



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

MAY 20 2001

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

OFFICE OF THE LEGISLATIVE SECRETARY
ACKNOWLEDGMENT RECEIPT

Received By SE

Time 10:17 a.m.

Date 05/21/01

Dear Legislative Secretary Brown:

Enclosed please find Substitute Bill No. 005 (COR) entitled: "AN ACT REQUIRING DPW TO RECONCILE AND PRORATE ARREARS OF RESIDENTIAL TIPPING/USER FEES FOR THE PERIOD OF FEBRUARY, 2000 TO MARCH, 2001" which I have signed into law as **Public Law No. 26-17**.

The Department of Public Works is currently working on the matters outlined in this legislation.

Very truly yours,

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

0200

MINA'BENTE SAIS NA LIHESLATURAN GUĀHAN
2001 (FIRST) Regular Session


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

This is to certify that Substitute Bill No. 005 (COR) "AN ACT REQUIRING DPW TO RECONCILE AND PRORATE ARREARS OF RESIDENTIAL TIPPING/USER FEES FOR THE PERIOD OF FEBRUARY, 2000 TO MARCH, 2001," was on the 11th day of May, 2001, 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 Guāhan* this 14th day of May, 2001,
at 4:15 o'clock P.M.



Assistant Staff Officer
Maga'lahi's Office

APPROVED:



CARL T. C. GUTIERREZ
I Maga'lahaen Guāhan

Date: 5-20-01

Public Law No. 26-17

MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN
2001 (FIRST) Regular Session

Bill No. 5 (COR)

As substituted by the Committee on Public Works, Health and Human Services and Amended on the Floor.

Introduced by:

E. B. Calvo
J. F. Ada
T. C. Ada
F. B. Aguon, Jr.
J. M.S. Brown
F. P. Camacho
M. C. Charfauros
Mark Forbes
L. F. Kasperbauer
L. A. Leon Guerrero
K. S. Moylan
V. C. Pangelinan
A. L. G. Santos
A. R. Unpingco
J. T. Won Pat

AN ACT REQUIRING DPW TO RECONCILE AND PRORATE ARREARS OF RESIDENTIAL TIPPING/USER FEES FOR THE PERIOD OF FEBRUARY, 2000 TO MARCH, 2001.

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*
3 finds that the Department of Public Works ("DPW") has been inconsistent in
4 billing residential generators of solid waste between the months of February,
5 2000 to March, 2001. *I Liheslaturan Guåhan* also finds that DPW intends on

1 assessed until all of the provisions of this Section are completed, and back
2 billing shall *not* exceed seven (7) months.

3 **Section 3. Effective Date.** The provisions of this Act shall take effect
4 *immediately* upon enactment into law.

5 **Section 4.** For all services incurred subsequent to June, 2001, back
6 billing shall *not* exceed four (4) months.

7 **Section 5. Severability.** *If* any provision of this Law or its
8 application to any person or circumstance is found to be invalid or contrary to
9 law, such invalidity shall *not* affect other provisions or applications of this
10 Law which can be given effect without the invalid provisions or application,
11 and to this end the provisions of this Law are severable.

6

I MINA' BENTE SAIS NA LIHESLATURAN GUAHAN

2001 (FIRST) Regular Session

Date: 5/11/01

VOTING SHEET

Bill No. 5 (COR)

Resolution No. _____

Question: _____

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
ADA, Joseph F.	✓				
ADA, Thomas C.	✓				
AGUON, Frank B., Jr.	✓				
BROWN, Joanne M. S.	✓				
CALVO, Eddie B.	✓				
CAMACHO, Felix P.	✓				
CHARFAUROS, Mark C.	✓				
FORBES, Mark	✓				
KASPERBAUER, Lawrence F.	✓				
LEON GUERRERO, Lourdes A.	✓				
MOYLAN, Kaleo S.	✓				
PANGELINAN, Vicente C.	✓				
SANTOS, Angel L.G.	✓				
UNPINGCO, Antonio R.	✓				
WON PAT, Judith T.	✓				

TOTAL

15

CERTIFIED TRUE AND CORRECT:

