

I Mina'Trentai Tres Na Liheslaturan Received
Bill Log Sheet

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES
35-33 (COR)	N.B. Underwood, Ph.D. Judith T. Won Pat, Ed.D. R. J. Respicio	AN ACT TO ADD A NEW CHAPTER 13A OF DIVISION 2, TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO CREATING THE "FIRST GENERATION TRUST FUND INITIATIVE," IN SUPPORT OF PUBLIC HIGH SCHOOL GRADUATES OBTAINING POST-SECONDARY EDUCATION.	01/29/15 11:08 a.m.	01/29/15	Committee on Early Learning, Juvenile Justice, Public Education, and First Generation Initiatives			



COMMITTEE ON RULES

I Mina'trentai Tres na Liheslaturan Guåhan • The 33rd Guam Legislature

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January 29, 2015

MEMORANDUM

To: **Rennae Meno**
Clerk of the Legislature

Attorney Therese M. Terlaje
Legislative Legal Counsel

From: **Senator Rory J. Respicio**
Chairperson, Committee on Rules

Subject: Referral of Bill No. 35-33(COR)

As the Chairperson of the Committee on Rules, I am forwarding my referral of **Bill No. 35-33(COR)**.

Please ensure that the subject bill is referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Tres na Liheslaturan Guåhan*.

Should you have any questions, please feel free to contact our office at 472-7679.




Si Yu'os Ma'åse!

Attachment

I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN
2015 (FIRST) REGULAR SESSION

Bill No. 35-33 (COR)

Introduced by:

N.B. Underwood, Ph.D. 
J.T. Won Pat, Ed.D. 
R.J. Respicio 

AN ACT TO *ADD* A NEW CHAPTER 13A OF DIVISION 2,
TITLE 17, GUAM CODE ANNOTATED, RELATIVE TO
CREATING THE “FIRST GENERATION TRUST FUND
INITIATIVE,” IN SUPPORT OF PUBLIC HIGH SCHOOL
GRADUATES OBTAINING POST-SECONDARY
EDUCATION.

2015 JAN 29 AM 11:08 

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

2 **Section 1. First Generation Trust Fund Initiative.** A new Chapter 13A of
3 Division 2, Title 17, Guam Code Annotated is *added* to read:

4 “Chapter 13A: First Generation Trust Fund Initiative

5 **§13A101. Legislative Findings and Intent.** *I Liheslaturan Guåhan*
6 finds that there is an aspirational deficit of public high school graduates who
7 attend post-secondary school. Based on the Department of Education (DOE)
8 State of the Island Address for School Year 2013-2014, the enrollment number
9 for the public education ninth (9th) grade students is just over 3,300. The

1 is approximately 1800, with cohort graduation rate of about 70%. Of the total
2 number of graduates, less than 40% attend the University of Guam or the Guam
3 Community College. In contrast the National Center of Educational Statistics
4 reports that 66% of the students who graduated from high school in 2012 attend
5 post-secondary institutions for two-year or four-year programs of study. The
6 difference reflects the aspirational deficit of our students.

7 *I Liheslatura* finds that according to the Georgetown University Center of
8 Education and the Workforce Report, by the year 2020, 65% of all jobs will
9 require college attendance of which 35% will need a Bachelor's degree. Only
10 35% will not require an education beyond high school. Those statistics,
11 combined with the aspirational deficit, reveal that the people of Guam need a
12 new strategy to simultaneously increase post-secondary education rates and
13 prepare our young people for a new economy.

14 *I Liheslatura* finds that the trajectory of the younger generation is
15 impacted by social and financial betterment, and that a purposeful investment in
16 their individual future such as the establishment of a scholarship fund, known as
17 the "First Generation Trust Fund Initiative," available to students in the public
18 school system at the beginning of their ninth (9th) grade term is a feasible
19 component of directing our students towards the promising futures they each
20 deserve.

21 *I Liheslatura* recognizes that there are existing and varied scholarship and
22 training programs in higher education, supported by local and federal funds
23 (e.g., Guam Community College (GCC) College Access Challenge Grant
24 Program; GCC Project Aim, TRiO; University of Guam TRiO Upward Bound
25 Program) that aim to provide information, services and support for those
26 students demonstrating financial need, disability, and/or those who are first-

1 generation eligible. While such programs are significant to supporting
2 incoming students and sustaining student enrollment, not all provide the
3 specific initial cost investment needed to start college education in Guam.

4 *I Liheslatura* hereby forms the First Generation Trust Fund Initiative,
5 which establishes an individual account for each eligible student to provide a
6 personal incentive to plan and envision her or his future. The Initiative *shall*
7 begin with a \$500 account designed to jump start student enrollment at our local
8 public post-secondary institutions, the Guam Community College and the
9 University of Guam.

10 *I Liheslatura* finds that Chapter 13, Title 17 Guam Code Annotated
11 established the “Foundation for Public Education Act of 2009,” (Foundation) a
12 non-profit foundation that works with the DOE to raise funds and accept
13 donations for the general welfare of public school students. In 2014, the first
14 charter board for the Foundation was established, and has since began efforts to
15 fundraise for public school campus development and equipment needed for the
16 various schools.

17 *I Liheslatura* finds that the First Generation Trust Fund Initiative is
18 supported by a combined effort of the DOE, the DOE Foundation, UOG and
19 GCC.

20 *I Liheslatura* further intends to establish the commitment that the success
21 of our children is developed early on within our public education system, and
22 that the First Generation Trust Fund Initiative provides the platform to ensure
23 that students work towards financial self-reliance in the long-run.

