



Office of the Governor of Guam

P.O. Box 2950 Hagåtña, Guam 96932
TEL: (671) 472-8931 • FAX: (671) 477-4826 • EMAIL: governor@mail.gov.gu

Felix Perez Camacho
Governor

Kaleo Scott Moylan
Lieutenant Governor

Office of the Legislative Secretary
Vicente C. Pangelinan

DEC 31 2004

RECEIVED 4:30 PM 12/31/2004
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31 DEC 2004

The Honorable Vicente C. Pangelinan
Speaker
Mina' Bente Siete Na Liheslaturan Guåhan
155 Hessler Street
Hagåtña, Guam 96910

Dear Mr. Speaker:

Transmitted herewith is Bill No. 402 (COR), "AN ACT TO IMPROVE THE LAWS GOVERNING ELECTION CAMPAIGN CONTRIBUTIONS AND EXPENDITURES," now designated as Public Law 27-161.

Sinseru yan Magåhet,

[Handwritten signature of Felix P. Camacho]

FELIX P. CAMACHO
I Maga'låhen Guåhan
Governor of Guam

Attachment: copy attached of signed bill

cc: The Honorable Tina Rose Muna-Barnes
Senator and Legislative Secretary

I MINA'BENTE SIETE NA LIHESLATURAN GUÁHAN  
2004 (SECOND) Regular Session

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

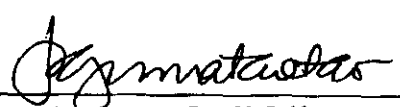
This is to certify that Bill No. 402 (COR), "AN ACT TO IMPROVE THE LAWS GOVERNING ELECTION CAMPAIGN CONTRIBUTIONS AND EXPENDITURES," was on the 20<sup>th</sup> day of December, 2004, duly and regularly passed.

Attested:

  
Tina Rose Muña Barnes  
Senator and Legislative Secretary

  
vicente (ben) c. pangelinan  
Speaker

This Act was received by *I Maga'lahaen Guáhan* this 20 day of December, 2004,  
at 5:50 o'clock P.M.

  
Assistant Staff Officer  
*Maga'lahaen's Office*

APPROVED:

  
FELIX P. CAMACHO  
*I Maga'lahaen Guáhan*

Date: December 30, 2004

Public Law No. 27-161

I MINA'BENTE SIETE NA LIHESLATURAN GUÅHAN  
2004 (SECOND) Regular Session

**Bill No. 402 (COR)**

As amended by the Committee on Appropriations  
and Budgeting, General Governmental Operations,  
Reorganization and Reform, and further amended  
on the Floor.

Introduced by:

v. c. pangelinan  
F. B. Aguon, Jr.  
J. M.S. Brown  
F. R. Cunliffe  
Carmen Fernandez  
Mark Forbes  
L. F. Kasperbauer  
R. Klitzkie  
L. A. Leon Guerrero  
J. A. Lujan  
T. R. Muña Barnes  
J. M. Quinata  
R. J. Respicio  
Toni Sanford  
Ray Tenorio

**AN ACT TO IMPROVE THE LAWS GOVERNING  
ELECTION CAMPAIGN CONTRIBUTIONS AND  
EXPENDITURES.**

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

2 **Section 1.** §19104(b) of Chapter 19 of Title 3, Guam Code Annotated,  
3 is hereby *amended* to read as follows:

4 "§19104(b). By the tenth (10<sup>th</sup>) day after receiving any  
5 contributions for the next campaign in an aggregate amount of more

1 than One Hundred Dollars (\$100.00) or the making or incurring of any  
2 expenditure for the next campaign.”

3 **Section 2.** A new §19107.1 is hereby *added* to Chapter 19 of Title 3,  
4 Guam Code Annotated, to read as follows:

5 “§19107.1. **Campaign Contributions by Contractors.** (a) Any  
6 person making a contribution to any candidate, committee, or political  
7 party, and who has received in any calendar year Ten Thousand Dollars  
8 (\$10,000.00) or more through contracts from the government of Guam,  
9 shall register and report that fact to the Guam Election Commission  
10 within thirty (30) days of the date of the contribution, or within thirty  
11 (30) days of the date of the contract, whichever occurs later.

