



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

OCT 07 1997

Refer to
Legislative Secretary

The Honorable Antonio R. Unpingco
Speaker
Twenty-Fourth Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Agana, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGEMENT RECEIPT	
Received by:	<u>[Signature]</u>
Time:	<u>11:54am</u>
Date:	<u>10-8-97</u>

Dear Speaker Unpingco:

Enclosed please find a copy of Substitute Bill No. 271 (LS), "AN ACT TO AMEND §13102 OF CHAPTER 13 OF TITLE 4 OF THE GUAM CODE ANNOTATED AND TO ADD A NEW §13104.1 TO CHAPTER 13 OF TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO THE FINANCIAL DISCLOSURE REQUIREMENTS OF VARIOUS GOVERNMENT OF GUAM OFFICIALS.", which I have signed into law as Public Law No. 24-91.

The financial disclosure requirements in this legislation substantially relieve the heavy burden of complete disclosure that was imposed in the prior statutes on government board or commission members. Board and commission members put in long hours of valuable community service, totally as volunteer labor, or in some cases, for only a small stipend. We need to encourage more members of our community to undertake responsible public service, as many are currently doing, to help solve our problems as a community, and improve our island for everyone.

Very truly yours,

[Signature]
Carl T. C. Gutierrez
Governor of Guam

Attachment

cc: The Honorable Joanne M. S. Brown
Legislative Secretary

00477

Office of the Speaker
ANTONIO R. UNPINGCO
Date: 10-8-97
Time: 9:30 AM
Rec'd by: [Signature]
Print Name: Janice Mesa

TWENTY-FOURTH GUAM LEGISLATURE
1997 (FIRST) Regular Session


CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 271 (LS), "AN ACT TO AMEND §13102 OF CHAPTER 13 OF TITLE 4 OF THE GUAM CODE ANNOTATED AND TO ADD A NEW §13104.1 TO CHAPTER 13 OF TITLE 4 OF THE GUAM CODE ANNOTATED, RELATIVE TO THE FINANCIAL DISCLOSURE REQUIREMENTS OF VARIOUS GOVERNMENT OF GUAM OFFICIALS," was on the 12th day of September, 1997, duly and regularly passed.



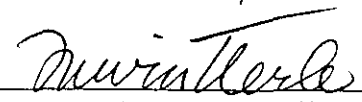
ANTHONY C. BLAZ
Acting Speaker

Attested:



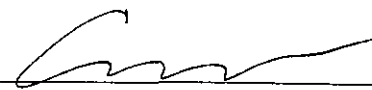
JOANNE M.S. BROWN
Senator and Legislative Secretary

This Act was received by the Governor this 26th day of September, 1997, at
4:00 o'clock P.M.



Assistant Staff Officer
Governor's Office

APPROVED:



CARL T. C. GUTIERREZ
Governor of Guam

Date: 10-7-97

Public Law No. 24-91

**TWENTY-FOURTH GUAM LEGISLATURE
1997 (FIRST) Regular Session**

Bill No. 271 (LS)

As substituted by the Committee
on Rules, Government Reform
and Federal Affairs and as amended
on the Floor.

Introduced by:

L. F. Kasperbauer
J. C. Salas
E. J. Cruz
T. C. Ada
F. B. Aguon, Jr.
E. Barrett-Anderson
A. C. Blaz
J. M.S. Brown
Felix P. Camacho
Francisco P. Camacho
M. C. Charfauros
W. B.S.M. Flores
Mark Forbes
A. C. Lamorena, V
C. A. Leon Guerrero
L. Leon Guerrero
V. C. Pangelinan
A. L.G. Santos
F. E. Santos
A. R. Unpingco
J. Won Pat-Borja

**AN ACT TO AMEND §13102 OF CHAPTER 13 OF
TITLE 4 OF THE GUAM CODE ANNOTATED AND
TO ADD A NEW §13104.1 TO CHAPTER 13 OF
TITLE 4 OF THE GUAM CODE ANNOTATED,
RELATIVE TO THE FINANCIAL DISCLOSURE
REQUIREMENTS OF VARIOUS GOVERNMENT
OF GUAM OFFICIALS.**