24 **§13A102. First Generation Trust Fund Initiative Established.**

25 There is hereby established the “First Generation Trust Fund Initiative

1 (Initiative), which shall be administered by the Foundation for Public Education
2 Inc.

3 **§13A103. Creation of the First Generation Trust Fund.** The First
4 Generation Trust Fund (Fund) is hereby created and *shall* be separate and apart
5 from all other funds of the government of Guam and *shall* consist of amounts
6 received into which financial investment *shall* be deposited. The Foundation
7 *shall* have custody of the Fund, inclusive of the Foundation's ability to develop
8 and manage the Fund's portfolio of funds. The Fund *shall not* be commingled
9 with the General Fund or any other funds of the government of Guam and *shall*
10 be maintained in a separate bank account in accordance with this Act.

11 **§13A104. Purpose.** The Initiative, particularly its Fund, shall act as an
12 investment account for eligible graduates of the DOE high schools, to be
13 initiated during the first-year term of ninth (9th) grade students entering public
14 schools. The Fund shall be administered to adequately cover registration and
15 enrollment fees for post-secondary education at our local public institutions, the
16 University of Guam (UOG) and the Guam Community College (GCC).

17 **§13A105. Requirements for Eligibility.** Students eligible to receive
18 college registration and enrollment fees from the First Generation Trust Fund
19 include those who hold US citizen or permanent resident status. Students *shall*
20 be continuously enrolled in a DOE public high school from the beginning of the
21 ninth (9th) grade to the time they graduate from high school. Any amount not
22 used for registration and enrollment fees for college *shall* be returned to the
23 Fund. Further, if the student's fund is not used within one year of graduation
24 from high school, that student's account will be closed and the monies reserved
25 for the forthcoming group of eligible ninth (9th) grade students.

1 **§13A106. Funding.** The Foundation, with the local public education
2 institutions, namely, the UOG and GCC have each committed to the Initiative
3 and agree to invest through the following sources:

- 4 1) The Foundation *shall*, pursuant to §13103, Chapter 13, Title
5 17, GCA, support the Initiative’s objectives by providing a
6 minimum of Seventy-five thousand dollars (\$75,000)
7 annually beginning FY 2016;
- 8 2) Seventy-five thousand dollars (\$75,000) *shall* be
9 appropriated from the sums appropriated to the DOE
10 beginning in FY 2016 and *shall* continue to be appropriated
11 in each subsequent fiscal year for the sole purpose of
12 supporting the Initiative’s objectives;
- 13 3) Two Hundred Fifty Thousand Dollars (\$250,000) *shall* be
14 appropriated from the sums appropriated to the UOG
15 beginning in FY 2016 and *shall* continue to be appropriated
16 in each subsequent fiscal year for the sole purpose of
17 supporting the Initiative’s objectives;
- 18 4) One Hundred Fifty Thousand Dollars (\$150,000) *shall* be
19 appropriated from the sums appropriated to the GCC
20 beginning FY 2016 and *shall* continue to be appropriated in
21 each subsequent fiscal year for the sole purpose of
22 supporting the Initiative’s objectives.

23 Financial contributions *may* also be made to the Fund by participating
24 businesses and organizations on behalf of students that perform community
25 service. Additionally, individual family members *may* also deposit into the
26 student’s fund.

1 Administrative costs relative to the management of the Fund shall be
2 limited to five percent (5%) of the total portfolio.

3 **§13A107. Memorandum of Understanding.** The DOE Foundation
4 *may* enter into a Memorandum of Understanding with each the DOE, GCC or
5 UOG for grant writing support and development.

6 **§13A108. Evaluation.** The Initiative *shall* be evaluated after the
7 seventh (7th) year of enactment of this Act to determine if the program has met
8 its goals, one of which is to increase the number of DOE graduates enrolled at
9 the UOG and GCC.

10 **§13A109. Sunset Provision.** The Initiative *shall* come to an end by
11 the eighth (8th) year of its existence unless new legislation is passed authorizing
12 its continuation.

13 **§13A110. Transfer Authority Prohibited.** Notwithstanding any
14 other provision of law, the funds appropriated in this Act in each fiscal year
15 *shall not* lapse and *shall* continue to be available until fully expended and *shall*
16 *not* be subject to to any transfer authority of *I Maga'låhen Guåhan* or *any* inter-
17 fund borrowing for use for any other purpose.

18 **§13A111. Reporting and Rules and Regulations.** The Foundation
19 *shall* submit an annual written report of the activities of the Initiative and the
20 Fund to *I Maga'låhen Guahan* and to the Speaker of *I Liheslaturan Guahan*.

21 The Foundation *shall* promulgate rules and regulations within one
22 hundred twenty (120) days upon enactment of this Act pursuant to Chapter 9,
23 Title 5, Guam Code Annotated, the Administrative Adjudication Law.

24 **§13A112. Annual Audit.** The Office of Public Accountability (OPA)
25 shall perform an annual audit of the Fund and the compliance of the
26 Foundation with the expenditures of such funds in accordance with the

1 administration and exclusive purposes of this Act. The OPA shall prepare and
2 provide a written report of compliance no later than seventy-five (75) days after
3 the end of the fiscal year to *I Maga'lahaen Guahan* and to the Speaker of *I*
4 *Lihselaturan Guahan*.”

5 **Section 2. Severability.** If any provision of this Act or its application to any
6 person or circumstance is held invalid, the invalidity *shall not* affect other provisions
7 or applications of this Act which can be given effect without the invalid provision or
8 application and to this end the provisions of this Act are severable.