

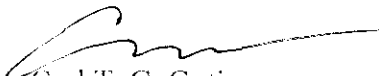
MAY 31 2002

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 Legislative Secretary Brown:

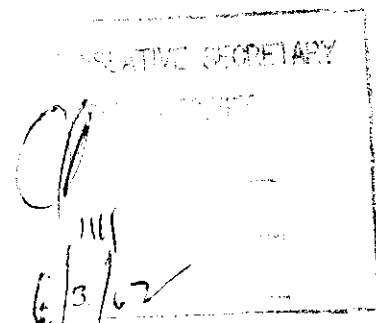
Enclosed please find Substitute Bill No. 154 (COR) "AN ACT TO *REPEAL* § 8219 AND TO *REPEAL AND REENACT* § 4108(h), BOTH OF TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM PAYMENTS FOR UNUSED SICK LEAVE" which was vetoed and subsequently overridden by the Legislature, I Liheslatura. This legislation is now designated as **Public Law No. 26-86**.

Very truly yours,

  
Carl T. C. Gutierrez  
I Maga'Lahen 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




0 198

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

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

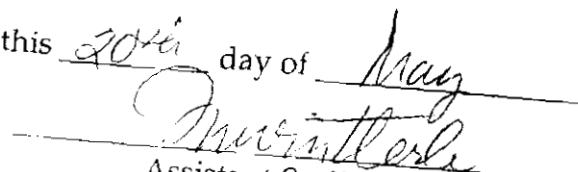
This is to certify that Substitute Bill No. 154 (COR), "AN ACT TO REPEAL § 8219 AND TO REPEAL AND REENACT § 4108(h), BOTH OF TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM PAYMENTS FOR UNUSED SICK LEAVE," returned without approval of *I Maga'lahaen Guåhan*, was reconsidered by *I Liheslaturan Guåhan* and after such consideration, did agree, on the 17<sup>TH</sup> day of May, 2002, to pass said bill notwithstanding the veto of *I Maga'lahaen Guåhan* by a vote of thirteen (13) members.

  
LAWRENCE F. KASPERBAUER  
Acting Speaker

Attested:

  
JOANNE M.S. BROWN  
Senator and Legislative Secretary

This Act was received by *I Maga'lahaen Guahan* this 20<sup>th</sup> day of May, 2002,  
at 4:10 o'clock P.M.

  
Assistant Staff Officer  
Maga'lahaen's Office

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

**Bill No. 154 (COR)**

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

Introduced by:

V. C. Pangelinan

K. S. Moylan

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

L. A. Leon Guerrero

A. I.G. Santos

A. R. Unpingco

J. T. Won Pat

**AN ACT TO REPEAL § 8219 AND TO REPEAL AND  
REENACT § 4108(h), BOTH OF TITLE 4 OF THE  
GUAM CODE ANNOTATED, RELATIVE TO LUMP  
SUM PAYMENTS FOR UNUSED SICK LEAVE.**

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

2           **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*  
3 finds that the incentives created under Public Law Number 25-19, which were  
4 designed to encourage government employees who were members of the  
5 Defined Benefit Plan to transfer to the Defined Contribution Retirement  
6 System, did *not* specifically address the treatment of unused sick leave upon

1 retirement by participants in the Defined Contribution Retirement System. In  
2 contrast, members of the Defined Benefit Plan are allowed to convert unused  
3 sick leave to service credits upon retirement, in accordance with § 8116 of  
4 Article 1, Chapter 8 of Title 4 of the Guam Code Annotated.

5 *I Liheslaturan Guåhan* further finds that in order to provide participants  
6 in the Defined Contribution Retirement System with the right to receive lump  
7 sum payments for unused sick leave upon retirement, § 12 of Public Law  
8 Number 25-157 was enacted to add a new § 8219 to Title 4 of the Guam Code  
9 Annotated to clarify that, similar to members of the Defined Benefit Plan, who  
10 receive a benefit for unused sick leave by converting them to service credits  
11 upon retirement, participants in the Defined Contribution Retirement System  
12 shall be entitled to benefit from unused sick leave via a lump sum payment  
13 for unused sick leave upon their retirement from government employment.

14 However, *I Liheslaturan Guåhan* finds that unused sick leave is *not* a  
15 retirement or pre-retirement ancillary benefit of the Defined Contribution  
16 Retirement System, but is a wage and hour matter more properly covered in  
17 statutes related to personnel policies applicable to public officers and  
18 employees.

19 Therefore, *I Liheslaturan Guåhan* intends to clarify that *all* government  
20 employees, Defined Benefit Plan members and Defined Contribution  
21 Retirement System participants, receive a benefit from unused sick leave via  
22 service credits or lump sum payment, but that the lump sum payment for  
23 participants in the Defined Contribution Retirement System shall be made by  
24 the participant's employer pursuant to statutory personnel leave policies, and

1 therefore should *not* constitute a benefit under the Defined Contribution  
2 Retirement System.

3       **Section 2.** Section 8219 of Article 2, Chapter 8 of Title 4 of the Guam  
4 Code Annotated, as added by § 12 of Public Law Number 25-157, is hereby  
5 *repealed*.

6       **Section 3.** Section 4108(h) of Article 1, Chapter 4 of Title 4 of the Guam  
7 Code Annotated is hereby *repealed and reenacted* to read as follows:

8               “(h) **Lump Sum Payment Prohibited.** No person who leaves the  
9 government service for any reason may receive a cash payment for sick  
10 leave accrued at the time that person leaves such service, *except* for  
11 payments upon death as provided in Chapter 7 of this Title, and *except*  
12 for lump sum payments to participants in the Defined Contribution  
13 Retirement System upon retirement.

14               Lump sum payments described herein shall be calculated by  
15 multiplying: (i) the employee’s hourly rate based on the average of the  
16 three (3) highest salaries received by an employee during that person’s  
17 years of credited service, by (ii) one-half (1/2) of the employee’s unused  
18 accumulated sick leave hours. Payment of the lump sum for unused  
19 sick leave shall be the responsibility of the employee’s agency of  
20 employment.”

21       **Section 4. Severability.**     *If* any of the provisions of this Act or the  
22 application thereof to any person or circumstances are held invalid, such  
23 invalidity shall *not* affect any other provision or application of this Act, which  
24 can be given effect without the invalid provisions or application, and to this  
25 end the provisions of this Act are severable.

Overrider

# I MINA' BENTE SAIS NA LIHESLATURAN GUAHAN

2002 (SECOND) Regular Session

Date: 5/17/02

## VOTING SHEET

5 Bill No. 12410000

Resolution No. \_\_\_\_\_

Question: \_\_\_\_\_

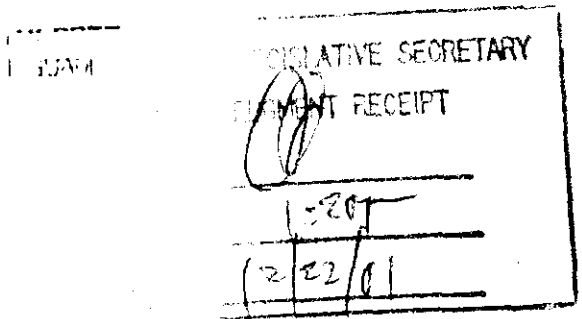
NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
ADA, Joseph F.	✓				
ADA, Thomas C.	✓				
AGUON, Frank B., Jr.	✓				
BROWN, Joanne M. S.	✓				
CALVO, Eddie B.					—
CAMACHO, Felix P.	✓				
CHARFAUROS, Mark C.	✓				
FORBES, Mark	✓				
KASPERBAUER, Lawrence F.	✓				
LEON GUERRERO, Lourdes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

TOTAL 13 0 0 0 2

CERTIFIED TRUE AND CORRECT:

\_\_\_\_\_  
Clerk of the Legislature

\* 3 Passes = No vote  
EA = Excused Absence



DEC 22 2001

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 Legislative Secretary Brown:

Enclosed please find Substitute Bill No. 154 (COR) "AN ACT TO *REPEAL* § 8219 AND TO *REPEAL AND REENACT* § 4108(h), BOTH OF TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM PAYMENTS FOR UNUSED SICK LEAVE" which was I have **vetoed**.

