, PART 1, DIVISION 1 OF TITLE 5 OF THE GUAM CODE ANNOTATED RELATIVE TO REQUIRING AN ECONOMIC IMPACT STATEMENT FOR PROPOSED GOVERNMENT REGULATIONS OR FEE INCREASES IN RULE-MAKING PROCEDURES."

Votes of the Committee members are as follows:

To Pass	<u>7</u>	Abstain	_____	Not Available	_____
Not To Pass	_____	Off-Island	_____		

A copy of the Committee Report is attached for your consideration.

Si Yu'os Ma'åse',

SENATOR EDDIE BAZA CALVO
Chairman

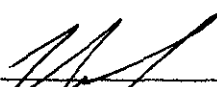
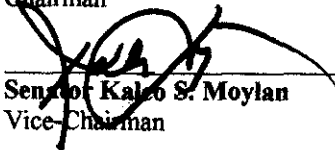

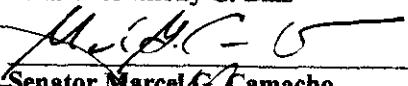
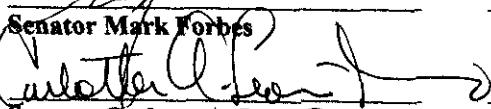

Attachments

**COMMITTEE ON POWER, PUBLIC WORKS,
TAX AND REGULATORY REFORM,
MUNICIPAL AND COMMUNITY AFFAIRS**

Mina Bente Singko Na Liheslaturan Guåhan
155 Hesler Street, Hagåtña, Guam 96910

VOTING SHEET:

SUBSTITUTE BILL NO. 435 (COR) "AN ACT TO ADD NEW SUBSECTIONS (d), (e), (f), (g), (h), (i) AND (j) TO SECTION 9301 OF ARTICLE 3, CHAPTER 9, PART 1, DIVISION 1 OF TITLE 5 OF THE GUAM CODE ANNOTATED RELATIVE TO REQUIRING AN ECONOMIC IMPACT STATEMENT FOR PROPOSED GOVERNMENT REGULATIONS OR FEE INCREASES IN RULE-MAKING PROCEDURES." (By: E.B. Calvo)

<u>COMMITTEE MEMBERS</u>	<u>TO PASS</u>	<u>NOT TO PASS</u>	<u>ABSTAIN</u>	<u>TO PLACE IN INACTIVE FILE</u>
 Senator Eddie Baza Calvo Chairman	✓			
 Senator Kaleo S. Moylan Vice-Chairman	✓			
Speaker Antonio R. Unpingco Ex-Officio Member				
 Vice-Speaker L. F. Kasperbauer	X			
Senator Frank B. Aguon, Jr.				
Senator Eulogio C. Bermudes				
Senator Anthony C. Blaz				
 Senator Marcel G. Camacho	✓			
Senator Mark Forbes	✓			
 Senator Carlotta A. Leon Guerrero	✓			
 Senator Simon A. Sanchez, II	✓			

**COMMITTEE ON POWER, PUBLIC WORKS,
TAX AND REGULATORY REFORM,
MUNICIPAL AND COMMUNITY AFFAIRS**
Mina' Bente Singko Na Liheslaturan Guåhan
155 Hesler Street, Hagåtña, Guam 96910

COMMITTEE REPORT

ON

BILL NO. 435 (COR)

“AN ACT TO ADD NEW SUBSECTIONS (d), (e), (f), (g), (h), (i) AND (j) TO SECTION 9301 OF ARTICLE 3, CHAPTER 9, PART 1, DIVISION 1 OF TITLE 5 OF THE GUAM CODE ANNOTATED RELATIVE TO REQUIRING AN ECONOMIC IMPACT STATEMENT FOR ALL PROPOSED GOVERNMENT REGULATIONS OR FEE INCREASES IN RULE-MAKING PROCEDURES.” (By: E.B. Calvo)