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

2 **Section 1. Legislative Findings.** The Guam Legislature finds that the
3 present application of the financial disclosure requirements contained in
4 Chapters 13 and 15 of Title 4, Guam Code Annotated, to uncompensated
5 members and appointees to various government boards and commissions are
6 overly intrusive and discourage many potential board members from serving.
7 The Guam Legislature further finds that since the authority to authorize the
8 expenditure of funds or approval of contracts is largely vested in the directors
9 of each agency, individuals other than elected and appointed director and
10 deputy director positions should not be required to file financial disclosure
11 statements.

12 **Section 2.** Section 13102(a) of Chapter 13 of Title 4 of the Guam Code
13 Annotated is hereby amended to read as follows:

14 **"Section 13102. Definitions for Purposes of This Act.** (a) The
15 term official means any person elected to any public office in Guam and
16 any person appointed, with legislative concurrence or by the Guam
17 Legislature, to any public office, to include, but not limited to:

18 (1) all elected officials;

19 (2) officials appointed by the Governor whose
20 appointment is subject to the consent of the Guam Legislature,
21 except ex-officio and student members of Boards and
22 Commissions in their capacity as members of such Boards and
23 Commissions; and

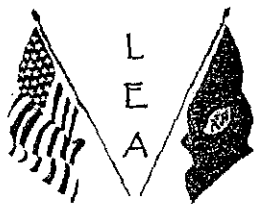
24 (3) the chief executive officers, by whatever title they may

1 be known, of all agencies and instrumentalities of the government
2 of Guam whether or not confirmation by the Guam Legislature is
3 required.”

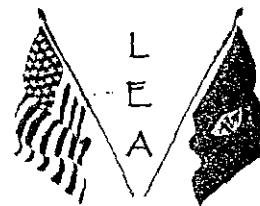
4 **Section 3.** Section 13104.1 is hereby added to Chapter 13 of Title 4 of the
5 Guam Code Annotated to read as follows:

6 **“Section 13104.1. Contents of Reports Filed by Appointees to or**
7 **Members of Boards and Commissions.** Notwithstanding any other
8 provision of Public Law, all appointees to Boards and Commissions of
9 the government of Guam, as defined by §13102(5) of this Chapter, shall
10 be required to disclose and submit a report containing only information
11 where conflicts of interest or possible conflicts of interest exist at the
12 time of appointment or as may be expected to exist during their tenure
13 of service on the board or commission to which they are being
14 appointed. Such information shall include conflicts of interest or
15 possible conflicts of interests with the appointee’s or member’s place of
16 employment, any entity in which the appointee or member serves as a
17 director or consultant to and any entity to which the appointee or
18 member or a family member of the appointee or member owns an
19 interest of five percent (5%) or more in. A family member shall be
20 defined as any relative by blood or marriage or cohabitation in lieu of
21 marriage; within two (2) degrees of consanguinity. In the event that any
22 conflicts of interests, as defined herein, arise subsequent to a member’s
23 appointment, the member shall, within thirty (30) days of the
24 knowledge of such conflicts of interest, file an amended report with the
25 Guam Election Commission or by the next filing deadline, whichever is

1 sooner. For purposes of this Subsection, 'conflicts of interest' shall be
2 defined under the provisions of §15205 of Title 4, Guam Code
3 Annotated. In the event that no conflicts of interests or possible
4 conflicts of interest exist, the report shall state that 'no conflicts of
5 interest exists.' The Election Commission shall prepare separate
6 disclosure reports specifically for board and commission members. In
7 the event that any Board or Commission is required to approve the
8 purchase of any item from any source in which any of its members may
9 have a conflict of interest as described herein, such member shall
10 disclose for the record, the nature of such conflict and shall append a
11 copy of the minutes of such meeting to the financial disclosure report."