This legislation gives a benefit to those who retire under the Defined Contribution Plan of the Government of Guam Retirement Fund.

By way of background, the "old" retirement system, the Defined Benefit Plan, provides that those who retire from government service receive a benefit in the form of crediting their unused sick leave for time served in computing their retirement benefit.

In the case of the Defined Contribution Plan, the benefit is a lump sum payment equal to 1/2 of the average of the highest 3 annual salaries earned by the employee. The benefit, however, will not come from the retirement system, but instead will be absorbed by the "employee's agency of employment".

The legislation taxes the budgets of the agencies from which the individual employee is retiring by mandating that the agency pay the lump sum unused sick leave benefit to the retiring employee. There is no appropriation for these payments in the annual budget, and no appropriation contained in this legislation to provide for the lump sum payments. It is estimated that up to \$15 Million would need to be set aside to pay this benefit, and the amount would grow at a rate of about \$2-1/2 Million additional per year. This increases the deficit in our government.

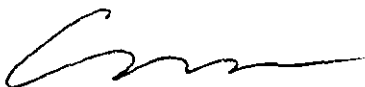
As a final note, with the policy now of leave sharing, which is commonly done, it will be difficult for sick leave to be allocated properly as a lump sum benefit paid upon retirement. It is also possible for employees to quit a government job, work in the private sector or perhaps leave

Legislative Secretary  
SB154;veto  
December, 2001  
Page 2

island for a period, then reach retirement age and apply for their retirement. The former employee may have been gone for many years from the department or agency in which they formerly worked.

The above concerns need to be addressed.

Very truly yours,



Carl T. C. Gutierrez  
I Maga'Lahen 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



1

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

**Bill No. 154 (COR)**

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

Introduced by:

V. C. Pangelinan

K. S. Moylan

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

L. A. Leon Guerrero

A. L.G. Santos

A. R. Unpingco

J. T. Won Pat

**AN ACT TO REPEAL § 8219 AND TO REPEAL AND  
REENACT § 4108(h), BOTH OF TITLE 4 OF THE  
GUAM CODE ANNOTATED, RELATIVE TO LUMP  
SUM PAYMENTS FOR UNUSED SICK LEAVE.**

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

2           **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*  
3 finds that the incentives created under Public Law Number 25-19, which were  
4 designed to encourage government employees who were members of the  
5 Defined Benefit Plan to transfer to the Defined Contribution Retirement  
6 System, did *not* specifically address the treatment of unused sick leave upon

1 therefore should *not* constitute a benefit under the Defined Contribution  
2 Retirement System.

3 **Section 2.** Section 8219 of Article 2, Chapter 8 of Title 4 of the Guam  
4 Code Annotated, as added by § 12 of Public Law Number 25-157, is hereby  
5 *repealed*.

6 **Section 3.** Section 4108(h) of Article 1, Chapter 4 of Title 4 of the Guam  
7 Code Annotated is hereby *repealed and reenacted* to read as follows:

8 **“(h) Lump Sum Payment Prohibited.** No person who leaves the  
9 government service for any reason may receive a cash payment for sick  
10 leave accrued at the time that person leaves such service, *except* for  
11 payments upon death as provided in Chapter 7 of this Title, and *except*  
12 for lump sum payments to participants in the Defined Contribution  
13 Retirement System upon retirement.

14 Lump sum payments described herein shall be calculated by  
15 multiplying: (i) the employee’s hourly rate based on the average of the  
16 three (3) highest salaries received by an employee during that person’s  
17 years of credited service, by (ii) one-half (1/2) of the employee’s unused  
18 accumulated sick leave hours. Payment of the lump sum for unused  
19 sick leave shall be the responsibility of the employee’s agency of  
20 employment.”

21 **Section 4. Severability.** *If* any of the provisions of this Act or the  
22 application thereof to any person or circumstances are held invalid, such  
23 invalidity shall *not* affect any other provision or application of this Act, which  
24 can be given effect without the invalid provisions or application, and to this  
25 end the provisions of this Act are severable.

**I MINA' BENTE SAIS NA LIHESLATURAN GUAHAN**  
 2001 (FIRST) Regular Session

Date: 12/7/01

**VOTING SHEET**

S Bill No. 1546-010  
 Resolution No. \_\_\_\_\_  
 Question: \_\_\_\_\_

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
ADA, Joseph F.	1				
ADA, Thomas C.	1				
AGUON, Frank B., Jr.	1				
BROWN, Joanne M. S.	1				
CALVO, Eddie B.	1				
CAMACHO, Felix P.	1				
CHARFAUROS, Mark C.	1				
FORBES, Mark	1				
KASPERBAUER, Lawrence F.	1				
LEON GUERRERO, Lourdes A.	1				
MOYLAN, Kaleo S.	1				
PANGELINAN, Vicente C.	1				
SANTOS, Angel L.G.	1				
UNPINGCO, Antonio R.	1				
WON PAT, Judith T.					✓

**TOTAL**

14    0    0    0    1

CERTIFIED TRUE AND CORRECT:

\_\_\_\_\_  
 Clerk of the Legislature

\* 3 Passes = No vote  
 EA = Excused Absence

**Senator Kaleo S. Moylan**  
*Chairperson, Committee on Ways and Means*  
*Mina'Bente Sais Na Liheslaturan Guåhan*  
Twenty-Sixth Guam Legislature

September, 2001

Honorable Antonio R. Unpingco  
Speaker  
*Mina'Bente Sais Na Liheslaturan Guåhan*  
Hagåtña, Guam 96910

VIA: Chairperson, Committee on Rules, General Government Operations, Reorganization  
and Reform and Federal, Foreign and General Affairs

Dear Mr. Speaker:

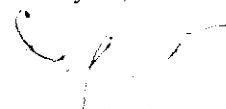
The Committee on Ways and Means, to which was referred Bill No. 154 (COR), "AN ACT TO REPEAL SECTION 8219 OF ARTICLE 2, CHAPTER 8 OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM FOR SICK LEAVE NOT UTILIZED, AND TO REPEAL AND REENACT SECTION 4108(h) OF ARTICLE 1, CHAPTER 4 OF TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM PAYMENTS FOR UNUSED SICK LEAVE," has had the same under consideration, and now wishes to report back the same with the recommendation to do pass.

The Committee votes are as follows:

<u>8</u>	To Do Pass
<u>0</u>	Not to Pass
<u>0</u>	To Report Out
<u>0</u>	Abstain
<u>0</u>	Inactive File

A copy of the Committee Report and other pertinent documents are attached for your immediate reference and information.