Clerk of the Legislature

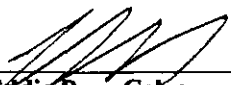




* 3 Passes = No vote
EA = Excused Absence

**COMMITTEE ON PUBLIC WORKS,
HEALTH AND HUMAN SERVICES**

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

VOTING SHEET:

SUBSTITUTE BILL NO. 5 (COR) "AN ACT TO REQUIRE THE DEPARTMENT OF PUBLIC WORKS TO RECONCILE AND PRORATE ARREARS OF RESIDENTIAL TIPPING/USER FEES FOR THE PERIOD OF FEBRUARY 2000 TO MARCH 2001." (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	✓	_____	_____	_____
 _____ Vice Speaker Lawrence F. Kasperbauer Vice-Chairman	X	_____	_____	_____
_____ Speaker Antonio R. Unpingco Ex-Officio Member	✓	_____	_____	_____
_____ Senator Joseph F. Ada	_____	_____	_____	_____
_____ Senator Thomas C. Ada	_____	_____	_____	_____
 _____ Senator Joanne M. S. Brown	✓	_____	_____	_____
 _____ Senator Mark Forbes	✓	_____	_____	_____
_____ Senator Lou Lon Guerrero	_____	_____	_____	_____
 _____ Senator Vicente C. Pangelinan	✓	_____	_____	_____

**COMMITTEE ON PUBLIC WORKS,
HEALTH AND HUMAN SERVICES**

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

BILL NO. 5 (COR)

“AN ACT TO REQUIRE THE DEPARTMENT OF PUBLIC WORKS TO RECONCILE AND PRORATE ARREARS OF RESIDENTIAL TIPPING/USER FEES FOR THE PERIOD OF FEBRUARY 2000 TO NOVEMBER 2000.” (By: E.B. Calvo)

I. PUBLIC HEARING

BILL NO. 5 (COR) was introduced on January 9, 2001 and referred to the Committee on Public Works, Health and Human Services (“the Committee”) on February 9, 2001. A Fiscal Note was requested from the Bureau of Budget and Management Research on January 29, 2001 and received February 27, 2001. (Herein attached as “Exhibit A”.)

The Committee called a public hearing to order at 9:10 a.m., Tuesday, February 27, 2001 to hear testimony on **BILL NO. 5 (COR)**. The hearing was held in the Public Hearing Room of *1 Liheslaturan Guåhan* in Hagåtña. Notices were placed in the Pacific Daily News in compliance with mandates regarding notification of public meetings.

The hearing was called to order by Senator Eddie Baza Calvo, Chairman of PWH&HS, with Senators Thomas C. Ada, Frank B. Aguon, Jr. and Lou Leon Guerrero in attendance.

<u>Present to Testify:</u>	<u>Testimony Presented</u>	<u>Herein Attached As</u>
JESSE G. GARCIA , Acting Director, Dept. of Public Works	Oral	-----
DAVID AQUINGOC , Superintendent, Solid Waste Division, Dept. of Public Works	Oral	-----
ELEANOR F. BORJA , Assistant Superintendent, Solid Waste Division, Dept. of Public Works	Oral	-----
PRISCILLA RICHARDS , Acting Chief of Administration, Solid Waste Division, Dept. of Public Works	Oral	-----

II. TESTIMONY

DEPARTMENT OF PUBLIC WORKS

- Funding for the Solid Waste Division of the Department of Public Works (“DPW”) is supposed to come from the tipping/user fees with an original estimate of \$6 Million to be collected (\$3 Million from residential customers \$3 Million from commercial generators).
- Currently, an estimated 26,000 residential customers are being billed for solid waste collection with 5,000 customers not yet billed.
- Tipping/User Fee billings are generated out of the Department of Administration (“DOA”) with DPW only administering the mailing of the billings.
- The most current information given to DPW by DOA on the amounts collected in tipping/user fees was for the period of August 1999 through August 2000, with a total of \$2.9 Million collected (\$291,000.00 for residential customers and approximately \$2.7 Million from commercial waste haulers.) The department did not have the figures of the amounts collected from the “lump sum” billing (10 months of service) when queried by the Chair.
- The Solid Waste Division has been able to remain in operation because of transfers made by the Bureau of Budget & Management Research (“BBMR”). And with a budget of approximately \$5 Million from BBMR, it is anticipated that a shortfall of \$900,000.00 will occur as the result of the expenditures incurred from the rental of equipment used for the daily covering of the landfill.
- The option of contracting out the accounting aspect of tipping/user fees (billings) has been discussed within the division/department.

