

I Mina'trentai Sais Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
307-36 (COR)	James C. Moylan	AN ACT TO <i>ADD</i> A NEW § 8503(c)(1) AND § 8503(c)(2) TO ARTICLE 5 OF CHAPTER 8, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO REDUCING THE NON-PENALTY RETIREMENT AGE FOR CATEGORY ONE (1) AND CATEGORY TWO (2) PEACE OFFICERS WHO ARE MEMBERS OF THE DEFINED BENEFIT 1.75 PLAN FROM SIXTY-TWO (62) YEARS OF AGE TO FIFTY-SEVEN (57) YEARS OF AGE, TO REPLICATE CERTAIN FEDERAL STANDARDS, TO REDUCE GOVERNMENT EXPENDITURES, AND TO ENSURE LAW ENFORCEMENT AGENCIES CONTINUOUSLY RECRUIT AND HIRE PEACE OFFICERS.	5/18/22 10:25 A.M.						

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2022 (SECOND) Regular Session

Bill No. 307-36 (COR)

Introduced by:

James C. Moylan 

AN ACT TO *ADD* A NEW § 8503(c)(1) AND § 8503(c)(2) TO ARTICLE 5 OF CHAPTER 8, TITLE 4, GUAM CODE ANNOTATED, RELATIVE TO REDUCING THE NON-PENALTY RETIREMENT AGE FOR CATEGORY ONE (1) AND CATEGORY TWO (2) PEACE OFFICERS WHO ARE MEMBERS OF THE DEFINED BENEFIT 1.75 PLAN FROM SIXTY-TWO (62) YEARS OF AGE TO FIFTY-SEVEN (57) YEARS OF AGE, TO REPLICATE CERTAIN FEDERAL STANDARDS, TO REDUCE GOVERNMENT EXPENDITURES, AND TO ENSURE LAW ENFORCEMENT AGENCIES CONTINUOUSLY RECRUIT AND HIRE PEACE OFFICERS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the federal government established a special retirement system for law enforcement officers, specifically for certain designated positions which require the employees to meet vigorous physical demands over the years. Because of those demands, the retirement system allows those employees to retire at an earlier age without facing penalties, as well as a mandatory separation after a certain age. For most of these positions, the attained age of 57 is when the employees must separate from the position.

1 In 2018 government of Guam employees were provided the option of either
2 staying with the Defined Contribution Plan or switch to a new Defined Benefit 1.75
3 (DB 1.75) Retirement plan. While there were some concerns with this new DB 1.75
4 plan, the realities of a guaranteed benefit annuity were alluring for most employees
5 to elect this option. Under the DB 1.75 plan, an employee has the option of retiring
6 at 62 years of age, granted they have completed at least 5 years of service. The plan
7 does provide an employee with at least 25 years of service the opportunity to retire
8 after attaining the age of 55, however the employee would face penalties each year
9 until they turn 62.

10 Category 1 and Category 2 Peace Officers, as defined by § 3103 of Chapter
11 3, 27 GAR, are positions which by federal standards meet vigorous physical
12 demands. In some cases, the hazardous conditions of certain positions create
13 challenges after years of physical wear and tear, which in the case of public safety
14 roles may create some concerns when it comes to the safety of the community, as
15 well as the health of the officer. However, if a peace officer was to elect the option
16 of retiring prior to the DB 1.75 plans required age of 62, they shall be penalized up
17 to 6% a year of their annuity until they attained the age of 62.

18 This Act would merely reduce the age for a Category 1 and Category 2 Peace
19 Officer who is a member of the DB 1.75 plan from 62 to 57, to retire early without
20 facing penalties. This is the recommended age of the federal government for most
21 law enforcement and peace officer positions to mandatorily separate and retire.
22 Federal Firefighters are provided the age of 55 to retire. This Act does not amend
23 the amount of the penalties for early retirement, and a qualified member of the DB
24 1.75 plan may still utilize the option of retiring at age 55, however the penalties
25 would end once that member turns the age of 57. This Act also does not require a
26 mandatory retirement, and ultimately it would be decision of the officer on what age
27 they would opt to retire.

1 If enacted, this Act would assure that when it comes to law enforcement
2 departments, as well as the Guam Fire Department, that the average age of the pool
3 would reduce, which assures the community that when it comes to public safety,
4 fresher bodies are keeping the communities safe. This would also encourage
5 seasoned officers who are retiring at an earlier age without penalties, to utilize their
6 acquired skills in other capacities within public safety positions in the private sector
7 or federal government that require less vigorous physical demands. The measure
8 would also reduce the operational expenses of the government of Guam, as every
9 retired officer who has grown exponentially within the ranks would unofficially be
10 replaced by an entry level recruit, when it comes to filling department vacancies.
11 This would also assure that agencies prioritize annual training cycles to not only
12 ensure adequate and consistent manpower is a priority, but also to comply with
13 language in Public Law 36-54.

14 **Section 2.** A new § 8503(c)(1) and § 8503(c)(2) are hereby *added* to Article
15 5 of Chapter 8, Title 4, Guam Code Annotated to read as follows:

16 (c) Retirement. Notwithstanding the otherwise applicable retirement
17 requirements under §§ 8119 through 8120.1 or other successor provisions, a
18 Defined Benefit 1.75 Plan member *may* retire on a service retirement annuity
19 under the Retirement Fund, upon written application to and approval by the
20 Board; provided that such member shall have attained at least sixty-two (62)
21 years of age and has completed five (5) years of service. However, at the
22 option of the Defined Benefit 1.75 Plan member, whether active or inactive,
23 such member *may* retire after (1) attaining at least fifty-five (55) years of age
24 and (2) completing twenty-five (25) years of service, in which case the
25 retirement annuity for such member *shall* be reduced one half (1/2) of one
26 percent (1%) for each month such member is under the age of sixty-two (62)

1 years at such time of retirement, from the amount of the retirement annuity
2 determined for such member as of his attainment of age sixty-two (62).

3 “(1) Notwithstanding any other provisions of the law, rule, or
4 regulation to the contrary, any Category One (1) or Category Two (2)
5 Peace Officer, as defined by § 3103 of Chapter 3, 27 GAR, except the
6 Attorney General and his/her designated Assistant Attorney General, if
7 a Defined Benefit 1.75 Plan member, may retire on a service retirement
8 annuity under the Retirement Fund, upon written application to and
9 approval by the Board; provided that such member shall have attained
10 at least fifty-seven (57) years of age and has completed five (5) years
11 of service.

12 (2) Notwithstanding any other provisions of the law, rule, or
13 regulation to the contrary, any Category One (1) or Category Two (2)
14 Peace Officer, as defined by § 3103 of Chapter 3, 27 GAR, except the
15 Attorney General and his/her designated Assistant Attorney General, at
16 the option of the Defined Benefit 1.75 Plan member, whether active or
17 inactive, such member may retire after (1) attaining at least fifty-five
18 (55) years of age and (2) completing twenty-five (25) years of service,
19 in which case the retirement annuity for such member shall be reduced
20 one half (1/2) of one percent (1%) for each month such member is under
21 the age of fifty-seven (57) years at such time of retirement, from the
22 amount of the retirement annuity determined for such member as of his
23 attainment of age fifty-seven (57).”

24 **Section 3. Severability.** If any provision of this Act or its application to
25 any person or circumstance is found to be invalid or contrary to law, such invalidity
26 shall not affect other provisions or applications of this Act that can be given effect

1 without the invalid provision or application, and to this end the provisions of this
2 Act are severable.

3 **Section 4. Effective Date.** The Act *shall* be effective on October 1, 2023.