Thank you,

  
**KALEO S. MOYLAN**  
Chairperson

Enclosure:


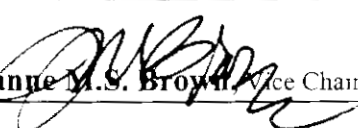
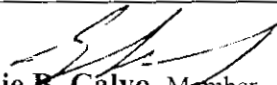
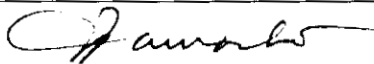




**Committee on Ways and Means**

Vote Sheet on

**Bill No. 154 (COR)**

*As substituted by the Committee*

**AN ACT TO REPEAL SECTION 8219 OF ARTICLE 2, CHAPTER 8 OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM FOR SICK LEAVE NOT UTILIZED, AND TO REPEAL AND REENACT SECTION 4108(h) OF ARTICLE 1, CHAPTER 4 OF TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM PAYMENTS FOR UNUSED SICK LEAVE.**

COMMITTEE MEMBER	TO DO PASS	NOT TO PASS	REPORT OUT ONLY	ABSTAIN	INACTIVE FILE
 Kaleo S. Moylan, Chairperson	✓				
 Joanne M.S. Brown, Vice Chairperson	✓				
Antonio R. Unpingco, Speaker & Ex-Officio					
 Eddie B. Calvo, Member	✓				
 Felix P. Camacho, Member	✓				
 Mark C. Charfauros, Member	✓				
 Mark Forbes, Member	✓				
 Lawrence F. Kasperbauer, Member	✓				
 Vicente C. Pangelinan, Member	✓				

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

**Bill No. 154 (COR)**

As substituted by the Committee on  
Ways and Means.

Introduced by:

v. c. pangelinan  
K. S. Moylan &

---

**AN ACT TO REPEAL SECTION 8219 OF ARTICLE 2,  
CHAPTER 8 OF TITLE 4, GUAM CODE  
ANNOTATED, RELATIVE TO LUMP SUM FOR  
SICK LEAVE NOT UTILIZED, AND TO REPEAL  
AND REENACT SECTION 4108(h) OF ARTICLE 1,  
CHAPTER 4 OF TITLE 4 OF THE GUAM CODE  
ANNOTATED, RELATIVE TO LUMP SUM  
PAYMENTS FOR UNUSED SICK LEAVE.**

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

**Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
that the incentives created under Public Law No. 25-19, which were designed to  
encourage government employees who were members of the Defined Benefit Plan to  
transfer to the Defined Contribution Retirement System, did not specifically address  
the treatment of unused sick leave upon retirement by participants in the Defined  
Contribution Retirement System. In contrast, members of the Defined Benefit Plan  
are allowed to convert unused sick leave to service credits upon retirement, in  
accordance with §8116 of Article 1, Chapter 8 of Title 4 of the Guam Code  
Annotated.

1            *I Liheslaturan Guåhan* further finds that, to provide participants in the Defined  
2 Contribution Retirement System with the right to receive lump sum payments for  
3 unused sick leave upon retirement, Public Law No. 25-157:12 was enacted to add a  
4 new §8219 to Title 4 to clarify that, similar to members of the Defined Benefit Plan,  
5 who receive a benefit for unused sick leave by converting them to service credits  
6 upon retirement, participants in the Defined Contribution Retirement System shall be  
7 entitled to benefit from unused sick leave via a lump sum payment for unused sick  
8 leave upon their retirement from government employment.

9            However, *I Liheslaturan Guåhan* finds that unused sick leave is not a  
10 retirement or pre-retirement ancillary benefit of the Defined Contribution Retirement  
11 System, but is a wage and hour matter more properly covered in statutes related to  
12 personnel policies applicable to public officers and employees.

13            Therefore, *I Liheslaturan Guåhan* intends to clarify that all government  
14 employees, Defined Benefit Plan members and Defined Contribution Retirement  
15 System participants, receive a benefit from unused sick leave via service credits or  
16 lump sum payment, but that the lump sum payment for participants in the Defined  
17 Contribution Retirement System shall be made by the participant's employer pursuant  
18 to statutory personnel leave policies, and therefore should not constitute a benefit  
19 under the Defined Contribution Retirement System.

20            **Section 2. Repeal.**        Section 8219 of Article 2, Chapter 8 of Title 4 of the  
21 Guam Code Annotated, as added by Public Law No. 25-157:12, is hereby *repealed* in  
22 its entirety.

23            **Section 3. Repeal and reenactment.**        Section 4108(h) of Article 1,  
24 Chapter 4 of Title 4 of the Guam Code Annotated is hereby *repealed and reenacted*  
25 to read as follows:

1           **“(h) Lump Sum Payment Prohibited.** No person who leaves the  
2 government service for any reason may receive a cash payment for sick leave  
3 accrued at the time he leaves such service, except for payments upon death as  
4 provided in Chapter 7 of this Title, and except for lump sum payments to  
5 participants in the Defined Contribution Retirement System upon retirement.  
6 Lump sum payments described herein shall be calculated by multiplying: (i) the  
7 employee’s hourly rate based on the average of the three (3) highest salaries  
8 received by an employee during his years of credited service, by (ii) one-half  
9 (1/2) of the employee’s unused accumulated sick leave hours. Payment of the  
10 lump sum for unused sick leave shall be the responsibility of the employee’s  
11 agency of employment.”

12           **Section 4. Severability.** *If any of the provisions of this Act or the*  
13 *application thereof to any person or circumstances are held invalid, such invalidity*  
14 *shall not affect any other provision of application of this Act, which can be given*  
15 *effect without the invalid provisions or application, and to this end the provisions of*  
16 *this Act are severable.*





# MINA ' BENTE SAIS NA LIHESLATURAN GUAHAN

Kumitehan Areklamento, Hinanao Gubetnamenton Hinirát, Rifotma yan Rinueba,  
yan Asunton Fidirát, Taotao Hiyong yan Hinirát

*Senadot Mark Forbes, Gehilu  
Kabisiyon Mayurát*

21 AUG 2001

## MEMORANDUM

TO: Chairman  
Committee on Ways and Means

FROM: Chairman  
Committee on Rules, General Governmental Operations, Reorganization and  
Reform, and Federal, Foreign and General Affairs

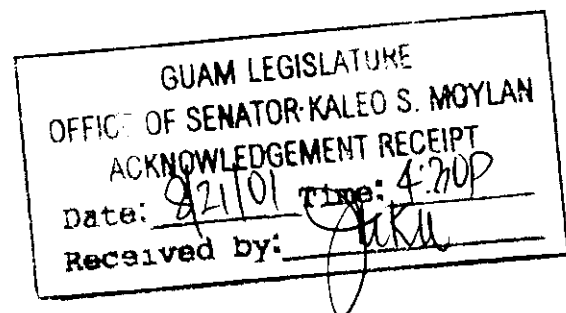
SUBJECT: Principal Referral – Bill No. 154 COR

The above bill is referred to your Committee as the Principal Committee, in accordance with Section 6.04.05.01. of the Standing Rules. Your Committee is the Committee authorized to perform the public hearing on this bill and to amend or substitute the bill, as well as report the bill out to the Body. It is recommended that you schedule a public hearing at your earliest convenience.

