



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM


MAR 13 2002

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

Dear Senator Brown:


Enclosed please find Substitute Bill No. 272 (COR) "AN ACT TO REPEAL AND REENACT § 33 OF CHAPTER IV AND §28(b) OF CHAPTER III OF P.L. NO. 26-35; TO AMEND § 21 OF CHAPTER V OF P.L. NO. 25-164 AND TO AMEND § 12 OF P.L. NO. 26-58, RELATIVE TO APPROPRIATIONS FOR M.I.P., THE MEDICAID PROGRAM, AND TO D.P.W. AND HOPE FOR RECOVERY, AND TO AUTHORIZE TRANSFER APPROPRIATION LAPSES WITHIN THE DEPARTMENT OF LAW AND FOR OTHER PURPOSES" which was vetoed and subsequently overridden by I Liheslatura. This legislation is now designated as **Public Law No. 26-75**.

Very truly yours,


Carl T. C. Gutierrez
I Maga'lahaen Guåhan
Governor of Guam

Attachments: original bill for vetoed legislation or
copy of bill for signed or overridden legislation
and legislation enacted without signature

cc: The Honorable Antonio R. Unpingco
Speaker

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By	
Time	1118
Date	3/13/02

0722

MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN
2002 (SECOND) Regular Session


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

This is to certify that Substitute Bill No. 272 (COR), "AN ACT TO REPEAL AND REENACT § 33 OF CHAPTER IV AND §28(b) OF CHAPTER III OF P.L. NO. 26-35; TO AMEND § 21 OF CHAPTER V OF P.L. NO. 25-164 AND TO AMEND § 12 OF P.L. NO. 26-58, RELATIVE TO APPROPRIATIONS FOR M.I.P., THE MEDICAID PROGRAM, AND TO D.P.W. AND HOPE FOR RECOVERY, AND TO AUTHORIZE TRANSFER APPROPRIATION LAPSES WITHIN THE DEPARTMENT OF LAW AND FOR OTHER PURPOSES," returned without approval of *I Maga'lahen Guåhan*, was reconsidered by *I Liheslaturan Guåhan* and after such consideration, did agree, on the 12th day of March, 2002, to pass said bill notwithstanding the veto of *I Maga'lahen Guåhan* by a vote of fifteen (15) members.



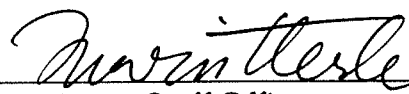
ANTONIO R. UNPINGCO
Speaker

Attested:



JOANNE M.S. BROWN
Senator and Legislative Secretary

This Act was received by *I Maga'lahen Guåhan* this 12th day of March,
2002, at 1:10 o'clock P.M.



Assistant Staff Officer
Maga'lahi's Office

MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN
2002 (SECOND) Regular Session

Bill No. 272 (COR)

As substituted by the Committee
on Ways and Means and amended on the Floor.

Introduced by:

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

**AN ACT TO REPEAL AND REENACT § 33 OF
CHAPTER IV AND §28(b) OF CHAPTER III OF P.L.
NO. 26-35; TO AMEND § 21 OF CHAPTER V OF P.L.
NO. 25-164 AND TO AMEND § 12 OF P.L. NO. 26-58,
RELATIVE TO APPROPRIATIONS FOR M.I.P.,
THE MEDICAID PROGRAM, AND TO D.P.W.
AND HOPE FOR RECOVERY, AND TO
AUTHORIZE TRANSFER APPROPRIATION
LAPSES WITHIN THE DEPARTMENT OF LAW
AND FOR OTHER PURPOSES.**

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

1 **Section 1.** Section 33 of Chapter IV *Miscellaneous Provisions*, of Public
2 Law Number 26-35 is hereby *repealed and reenacted* to read as follows:

3 **“Section 33. Social Welfare Programs Appropriation.**

4 **(a) MIP Payment Revolving Fund.** The sum of Ten
5 Million Six Hundred Thousand Dollars (\$10,600,000) is hereby
6 appropriated from the General Fund to the Medically Indigent
7 Program (‘M.I.P.’) Payment Revolving Fund.

8 **(b)** The sum of Two Million One Hundred Fifty-two
9 Thousand Two Hundred Eighty-nine Dollars (\$2,152,289) is
10 hereby appropriated from the Healthcare System Privatization
11 Fund to the MIP Payment Revolving Fund for services of other
12 obligations of the MIP and Medicaid programs incurred during
13 the month March, Fiscal Year 2002.

14 **(c)** The sum of Two Million One Hundred Fifty-two
15 Thousand Two Hundred Eighty-nine Dollars (\$2,152,289) is
16 hereby appropriated from the Healthcare System Privatization
17 Fund to the MIP Payment Revolving Fund for services of other
18 obligations of the MIP and Medicaid programs incurred during
19 the month April, Fiscal Year 2002.

