

*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
42-36 (COR)	Therese M. Terlaje Joe S. San Agustin	AN ACT TO ADD A NEW CHAPTER 98 TO TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO THE ESTABLISHMENT OF THE NURSE RECRUITMENT AND RETENTION FUND WITH PROCEEDS FROM THE ANNUAL COMMUNITY CONTRIBUTION OF THE QUALIFYING CERTIFICATE NO. 252 FROM THE GUAM HEALTHCARE DEVELOPMENT, INC., DBA GUAM REGIONAL MEDICAL CITY (GRMC), FOR THE SOLE PURPOSE OF FUNDING THE NURSING DIFFERENTIAL PAY AT GUAM MEMORIAL HOSPITAL AUTHORITY TO ADDRESS NURSING RECRUITMENT AND RETENTION SHORTAGES; AND TO BE KNOWN AS "THE GMHA NURSE RECRUITMENT AND RETENTION ACT OF 2021."	1/26/21 10:26 p.m.						

***I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN***  
**2021 (FIRST) Regular Session**

**Bill No. 42-36 (COR)**

Introduced by:

Therese M. Terlaje *Tmt*  
Joe S. San Agustin *JS*

**AN ACT TO ADD A NEW CHAPTER 98 TO TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO THE ESTABLISHMENT OF THE NURSE RECRUITMENT AND RETENTION FUND WITH PROCEEDS FROM THE ANNUAL COMMUNITY CONTRIBUTION OF THE QUALIFYING CERTIFICATE NO. 252 FROM THE GUAM HEALTHCARE DEVELOPMENT, INC., DBA GUAM REGIONAL MEDICAL CITY (GRMC), FOR THE SOLE PURPOSE OF FUNDING THE NURSING DIFFERENTIAL PAY AT GUAM MEMORIAL HOSPITAL AUTHORITY TO ADDRESS NURSING RECRUITMENT AND RETENTION SHORTAGES; AND TO BE KNOWN AS “THE GMHA NURSE RECRUITMENT AND RETENTION ACT OF 2021.”**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that Guam Memorial Hospital Authority (GMHA) has faced perennial nursing  
4 shortages for decades which have impacted the hospital’s ability to maximize bed  
5 capacity in its Acute, Emergency, and Clinical Areas. Each year GMHA loses  
6 nurses due to retirement, resignation, or transfer to other public or private entities  
7 on island or off-island opportunities. The Director of Administration was charged  
8 since at least 1998 with providing recruitment and retention incentives for nurses  
9 in the government of Guam, to review salary schedules every three years and

1 upgrade as needed, to ensure classifications are competitive with the national  
2 average.

3 In April 2019, GMHA instituted a 16% differential pay increase to nurses'  
4 wages in an effort to recruit and retain registered nurses at Guam's only public  
5 hospital. The 16% differential pay for nurses cost an estimated \$3.3 M  
6 annually. However, even with the additional 16% differential pay, *I Liheslaturan*  
7 *Guåhan* finds that GMHA nurses are paid significantly less than the national  
8 average annual salary. In 2019, the national average salary for registered nurses  
9 was \$73,300. Based on the FY 2020 staffing pattern, the estimated average salary  
10 for GMHA nurses is \$46,602. In addition on the local level, entry level nursing  
11 salaries for GMHA nurses despite the additional 16% differential pay are lower  
12 than most entry level nursing positions in other public and private health care  
13 settings on Guam.

14 In August 2020, to address the shortage of nurses in Intensive Care Unit,  
15 Emergency Room, or Hemodialysis Unit, and to incentivize these crucial positions,  
16 the GMHA Board of Trustees passed Resolution 2020-37 which implemented an  
17 additional 15% differential pay for highly skilled nurses in the Intensive Care Unit,  
18 Emergency Room, or Hemodialysis Unit.

19 Recently, the GMHA Board of Trustees have explored increasing the 16%  
20 differential pay for nurses to 22% in order to achieve parity at Guam Memorial  
21 Hospital with competing nursing salaries on and off island. However, additional  
22 funding would be needed to implement this recruitment and retention strategy.  
23 *I Liheslaturan Guåhan* finds that the Guam Economic Development Authority  
24 (GEDA) and the Governor of Guam issued Qualifying Certificate (QC) No. 252 to  
25 Guam Healthcare Development, Inc., dba Guam Regional Medical City (GRMC)  
26 in January 2015. The QC provided tax abatements and rebates, to include a  
27 corporate income tax rebate at seventy-five percent (75%) for twenty (20) years, a

1 corporate tax dividend tax rebate at seventy-five percent (75%) for five (5) years,  
2 and a real property tax abatement at one hundred percent (100%) for ten (10) years.

3 *I Liheslaturan Guåhan* also finds that the QC to GRMC required that an  
4 Annual Community Contribution be provided to the government of Guam as  
5 follows: Year 1: Five Hundred Thousand Dollars (\$500,000); Year 2: Seven  
6 Hundred Fifty Thousand Dollars (\$750,000); Years 3 to 5: One Million Dollars  
7 (\$1,000,000); Years 6 to 10: One Million Two Hundred Thousand Dollars  
8 (\$1,200,000); and Years 11 to 20: One Million Four Hundred Thousand Dollars  
9 (\$1,400,000). Such contribution funds were recommended in §3.12.02 of QC No.  
10 252 to be allocated to health care (priority to Guam Memorial Hospital and  
11 Department of Public Health and Social Services), Medicaid matching, MIP  
12 payments; public safety; economic development with a priority on the promotion  
13 of the medical industry and small business; higher education, and cultural  
14 preservation.