Thank you for your attention to this matter.

**MARK FORBES**

Attachment




AUG 10, 2001

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

Bill No. 154 (COR)

Introduced by:

v.c. pangelinan  
K. Moylan 

---

AN ACT TO REPEAL SECTION 8219 OF TITLE 4,  
GUAM CODE ANNOTATED, RELATIVE TO LUMP  
SUM FOR SICK LEAVE NOT UTILIZED, AND TO  
AMEND SUBSECTION 4108(h) OF TITLE 4, GUAM  
CODE ANNOTATED, RELATIVE TO LUMP SUM  
PAYMENTS FOR UNUSED SICK LEAVE.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guahan* finds  
3 that the incentives created under Public Law No. 25-19, which were designed  
4 to encourage government employees who were members of the Defined  
5 Benefit Plan to transfer to the Defined Contribution Retirement System, did  
6 not specifically address the treatment of unused sick leave upon retirement by  
7 participants in the Defined Contribution Retirement System. In contrast,  
8 members of the Defined Benefit Plan may either claim a credit for unused sick  
9 leave or may elect to receive a lump sum payment upon retirement or  
10 disability, in accordance with section 8116 of Title 4, Guam Code Annotated.

11 *I Liheslaturan Guahan* further finds that, to provide participants in the  
12 Defined Contribution Retirement System with the right to receive lump sum  
13 payments for unused sick leave upon retirement or disability, Public Law No.

1 25-157:12 was enacted to add a new section 8219 to Title 4 to clarify that,  
2 similar to members of the Defined Benefit Plan, participants in the Defined  
3 Contribution Retirement System shall be entitled to a lump sum payment for  
4 unused sick leave upon their retirement from government employment.

5 However, *I Liheslaturan Guahan* finds that unused sick leave is not a  
6 retirement or pre-retirement ancillary benefit of the Defined Contribution  
7 Retirement System, but is a wage and hour matter more properly covered in  
8 statutes related to personnel policies applicable to public officers and  
9 employees.

10 Therefore, *I Liheslaturan Guahan* intends to clarify that all government  
11 employees, both Defined Benefit Plan members and Defined Contribution  
12 Retirement System participants, shall be entitled to receive a lump sum  
13 payment for unused sick leave upon disability or retirement, but that the  
14 lump sum payment for participants in the Defined Contribution Retirement  
15 System shall be made by the participant's employer pursuant to statutory  
16 personnel leave policies, and therefore should not constitute a benefit under  
17 the Defined Contribution Retirement System.

18 **Section 2.** Section 8129, Article 2, Chapter 8 of Title 4 of the Guam Code  
19 Annotated, as added by Public Law No. 25-157:12, is hereby repealed.

20 **Section 3.** Subsection (h) of Section 4108, Chapter 1 of Title 4 of the  
21 Guam Code Annotated, as added by Public Law No. 17-57:1, is hereby  
22 amended to read:

23 (h) Lump Sum Payment Prohibited. ~~Except as provided in Chapter~~  
24 ~~7 of this Title 7, n~~No person who leaves the Government service for any

1 reason may receive a cash payment for sick leave accrued at the time he  
2 leaves such service, except for payments upon death as provided in Chapter 7  
3 of this Title, and except for lump sum payments to participants in the Defined  
4 Contribution Retirement System upon disability or retirement. Lump sum  
5 payments described herein shall be calculated by multiplying: (i) the  
6 employee's hourly rate based on the average of the three (3) highest salaries  
7 received by an employee during his years of credited service, by (ii) one-half  
8 (1/2) of the employee's unused accumulated sick leave hours.

9       **Section 4. Severability.** If any provision of this Act, including, but not  
10 limited to, any subsection contained within this Act, or its application to any  
11 person or circumstances is held invalid, the invalidity does not affect other  
12 provisions, sections 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.

**R**  
GOVERNMENT OF GUAM  
**RETIREMENT FUND**  
STABILITY · SECURITY · REWARDS

August 28, 2001

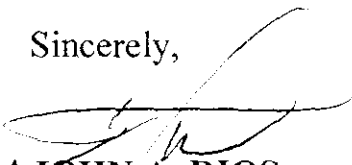
Honorable Senator Kaleo S. Moylan  
Chairman, Committee on Ways and Means  
Mina Bent Sais Na Liheslaturan Guahan

RE: Bill No. 154 "An Act to repeal § 8219 of Title 4, Guam Code annotated, Relative to lump sum for sick leave not utilized, and to amend Subsection 4108(h) of Title 4, Guam Code Annotated, relative to lump sum payments for unused sick leave."

Dear Mr. Chairman:

The current law under the Defined Benefit Retirement Plan allows for members to convert unused sick leave hours to be claimed for service credit only. There is no provision, however, for payment of unused sick leave as mentioned in the Legislative findings and intent. Although the intent of Bill 154 is to clarify the financial obligation for payment of the unused sick leave under the Defined Contribution Retirement System (DCRS) to be the responsibility of the employing agency, the actual provision of the bill does not address this intent. The Government of Guam Retirement Fund is in favor of this bill provided the above recommendations are incorporated therein.

Sincerely,

  
JOHN A. RIOS  
Director

**Carl T.C. Gutierrez**  
Governor

**Madeleine Z. Bordallo**  
Lieutenant Governor

**Gerald S.A. Perez**  
Board Chairman

**Paul D. Untalan**  
Vice Chairman

**Frank J.C. Camacho**  
Trustee

**Rolenda Lujan Faasumalie**  
Trustee

**Antoinette "Toni" D. Sanford**  
Trustee

**John A. Rios**  
Director

**Teresita S. Flores**  
Deputy Director

*EXHIBIT 1*

424 Route 8  
Maite, Guam 96927  
Tel: 671.475.8900  
Fax: 671.475.8922

Bureau of Budget & Management Research  
Fiscal Note: Bill No. 154 (COR)

**Bill Title (Preamble):** AN ACT TO REPEAL SECTION 8219 OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM FOR SICK LEAVE NOT UTILIZED, AND TO AMEND SUBSECTION 4108(h) OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM PAYMENTS FOR UNUSED SICK LEAVE

Department/Agency Appropriation Information	
Dept./Agency Affected: GovGuam Retirement Fund	Dept./Agency Head: John Rios, Director
General Fund appropriation(s) to date:	\$ 350,000
Other Fund (specify): _____ appropriation(s) to date:	\$ - 0 -
<b>Total Department/Agency Appropriation(s) to date:</b>	<b>\$ 350,000</b>

Fund Source Information of Proposed Appropriation			
	General Fund:	Other (specify):	Total:
FY Adopted Revenues PL 26-01	\$470,400,000	\$41,652,230	\$512,052,230
FY Appro. to P.L. 26-31	470,126,475	48,079,653	518,206,128
Sub-total	273,525	(6,427,423)	(6,153,898)
Less appropriation in Bill	-0-	-0-	-0-
<b>Total</b>	<b>\$273,525</b>	<b>(\$6,427,423)</b>	<b>(\$6,153,898)</b>

Estimated Fiscal Impact of Bill						
	One full FY	For remainder of current FY (if appli.)	Second Year	Third Year	Fourth Year	Fifth Year
General Fund	1/					
Other Fund:	1/					
<b>Total</b>	<b>1/</b>					