COMMITTEE MEMBERS

Chairman: Senator Eddie Baza Calvo
Vice-Chairman: Senator Kaleo S. Moylan
Ex-Officio Member: Antonio R. Unpingco

Senator Frank B. Aguon, Jr.
Senator Anthony C. Blaz
Senator Mark Forbes
Senator Carlotta A. Leon Guerrero

Senator Eulogio C. Bermudes
Senator Marcel G. Camacho
Vice-Speaker Lawrence F. Kasperbauer
Senator Simon A. Sanchez, II

**COMMITTEE ON POWER, PUBLIC WORKS,
TAX AND REGULATORY REFORM,
MUNICIPAL AND COMMUNITY AFFAIRS**
Mina Bente Singko Na Liheslaturan Guåhan
155 Hesler Street, Hagåtña, Guam 96910

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I. PUBLIC HEARING

BILL NO. 435 (COR) was introduced on June 8, 2000 and referred to the Committee on Power, Public Works, Tax and Regulatory Reform, Municipal and Community Affairs (“PPWTRRM&CA”) on July 13, 2000. A Fiscal Note was requested from the Bureau of Budget and Management Research on July 24, 2000 (“Exhibit D.”) As of August 23, 2000 the Committee has not received said Fiscal Note.

PPWTRRM&CA called a public hearing to order at 9:20 a.m., Wednesday, July 26, 1999 to hear testimony on BILL NO. 435 (COR). The hearing was held in the Public Hearing Room of *I Liheslaturan Guåhan* in Hagåtña. Notices were placed in the *Guam Variety News & Views* on July 20, 2000 and in the *Pacific Daily News* on July 23, 2000.

The hearing was called to order by Senator Eddie Baza Calvo, Chairman of PPWTRRM&CA. No members of the Committee were in attendance.

II. TESTIMONY

Although no members of the public were present to testify, written testimony was received from the following:

	<u>Testimony</u>	<u>Herein Attached As</u>
CIRIACO C. SANCHEZ, Acting Fire Chief, Guam Fire Department	Written	“Exhibit A”
JOSEPH G. SABLAN, Acting Director Department of Agriculture	Written	“Exhibit B”
TALING M. TAITANO, Executive Director, Guam Housing and Urban Renewal Authority	Written	“Exhibit C”

Mr. Ciriaco C. Sanchez, Acting Fire Chief, Guam Fire Department (“GFD”) wrote in opposition to the measure. He stated that in order for the mandate of this legislation to be realized, the GFD would have to hire additional staff and the department would have to be supported with complete automation, both of which GFD cannot currently afford.

Both Mr. Joseph G. Sablan, Acting Director, Department of Agriculture and Ms. Taling M. Taitano, Executive Director, Guam Housing and Urban Renewal Authority wrote that the provisions contained in Bill No. 435 (COR) do not apply to their agencies.

III. FINDINGS

Oftentimes the government will adopt rules, regulations or fee increases (“regulations”) without informing the public of their economic impact. Similarly, the actual costs resulting from these regulations are seldom calculated and the information is rarely released. The Committee finds that the public has the right to know how they will be affected by proposed regulations and that the imposition of regulations without justification should be curtailed unless such regulations are deemed absolutely necessary to protect the welfare and wellbeing of the people of Guam. The Committee further finds that it is pertinent that risk assessment and cost analysis be conducted on proposed regulations determined have an economic impact of over \$500,000.00, and that this information be made available to the public prior to any hearings held on said regulations.

IV. RECOMMENDATION

The Committee on Power, Public Works, Tax and Regulatory Reform, Municipal and Community Affairs hereby reports out **BILL NO. 435 (COR)**, to *I Liheslaturan Guåhan*, with the recommendation **TO DO PASS AS SUBSTITUTED BY THE COMMITTEE.**

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

Bill No. 435 (COR)

As substituted by the Committee on Power,
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Municipal and Community Affairs

Introduced by:

Eddie Baza Calvo

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5 the general public or on individuals. The actual costs of these rules,
6 regulations or fee increases are seldom calculated or released and made
7 publicly known. It is the intent of *I Liheslaturan Guåhan* that the economic
8 impact that rules, regulations or fee increases have on the general public and
9 on each individual be made known and understood before any such rule,
10 regulation or fee increase or any other government mandate is implemented.