20 **(d)** The sum of Two Million One Hundred Fifty-two
21 Thousand Two Hundred Eighty-nine Dollars (\$2,152,289) is
22 hereby appropriated from the Healthcare System Privatization
23 Fund to the MIP Payment Revolving Fund for services of other
24 obligations of the MIP and Medicaid programs incurred during
25 the month May, Fiscal Year 2002.

1 (e) The sum of Two Million One Hundred Fifty-two
2 Thousand Two Hundred Eighty-nine Dollars (\$2,152,289) is
3 hereby appropriated from the Healthcare System Privatization
4 Fund to the MIP Payment Revolving Fund for services of other
5 obligations of the MIP and Medicaid programs incurred during
6 the month June, Fiscal Year 2002.

7 (f) The sum of Two Million One Hundred Fifty-two
8 Thousand Two Hundred Eighty-nine Dollars (\$2,152,289) is
9 hereby appropriated from the Healthcare System Privatization
10 Fund to the MIP Payment Revolving Fund for services of other
11 obligations of the MIP and Medicaid programs incurred during
12 the month July, Fiscal Year 2002.

13 (g) The sum of Two Million One Hundred Fifty-two
14 Thousand Two Hundred Eighty-nine Dollars (\$2,152,289) is
15 hereby appropriated from the Healthcare System Privatization
16 Fund to the MIP Payment Revolving Fund for services of other
17 obligations of the MIP and Medicaid programs incurred during
18 the month August, Fiscal Year 2002.

19 (h) The sum of Two Million One Hundred Fifty-two
20 Thousand Two Hundred Eighty-nine Dollars (\$2,152,289) is
21 hereby appropriated from the Healthcare System Privatization
22 Fund to the MIP Payment Revolving Fund for services of other
23 obligations of the MIP and Medicaid programs incurred during
24 the month September, Fiscal Year 2002.

1 (i) The appropriation contained in Subsections (b), (c),
2 (d), (e), (f), (g) and (h) are composed of Nine Million Seven
3 Hundred Eighty Thousand Dollars (\$9,780,000) from the General
4 Fund and Five Million Two Hundred Eighty-six Thousand
5 Twenty-five Dollars (\$5,286,025) from Federal Grant-in-Aid, for a
6 total appropriation of Fifteen Million Sixty-six Thousand Twenty-
7 five Dollars (\$15,066,025).

8 (j) **Monitoring and Contract Payments of the Healthcare**
9 **System Contract.** Effective October 1, 2002, the sum of
10 Twenty-six Million Dollars (\$26,000,000) is hereby appropriated
11 from the FY2003 revenues of the General Fund to the Healthcare
12 System Fund of the Department of Public Health and Social
13 Services ('DPH&SS') for the implementation, monitoring and
14 contract payments of the Healthcare System contract for Fiscal
15 Year 2003.

16 (k) **Implementation, Monitoring and Contract Payments.**
17 Effective October 1, 2003, the sum of Twenty-six Million Dollars
18 (\$26,000,000) is hereby appropriated from the FY2004 revenues of
19 the General Fund to the Healthcare System Fund of DPH&SS for
20 the implementation, monitoring and contract payments of the
21 Healthcare System contract for Fiscal Year 2004.

22 (l) The MIPPR Fund shall *not* be subject to any transfer
23 authority by *I Maga'lahaen Guãhan.*"

1 **Section 2.** Section 21 of Chapter V, *Administrative Provisions*, of Public
2 Law Number 25-164 is hereby *amended* to read as follows:

3 **“Section 21. MIP Payment Revolving Fund.** From the
4 funds appropriated by this Act from the General Fund for the
5 Department of Public Health and Social Services (‘DPH&SS’)
6 Miscellaneous Object Category, the amount of Twenty-four Million
7 Dollars (\$24,000,000) shall be deposited into the Medically Indigent
8 Program Payment Revolving Fund (‘MIPPR Fund’). The MIPPR Fund
9 shall be maintained separate and apart from all other funds allocated to
10 DPH&SS. Payments from the MIPPR Fund shall be authorized by the
11 Director and credited against the MIPPR Fund. Appropriations to the
12 MIPPR Fund are hereby authorized to be carried over into subsequent
13 fiscal years, and may be expended for any authorized Medically
14 Indigent Program and any authorized Medicaid Program obligation.

15 Notwithstanding any provisions of law to the contrary, all
16 approved claims for Program services incurred *prior* to the close of
17 Fiscal Year 2000 shall be eligible for payment from monies appropriated
18 to the Department, or the Fund established by this Section.