- Does the bill contain "revenue generating" provisions? // Yes /X/ No / / N/A  
If yes, see footnote and / or BBMR FN-1A (attach)
- Is amount appropriated adequate to fund the intent of the appropriation? // Yes / / No /X/ N/A  
If no, what is the additional amount required? \$ \_\_\_\_\_
- Does the Bill establish a new program/agency? // Yes /X/ No / / N/A  
If yes, will the program duplicate existing programs/agencies? // Yes / / No /X/ N/A  
Is there a federal mandate to establish the program/agency? // Yes / / No /X/ N/A
- Will the enactment of this Bill require new physical facilities? // Yes / / No /X/ N/A
- Was Fiscal Note coordinated with dept/agency? If no, indicate reason: /X/ Yes / / No / / N/A  
// Requested agency comments not rec'd by due date // Other: \_\_\_\_\_

Analyst: <u>Arthur R. Mariano</u> Date: <u>August 27, 2001</u>	Director: <u>Joseph E. Rivera, Acting</u> Date: <u>8/27/01</u>
--	--

**Footnote(s):**

1/ In its current form and over the next five (5) years, the Bureau projects the net impact of the proposed legislation to be approximately \$178K per annum and increase steadily as more DC members retire from government service (See attached for details). The proposed legislation calls for the 'Employer', namely the affected Department, versus the Retirement Fund, to cover such lump sum payments for unused sick leave for DC members. Given this fact, the Bureau would like to note that any additional costs to be borne by Government of Guam Department / Agencies may have a detrimental impact on such agencies and services being provided.

**Senator Kaleo S. Moylan**  
Chairperson, Committee on Ways and Means  
*Mina'Bente Sais Na Liheslaturan Guåhan*  
Twenty-Sixth Guam Legislature

August 22, 2001

The Honorable Carl T.C. Gutierrez  
*Maga'lahaen Guåhan*  
R. J. Bordallo Governor's Complex  
Agana, Guam 96932

Re: Committee Public Hearing: Tuesday, August 28, 2001

Dear Governor Gutierrez:

This is to inform you that the Committee on Ways and Means will conduct a public hearing on Tuesday, August 28, 2001 commencing at 9:00 a.m. in the Legislative Public Hearing Room.

**Ms. Ma. Elena L. Aquino**, to serve as a member of the Guam Housing Corporation, Board of Directors, for the unexpired term of Jessie S. Pendon, to expire on April 26, 2007.

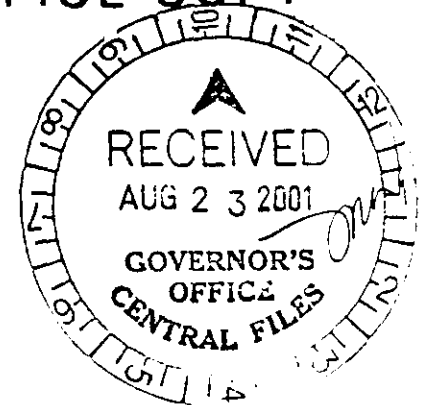
**Bill No. 52 (COR)**, "AN ACT TO APPROPRIATE FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$550,000.00) FROM THE VILLAGE STREETS FUND TO THE MAYORS' COUNCIL OF GUAM FOR PAYMENT OF UTILITY EXPENSES INCURRED BY MAYORS' OFFICES AND THEIR FACILITIES FOR FISCAL YEAR 2001."

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OFFICE COPY



The Honorable Carl T.C. Cortierrez  
R. J. Bordallo Governor's Complex  
Re: Committee Public Hearing: Tuesday, August 28, 2001  
Page 2

**Bill No. 139 (COR)**, "AN ACT RELATIVE TO ESTABLISHING STRINGENT PENALTIES AND FINES FOR UNAUTHORIZED AND/OR ILLEGAL COCKFIGHT ACTIVITIES, THROUGH THE REPEAL AND REENACTMENT OF §§64.40 OF CHAPTER 64, ARTICLE 2, TITLE 9, GUAM CODE ANNOTATED, AND §§39110 OF CHAPTER 39, DIVISION 3, TITLE 22, GUAM CODE ANNOTATED."

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As these measures directly affect the government of Guam, the Committee encourages your participation and input at this hearing. The Committee would appreciate receiving fifteen (15) copies of your Administration's position statement and or documents relating to the subject matter prior to the start of the hearing. A copy of the hearing Agenda is enclosed for your reference and information.

Sincerely,



KALEO S. MOYLAN

Enclosures:



**Senator Kaleo S. Moylan**  
 Chairperson, Committee on Ways and Means  
*Mina' Bente Sais Na Lhasistura* 'u'ohan  
 Twenty-Sixth Guam Legisl.

August 22, 2001

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*Muga'lahen Gudhan*  
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Tel. (671) 472-3342/3 • Fax (671) 472-3440  
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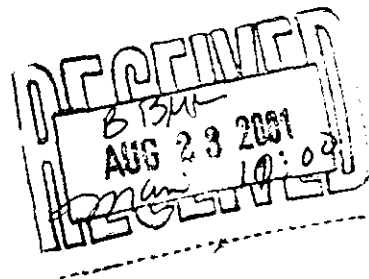
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1  
**Senator Kaleo S. Moylan**  
Chairperson, Committee on Housing,  
General Government Services and Foreign Affairs  
*Mina'Bente Sais Na Liheslaturan Guåhan*  
Twenty-Sixth Guam Legislature

OFFICE COPY

August 22, 2001

Mr. Joseph Rivera  
Director  
Bureau of Budget and Management Research  
R. J. Bordallo Governor's Complex  
Hagåtña, Guam 96932



Re: Request for Fiscal Notes

Dear Mr. Rivera:

In addition to Bill Nos. 142 and 144 (COR), please find attached copies of Bill Nos. 52, 127, 130, 135, 139, and 154 (COR), scheduled for public hearing on Tuesday, July 28, 2001. Pursuant to the provisions of Chapter 9, of Title 2 of the Guam Code Annotated, please provide a fiscal note on Bill Nos. 52, 127, 130, 135, 142, 144, 139, and 154 (COR),

A copy of the hearing Agenda is enclosed for your reference and information.

Sincerely,

  
**KALEO S. MOYLAN**

Attachments:

**Senator Kaleo S. Moylan**  
 Chairperson, Committee on Housing,  
 Ge neral Government Services and Foreign Affairs  
*Mina' Bansa Sata Na Liheslaturan Guam*  
 Twenty-Sixth Guam Legislature

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Sincerely,

  
 KALEO S. MOYLAN

Attachments:

Tel. (671) 472-3342/3 • Fax (671) 472-3440  
 Sinajana Shopping Mall • Phase II • Suite 16B • 777 Route 4 • Sinajana, Guam 96926 U.S.A.

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**Senator Kaleo S. Moylan**  
Chairperson, Committee on Ways and Means  
*Mina'Bente Sais Na Lihestaturan Guahan*  
Twenty-Sixth Guam Legislature

OFFICE COPY

August 22, 2001

Mr. John Rios  
Director  
Retirement Fund  
Maite, Guam 96910

GOVERNMENT OF GUAM  
RETIREMENT FUND

AUG 23, 2001  
*W. Aguirre*  
RECEIVED

Re: Committee Public Hearing: Tuesday, August 28, 2001

Dear Mr. Rios:

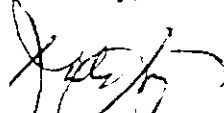
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**Bill No. 130 (COR)**, "AN ACT RELATIVE TO ALLOWING GOVERNMENT OF GUAM RETIREES TO PARTICIPATE IN THE GOVERNMENT'S SUPPLEMENTAL GROUP LIFE INSURANCE COVERAGE PROGRAM WITH ADDITIONAL PREMIUMS TO BE PAID SOLELY BY THE RETIREE, THROUGH AMENDING §§4303(c) OF TITLE 4, GUAM CODE ANNOTATED."