1 It is also the intent of the *I Liheslaturan Guåhan* that the erosion of individual
2 freedoms resulting from the arbitrary imposition of regulations without
3 justification be curtailed unless such regulations are absolutely necessary to
4 protect the welfare and the wellbeing of the people of Guam.

5 **Section 2.** New Subsections (d), (e), (f), (g), (h), (i) and (j) are hereby
6 added to Section 9301 of Article 3, Chapter 9, Part 1, Division 1 of Title 5 of
7 the Guam Code Annotated to read as follows:

8 (d) Any government of Guam department, agency, autonomous
9 agency, office or instrumentality promulgating rules or regulations
10 under the Administrative Adjudication Law, or any other authority
11 granted by the laws of Guam shall include, as part of the promulgation
12 of such rules or regulations, an economic impact statement. This
13 statement must be completed and made available to the public prior to
14 any required hearings on the proposed rules or regulations.

15 (e) No proposed rule or regulation shall be transmitted to *I*
16 *Liheslaturan Guåhan* for consideration without an economic impact
17 statement, nor shall any proposed rule or regulation go into effect
18 without a completed economic impact statement.

19 (f) The economic impact statement required by Subsections (d)
20 and (e) of this Section must directly address, at a minimum, the
21 following:

22 1. The purpose and the need for the rule or regulation
23 and an assessment of the risk and the cost of the imposed rule or
24 regulation. In addition, government agencies proposing a new

1 rule or regulation must include with the assessment, the
2 justification for the new rule or regulation.

3 2. The financial impact of the proposed rule or regulation
4 upon those persons or corporate entities directly affected by the
5 proposed rule or regulation and upon the people and the
6 economy of Guam.

7 3. Any potential increase or decrease in the cost of living
8 on Guam or any specific increase or decrease in the price or
9 availability of any good or service on Guam directly or indirectly
10 attributable to the proposed rule or regulation.

11 4. Any direct or indirect impact upon employment on
12 Guam or any increase or decrease in the availability of a particular
13 job or jobs, or jobs in general, attributable to the proposed rule or
14 regulation.

15 5. Any increase or decrease in the cost of doing business
16 as an enterprise or industry on Guam, or any increase or decrease
17 in doing business in general, which is attributable to the proposed
18 rule or regulation.

19 6. Any adverse or beneficial economic impact which is
20 attributable to the proposed rule or regulation.

21 (g) The provisions of this Section are also applicable to any
22 department, agency, autonomous agency, office or instrumentality of
23 the government of Guam, which is proposing to increase any fee for
24 service.

1 (h) An economic impact statement shall be produced by the
2 department, agency, autonomous agency, office or instrumentality of
3 the government of Guam which has proposed the rule, regulation or
4 increase of fees for services.

5 (i) Exemptions. Any proposed rule, change of rule,
6 regulation or request to impose or raise fees or rates shall be exempted
7 from the requirements of this Act if the economic impact to the general
8 public is Five Hundred Thousand Dollars (\$500,000.00) or less, as
9 determined by the department, agency, autonomous agency, office or
10 instrumentality proposing the rule, change of rule, regulation or request
11 to impose or raise fees.

12 (j) A rule, change of rule, regulation or request to impose or
13 raise fees adopted under the exemption granted in Subsection (i) of this
14 Section shall, one (1) year after adoption, have a preliminary cost impact
15 assessment performed by the Bureau of Budget and Management
16 Research. If the preliminary cost impact assessment shows that the cost
17 impact of the rule, change of rule, regulation, or request to impose or
18 raise fees exceeds Five Hundred Thousand Dollars (\$500,000.00), then
19 an economic impact statement, as required in Subsections (d), (e), (f), (g)
20 and (h), shall be prepared and transmitted to *I Liheslaturan Guåhan*
21 within sixty (60) days after the completion of the preliminary cost
22 impact assessment."