Guam Legislative Employee's Association



Membership Enrollment

Name: _____

Date of Employment: _____

Department: _____

Date of Birth: _____

I hereby submit this enrollment application to become a sanctioned member of the Legislative Employees Association (a non-profit organization) to contribute and participate in the general welfare of other employees who are members by means of social interaction and physical fitness through Association sponsored functions and/or programs.

I understand that I must submit \$5.00 initiation fee with this application and will be deducted \$2.00 every pay period. It is also understood that I must keep my dues up to date and if or when I cancel my payroll deduction, this will automatically withdraw my membership with the Association.

Signature

Date

24-91

✓
24th Guam Legislature
Committee on Rules, Government
Reform and Federal Affairs
Senator Mark Forbes, Chairman



SEP 10 1997

Speaker Antonio R. Unpingco
Twenty-fourth Guam Legislature
155 Hesler Street
Agana, Guam 96910

Dear Mr. Speaker:

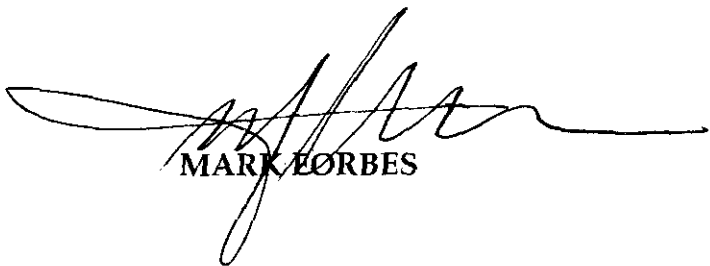
The Committee on Rules, Government Reform and Federal Affairs, to which Bill No. 271 was referred, wishes to report its findings and recommendations **TO DO PASS BILL NO. 271** as substituted by the Committee, "An act to amend §13102 of Title 4, Guam Code Annotated, to add a new §13104.1 to Title 4, Guam Code Annotated relative to the financial disclosure requirements of various government of Guam officials, to add a new §43116 and §43117 relative to the authorized activities of boards and commissions."

The voting record is as follows:

TO PASS	<u>7</u>
NOT TO PASS	<u>0</u>
ABSTAIN	<u>0</u>
TO PLACE IN INACTIVE FILE	<u>0</u>

Copies of the Committee Report and other pertinent documents are attached.

Thank you and si Yu'os ma'ase for your attention to this matter.


MARK FORBES

Attachments

24th Guam Legislature
Committee on Rules, Government
Reform and Federal Affairs
Senator Mark Forbes, Chairman



SEP 10 1997

MEMORANDUM

TO: Committee Members

FR: Chairman

SUBJECT: Committee Report- Bill No. 271 as substituted by the Committee, "An act to amend §13102 of Title 4, Guam Code Annotated, to add a new §13104.1 to Title 4, Guam Code Annotated relative to the financial disclosure requirements of various government of Guam officials, to add a new §43116 and §43117 relative to the authorized activities of boards and commissions."

Transmitted herewith for your information and action is the report on Bill No. 271 from the Committee on Rules, Government Reform and Federal Affairs.

This memorandum is accompanied by the following:

1. Committee Voting Sheet
2. Committee Report
3. Written Testimony
4. Bill No. 271
5. Public Hearing Sign-in Sheet
6. Fiscal Note/Fiscal Note Waiver
7. Notice of Public Hearing

Please take the appropriate action on the attached voting sheet. Your attention and cooperation in this matter is greatly appreciated.

Should you have any questions regarding the report or accompanying documents, please do not hesitate to contact me.

Thank you and si Yu'os ma'ase.