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As these measures directly affect the Retirement Fund, the Committee encourages your participation and input at this hearing. The Committee would appreciate receiving fifteen (15) copies of your position statement and or documents relating to the subject matter prior to the start of the hearing. A copy of the hearing Agenda is enclosed for your reference and information.

Sincerely,



KALEO S. MOYLAN

Enclosures:

cc: Chairman, Board of Trustees.

**Senator Kaleo S. Moylan**  
 Airperson, Committee on Ways and Means  
*Mina'Banta Sais Na Likesiusuan Gu*  
 Twenty-Sixth Guam Legislature

August 22, 2001

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 Director  
 Retirement Fund  
 Maite, Guam 96910

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KALEO S. MOYLAN

Enclosures:

cc: Chairman, Board of Trustees.

Tel. (671) 472-3342/3 • Fax (671) 472-3440  
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**Senator Kaleo S. Moylan**  
Chairperson, Committee on Ways and Means  
*Mina'Bente Sais Na Liheslaturan Guåhan*  
Twenty-Sixth Guam Legislature

August 22, 2001

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Mr. Robert Kono, Esq.  
Acting Attorney General  
Department of Law  
Hagåtña, Guam 96910

RECEIVED

AUG 23 2001

ATTORNEY GENERAL'S OFFICE  
10:20 am

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Mr. Robert Kono, Esq.  
Acting Attorney General

Re: Committee Public Hearing: Tuesday, August 28, 2001

Page 2

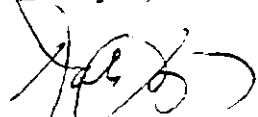
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Enclosures:

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 Chairperson, Committee on Ways and Means  
 Minka Banta Suts Na Liheslaturan  
 Twenty-Sixth Guam Legislature

August 22, 2001

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 Acting Attorney General  
 Department of Law  
 Hagåtña, Guam 96910

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**Bill No. 139 (COR), "AN ACT RELATIVE TO ESTABLISHING STRINGENT PENALTIES AND FINES FOR UNAUTHORIZED AND/OR ILLEGAL COCKFIGHT ACTIVITIES, THROUGH THE REPEAL AND REENACTMENT OF §§64.40 OF CHAPTER 64, ARTICLE 2, TITLE 9, GUAM CODE ANNOTATED, AND §§39110 OF CHAPTER 39, DIVISION 3, TITLE 22, GUAM CODE ANNOTATED."**

Tel. (671) 472-3342/3 • Fax (671) 472-3440  
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**TRANSMISSION REPORT**

THIS DOCUMENT WAS CONFIRMED  
 (REDUCED SAMPLE ABOVE - SEE DETAILS BELOW)

**\*\* COUNT \*\***

TOTAL PAGES SCANNED : 2  
 TOTAL PAGES CONFIRMED : 2

\*\*\* SEND \*\*\*

No.	REMOTE STATION	START TIME	DURATION	#PAGES	MODE	RESULTS
1	DEPT LAW	8-22- 1 5:48PM	0'52"	2/ 2	EC	COMPLETED 14400

TOTAL 0:00'52" 2

NOTE:

No. : OPERATION NUMBER 48 : 4800BPS SELECTED EC : ERROR CORRECT G2 : G2 COMMUNICATION  
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 MB : SEND TO MAILBOX PG : POLLING A REMOTE MP : MULTI-POLLING RM : RECEIVE TO MEMORY



**Senator Kaleo S. Mijang**  
Chairperson, Committee on Ways and Means  
*Mina' Bente Sais Na Liheslaturan Guåhan*  
Twenty-Sixth Guam Legislature

August 22, 2001

OFFICE COPY

Mr. Daniel Astorga  
Acting Director  
Department of Administration  
Hagåtña, Guam 96910

Re: Committee Public Hearing: Tuesday, August 28, 2001

Dear Mr. Astorga:

This is to inform you that the Committee on Ways and Means will conduct a public hearing on Tuesday, August 28, 2001 commencing at 9:00 a.m. in the Legislative Public Hearing Room.

**Bill No. 127 (COR)**, "AN ACT TO AMEND §§ 26101(a) and (k), 70103(c) AND (e), 70130, 70131, 76504 AND 106721, ALL OF TITLE 11, GUAM CODE ANNOTATED; TO REPEAL AND REENACT §2110, TO ADD NEW §§ 2110.1, 2110.2 AND 4304, AND TO REPEAL AND REENACT CHAPTER 7, ALL OF TITLE 18, GUAM CODE ANNOTATED, RELATIVE TO IMPROVING THE BUSINESS CLIMATE ON GUAM BY CLARIFYING THE BUSINESS AND BUSINESS LICENSE LAWS ON GUAM."

**Bill No. 130 (COR)**, "AN ACT RELATIVE TO ALLOWING GOVERNMENT OF GUAM RETIREES TO PARTICIPATE IN THE GOVERNMENT'S SUPPLEMENTAL GROUP LIFE INSURANCE COVERAGE PROGRAM WITH ADDITIONAL PREMIUMS TO BE PAID SOLELY BY THE RETIREE, THROUGH AMENDING §§4303(c) OF TITLE 4, GUAM CODE ANNOTATED."

**Bill No. 142 (COR)**, "AN ACT TO APPROPRIATE TWO MILLION FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000.00) FROM THE SERIES 2001A SUBACCOUNT OF THE HEALTH SECURITY TRUST FUND TO THE GUAM MEMORIAL HOSPITAL AUTHORITY FOR PRIOR YEARS' VENDOR PAYMENT OBLIGATIONS AS WELL AS VENDOR PAYMENTS FOR FISCAL YEAR 2001."

**Bill No. 144 (COR)**, "AN ACT TO ADD §26408 TO TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE CREATION OF THE UNIVERSITY OF GUAM CAPITAL IMPROVEMENTS FUND."

**Bill No. 154 (COR)**, "AN ACT TO REPEAL SECTION 8219 OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM FOR SICK LEAVE NOT UTILIZED, AND TO AMEND SUBSECTION 4108(h) OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM PAYMENTS FOR UNUSED SICK LEAVE."

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DOA DIR. OFF.

23 AUG 01 9:54

Mr. Daniel Astorga  
Department of Administration  
Hagåtña, Guam 96910  
Re: Committee Public Hearing: Tuesday, August 28, 2001  
Page 2

As these measures directly affect the operation of the government of Guam, the Committee encourages your participation and input at this hearing. The Committee would appreciate receiving fifteen (15) copies of your Department's position statement and or documents relating to the subject matter prior to the start of the hearing. A copy of the hearing Agenda is enclosed for your reference and information.