23 **Section 3. Severability.** *If any provision of this Law or its*
24 *application to any person or circumstance is found to be invalid or*

1 contrary to law, such invalidity shall *not* affect other provisions or
2 applications of this Law which can be given effect without the invalid
3 provisions or application, and to this end the provisions of this Law are
4 severable.

JUN 08 2000

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

Bill No. 435 (cor)

Introduced by:

Eddie Baza Calvo *EB*

AN ACT TO ADD NEW SUBSECTIONS (d), (e), (f), (g), (h), (i) AND (j) TO SECTION 9301 OF ARTICLE 3, CHAPTER 9, PART 1, DIVISION 1 OF TITLE 5 OF THE GUAM CODE ANNOTATED RELATIVE TO REQUIRING AN ECONOMIC IMPACT STATEMENT FOR ALL PROPOSED GOVERNMENT REGULATIONS OR FEE INCREASES IN RULE-MAKING PROCEDURES.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan*

3 finds that too often the government will adopt rules and regulations or fee
4 increases without informing the public as to the economic impact to the
5 public or to individuals. The real costs of regulations and fee increases very
6 seldom are calculated or released and made known to the public. It is the
7 intent of *I Liheslaturan Guahan* that information as to the economic impact both
8 to the general public and to each individual be made known and understood
9 before any such regulation, fee increase or any other government mandate is
10 implemented. It is also the intent of the *I Liheslaturan Guahan* that the erosion
11 of individual freedom resulting from the arbitrary imposition of regulations
12 without justification be curtailed unless such regulations are absolutely

1 necessary to protect the welfare and the well-being of the people of Guam.

2 **Section 2.** New subsections (d), (e), (f), (g), (h), (i) and (j) are hereby
3 added to Section 9301 of Article 3, Chapter 9, Part 1, Division 1 of Title 5 of the
4 Guam Code Annotated to read as follows:

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6 agency, office or instrumentality promulgating rules and regulations
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10 statement must be completed and made available to the public prior to
11 any required hearings on the proposed rules and regulations.

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13 *Liheslaturan Guahan* for consideration without an economic impact
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15 without a completed economic impact statement.

16 (f) The economic impact statement required by subsections (d)
17 and (e) of this Section must directly address at a minimum the following
18 items:

19 1. The purpose and the need for the rule and regulation
20 and must include an assessment as to the risk and cost of each of
21 the imposed regulation. In addition, government agencies
22 proposing new regulations must include with the assessment, the
23 justification for the new regulation.

1 2. The financial impact of the proposed rules and
2 regulations upon those persons or corporate entities directly
3 affected by the proposed rules and regulations and upon the
4 people and the economy of Guam.

5 3. Any potential increase or decrease in the cost of living
6 on Guam or any specific increase or decrease in the price or
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8 attributable to the proposed rule or regulation.

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10 Guam or any increase or decrease in the availability of a particular
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12 regulation.

13 5. Any increase or decrease in the cost of doing business
14 for a particular enterprise or industry on Guam, or in general,
15 which is attributable to the proposed rule or regulation.

16 6. Any adverse or beneficial economic impact, which is
17 attributable to the proposed rule or regulation.

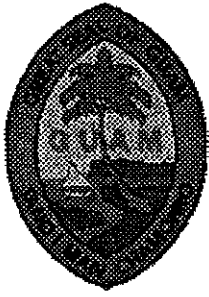
18 (g) The provisions of this Section are also applicable to any
19 department, agency, autonomous agency, office or instrumentality of
20 the government of Guam, which is proposing to increase any fee for
21 service.