12 (b) The Commission shall prescribe forms and procedures for the  
13 reporting required in Subsection (a) which, at a minimum, shall require  
14 the following information: (1) the name and address of the person  
15 making the contribution; (2) the name of the candidate, committee, or  
16 political party receiving the contribution; (3) the amount of money  
17 received from the government of Guam, and the dates, and information  
18 identifying each contract and describing the service performed or goods  
19 provided; and (4) *if* an entity is making the contribution, the names and  
20 business address of the principals, including officers and directors.

21 (c) The Commission shall maintain a list of such reports for public  
22 inspection at the Guam Election Commission headquarters.”

23 **Section 3.** A new §19107.2 is hereby *added* to Chapter 19 of Title 3,  
24 Guam Code Annotated, to read as follows:

1           “§19107.2. Campaign Contributions; Loans. (a) Any loan to a  
2 candidate or candidate’s committee in excess of One Hundred Dollars  
3 (\$100.00) shall be documented and disclosed as to the lender, including  
4 the lender’s name, address, employer and occupation, and the purpose  
5 of the loan in the subsequent report to the Guam Election Commission.  
6 A copy of the executed loan document shall accompany the report. The  
7 document shall contain the relevant repayment obligations under this  
8 Section. Failure to document the loan or to disclose the loan to the  
9 Guam Election Commission shall cause the loan to be treated as a  
10 campaign contribution, subject to all relevant provisions of this Chapter.

11           (b) A candidate or candidate’s committee may receive and  
12 accept loans in an aggregate amount *not* to exceed Ten Thousand  
13 Dollars (\$10,000.00) during an election period *if* the loan is from a  
14 licensed lending institution, or *if* the loan is from an individual, in an  
15 aggregate amount *not* to exceed Two Thousand Dollars (\$2,000.00),  
16 provided that *if* the Ten Thousand Dollar (\$10,000.00) or Two Thousand  
17 Dollar (\$2,000.00) limit is reached, the candidate or candidate’s  
18 committee shall be prohibited from receiving or accepting any other  
19 loans until the Ten Thousand Dollars (\$10,000.00) or Two Thousand  
20 Dollars (\$2,000.00) is repaid in full by the candidate or candidate’s  
21 committee.

22           (c) *If* any loan made to a candidate is *not* repaid within one (1)  
23 year of the date that the loan is made, the candidate or candidate’s  
24 committee shall be prohibited from accepting any other loans, and all  
25 subsequent contributions received and any surplus retained shall *only*

1 be expended toward the repayment of the outstanding loan, until the  
2 loan is repaid in full by the candidate or candidate's committee.

3 (d) No loan may be accepted or made by non-candidate  
4 committees.

5 (e) Any loan by a financial institution regulated by the  
6 government of Guam or a Federally-chartered depository institution  
7 and made in accordance with applicable law in the ordinary course of  
8 business, or a loan by a candidate of the candidate's own funds, or a  
9 loan from immediate family members of a candidate using their own  
10 funds to the candidate's committee shall *not* be deemed a contribution  
11 and *not* be subject to the contribution limits provided under §19111, or  
12 the loan limit and repayment provisions of Subsections (b) and (c);  
13 provided that loans from the immediate family members of the  
14 candidate shall remain subject to the provisions in §19111(a)."

15 Section 4. §19109 of Chapter 19 of Title 3, Guam Code Annotated, is  
16 hereby *amended* to read as follows:

17 "§19109. **Anonymous Contributions; Unlawful.** (a) *No* person  
18 shall make a contribution of his own money or property or money of  
19 another person to any candidate, political party or committee in  
20 connection with a nomination for election, or election, anonymously;  
21 nor shall any candidate, political party, or committee knowingly receive,  
22 accept, or retain the contribution or enter or cause the same to be  
23 entered in its accounts as an anonymous contribution or in another  
24 name than that of the person by whom it was actually furnished.