Thank you,

  
KALEO S. MOYLAN

for  
Enclosures:

**Senator Kaleo S. Moylan**  
Chairperson, Committee on Ways and Means  
*Mina'Bente Sais Na Liheslaturan Guåhan*  
Twenty-Sixth Guam Legislature

August 22, 2001

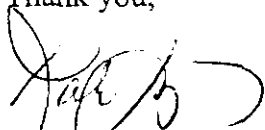
MEMORANDUM

To: All Members, Committee on Ways and Means  
From The Chairperson.  
Subject: Committee Public Hearing

This is to inform you that the Committee Ways and Means will be conducting a public hearing on Tuesday, August 28 2001, at 9:00 a.m., in the Legislative Public Hearing Room.

Copies of the legislation and revised hearing Agenda are attached for your review.

Thank you,



**KALEO S. MOYLAN**

Attachment:

cc: All Senators  
Clerk of Legislature  
Protocol  
Media

# STORE & FORWARD REPORT

DATE/TIME  
 LOCAL TERMINAL ID.  
 LOCAL NAME  
 COMPANY LOGO

8-22- 1 7:17PM  
 67147234+0  
 SENATOR K. MOYLAN  
 GUAM LEGISLATURE

No.	REMOTE STATION	START TIME	DURATION	#PAGES	MODE	RESULTS
001	SENATOR AGUON	8-22- 1 6:17PM	1'50"	2/ 2	EC SF	COMPLETED 7200
002	SEN joseph ada	6:23PM	1'16"	2/ 2	EC SF	COMPLETED 9600
003	SEN thomas ada	6:28PM	1'16"	2/ 2	EC SF	COMPLETED 9600
004	SENATOR BROWN	6:33PM	1'17"	2/ 2	EC SF	COMPLETED 9600
005	SENATOR CALVO	6:41PM	1'34"	2/ 2	SF	COMPLETED 9600
006	SENATOR CAMACHO	6:44PM	1'15"	2/ 2	EC SF	COMPLETED 9600
007	SENATOR FORBES	6:50PM	1'32"	2/ 2	SF	COMPLETED 9600
008	SEN KASPERBAUER	6:54PM	0'51"	2/ 2	EC SF	COMPLETED 14400
009	SEN charfaures	7:01PM	1'33"	2/ 2	SF	COMPLETED 9600
010	SENATOR L. G.	7:02PM	0'50"	2/ 2	EC SF	COMPLETED 14400
011	SEN PANGELINAN	7:05PM	1'14"	2/ 2	EC SF	COMPLETED 9600
012	SENATOR SAntos	7:08PM	0'52"	2/ 2	EC SF	COMPLETED 14400
013	SENATOR won pat	7:14PM	0'50"	2/ 2	EC SF	COMPLETED 14400
014	SPKR UNPINGCO	7:16PM	1'17"	2/ 2	EC SF	COMPLETED 7200

TOTAL 0:17'27" 28

DIAL GROUP

No.	DIRECTORY NUMBERS
015	001 002 003 004 005 006 007 008 009 010 011 012 013 014

**NOTE:**

No. : DIRECTORY NUMBER 48 : 4800BPS SELECTED EC : ERROR CORRECT G2 : G2 COMMUNICATION  
 PD : POLLED BY REMOTE SF : STORE & FORWARD RI : RELAY INITIATE RS : RELAY STATION  
 MB : SEND TO MAILBOX PG : POLLING A REMOTE MP : MULTI-POLLING RM : RECEIVE TO MEMORY

# STORE & FORWARD REPORT

DATE/TIME  
 LOCAL TERMINAL ID.  
 LOCAL NAME  
 COMPANY LOGO

8-22- 1 7:21PM  
 6714723440  
 SENATOR K. MOYLAN  
 GUAM LEGISLATURE

No.	REMOTE STATION	START TIME	DURATION	#PAGES	MODE	RESULTS
138	PDN	8-22- 1 6:21PM	1'35"	3/ 3	EC SF	COMPLETED 9600
139	KUAM	6:27PM	0'59"	3/ 3	EC SF	COMPLETED 14400
140	K57/Power 98	6:30PM	2'21"	3/ 3	SF	COMPLETED 9600
141	Hit Radio 100	6:35PM	1'00"	3/ 3	EC SF	COMPLETED 14400
142	KTWG	6:42PM	1'15"	3/ 3	EC SF	COMPLETED 9600
143	MarianasVariety	6:46PM	2'10"	3/ 3	SF	COMPLETED 9600
144	IT&E ONLINE	6:52PM	0'57"	3/ 3	EC SF	COMPLETED 14400
145	KGTF TV	6:56PM	2'06"	3/ 3	SF	COMPLETED 9600
146	KSTO	7:04PM	0'59"	3/ 3	EC SF	COMPLETED 14400
147	KTGM TV 14	7:07PM	1'02"	3/ 3	EC SF	COMPLETED 14400
148	KPRG	7:09PM	2'08"	3/ 3	SF	COMPLETED 9600
149	KSDA FM Joy 92	7:12PM	1'03"	3/ 3	EC SF	COMPLETED 14400
150	TV MANILA	7:18PM	1'55"	3/ 3	SF	COMPLETED 14400

TOTAL 0:19:30" 33

**DIAL GROUP**

No.	DIRECTORY NUMBERS
016	138 139 140 141 142 143 144 145 146 147 148 149 150

**NOTE:**

No. : DIRECTORY NUMBER	48 : 4800BPS SELECTED	EC : ERROR CORRECT	G2 : G2 COMMUNICATION
PD : POLLED BY REMOTE	SF : STORE & FORWARD	RI : RELAY INITIATE	RS : RELAY STATION
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***MINA'BENTE SAIS NA LIHESLATURAN GUÁHAN***

**Senator Kaleo S. Moylan, Chairman**

***Committee on Ways and Means***

**Public Hearing**

**9:00 a.m., Tuesday, August 28, 2001**

**REVISED  
A G E N D A**

**I. Call to Order:**

**II. Announcement & Introduction of Members:**

**III. Executive Appointment:**

**Ms. Ma. Elena L. Aquino**, to serve as a member of the Guam Housing Corporation, Board of Directors, for the unexpired term of Jessie S. Pendon, to expire on April 26, 2007.

**IV. Legislative Measures:**

**Bill No. 52 (COR)**, "AN ACT TO APPROPRIATE FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$550,000.00) FROM THE VILLAGE STREETS FUND TO THE MAYORS' COUNCIL OF GUAM FOR PAYMENT OF UTILITY EXPENSES INCURRED BY MAYORS' OFFICES AND THEIR FACILITIES FOR FISCAL YEAR 2001."

**Bill No. 127 (COR)**, "AN ACT TO AMEND §§ 26101(a) and (k), 70103(c) AND (e), 70130, 70131, 76504 AND 106721, ALL OF TITLE 11, GUAM CODE ANNOTATED; TO REPEAL AND REENACT §2110, TO ADD NEW §§ 2110.1, 2110.2 AND 4304, AND TO REPEAL AND REENACT CHAPTER 7, ALL OF TITLE 18, GUAM CODE ANNOTATED, RELATIVE TO IMPROVING THE BUSINESS CLIMATE ON GUAM BY CLARIFYING THE BUSINESS AND BUSINESS LICENSE LAWS ON GUAM."