22 (h) An economic impact statement shall be produced by the
23 department, agency, autonomous agency, office or instrumentality of

1 the government of Guam, which has proposed the regulation, or
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3 (i) Exemptions. Any proposed rule, change of rule,
4 regulation or request to impose or raise fees or rates shall be exempted
5 from the requirements of this Act if the economic impact to the general
6 public is Five Hundred Thousand Dollars (\$500,000.00) or less as
7 determined by the department, agency, autonomous agency, office or
8 instrumentality proposing the rule, change of rule, regulation or request
9 to impose or raise fees.

10 (j) A rule, change of rule, regulation or request to impose or
11 raise fees adopted under the exemption granted under subsection (i) of
12 this Section shall, one (1) year after adoption, be required to have a
13 preliminary cost impact assessment performed by the Bureau of Budget
14 and Management Research. If the preliminary cost impact assessment
15 shows that the cost impact of the rule, change of rule, regulation, or
16 request to impose or raise fees exceeds Five Hundred Thousand Dollars
17 (\$500,000.00), then a full economic impact statement as required by
18 subsections (d), (e), (g) and (h) shall be conducted and transmitted to I
19 Liheslaturan Guahan within 60 days after the completion of the
20 preliminary economic statement.



GUAM FIRE DEPARTMENT
DIPATTAMENTON GUAFI GUAHAN



Carl T.C. Guterrez
Governor

Madeleine Z. Bordallo
Lt. Governor

OFFICE OF SENATOR
EDDIE BAZA CALVO
 Date: 7/26/00 Time: 9:36AM
 Received By: [Signature]

Ciriaco C. Sanchez
Acting Fire Chief

July 25, 2000

The Honorable Eduardo B. Calvo
 Senator
 Chairman Committee on Power, Public Works, Tax and
 Regulatory Reform, Municipal and Community Affairs
 Mina'benti Singko na Leheslaturan Guåhan
 120 Father Duenas Avenue, Capitol Plaza Suite 109
 Hågatña, Guam 96910

REF: Bill No. 435

Hafa Adai Sefiot Sinidot Calvo,

Thank-you for the opportunity to provide the Guam Fire Department's input on **Bill No. 435**. Although the intent of this legislation is to provide for accountability in ensuring that projected impact is achieved should increases be necessary on current fees assessed, it is the Fire Department's position that in order for the mandate of this legislation to be realized, we must hire additional staff i.e.; economists, etc... and the department would need to be supported with complete automation (computer system capability) data systems which we could hardly afford at present.

Therefore, please note that the Guam Fire Department is not in favor of the passage of Bill No. 435.

"Para man Proteche yan Para man Setbe" Ever Vigilant!

Senseremente,

CIRIACO C. SANCHEZ
 Fire Chief, Acting

Exhibit A



Carl T.C. Gutierrez
Governor

Madeleine Z. Bordallo
Lt. Governor

Department of Agriculture Dipattamenton Agrikottura

192 Dairy Road, Mangilao, Guam 96923

Director's Office	734-3942/43; Fax 734-6569
Agricultural Dev. Services	734-3946/47; Fax 734-8096
Animal Health	734-3940
Aquatic & Wildlife Resources	735-3955/56; Fax 734-6570
Forestry & Soil Resources	735-3949/50; Fax 734-0111
Plant Nursery	734-3949
Plant Protection & Quarantine	472-1651; 475-1426
	Fax 477-9487



Joseph G. Sablan
Acting Director

Deputy Director

July 25, 2000

Senator Eddie Baza Calvo
Twenty-Fifth Guam Legislature
120 Father Duenas Avenue
Capital Plaza, Suite 109
Hagatna, GU. 96910

OFFICE OF SENATOR
EDDIE BAZA CALVO
Date: 7/26/00 Time: 10:11 AM
Received By: [Signature]

Dear Senator Calvo:

In response to your letter dated July 19, 2000 reference Bill No. 435 (COR) requiring an economic impact statement for all proposed government regulations or fee increases in rule-making procedures, this is not applicable to the Department of Agriculture per Section 2, subsection (i) "Exemption". The Department's annual revenue collection is less than \$100,000.00.