1 (b) This Chapter shall *not* apply to amounts that aggregate  
2 *less than* Two Thousand Dollars (\$2,000.00) when obtained  
3 through multiple contributions made by twenty (20) or more  
4 persons at the same event. Each such aggregate contribution shall  
5 be reported, accompanied by a description of the means, method,  
6 place, and date of receipt.

7 (c) All subsequent contributions made after the Two  
8 Thousand Dollar (\$2,000.00) cap, pursuant to Subsection (b) of this  
9 Section, regardless of the amount, shall be reported. It shall  
10 include the name and address of the contributor, and the amount  
11 and date of the contribution.

12 (d) Any anonymous contributions received by a  
13 candidate, political party, or committee and not allowed by this  
14 Section shall *not* be used or expended, but shall be returned to the  
15 donor. *If* the donor cannot be identified, the contribution shall  
16 escheat to the government of Guam."

17 **Section 5.** A new §19112.1 is hereby *added* to Chapter 19 of Title 3,  
18 Guam Code Annotated, to read as follows:

19 "§19112.1. **Electioneering Communications.** (a) Every person  
20 who makes a disbursement for electioneering communications in an  
21 aggregate amount of One Hundred Dollars (\$100.00) during any  
22 calendar year shall, within twenty-four (24) hours of each disclosure  
23 date provided in this Section, file with the Guam Election Commission a  
24 statement of information described in Subsection (b).

1           (b) Each statement required to be filed under this Section shall  
2 contain the following information: (1) the identification of the person  
3 making the disbursement, any entity sharing or exercising discretion or  
4 control over such person, and the custodian of the books and accounts  
5 of the person making the disbursement; (2) the state of incorporation  
6 and principal place of business or, for an individual, the address of the  
7 person making the disbursement; (3) the amount of each disbursement  
8 during the period covered by the statement and the identification of the  
9 person to whom the disbursement was made; (4) the elections to which  
10 the electioneering communications pertain and the names, *if known*, of  
11 the candidates identified or to be identified; (5) *if* the disbursements  
12 were made by a committee, the names and addresses of all persons who  
13 contributed to the committee for the purpose of publishing or  
14 broadcasting the electioneering communications; (6) *if* the  
15 disbursements were made by an organization other than a committee,  
16 the names and addresses of all persons who contributed to the  
17 organization for the purpose of publishing or broadcasting the  
18 electioneering communications; and (7) whether or not any  
19 electioneering communication is made in coordination, cooperation, or  
20 concert with or at the request or suggestion of any candidate, candidate  
21 committee, political party or agent of any candidate, candidate  
22 committee, or political party and, *if so*, the identification of the  
23 candidate, candidate committee, political party, or agent involved.

24           (c) For the purposes of this Section: '*Disclosure date*' means, for  
25 every calendar year, the first date by which a person has made



1 disbursements during that same year of more than One Hundred  
2 Dollars (\$100.00), in the aggregate, for electioneering communications,  
3 and the date of any subsequent disbursements by that person for  
4 electioneering communications. 'Electioneering communication' means  
5 any paid advertising broadcast from a television or radio broadcast  
6 station, or published in any periodical or newspaper, or sent by mail at a  
7 bulk rate, or distributed to the general public which refers to a clearly  
8 identifiable candidate and is made, or scheduled to be made, either  
9 within thirty (30) days *prior* to a primary or initial special election or  
10 within sixty (60) days *prior* to a general or special election.  
11 'Electioneering communication' shall *not* include communications in a  
12 news story or editorial, communications which constitute expenditures  
13 by the disbursing organization, or communications in house bulletins."