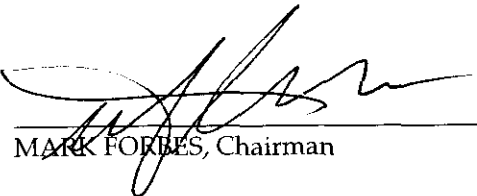
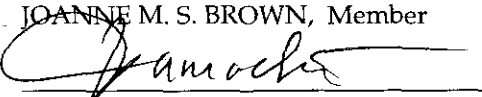
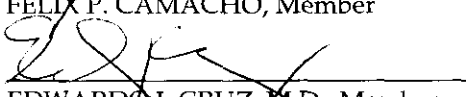

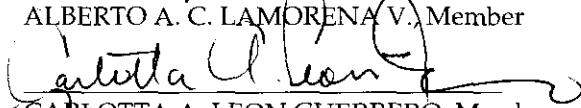
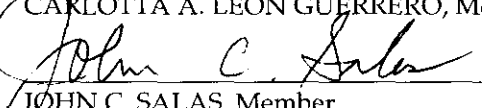
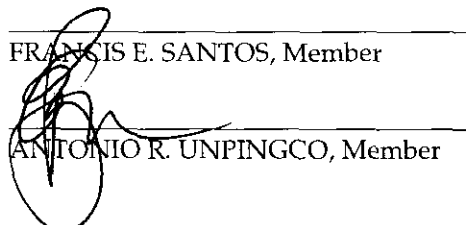

MARK FORBES

Attachments

Committee on Rules, Government Reform and Federal Affairs
Twenty Fourth Guam Legislature

Voting Record

Bill No. 271 as substituted by the Committee, "An act to amend §13102 of Title 4, Guam Code Annotated, to add a new §13104.1 to Title 4, Guam Code Annotated relative to the financial disclosure requirements of various government of Guam officials, to add a new §43116 and §43117 relative to the authorized activities of boards and commissions."

	<u>TO</u> <u>PASS</u>	<u>NOT TO</u> <u>PASS</u>	<u>ABSTAIN</u>	<u>INACTIVE</u> <u>FILE</u>
 _____ MARK FORBES, Chairman	✓			
_____ ANTHONY C. BLAZ, Vice-Chairman				
_____ ELIZABETH BARRETT-ANDERSON, Member				
_____ JOANNE M. S. BROWN, Member				
 _____ FELIX P. CAMACHO, Member	✓			
 _____ EDWARD J. CRUZ, M.D., Member	✓			
_____ LAWRENCE F. KASPERBAUER, Member				
 _____ ALBERTO A. C. LAMORENA V., Member	✓			
 _____ CARLOTTA A. LEON GUERRERO, Member	✓			
 _____ JOHN C. SALAS, Member	✓			
_____ MARK C. CHARFAUROS, Member				
_____ FRANCIS E. SANTOS, Member				
 _____ ANTONIO R. UNPINGCO, Member	✓			

TWENTY-FOURTH GUAM LEGISLATURE

**COMMITTEE ON RULES,
GOVERNMENT REFORM & FEDERAL AFFAIRS
SENATOR MARK FORBES, CHAIRMAN**

Committee Report

On

Bill No. 271

As substituted by the Committee

“An act to amend §13102 of Title 4, Guam Code Annotated, to add a new §13104.1 to Title 4, Guam Code Annotated relative to the financial disclosure requirements of various government of Guam officials, to add a new §43116 and §43117 relative to the authorized activities of boards and commissions.”

I. OVERVIEW

On June 23, 1997 the Committee on Rules, Government Reform and Federal Affairs conducted a public hearing on Bill No. 271 "An act to amend §13102 of Title 4, Guam Code Annotated, to add a new §13104.1 to Title 4, Guam Code Annotated relative to the financial disclosure requirements of various government of Guam officials, to add new §43116 and §43117 relative to the authorized activities of boards and commissions." The hearing took place at 9:00 A.M. in the Public Hearing Room of the Guam Legislative Building. Public Notice was given through an announcement in the June 19, 1997 issue of the Pacific Daily News.