19 The MIPPR Fund shall *not* be subject to any transfer authority by *I*
20 *Maga’lahen Guåhan.*”

21 **Section 3.** Section 12 of Public Law Number 26-58 is hereby *amended* to
22 read as follows:

23 **“Section 12.** Notwithstanding any other provision of law, the
24 Guam Economic Development Authority (‘GEDA’) shall transfer from

1 its share of the charges and fees in connection with the funding,
2 issuance, sale and delivery of the debts of bond pursuant to this Act the
3 lump sum of One Hundred Thousand Dollars (\$100,000.00) to the
4 Department of Public Works ('DPW') *no later than* March 31, 2002 to be
5 used for the repair of public school buses and the lump sum of Fifty
6 Thousand Dollars (\$50,000.00), to Hope for Recovery *no later than* March
7 31, 2002, to establish and provide residential treatment services for
8 mothers and their newborn babies addicted to methamphetamine,
9 better known as the drug ice."

10 **Section 4. Authorization to Transfer Appropriation Lapses within**
11 **the Department of Law.**

12 (a) **Legislative Statement.** The Department of Law, Family
13 Division, is funded by a grant under the U.S. Department of Health and
14 Human Services - Title IVB-D Social Security Administration,
15 specifically referred to as the Child Support Enforcement Program. The
16 grant is a reimbursable grant at a funding ratio of sixty-six percent
17 (66%) Federal and thirty-four percent (34%) local.

18 The FY2002 Budget Act (P.L. No. 26-35, as amended) appropriated
19 Three Million Two Hundred Eighty Thousand One Hundred Eighteen
20 Dollars (\$3,280,118) to the Family Division. This appropriation was
21 partial for the fiscal year in the areas of contractual services and office
22 space rental as a more in-depth review of the division's APASI and
23 PRWORA contracts were necessary. In addition, confirmation of grant

1 conditions in support of the contracts was received late in the budget
2 process.

3 The Committee on Ways and Means conducted a review of the
4 Family Division's contractual needs for the balance of the fiscal year and
5 finds that an additional local matching requirement of Nine Hundred
6 Sixty-six Thousand Two Hundred Forty-nine Dollars (\$966,249.00)
7 would be necessary. The scope of the review included a comprehensive
8 assessment of the Department's Personnel Services appropriations
9 which showed potential lapses in the amount of One Million Twenty-six
10 Thousand Two Hundred Forty-eight Dollars and Seventy Cents
11 (\$1,026,248.70), due primarily to thirteen (13) employee separations due
12 to resignations, transfers and retirement since passage of the Budget
13 Act.

14 It has, therefore, been determined that the redirection of the
15 Department of Law's Personnel Services appropriation lapses to the
16 Family Division's contractual and office space rental categories would
17 satisfy the Division's local matching requirements for the balance of the
18 fiscal year.

19 It is also noted that the Department needs to aggressively pursue
20 its Federal Incentive Payment awards which have *not* been received for
21 Fiscal Year 2000, and these annual awards average Two Hundred Fifty
22 Thousand Dollars (\$250,000.00), and their untimely receipts could
23 jeopardize ten (10) positions currently funded by these Federal funds
24 which the Department's local funding level is *not* in a position to absorb.

1 **(b) Authorization to Transfer Lapses.** The Department of Law
2 is authorized to transfer lapses from Personnel Services appropriations
3 contained in pages 26-1, 26-2, 26-3, 26-4, 26-5 and 26-6 of Appendix B of
4 Public Law Number 26-35, as amended, to the contractual and office
5 space rental categories of the Family Division contained in page 26-6 of
6 Appendix B of Public Law Number 26-35, as amended. The transfer out
7 of lapses from Personnel Services authorized by this Section shall be
8 *without* limit; provided, that such lapses can be transferred only into the
9 contractual and office space rental categories of the Family Division and
10 shall *not* be used for any other purpose.

11 **Section 5. Amendment to Above-Step Recruitment and**
12 **Reclassification Moratorium.** Section 4(b) of Chapter IV, *Miscellaneous*
13 *Provisions*, of Public Law Number 26-35, as amended by § 10 of Public Law
14 Number 26-55, is further *amended* to read as follows:

15 **“(b) Above-Step Recruitment and Reclassification Moratorium.**

16 **(1) Above-Step Recruitment Moratorium.**

17 Notwithstanding any other provisions of law, rule or regulation,
18 effective October 1, 2001, there is hereby put into effect a
19 government-wide moratorium on above-step recruitments, *except*
20 for teachers in DOE, academic positions in the Guam Community
21 College (‘GCC’) and the University of Guam (‘UOG’), licensed and
22 allied health care professionals, attorneys and positions
23 determined by the Civil Service Commission (‘CSC’) as difficult to
24 recruit, which shall remain in effect through September 30, 2002,

1 and shall be applicable to all positions within every branch of
2 government, public corporations, all government of Guam
3 departments, bureaus, and agencies, instrumentalities, entities or
4 sub-entities of the Executive, Legislative or Judicial Branches, the
5 Mayors' Council, *and* Mayors' Offices.