14 Section 6. A new §19112.2 is hereby *added* to Chapter 19 of Title 3,  
15 Guam Code Annotated, to read as follows:

16 "§19112.2. The candidate, party, or committee, when signing any  
17 types of contract, shall provide the other party of the contract a copy of  
18 its organizational report, stamped by the Guam Election Commission.  
19 Failure to comply with this Section shall result in a fine of *not less than*  
20 One Thousand Dollars (\$1,000.00) to both parties."

21 Section 7. §19119 of Chapter 19 of Title 3, Guam Code Annotated, is  
22 hereby *amended* to read as follows:

23 "§19119. Administrative Fines; Relief.

24 (a) In the performance of its required duties, the Guam  
25 Election Commission shall issue a report and forward such report

1 to the Attorney General affecting any person violating any  
2 provision of this Chapter that shall provide for the assessment of  
3 an administrative fine in the manner prescribed as follows:

4 (1) *If a natural person, an amount not to exceed One*  
5 *Thousand Dollars (\$1,000.00) for each occurrence or an*  
6 *amount equivalent to three (3) times the amount of an*  
7 *unlawful contribution or expenditure, whichever is*  
8 *greater; or*

9 (2) *If a corporation, organization, association, or labor*  
10 *union, it shall be punished by a fine not exceeding One*  
11 *Thousand Dollars (\$1,000.00) for each occurrence; and*

12 (3) *Whenever a corporation, organization, association, or*  
13 *labor union violates this Chapter, the violation shall be*  
14 *deemed to be also that of the individual directors,*  
15 *officers, or agents of the corporation, organization,*  
16 *association, or labor union, who have knowingly*  
17 *authorized, ordered, or done any of the acts constituting*  
18 *the violation.*

19 (b) *A report for the assessment of an administrative fine may not*  
20 *be issued against a person without providing the person*  
21 *written notice and an opportunity to be heard at a hearing. A*  
22 *person may waive these rights by written stipulation or*  
23 *consent.*

24 (c) *If an order issued by the Guam Election Commission is not*  
25 *complied with by the person to whom it is directed, the*

1 Superior Court, upon application of the Attorney General  
2 shall issue an order requiring the person to comply with the  
3 Guam Election Commission order. Failure to obey such a  
4 court order shall be punished as contempt.

5 (d) Any administrative fine collected shall be deposited to the  
6 government of Guam.

7 (e) Any person or the Guam Election Commission may sue for  
8 injunctive relief to compel compliance with this Chapter.

9 (f) The provisions of this Section shall *not* be construed to  
10 prohibit prosecution under any appropriate provision of the  
11 Guam laws.

12 (g) The provisions of this Section shall *not* apply to any person  
13 who, *prior* to the commencement of proceedings under this  
14 Section, has paid or agreed to pay the penalties.”

15 **Section 8.** A new §19120 is hereby *added* to Chapter 19 of Title 3, Guam  
16 Code Annotated, to read as follows:

17 “§19120. **Criminal Prosecution.** (a) Any person who knowingly,  
18 intentionally, or recklessly violates any provision of this Chapter shall  
19 be guilty of a misdemeanor. A person who is convicted under this  
20 Section shall be disqualified from holding elective public office for a  
21 period of four (4) years from the date of conviction.

22 (b) For purposes of prosecution for violation of this Chapter, the  
23 Office of the Attorney General shall be deemed to have jurisdiction to be  
24 exercised as follows: (1) Prosecution shall commence with a written  
25 request from the Guam Election Commission or upon the issuance of an

1 order of the court; provided that prosecution may commence *prior* to  
2 any proceeding initiated by the Guam Election Commission or final  
3 determination; and (2) The Attorney General shall prosecute any  
4 violation.

5 (c) The court shall give priority to the expeditious processing of  
6 suits under this Section.

7 (d) Prosecution for violation of any provision of this Chapter shall  
8 *not* be commenced after five (5) years have elapsed from the date of the  
9 violation or date of filing of the report covering the period in which the  
10 violation occurred, whichever is later.

