

I MINA' TRENTA NA LIHESLATURAN GUÅHAN
2010 (SECOND) Regular Session

Bill No. 345-30 (LS)

Introduced by:

Telo Taitague
B. J. F. Cruz
A. B. Palacios, Sr.
J.C. Aza

AN ACT TO ADD A NEW ARTICLE 2 TO CHAPTER 30
OF 5GCA RELATIVE AUTHORIZING THE OFFICE OF
THE ATTORNEY GENERAL TO RECOVER COSTS
ASSOCIATED WITH PROVIDING STATUTORILY
MANDATED LEGAL SERVICES TO AGENCIES AND
PROGRAMS THAT ARE NOT SUPPORTED BY THE
TAX-BASE OF THE GOVERNMENT OF GUAM.

Handwritten notes and signatures on the right side of the page, including "R. M. ...", "FFBLAS.02", "A. B. Palacios, Sr.", and "W.M.S.".

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

2 **Section 1.** A new Article 2 is added to Chapter 30 of 5GCA to read as
3 follows:

4 **Article 2**

5 **Legal Fees and Costs for Certain Non-General Fund/ Special Fund**
6 **Supported Activities**

7
8 **§30201. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds that
9 the operations of the Attorney General's Office are fiscally supported by the
10 revenues of the General Fund and the various special funds of the Government of
11 Guam. As such, the Attorney General is expected to provide legal services to those
12 agencies that also are fiscally supported by the tax-base of the Government of
13 Guam. Public Law and federal law also place mandates on the Office of the
14 Attorney General that include (1) review of all contracts including those
15 originating from agencies that are fiscally autonomous from the tax-base of the

1 Government of Guam, (2) review of contracts that are funded by federal sources,
2 and, most recently, (3) review of all procurement documents where the cost of the
3 procurement is expected to exceed \$500,000.

4 *I Liheslatura* further finds that such mandates do not constitute a need for
5 the Office of the Attorney General to dedicate an attorney to each autonomous
6 agency or federal program to fulfill the Office's statutory obligations to those
7 agencies and programs but, rather, maintain a pool of staff attorneys to perform
8 such reviews as the need arises. *I Liheslatura* further finds that the ability to
9 maintain such a pool of qualified attorneys or solicitors is contingent upon the
10 Office of the Attorney General to cover the cost of salaries and overhead for these
11 additional attorneys or solicitors.

12 *I Liheslatura* further finds that the private practice of law provides a
13 business model that may be utilized by the Office of the Attorney General to
14 recover the cost of providing statutorily mandated services for agencies and
15 programs that are not supported by the tax-base of the Government of Guam. This
16 model includes *billable hours* for legal services and *legal cost* billing for definable
17 external expenses such as postage, copying, notary fees and process service. In
18 recent hearings before *I Liheslaturan Guåhan*, witnesses have testified that private
19 law firms currently bill their clients from \$200 to \$350 per hour.

20 It is the intent of *I Liheslatura* to provide the Office of the Attorney General
21 with the means to recover the cost of providing statutorily mandated services to
22 agencies and programs that are not funded by the General Fund and Special Fund
23 revenues of the Government of Guam.

24
25 **§30202. Legal Fees for Certain Non-General Fund/ Special Fund**
26 **Supported Activities.** The office of the Office of the Attorney General is
27 authorized to bill agencies, instrumentalities and public corporations of the

1 Government of Guam for the review of (1) contracts where Public Law and/or
2 federal law require the review, approval and/or signature of the Attorney General
3 and (2) procedures, documents and instruments relating to the requirements of
4 5GCA: §5150 provided that source of funding for the contract or procurement is
5 not the General Fund or a Special Fund of the Government of Guam or Federal
6 Funds except as provide by §30203 of this Article. The billable rate shall be Two
7 Hundred Dollars (\$200.00) per hour. Policies used to determine the number of
8 billable hours charged for each review shall be consistent with the ethical standards
9 and practices of law on Guam.

10

11 **§30203. Legal Fees for Federally Funded Activities.** To the extent
12 authorized or allowed for by federal law or the conditions of federal grants, the
13 office of the Office of the Attorney General is authorized to bill agencies,
14 instrumentalities and public corporations of the Government of Guam for the
15 review of (1) federally funded contracts where Public Law and/or federal law
16 require the review, approval and/or signature of the Attorney General and (2)
17 procedures, documents and instruments relating to the requirements of 5GCA:
18 §5150 for federally funded procurement. The billable rate shall not exceed Two
19 Hundred Dollars (\$200.00) per hour or the maximum, if any, allowed by the
20 provisions of federal law or the conditions of the federal grant. Policies used to
21 determine the number of billable hours charged for each review shall be consistent
22 with the ethical standards and practices of law on Guam.

23

24 **§30204. Related Costs.** The Office of the Attorney General is authorized to
25 bill agencies for the actual costs related to the services rendered under the
26 provisions of §§30202 and 30203 of this Article. Such costs include postage,
27 copying and reproduction charges, transcription, notary fees, process service and

1 other actual costs necessary in performing the tasks required by the provisions of
2 §§30202 and 30203 of this Article.

3 **§30205. Adjustment of billable rate.** The Office of the Attorney General
4 may, at intervals not less than three (3) years, adjust the billable rates of §§30202
5 and 30203 of this Article. The adjustment shall be based on comparable billable
6 rates of private law firms doing business on Guam but may not exceed fifteen
7 percent (15%) each adjustment interval. Billable rate adjustments authorized by
8 this Section shall be subject to 5GCA: Chapter 9; Administrative Adjudication
9 Law.