15 *I Liheslaturan Guåhan* further finds that for Fiscal Year 2021, the  
16 government of Guam expects to receive One Million Dollars (\$1,200,000) in  
17 Annual Community Contributions from the GRMC; and *I Liheslaturan Guåhan*  
18 contends that such Annual Community Contributions can be, and is, subject to  
19 legislative appropriation.

20 Therefore, *I Liheslaturan Guåhan* intends to transfer such funds to the Nurse  
21 Recruitment and Retention Fund in Fiscal Year 2021 and each year after for the  
22 length of the QC No. 252 for the sole purpose of increasing the nursing differential  
23 pay at Guam Memorial Hospital Authority pursuant to this Act; and it is also the  
24 intent of *I Liheslaturan Guåhan* to provide GMHA with the funding necessary to  
25 adequately recruit and retain nursing staff at Guam's only public hospital.

26 **Section 2. Nurse Recruitment and Retention Fund.** A new Chapter 98 is  
27 hereby added to Title 10, Guam Code Annotated, to read:

1 **“CHAPTER 98**

2 **NURSE RECRUITMENT AND RETENTION FUND**

3 § 98101. Short Title.

4 § 98102. Nurse Recruitment and Retention Fund.

5 § 98103. Use of Funds for the Recruitment and Retention of Nurses at Guam  
6 Memorial Hospital.

7 § 98104. Submission of Detailed Report of Expenditures on a Quarterly  
8 Basis.

9 **§ 98101. Short Title.** This Act may be cited as "The GMHA Nurse  
10 Recruitment and Retention Act of 2021."

11 **§ 98102. Nurse Recruitment and Retention Fund.**

12 (a) Notwithstanding any other law, there is hereby created, separate  
13 and apart from other funds and accounts of the government of Guam, a fund  
14 known as the Nurse Recruitment and Retention Fund (Fund). The Fund shall  
15 not be commingled with the General Fund or any other fund or account of  
16 the government of Guam, and shall be kept in a separate bank account, as  
17 provided pursuant to this Chapter, to be used by the Guam Memorial  
18 Hospital Authority for the purposes authorized. The Fund, to include any  
19 monies in the Fund dedicated and dispersed for purposes specified in this  
20 Act, shall not be subject to the transfer authority of I Maga'hågan Guåhan.

21 (b) Notwithstanding any other provision of law, rule, or regulation,  
22 the Fund shall be financed by:

23 (1) the Annual Community Contribution of QC No. 252 from  
24 the Guam Healthcare Development, Inc., dba Guam Regional Medical  
25 City received by the Guam Economic Development Authority, from  
26 the calendar year 2021 Annual Community Contribution through the  
27 expiration date of the QC on January 1, 2036. GEDA may retain

1           \$200,000 annually from the Annual Community Contribution of QC  
2           No. 252 and shall deposit the remaining amount of the Annual  
3           Community Contribution by transfer from the Guam Economic  
4           Development Authority into the Nurse Recruitment and Retention  
5           Fund within five (5) days of receipt of any portion or portions  
6           received thereof. The Department of Administration shall deposit such  
7           funds and record the revenue thereof into the Nurse Recruitment and  
8           Retention Fund.

9           **§ 98103. Allocations and Use of Funds; Authorized.**

10           (a) To aid in the hospital's recruitment and retention of nurses, the  
11           funds in the Nurse Recruitment and Retention Fund shall be allocated  
12           annually to the Guam Memorial Hospital Authority for the sole purpose  
13           of increasing differential pay beyond 16% for nurses and increasing  
14           differential pay beyond 15% for highly skilled nurses in the Intensive Care  
15           Unit, Emergency Room, or Hemodialysis Unit. The funds will become  
16           available to the Guam Memorial Hospital Authority upon adopted resolution  
17           by the GMH Board of Trustees approving and detailing its use for increased  
18           differential pay beyond 16% for nurse wages and increased differential pay  
19           beyond 15% for highly skilled speciality nurses as determined by the GMH  
20           Board of Trustees. Copies of the adopted resolution shall be transmitted to  
21           the Guam Economic Development Agency and the Speaker of I  
22           *Liheslaturan Guåhan.*

23           **§ 98104. Submission of Detailed Report of Expenditures on a**  
24           **Quarterly Basis.** The Administrator of the Guam Memorial Hospital  
25           Authority shall submit to *I Liheslaturan Guåhan* and *I Maga'hågan Guåhan*  
26           a detailed report of the expenditures of the Nurse Recruitment and Retention  
27           Fund on a quarterly basis.”

1           **Section 4. Effective Date.** This Act shall become effective upon  
2 enactment.

3           **Section 5. Severability.** If any provision of this Act or its application to  
4 any person or circumstance is found to be invalid or contrary to law, such  
5 invalidity shall not affect other provisions or applications of this Act that can be  
6 given effect without the invalid provision or application, and to this end the  
7 provisions of this Act are severable.