11 (e) The provisions of this Section shall *not* apply to any person  
12 who, *prior* to the commencement of proceedings under this Section, has  
13 paid or agreed to pay the penalties."

14 **Section 9. Severability.** *If any provision of this Act or its application*  
15 *to any person or circumstances is found to be invalid or contrary to law, such*  
16 *invalidity shall not affect other provisions or applications of this Act which*  
17 *can be given effect without the invalid provisions or applications, and to this*  
18 *end the provisions of this Act are severable.*



**FRANK B. AGUON, JR.**

*Vice Speaker*

December 15, 2004

**MEMORANDUM**

The Honorable ben c. pangelinan  
Speaker, *I Mina' Bente Siete Na Liheslaturan Guåhan*  
155 Hesler Street  
Hagåtña, Guam 96910

Via: Honorable Senator Lou Leon Guerrero, Committee on Rules & Health

Dear Speaker pangelinan:

The Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform, to which was referred, Bill No. 402 (COR) as amended by the Committee - An act to improve the laws governing the election campaign contributions and expenditures, has had the same under consideration, and now wishes to report back the same with the recommendation **TO DO PASS**.

The voting record is as follows:

TO PASS	<u>6</u>
NOT TO PASS	<u>0</u>
TO ABSTAIN DUE TO POTENTIAL CONFLICT	<u>0</u>
TO PLACE IN INACTIVE FILE	<u>0</u>

Copies of the Committee Report and other pertinent documents are attached. Thank you for your attention to this matter. **Dangkolo' Na Si Yu'os Ma'ase.**

Respectfully,

**FRANK BLAS AGUON, JR.**

Vice Speaker/Senator  
*I Mina' Bente Siete Na Liheslaturan Guåhan*



*Respetu Para Todu (Respect for All)*

I Mina Bente-Siete Na Liheslaturan Guåhan \* Twenty-Seventh Guam Legislature  
Suite 101-A \* Ada's Commercial and Professional Center \* 118 East Marine Drive \* Hagåtña, Guam 96910  
Phone (671) 479-4GUM (4486/4828) \* Fax (671) 479-4827





**FRANK B. AGUON, JR.**

*Vice Speaker*

December 15, 2004

**MEMORANDUM**

**TO:** Members, Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform

**FROM:** Vice Speaker Frank B. Aguon, Jr.  
Chairman, Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform

**SUBJECT:** Committee Report – Bill No. 402 (COR) as amended by the Committee: An act to improve the laws governing the election campaign contributions and expenditures.

Transmitted herewith for your information and action is the report on Bill No. 402 (COR) as amended by the Committee from the Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform.

This memorandum is accompanied by the following:

1. Committee Voting Sheet
2. Committee Report
3. Bill 402 (COR) as amended by the Committee
4. Public Hearing Sign-in Sheet
5. Notice of Public Hearing

Please take the appropriate action on the attached voting sheet. Your attention and cooperation in this matter is greatly appreciated.

Should you have any questions regarding the report or accompanying documents, please do not hesitate to contact me. **Dangkolo' Na Si Yu'os Ma'ase.**

Respectfully,

**FRANK BLAS AGUON, JR.**

Vice Speaker/Senator

*I Mina Bente-Siete Na Liheslaturan Guåhan*

*Respetu Para Todu (Respect for All)*

I Mina Bente-Siete Na Liheslaturan Guåhan \* Twenty-Seventh Guam Legislature  
Suite 101-A \* Ada's Commercial and Professional Center \* 118 East Marine Drive \* Hagåtña, Guam 96910  
Phone (671) 479-4GUM (4486/4828) \* Fax (671) 479-4827





# FRANK B. AGUON, JR.

*Vice Speaker*

## Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform VOTING SHEET

**Bill No. 402 (COR) as amended by the Committee:** An act to improve the laws governing the election campaign contributions and expenditures.