Sincerely,

JOSEPH G. SABLAN
Acting Director of Agriculture

Exhibit B



GHURA

Guam Housing and Urban Renewal Authority
Aturidat Ginima' Yan Rinueban Siudad Guahan
117 Bien Venida Avenue • Sinajana, Guam 96926
Phones: (671) 477-9851 to 4 • Fax: (671) 472-7565 • TTY # (671) 472-3701



JUL 26 2000

OFFICE OF SENATOR
EDDIE BAZA CALVO
Date: 8/4/00 Time: 12:50 PM
Received By: [Signature]

Carl T. C. Gutierrez
Governor

Madeleine Z. Bordallo
Lieutenant Governor

Talking M. Taitano
Executive Director

Jose T. San Nicolas
Deputy Director

Board of Commissioners

David N. Sanford
Chairman

Glorina Q. Perez
Vice Chairperson

Soledad A. Lujan
Member

Jaime D. S. Paulino
Member

Jesus S. Okada
Member

Juan C. Wustig
Member

Luis L. G. Paulino
Member

The Honorable Eddie Baza Calvo
Chairperson
Committee on Power, Public Works, Tax, Regulatory Reform, Municipal and
Community Affairs
I Mina'Bente Singko Na Liheslaturan Guahan
Capital Plaza, Suite 109
120 Father Duenas Avenue
Hagatna, Guam 96910

SUBJECT: Bill No. 435 (COR): An Act to Add New Sections etc.

Via: Gil Shinohara, Chief of Staff
Office of the Governor

Hafa Adai Senator Calvo!

Thank you for the opportunity to provide testimony on Bill No. 435. As you may be aware, the Guam Housing and Urban Renewal Authority (GHURA) implements a number of federal programs funded by the U.S. Department of Housing and Urban Development. Any fees, specifically in the form of rents and tenant charges, are developed based on federal law and regulations to ensure compliance with the federal programs and continued funding. As such, I don't believe that Bill 435 applies to our federally funded programs.

I would defer testimony on this bill to agencies directly affected by this legislation.

Senseramente,

TALKING M. TAITANO
Executive Director

cc: Board of Commissioners

RECEIPT ACKNOWLEDGED

By: [Signature]
(Signature)
J. B. King
(Print Name)
GHU
(Department)

Date: 7/26/00 Time: 9:08am



MINA BENTE SINGKO NA LIHESLATURAN GUÅHAN
TWENTY-FIFTH GUAM LEGISLATURE
SENATOR EDDIE BAZA CALVO
CHAIRMAN
COMMITTEE ON POWER, PUBLIC WORKS, TAX AND REGULATORY REFORM,
MUNICIPAL AND COMMUNITY AFFAIRS

DUPLICATE

E-MAIL ADDRESS: SENCALVO@TE.NET
120 FATHER DUEÑAS AVENUE, CAPITOL PLAZA, SUITE 109
HAGÁTÑA, GUAM 96910

TELEPHONE: (671) 472-4040/4518
FACSIMILE: (671) 472-4100

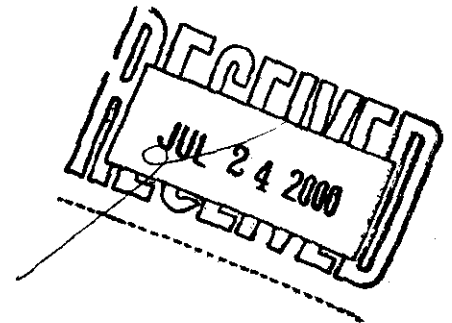
July 19, 2000

MEMORANDUM

TO: Mr. Joseph E. Rivera, Director
Bureau of Budget and Management Research

FROM: Chairman, Committee on Power, Public Works, Tax and
Regulatory Reform, Municipal and Community Affairs
I Mina Bente Singko Na Liheslaturan Guåhan

SUBJECT: **REQUEST FOR FISCAL NOTE (BILL NO. 435)**



The Committee on Power, Public Works, Tax and Regulatory Reform, Municipal and Community Affairs will conduct a **public hearing on July 26, 2000 on Bill No. 435(COR)**.