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**The Hearing will take place at the Guam Legislature's Public Hearing Room. Individuals requiring special accommodations, auxiliary aids or services are asked to contact the Office of Senator Kaleo S. Moylan at 472-3342.**

**Committee on Ways and Means**  
**Public Hearing**  
**9:00 a.m., Tuesday, August 28, 2001**  
**Revised A G E N D A**

**Bill No. 139 (COR)**, "AN ACT RELATIVE TO ESTABLISHING STRINGENT PENALTIES AND FINES FOR UNAUTHORIZED AND/OR ILLEGAL COCKFIGHT ACTIVITIES, THROUGH THE REPEAL AND REENACTMENT OF §§64.40 OF CHAPTER 64, ARTICLE 2, TITLE 9, GUAM CODE ANNOTATED, AND §§39110 OF CHAPTER 39, DIVISION 3, TITLE 22, GUAM CODE ANNOTATED."

**Bill No. 142 (COR)**, "AN ACT TO APPROPRIATE TWO MILLION FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000.00) FROM THE SERIES 2001A SUBACCOUNT OF THE HEALTH SECURITY TRUST FUND TO THE GUAM MEMORIAL HOSPITAL AUTHORITY FOR PRIOR YEARS' VENDOR PAYMENT OBLIGATIONS AS WELL AS VENDOR PAYMENTS FOR FISCAL YEAR 2001."

**Bill No. 144 (COR)**, "AN ACT TO ADD §26408 TO TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE CREATION OF THE UNIVERSITY OF GUAM CAPITAL IMPROVEMENTS FUND."

**Bill No. 154 (COR)**, "AN ACT TO REPEAL SECTION 8219 OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM FOR SICK LEAVE NOT UTILIZED, AND TO AMEND SUBSECTION 4108(h) OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM PAYMENTS FOR UNUSED SICK LEAVE."

**V. Remarks:**

**VI. Adjournment:**

**The Hearing will take place at the Guam Legislature's Public Hearing Room.**  
**Individuals requiring special accommodations, auxiliary aids or services are asked to contact the**  
**Office of Senator Kaleo S. Moylan at 472-3342.**





*Committee on Ways and Means*

*Attendance Sheet*

*Tuesday, August 28, 2001*

**Public Hearing**

on

**Bill No. 154 (COR),**

**“AN ACT TO REPEAL SECTION 8219 OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM FOR SICK LEAVE NOT UTILIZED, AND TO AMEND SUBSECTION 4108(h) OF TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO LUMP SUM PAYMENTS FOR UNUSED SICK LEAVE.”**

	<u>Present</u>	<u>Absent</u>	<u>Off-Island</u>	<u>Excused</u>
Kaleo S. Moylan,	_____	_____	_____	_____
Joanne M.S. Brown	_____	_____	_____	_____
Antonio R. Unpingco	_____	_____	_____	_____
Eddie B. Calvo	_____	_____	_____	_____
Felix P. Camacho	_____	_____	_____	_____
Mark C. Charfauros	_____	_____	_____	_____
Mark Forbes	_____	_____	_____	_____
Lawrence F. Kasperbauer	_____	_____	_____	_____
Vicente C. Pangelinan	_____	_____	_____	_____

	<u>Present</u>	<u>Absent</u>	<u>Off-Island</u>	<u>Excused</u>
Joseph F. Ada	_____	_____	_____	_____
Thomas C. Ada	_____	_____	_____	_____
Frank B. Aguon, Jr.	_____	_____	_____	_____
Lou Leon Guerrero	_____	_____	_____	_____
Angel L.G. Santos	_____	_____	_____	_____
Judith T. Won Pat	_____	_____	_____	_____

*Attending Staff*

Bertha Duenas _____	James P. Castro _____	Tom Morrison _____
Henry Cruz _____	Paul Borja _____	Faith Mendiola _____
Fred M. Castro _____	Josie Mendiola _____	John Dela Rosa _____
Jackie Suzuki _____		

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

Bill No. 154 (COR)

Introduced by:

v.c. pangelinan  
K. Moylan 

---

AN ACT TO REPEAL SECTION 8219 OF TITLE 4,  
GUAM CODE ANNOTATED, RELATIVE TO LUMP  
SUM FOR SICK LEAVE NOT UTILIZED, AND TO  
AMEND SUBSECTION 4108(h) OF TITLE 4, GUAM  
CODE ANNOTATED, RELATIVE TO LUMP SUM  
PAYMENTS FOR UNUSED SICK LEAVE.

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

2           **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guahan* finds  
3 that the incentives created under Public Law No. 25-19, which were designed  
4 to encourage government employees who were members of the Defined  
5 Benefit Plan to transfer to the Defined Contribution Retirement System, did  
6 not specifically address the treatment of unused sick leave upon retirement by  
7 participants in the Defined Contribution Retirement System. In contrast,  
8 members of the Defined Benefit Plan may either claim a credit for unused sick  
9 leave or may elect to receive a lump sum payment upon retirement or  
10 disability, in accordance with section 8116 of Title 4, Guam Code Annotated.

11           *I Liheslaturan Guahan* further finds that, to provide participants in the  
12 Defined Contribution Retirement System with the right to receive lump sum  
13 payments for unused sick leave upon retirement or disability, Public Law No.

1 25-157:12 was enacted to add a new section 8219 to Title 4 to clarify that,  
2 similar to members of the Defined Benefit Plan, participants in the Defined  
3 Contribution Retirement System shall be entitled to a lump sum payment for  
4 unused sick leave upon their retirement from government employment.

5 However, *I Liheslaturan Guahan* finds that unused sick leave is not a  
6 retirement or pre-retirement ancillary benefit of the Defined Contribution  
7 Retirement System, but is a wage and hour matter more properly covered in  
8 statutes related to personnel policies applicable to public officers and  
9 employees.

10 Therefore, *I Liheslaturan Guahan* intends to clarify that all government  
11 employees, both Defined Benefit Plan members and Defined Contribution  
12 Retirement System participants, shall be entitled to receive a lump sum  
13 payment for unused sick leave upon disability or retirement, but that the  
14 lump sum payment for participants in the Defined Contribution Retirement  
15 System shall be made by the participant's employer pursuant to statutory  
16 personnel leave policies, and therefore should not constitute a benefit under  
17 the Defined Contribution Retirement System.

18 **Section 2.** Section 8129, Article 2, Chapter 8 of Title 4 of the Guam Code  
19 Annotated, as added by Public Law No. 25-157:12, is hereby repealed.

20 **Section 3.** Subsection (h) of Section 4108, Chapter 1 of Title 4 of the  
21 Guam Code Annotated, as added by Public Law No. 17-57:1, is hereby  
22 amended to read:

23 (h) Lump Sum Payment Prohibited. ~~Except as provided in Chapter~~  
24 ~~7 of this Title 7, n~~No person who leaves the Government service for any

1 reason may receive a cash payment for sick leave accrued at the time he  
2 leaves such service, except for payments upon death as provided in Chapter 7  
3 of this Title, and except for lump sum payments to participants in the Defined  
4 Contribution Retirement System upon disability or retirement. Lump sum  
5 payments described herein shall be calculated by multiplying: (i) the  
6 employee's hourly rate based on the average of the three (3) highest salaries  
7 received by an employee during his years of credited service, by (ii) one-half  
8 (1/2) of the employee's unused accumulated sick leave hours.

9       **Section 4. Severability.** If any provision of this Act, including, but not  
10 limited to, any subsection contained within this Act, or its application to any  
11 person or circumstances is held invalid, the invalidity does not affect other  
12 provisions, sections 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.