

*I Mina'Trentai Tres Na Liheslaturan Received*  
**Bill Log Sheet**

<b>BILL NO.</b>	<b>SPONSOR</b>	<b>TITLE</b>	<b>DATE INTRODUCED</b>	<b>DATE REFERRED</b>	<b>CMTE REFERRED</b>	<b>PUBLIC HEARING DATE</b>	<b>DATE COMMITTEE REPORT FILED</b>	<b>FISCAL NOTES</b>
<b>36-33 (COR)</b>	Michael F.Q. San Nicolas	AN ACT TO CREATE THE RESPONSIBLE GUAM BUILD-UP FUND AND ENSURE THAT NON-RECURRING BUILD-UP RELATED REVENUE IS IDENTIFIEDAND DEPOSITED INTO THE FUND, BY ADDING A NEW 5 GCA §4123 AND AMENDING 2 GCA §13107.	02/03/15 12:07 p.m.	02/03/15	Committee on Appropriations and Adjudication			



## COMMITTEE ON RULES

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

155 Hesler Place, Hagåtña, Guam 96910 • [www.guamlegislature.com](http://www.guamlegislature.com)

E-mail: [roryforguam@gmail.com](mailto:roryforguam@gmail.com) • Tel: (671)472-7679 • Fax: (671)472-3547

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February 3, 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. 36-33(COR)**

As the Chairperson of the Committee on Rules, I am forwarding my referral of **Bill No. 36-33(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. 36.33 (COR)

Introduced by:

Michael F.Q. San Nicolas 

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2015 FEB -3 PM 12:07 

**AN ACT TO CREATE THE RESPONSIBLE GUAM BUILD-UP FUND AND ENSURE THAT NON-RECURRING BUILD-UP RELATED REVENUE IS IDENTIFIED AND DEPOSITED INTO THE FUND, BY ADDING A NEW 5 GCA §4123 AND AMENDING 2 GCA §13107.**

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

2       **Section 1. Short Title.** This Act *shall* be cited as the “Responsible Guam  
3 Build-Up Fund Act”.

4       **Section 2. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
5 that the time during which the military build-up on Guam occurs will see higher  
6 government revenues both before and afterwards. If non-recurring military build-  
7 up revenues are not kept separate, to the extent that it is possible, these may be  
8 used in a manner that will set up a long-term imbalance between non-recurring  
9 revenues and recurring expenditures. An example of this is if the additional  
10 revenue is used to hire considerable additional and permanent personnel based on  
11 budget projections that inadvertently project non-recurring revenue beyond their  
12 actual availability.

13       It is therefore the intent of *I Liheslaturan Guåhan* that the forthcoming fiscal  
14 year budgets shall identify non-recurring military build-up related revenue and that  
15 the estimated proportion of revenues identified from those sources shall be

1 transferred into the Responsible Guam Build-Up Fund for non-recurring or period-  
2 certain expenses by adding a new 5 GCA §4123 and amending 2 GCA §13107.

3 **Section 4. Creation of the Responsible Guam Build-Up Fund.** *A new*  
4 §4123 is hereby *added* to Article 1, Chapter 4, Title 5, Guam Code Annotated, to  
5 read:

6 **“§ 4123. Creation of the Responsible Guam Build-Up Fund.**

7 (a) There is hereby created, separate and apart from other funds of the  
8 government of Guam, a fund known as the ‘Responsible Guam Build-Up  
9 Fund.’ This Fund shall not be commingled with the General Fund and shall  
10 be kept in a separate bank account. Such revenues as are transferred into the  
11 fund and any other amounts deposited into the fund pursuant to a policy  
12 adopted pursuant to 2 GCA §13107(b) shall be expended solely for the  
13 purposes outlined by subsection (c) of this section.