I am respectfully requesting your expedient assistance in facilitating Fiscal Note for the measure as soon as possible. Attached you will find a copy of the aforementioned bill.

Should you have any questions, please call my office at 472-4040.

Your assistance in this matter will be greatly appreciated. *Dangkolo na si Yu'os ma'åse'.*

Sincerely,


SENATOR EDDIE BAZA CALVO

Attachment (1)

Exhibit D

NOTICE OF PUBLIC HEARING



Mina 'Bente Singko Na Liheslaturan Guahan

Committee on Power, Public Works, Tax and Regulatory Reform, Municipal and Community Affairs

-Chairman, Senator Eddie Baza Calvo

9:00 A.M. TUESDAY, July 25, 2000

FY2001 BUDGET OVERSIGHT:

1. DEPARTMENT OF PARKS & RECREATION (RECREATIONAL)
2. DEPARTMENT OF YOUTH AFFAIRS
3. SANCTUARY

9:00 A.M. WEDNESDAY, JULY 26, 2000

BILL NO. 435 (COR): AN ACT TO ADD NEW SUBSECTIONS (d), (e), (f), (g), (h), (i) AND (j) TO SECTION 9301 OF ARTICLE 3, CHAPTER 9 PART 1, DIVISION I OF TITLE 5 OF THE GUAM CODE ANNOTATED RELATIVE TO REQUIRING AN ECONOMIC IMPACT STATEMENT FOR ALL PROPOSED GOVERNMENT REGULATIONS OR FEE INCREASES IN RULE-MAKING PROCEDURES (Introduced by: Senator E. B. Calvo)

FY 2001 BUDGET OVERSIGHT:

1. BUREAU OF BUDGET AND MANAGEMENT RESEARCH
2. MAYOR'S COUNCIL

9:00 A.M. THURSDAY, JULY 27, 2000

FY2001 BUDGET OVERSIGHT:

1. GUAM CONTRACTORS' LICENSING BOARD
2. PROFESSIONAL ENGINEERS AND SURVEYORS BOARD
3. GUAM POWER AUTHORITY

9:00 A.M. FRIDAY, JULY 28, 2000

BILL NO. 442 (COR): AN ACT TO REQUIRE THE DEPARTMENT OF PUBLIC WORKS TO CREATE SOLID WASTE COLLECTION DISTRICTS AND TO ENTER INTO CONTRACTS WITH COMMERCIAL HAULERS FOR COLLECTION AND DISPOSAL OF RESIDENTIAL SOLID WASTE (Introduced by: Senator V.E. Pangelinan)

BILL NO. 461 (COR): AN ACT TO AUTHORIZE THE GOVERNOR TO OPEN A NEW LANDFILL AND TO ISSUE REVENUE BONDS FOR THE PURPOSE OF OPENING A NEW LANDFILL; TO RESERVE ALL REVENUES FROM THE TIPPING USER FEES FOR THE PURPOSE OF FUNDING THE OPENING OF A NEW LANDFILL (Introduced by: Senator E. B. Calvo)

FY2001 BUDGET OVERSIGHT:

DEPARTMENT OF PUBLIC WORKS

Hearings will be held in the PUBLIC HEARING ROOM of the Liheslaturan Guahan, 155 Hesler Blvd. Hagatna, Guam. Those in need of Special Accommodations call 473-4040 or fax request to 472-4166.

THE PUBLIC IS ENCOURAGED TO ATTEND

US senator dies at 61

ATLANTA (AP) — Sen. Paul Coverdell, a longtime Republican politician in Georgia, became a congressional workaholic and quickly ascended to a leadership post, died Tuesday of a stroke. He was 61.