Senators in attendance were:

Senator Mark Forbes, Chairman
Senator Edwardo Cruz, Member
Senator Mark Charfauros, Member
Senator Tony Lamorena, Member
Senator Tom Ada
Senator Willy Flores
Senator Lou Leon Guerrero
Senator Ben Pangelinan

There being no individuals present to testify on the bill, the bill was formally heard and the floor was open to any comments by the senators.

After the public hearing, written testimony was submitted by the Guam Housing and Urban Renewal Authority Board of Commissioners in favor of Bill No. 271 (attached).

II. SUMMARY OF COMMENTS BY SENATORS:

Senator Vicente C. Pangelinan noted that special attention should be made to line 9 of page 1 through line 3 of page 2. Senator Pangelinan stated that it is a matter of practice that board members of the different agencies, especially autonomous agencies, approve the purchases and approve the budgets for the expenditures of such funds. He also mentioned that in certain cases where the amount of the purchase exceeds a certain threshold, a board member must actually sign off for the purchase in addition to the signatures made by the director and deputy director.

In addition, he also stated that some of the definitions in the bill must be addressed. For example, Pangelinan noted that on line 18 of page 2 the words "executive directors" were deleted. He stated that executive directors should be included because some agencies are headed by executive directors or executive secretaries and not by directors and deputy directors. Therefore, the definitions should be specific. He also commented that there should be some clarification with regards to "conflict of interests" as mentioned in section 13104.1

III. FINDINGS AND RECOMMENDATIONS

There being no persons to testify and no written testimonies submitted for Bill No. 271, the concerns of Senator Pangelinan were addressed by the Committee and an amended version has been submitted.

Accordingly, the Committee on Rules, Government Reform and Federal Affairs, to which Bill No. 271 was referred, does hereby submit its findings and recommendations to the Twenty-fourth Guam Legislature **TO DO PASS BILL NO. 271** as substituted by the Committee, "An act to amend §13102

of Title 4, Guam Code Annotatea, to add a new §13104.1 to Title 4, Guam Code Annotated relative to the financial disclosure requirements of various Government of Guam officials, to add new §43116 and §43117 relative to the authorized activities of boards and commissions.”



GHURA

Guam Housing and Urban Renewal Authority
Aturidat Ginima' Yan Rinueban Siudad Guahan

117 Bien Venida Avenue • Sinajana, Guam 96926
Phones: (671) 477-9851 to 4 • Fax: (671) 477-4184 • TTY # (671) 472-3701



AUG 28 1997

Carl T. C. Gutierrez
Governor

Madeleine Z. Bordallo
Lieutenant Governor

Taling M. Taitano
Executive Director

Jose T. San Nicolas
Deputy Director

Board of Commissioners

David N. Sanford
Chairman

Glorina Q. Perez
Vice Chairperson

Soledad A. Lujan
Member

Jaime D. S. Paulino
Member

Jesus S. Okada
Member

Juan C. Wusstig
Member

Vicente Q. Sanchez
Member


The Honorable Mark Forbes
Senator
Twenty-Fourth Guam Legislature
155 Hesler Street
Agana, Guam 96910


Buenas Dihas Senadot Forbes:

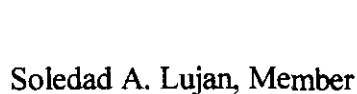
We are writing to request your support and urge the passage of Bill 271 (LS). As members of the Guam Housing and Urban Renewal Authority Board of Commissioners, we find the current law onerous. Our financial position does not impact our commitment as board members. However, we recognize that any potential conflict of interest should be reported. Should the current law stand, the government will lose valuable resources through the resignation of board members and the unwillingness of private citizens to sit on boards due to the financial disclosure requirements.

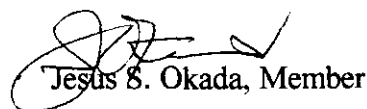
We support the amendment of Title 4 that would eliminate financial disclosure requirements for board members and encourage the passage of this bill before the financial disclosure deadline of October 20, 1997.