14 (b) The Responsible Guam Build-Up Fund *shall* not be subject to *I*  
15 *Maga’lahen Guåhan*’s transfer authority or any other law allowing use or  
16 transfer of special funds. Revenues to and expenditures from the  
17 Responsible Guam Build-Up Fund are restricted to only those authorized by  
18 *I Liheslaturan Guåhan* in subsequent Acts. *All* interest and investment  
19 earnings of the Responsible Guam Build-Up Fund *shall* remain in the Fund  
20 until appropriated and expended pursuant to subsection (b) of this Section.

21 (c) The fund shall be appropriated by *I Liheslaturan Guåhan* to fund:

22 (1) court-ordered amounts owed by the government of Guam;

23 (2) prior fiscal years’ contractual obligations outstanding and  
24 payable;

25 (3) prior fiscal years’ accrued and unpaid wages and/or benefits  
26 due to government of Guam employees;

1 (4) the procurement of medical supplies for the Guam  
2 Memorial Hospital Authority;

3 (5) education expenses to comply with the Adequate Education  
4 Act;

5 (6) capital improvement projects with an estimated useful life  
6 of five (5) or more years, for agencies dealing with education, health,  
7 public safety or services for individuals with disabilities;

8 (7) procurement of durable goods with an estimated useful life  
9 of five (5) or more years, for agencies dealing with education, health,  
10 public safety or services for individuals with disabilities;

11 (8) repair and resurfacing of island roads that are ineligible for  
12 federal highway funds;

13 (9) advanced prepayment of existing debt obligations of the  
14 government of Guam as defined by bond covenants, municipal lease  
15 agreements, or financial institution loan provisions; and/or

16 (10) period-certain expenses to meet build-up demand but  
17 limited in duration for the specific period of such demand.

18 (d) The Office of Public Accountability *shall* perform an annual audit  
19 of the Responsible Guam Build-Up Fund and the compliance of the Director  
20 of the Department of Administration with the expenditure of such funds  
21 within the Responsible Guam Build-Up Fund in accordance with the  
22 administration and exclusive purposes of this Section. Said audit *shall*  
23 include, but is not limited to, the revenues to the Responsible Guam Build-  
24 Up Fund and the expenditures from the Responsible Guam Build-Up Fund.  
25 The OPA shall prepare and provide a written report of compliance no later  
26 than seventy-five (75) days after the end of the fiscal year to *I Måga'lahen*  
27 *Guåhan* and to the Speaker of *I Liheslaturan Guåhan*.”

1           **Section 4. Separation of Build-Up Related Revenues.** §13107 of Article  
2 1, Chapter 13, Title 2, Guam Code Annotated, is hereby *amended*, to read:

3           **“§ 13107. Special Accounting Service.**

4           (a) There is hereby established a Special Accounting Service work  
5 group comprised of a senior staff member of *I Liheslaturan Guåhan*’s Office  
6 of Finance and Budget; the Controller of the Department of Administration;  
7 the Chief of the Taxpayer Services Administration Branch of the  
8 Department of Revenue and Taxation; the Budget Analyst Supervisor of the  
9 Bureau of Budget and Management Research; the Chief Planner of the  
10 Bureau of Statistics and Plans; and the Chief Information Officer (CIO) of  
11 the Bureau of Information Technology (BIT). Said Service shall meet from  
12 time to time to discuss and develop recommendations on fiscal policy,  
13 provide technical assistance to the Office of Finance and Budget, and share  
14 information relative to government finances. The senior staff member of *I*  
15 *Liheslaturan Guåhan*’s Office of Finance and Budget shall serve as  
16 Chairperson of the Special Accounting Service.

17           (b) The Special Accounting Service shall, by not later than July 31<sup>st</sup>,  
18 2015, formulate and submit a policy proposal to the Speaker of *I*  
19 *Liheslaturan Guåhan* and to *I Maga’lahen Guåhan* to identify, separate, and  
20 ensure the deposit of revenues related to the temporary increase of military  
21 construction activity and personnel caused by the military build-up into the  
22 Responsible Guam Build-up Fund, as provided in 5 GCA §4123, or a  
23 process to ensure the deposit of an equivalent amount of revenues into the  
24 Responsible Guam Build-up Fund.”