SENATOR EDDIE BAZA CALVO

- The inaccuracies and inefficiency of the entire administrative and accounting functions of the tipping/user fees must be immediately addressed. A comprehensive reconciliation of accounts must also immediately begin, with credit applied to those customers who have already paid tipping/user fees. At the same time, credit should be applied to those accounts for which solid waste pick up did not occur. Residential customers should not be forced to pay for a comprehensive retroactive billing because of the department’s inefficiencies, but should be afforded an opportunity to pay within a means that they can afford.

SENATOR THOMAS C. ADA

- If back-billing is going to occur, residential customers should only be billed for the last four billing periods, and not for services rendered since the inception of the tipping/user fee program.

SENATOR LOU LEON GUERRERO

- If the department administering the program had total control of its operations the entire system would be more efficient. Suggested that options be considered, such as having DPW handle the billings or having a private contractor do the same. Requested that the Committee hold roundtable discussions regarding the matter.

SENATOR FRANK B. AGUON, JR.

- Currently, without the transfer of funds into the division, the department would not be able to function and it is critical that the department be aware of all aspects of budgeting, billing and collections in relation to the tipping/user fees.

There being no further testimony, the public hearing on Bill No. 5 (COR) concluded at 10:10 a.m.

III. FINDINGS

The Committee finds that the Department of Public Works has been inconsistent in billing residential customers since the inception of the tipping/user fee program. The Committee also finds that the cumulative lump sum billing for residential accounts (deemed in arrears) ceased shortly after the public hearing was held, and that DPW now intends on issuing a cumulative billing for the months of February 2000 to March 2001. The Committee further finds that residential customers should not be unduly penalized for the department's inefficiency and said customers should not be required to make a lump sum payment for fourteen (14) months of service. Moreover, the Committee finds that a reconciliation must be immediately performed on all residential customer accounts and that credit be applied to those customers that have paid for services rendered. Credit should also be applied to those customers who were not serviced during the fourteen month period. After the reconciliation is performed, each customer's arrears balance should be prorated in the billing cycle following the completion of the reconciliation and should be divided into twelve equal monthly installments.

IV. RECOMMENDATION

The Committee on Public Works, Health & Human Services does hereby report out **SUBSTITUTE BILL NO. 5 (COR)**, to *1 Liheslaturan Guåhan*, with the recommendation **TO DO PASS**.

MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN
2001 (FIRST) Regular Session

Bill No. 5 (COR)

Introduced by:

E. B. Calvo *EB*

**AN ACT TO REQUIRE THE DEPARTMENT OF
PUBLIC WORKS TO RECONCILE AND PRORATE
ARREARS OF RESIDENTIAL TIPPING/USER FEES
FOR THE PERIOD OF FEBRUARY 2000 TO
NOVEMBER 2000.**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*
3 finds that the Department of Public Works has been inconsistent in billing
4 residential generators of solid waste between the months of February 2000 to
5 November 2000. *I Liheslaturan Guåhan* also finds that the department intends
6 on assessing individual residential generators the aggregate sum of
7 residential tipping/user fees for which it deems is in arrears. *I Liheslaturan*
8 *Guåhan* further finds that residential generators should not be unduly
9 penalized for the department's inefficiency and said generators should not be
10 required to make a "lump sum" payment for ten (10) months of service. It is
11 the intent of *I Liheslaturan Guåhan* to prevent the Department of Public Works
12 from issuing such a cumulative, lump sum billing and ensure that residential
13 generators are afforded the opportunity to pay for arrears within a reasonable
14 time frame.