Committee Members	To Pass	Not to Pass	To Abstain due to potential Conflict	To place in Inactive File
 FRANK B. AGUON, JR. Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 ANTOINETTE D. SANFORD Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 LOU LEON GUERRERO Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 TINA R. MUÑA-BARNES Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 JOHN M. QUINATA Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 RORY J. RESPICIO Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 CARMEN FERNANDEZ Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 MARK FORBES Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 LAWRENCE F. KASPERBAUER Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*Respetu Para Todu (Respect for All)*





**FRANK B. AGUON, JR.**

*Vice Speaker*

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***I MINA' BENTE SIETE NA LIHESLATURAN GUÅHAN***

Committee on Appropriations and Budgeting,  
General Governmental Operations,  
Reorganization and Reform

**VICE SPEAKER FRANK B. AGUON, JR.  
CHAIRMAN**

Committee Report  
On  
Bill No. 402 (COR)  
As substituted by the Author

**"AN ACT TO IMPROVE THE LAWS GOVERNING THE ELECTION  
CAMPAIGN CONTRIBUTIONS AND EXPENDITURES."**



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*Respetu Para Todu (Respect for All)*

I Mina Bente-Siete Na Liheslaturan Guåhan \* Twenty-Seventh Guam Legislature  
Suite 101-A \* Ada's Commercial and Professional Center \* 118 East Marine Drive \* Hagåtña, Guam 96910  
Phone (671) 479-4GUM (4486/4828) \* Fax (671) 479-4827





## **I. Overview**

The Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform held a public hearing on Bill No. 402 (COR) at 8:00 a.m. on Monday, December 13, 2004 in the Public Hearing Room, *I Liheslaturan Guåhan*. Public notice for this hearing was made on: Friday, December 3, 2004 and Thursday, December 9, 2004 in the Pacific Daily News in the form of a paid advertisement. A press article also appeared in the Marianas Variety on December 10.

### **Senators present at the public hearing were:**

Vice Chair Antoinette D. Sanford (presiding), member senators Tina R. Muña-Barnes and Carmen Fernandez, and non-members Speaker pangelinan and senators Robert Klitzkie and Joanne M. Brown.

## **II. Summary of testimony**

No persons appeared at the public hearing to testify on Bill 402. The presiding chair invited the prime sponsor of Bill 402 to expound upon the intent or effect of the bill, but he declined.

Subsequent to the hearing, written testimony was received from the Public Auditor (attached). She asked whether a more comprehensive approach to campaign contribution reporting laws should be taken, instead of changes to current law. Mrs. Brooks also inquired about campaign spending limits, enforcement of existing laws, and the procedure for administrative penalties. She suggested updating references to the "Territory".

Despite a timely written request from the Committee and telephone calls subsequent to the hearing date, the Guam Election Commission has not commented on Bill 402.

## **III. Findings and recommendation**

The Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform received suggestions for amended language from the prime sponsor. Those amendments have been incorporated to the bill.

Accordingly, the Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform, to which Bill No. 402 (COR) was referred does hereby recommend to *I Mina' Bente Siete Na Liheslaturan Guåhan* **TO DO PASS** Bill No.

402 (COR) *As Amended* by the Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform: "An act to improve the laws governing the election campaign contributions and expenditures".



COPY

OFFICE OF THE PUBLIC AUDITOR

December 13, 2004

Honorable Vicente C. Pangelinan  
Speaker  
27<sup>th</sup> Guam Legislature  
Hagåtña, Guam 96910

RECEIVED  
DEC 14 2004

*JAB. 10:06A.m*

Dear Mr. Speaker:

Reference Bill 402:

Thank you for inviting me to express my views on your bill that is intended to improve the laws governing election campaign contributions and expenditures.

I commend you for your desire to establish laws that strictly govern the sources and reporting of campaign funds. However, this is a legally difficult field to negotiate and I question whether the changes that you have proposed should be implemented without first giving all of Chapter 19 of Title 3 a thorough review by a commission representative of all of the participants in the elective process. It would seem to me to be important that our local law be consistent with federal law, which has been substantially revised in recent years, and also compared with the Clean Election Campaign Acts that have been passed in Maine, Vermont, Massachusetts and Arizona and have withstood legal challenge.