Coverdell had surgery Monday to relieve pressure from a cerebral hemorrhage but died from swelling in the brain, Piedmont Hospital said. The senator, who had reported no serious health problems in the past, was hospitalized Saturday night after complaining of severe headaches.

Coverdell, who served as Peacemaker Corps director in the Bush administration, was first elected to the Senate in 1992 by defeating incumbent Democrat Wyche Fowler Jr. He became the fourth leading Republican in the Senate, serving as GOP Conference secretary and sitting on several committees, including agriculture, commerce and foreign relations.

He also was the Senate liaison for George W. Bush's presidential campaign and had been busy preparing for the Republican National Convention, which began in Philadelphia in two weeks.

"Paul Coverdell was one of the kindest and most decent men I met in my entire life," former President Bush said in a statement. "We shall miss him as much as you would miss our own son." Aides eulogized George W. Bush: "Paul's outspoken, hard-working ways will be sorely missed by all of us who knew him and loved him."

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- PLANT OPERATIONS MANAGER
- LAUNDRY AND LINEN MANAGER
- ADMINISTRATIVE ASSISTANT

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land inpatient/outpatient care e;
land providers and patient care

ther related duties.

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edad Ave., Hagatna between 8 - 1 p.m. Saturday. **No phone**

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NOTICE OF PUBLIC HEARING

Mina Bente Singko Na Liheslaturan Guahan
**Committee on Power, Public Works,
Tax and Regulatory Reform, Municipal and Community Affairs**
-Chairman, Senator Eddie Baza Calvo-

9:00 A.M. TUESDAY, JULY 25, 2000

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1. DEPARTMENT OF PARKS & RECREATION (RECREATIONAL)
2. DEPARTMENT OF YOUTH AFFAIRS
3. SANCTUARY

9:00 A.M. WEDNESDAY, JULY 26, 2000

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FY2001 BUDGET OVERSIGHT:

1. BUREAU OF BUDGET AND MANAGEMENT RESEARCH
2. MAYORS' COUNCIL

9:00 A.M. THURSDAY, JULY 27, 2000

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1. GUAM CONTRACTORS' LICENSING BOARD
2. PROFESSIONAL ENGINEERS AND LAND SURVEYORS BOARD

9:00 A.M. FRIDAY, JULY 28, 2000

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FY2001 BUDGET OVERSIGHT:
DEPARTMENT OF PUBLIC WORKS

Hearing will take place in the **PUBLIC HEARING ROOM of LIHESLATURAN GUAHAN, 155 HESLER STREET, HAGATNA, GUAM**. Those in need of Special Accommodations please call 472-4040 or fax your request to 472-4100.

THE PUBLIC IS ENCOURAGED TO ATTEND.

JUN 08 2000

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

Bill No. 435(100)

Introduced by:

Eddie Baza Calvo *SBK*

AN ACT TO ADD NEW SUBSECTIONS (d), (e), (f), (g), (h), (i) AND (j) TO SECTION 9301 OF ARTICLE 3, CHAPTER 9, PART 1, DIVISION 1 OF TITLE 5 OF THE GUAM CODE ANNOTATED RELATIVE TO REQUIRING AN ECONOMIC IMPACT STATEMENT FOR ALL PROPOSED GOVERNMENT REGULATIONS OR FEE INCREASES IN RULE-MAKING PROCEDURES.

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Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan*

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16 6. Any adverse or beneficial economic impact, which is
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14 and Management Research. If the preliminary cost impact assessment
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16 request to impose or raise fees exceeds Five Hundred Thousand Dollars
17 (\$500,000.00), then a full economic impact statement as required by
18 subsections (d), (e), (g) and (h) shall be conducted and transmitted to I
19 Liheslaturan Guahan within 60 days after the completion of the
20 preliminary economic statement.