6 **(2) Reclassification Moratorium.**

7 Notwithstanding any other provisions of law, rule or
8 regulation, effective October 1, 2001, there is hereby put into effect
9 a government-wide moratorium on reclassifications, *except* for
10 teachers in DOE; academic positions in GCC and UOG; licensed
11 and allied health care professionals, which shall remain in effect
12 through September 30, 2002, and shall be applicable to all
13 positions within every branch of government, public corporations,
14 all government of Guam departments, bureaus, and agencies,
15 instrumentalities, entities or sub-entities of the Executive,
16 Legislative or Judicial Branches, the Mayors' Council, *and* Mayors'
17 Offices."

18 **Section 6. Authorization to Transfer Positions to the Department of**
19 **Revenue & Taxation.**

20 **(a) Legislative Intent.** At an Oversight Hearing on the
21 financial status of the government of Guam on Wednesday, February
22 27, 2002, the Director of the Department of Revenue and Taxation
23 reported tax receivables amounting to over One Hundred Million
24 Dollars (\$100,000,000). This amount represents receivables in three (3)

1 major categories, namely, active, pending and unaddressed accounts.
2 Active accounts represents twenty percent (20%), pending accounts
3 represent forty-three percent (43%), and unaddressed accounts
4 represent thirty-three percent (33%) of the total. It was determined that,
5 with the exception of the active and pending accounts, which are either
6 on levy, payroll deduction arrangements, or on litigation, some Thirty-
7 seven Million Four Hundred Thousand Dollars (\$37,400,000) of
8 unaddressed accounts can be collected this fiscal year *if* necessary staff
9 support is provided.

10 *I Liheslaturan Guåhan* recognizes the need for aggressive tax
11 collections in light of the present financial situation and provides the
12 following to facilitate this effort.

13 **(b) Authorization to Transfer Personnel.** Notwithstanding
14 any other provision of law, *I Magalahen Guåhan* is hereby authorized to
15 transfer as many employees as may be required from any agency (line
16 or autonomous) within the government of Guam to the Department of
17 Revenue and Taxation for the purpose of income tax collection efforts.

18 **(c) Funding Transfer.** Funding for the positions authorized
19 in Item (b) shall be transferred to the Department of Revenue and
20 Taxation.

21 **(d) Position List.** The Director of the Department of Revenue
22 and Taxation shall provide *I Magalahen Guåhan* with a list of positions
23 and/or other information the Director deems appropriate in fulfilling
24 the staff requirement authorized by this Section.

1 **Section 7.** Section 28(b) of Chapter III, *Miscellaneous Appropriations and*
2 *for Other Purposes*, of Public Law Number 26-35 is hereby *amended* to read as
3 follows:

4 **“(b) Appropriation.** The sum of Six Hundred Thousand Dollars
5 (\$600,000.00) is hereby appropriated from the General Fund to the GFD
6 Lease Purchase and/or Program Fund created in Subsection (a) of this
7 Section. Subsequently, the sum of Six Hundred Thousand Dollars
8 (\$600,000.00) shall hereby be appropriated on a yearly basis *not to exceed*
9 ten (10) years to cover cost of this program.”

10 **Section 8. Severability.** *If* any provision of this Act or its
11 application to any person or circumstance is held invalid, the invalidity does
12 *not* affect other provisions or applications of this Act which can be given effect
13 without the invalid provision or application, and to this end the provisions of
14 this Act are severable.

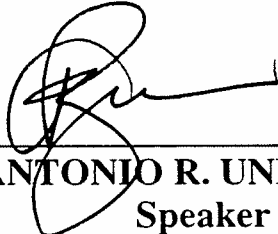


MINA' BENTE SAIS NA LIHESLATURAN GUÅHAN
TWENTY-SIXTH GUAM LEGISLATURE
155 Heesler Place, Hagåtña, Guam 96910

2002 (SECOND) Regular Session

I, Antonio R. Unpingco, Speaker of *I Mina' Bente Sais 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 and welfare of the people and therefore waive the statutory requirements for a public hearing on Bill Number 272 (COR), "AN ACT TO AMEND SECTION 33, CHAPTER IV OF PUBLIC LAW 26-35 AND SECTION 21, CHAPTER V OF PUBLIC LAW 25-164 RELATIVE TO APPROPRIATION FOR THE MEDICALLY INDIGENT PROGRAM AND MEDICAID PROGRAM," which was introduced on February 26, 2002, and therefore waive the statutory requirements for a public hearing on Bill Number 272 (COR).

Dated: February 28, 2002



ANTONIO R. UNPINGCO
Speaker