While this bill, if enacted, would place make financial reporting requirements stronger, it does not address the more critical problem of how much money may be spent in a campaign or how this new law and existing statutes would be enforced. At present, the Election Commission is charged with enforcing the laws pertaining to campaign fund raising, expenditures and reporting. Yet the Election Commission does not have the expertise or funding to carry out its responsibilities.

By way of contrast, the responsibility for enforcement of the Government Ethics Code of the Northern Mariana Islands, including the submission of campaign financial reports, is imposed on the Public Auditor. (CNMI Public Law 8-11, as amended by CNMI Public Law 8-28). While I am not asking that this responsibility be placed on my Office, I think that CNMI recognizes that enforcement of campaign reporting laws requires adequate resources.

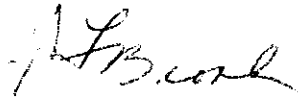
As to specific portions of the bill, I note as follows:

Section 7, which completely rewrites 3 GCA § 19119, vests the Attorney General with the power to collect administrative penalties that may be imposed for

violations of the law. The proposal does not seem clear whether it is the Election Commission or the Attorney General who decides whether an administrative penalty should be imposed. There also does not seem to be an appeal from the administrative penalty. The issue of whether an individual must pay from his or her own pocket should not be left to the discretion of one official. I ask that an appeal procedure be assured and that the Attorney General's collection responsibility be limited to a collection action after the administrative remedies have been exhausted through an agency other than the Office of the Attorney General.

Throughout the bill, Guam is referred to as "the Territory." This is not in conformance with 1 GCA § 420, which requires that the word Guam be used instead of territory. The use of the word territory in Section 2, which would add § 19107.1 to Title 4 is ambiguous because the word territory is not defined. If this section is to be included, I suggest that the word territory be replaced with the phrase "the Government of Guam or any public agency or entity created by I Liheslaturan Guåhan."

Senseramente,



Doris Flores Brooks, CPA, CGFM  
Public Auditor of Guam

Cc: Senators 27<sup>th</sup> Guam Legislature  
Governor of Guam

STATEMENT ON Bill No. 402 (COR)  
Introduced by v.c.pangelinan

Office of the People's Speaker  
vicente (ben) c. pangelinan

DEC 15 2004

TIME: 1:00 ( ) AM ( ) PM  
RECEIVED BY: 

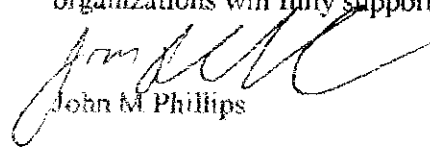
From: John M Phillips, CPA, CGM  
President Guam Association of Accountants  
President American Association of Retired Persons  
Educational Advisor to the Guam Society of CPA's  
Past President Association of Government Accountants  
Past President National Association of Federal Employees  
Past Chair of the Guam Civil Service Commission  
Past Treasurer of the University of Guam Board of Regents

ETHICS, ETHICS, ETHICS has finally been recommended for Guam elections. The nation especially in the accounting area has been making great changes in the ethics of business. But it took laws to do so. This movement towards ethics has also been moving on the worldwide area by the introduction of International Accounting Standards which will create one system of accounting for the world.

This bill to bring ethics into the political arena on GUAM needs to be implemented immediately. Too long have candidates hidden their source of funding from the public. This bill will eliminate the backroom donations and promises that go with that donation. No longer will a candidate have supporters run ads for him without the name or the amount of donation.

This bill will allow the public to KNOW who is providing funding to a candidate. This bill will allow the public to know how much the candidate is spending. This bill will allow Ethics to appear in Guam Elections

I fully support this attempt to bring ethics to politics and I know that my civic organizations will fully support this bill.

  
John M Phillips