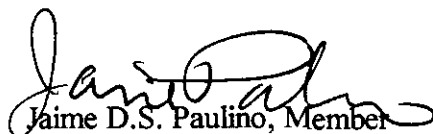
Senseramente,


David N. Sanford, Chairman


Glorina Q. Perez, Vice-Chairperson

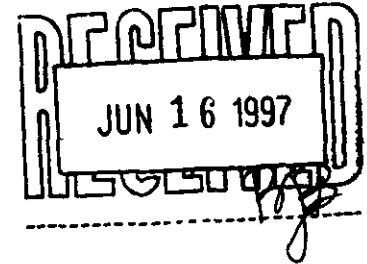

Soledad A. Lujan, Member


Jesus S. Okada, Member


Jaime D.S. Paulino, Member


Juan C. Wusstig, Member

24th Guam Legislature
Committee on Rules, Government
Reform and Federal Affairs
Senator Mark Forbes, Chairman



JUN 16 1997

MEMORANDUM

TO: Chairman
Committee on Rules, Government Reform and Federal Affairs

FROM: Chairman
Committee on Rules, Government Reform and Federal Affairs

SUBJECT: Referral- Bill No. 271

The above Bill is referred to your Committee as the principal committee. It is recommended you schedule a public hearing at your earliest convenience.

Thank you for your attention to this matter.

MARK FORBES

Attachment

FISCAL NOTE
BUREAU OF BUDGET AND MANAGEMENT RESEARCH

BBMR-F7

Bill Number: 211 Date Received: August 29, 1997
Amendatory Bill: Yes Date Reviewed: September 10, 1997

Department/Agency Affected: Guam Election Commission
Department/Agency Head: Henry Torres
Total FY Appropriation to Date: \$671,409

Bill Title (preamble): AN ACT TO AMEND §13102 OF TITLE 4, GUAM CODE ANNOTATED, TO ADD A NEW §13104.1 TO TITLE 4, GUAM CODE ANNOTATED RELATIVE TO THE FINANCIAL DISCLOSURE REQUIREMENTS OF VARIOUS GOVERNMENT OF GUAM OFFICIALS, TO ADD NEW §43116 AND §43117 RELATIVE TO THE AUTHORIZED ACTIVITIES OF BOARDS AND COMMISSIONS.

Change in Law: Amends §13102 of Title 4, GCA and adds §13104.1 to Title 4, (GCA, §43116 and §43117 of Title 5, GCA.

Bill's Impact on Present Program Funding:
Increase _____ Decrease _____ Reallocation _____ No Change XXX

Bill is for:
Operations _____ Capital Improvement _____ Other XXX

FINANCIAL/PROGRAM IMPACT

ESTIMATED SINGLE-YEAR FUND REQUIREMENTS (Per Bill)			
PROGRAM CATEGORY	GENERAL FUND	OTHER	TOTAL
Community Services	<u>1/</u>		

ESTIMATED MULTI-YEAR FUND REQUIREMENTS (Per Bill)						
FUND	1st	2nd	3rd	4th	5th	TOTAL
GENERAL	<u>1/</u>					
OTHER						
TOTAL						

FUNDS ADEQUATE TO COVER INTENT OF THE BILL? 1/ -- IF NO, ADD'L AMOUNT REQUIRED \$ _____
AGENCY/PERSON/DATE CONTACTED: _____

ESTIMATED POTENTIAL MULTI-YEAR REVENUES						
FUND	1st	2nd	3rd	4th	5th	TOTAL
GENERAL FUND	<u>N/A</u>					
OTHER						
TOTAL						

ANALYST mb DATE 9-10-97 DIRECTOR Joseph Rivera DATE SEP 10 1997
Joseph E. Rivera, Acting

FOOTNOTES: 1/ Bill Number 271 would reduce the number of positions in the government who are required to submit a financial disclosure statement. This would be limited to certain positions who directly authorize expenditures of funds, consequently reducing administrative expenses associated with the law. Section 5 of the bill does not identify a fund source for the appropriations.

