



CARL T.C. GUTIERREZ  
GOVERNOR OF GUAM

JAN 05 2003

The Honorable Joanne M. S. Brown  
Legislative Secretary  
I Mina'Bente Singko na Liheslaturan Guåhan  
Twenty-Fifth Guam Legislature  
Suite 200  
130 Aspinal Street  
Hagåtña, Guam 96910

Dear Legislative Secretary Brown:

Enclosed please find Bill No. 432 (COR), "AN ACT TO *AMEND* §§ 2101 AND 22305; AND TO *ADD* §§ 2101.1, 2101.2 AND 2101.3 TO TITLE 5 OF THE GUAM CODE ANNOTATED, AND TO *AMEND* §§ 2, 3(b) AND 4 OF P.L. NO. 26-135, RELATIVE TO ESTABLISHING THE GUAM STATE CLEARINGHOUSE AND VESTING *I SEGUNDU NA MAGA'LAHI* WITH AUTHORITY OVER THE STATE CLEARINGHOUSE", which was **signed** into law as **Public Law No. 26-169**.

Very truly yours,

Carl T. C. Gutierrez  
I Maga'Lahen Guåhan  
Governor of Guam

Attachment: copy attached for signed bill or overridden bill  
original attached for vetoed bill

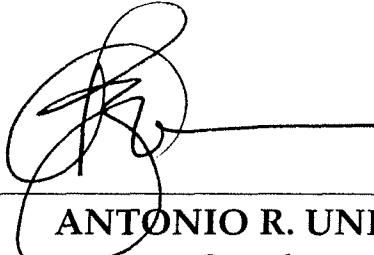
cc: The Honorable Antonio R. Unpingco  
Speaker

011

MINA'BENTE SAIS NA LIHESLATURAN GUAHAN  
2002 (SECOND) Regular Session


CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUAHAN

This is to certify that Bill No. 432 (COR), "AN ACT TO AMEND §§ 2101 AND 22305; AND TO ADD §§ 2101.1, 2101.2 AND 2101.3 TO TITLE 5 OF THE GUAM CODE ANNOTATED, AND TO AMEND §§ 2, 3(b) AND 4 OF P.L. NO. 26-135, RELATIVE TO ESTABLISHING THE GUAM STATE CLEARINGHOUSE AND VESTING *I SEGUNDU NA MAGA'LAHI* WITH AUTHORITY OVER THE STATE CLEARINGHOUSE," was on the 30<sup>th</sup> day of December, 2002, duly and regularly passed.



ANTONIO R. UNPINGCO  
Speaker

Attested:



JOANNE M.S. BROWN  
Senator and Legislative Secretary

-----  
This Act was received by *I Maga'lahaen Guahan* this 30 day of December, 2002,  
at 7:24 o'clock 12 .M.



Assistant Staff Officer  
*Maga'lahaen's Office*

APPROVED:



CARL T. C. GUTIERREZ  
*I Maga'lahaen Guahan*

Date: 1-5-03

Public Law No. 26-169

**MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN**  
**2002 (SECOND) Regular Session**

**Bill No. 432 (COR)**

As amended.

Introduced by:

V. C. Pangelinan  
L. A. Leon Guerrero  
J. F. Ada  
T. C. Ada  
F. B. Aguon, Jr.  
J. M.S. Brown  
E. B. Calvo  
F. P. Camacho  
M. C. Charfauros  
Mark Forbes  
L. F. Kasperbauer  
K. S. Moylan  
A. L. G. Santos  
A. R. Unpingco  
J. T. Won Pat

**AN ACT TO AMEND §§ 2101 AND 22305; AND TO  
ADD §§ 2101.1, 2101.2 AND 2101.3 TO TITLE 5 OF  
THE GUAM CODE ANNOTATED, AND TO  
AMEND §§ 2, 3(b) AND 4 OF P.L. NO. 26-135,  
RELATIVE TO ESTABLISHING THE GUAM  
STATE CLEARINGHOUSE AND VESTING *I*  
*SEGUNDU NA MAGA'LAHI* WITH AUTHORITY  
OVER THE STATE CLEARINGHOUSE.**

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

2           **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*  
3 finds that there is a need to establish a single and centralized clearinghouse  
4 within the government of Guam responsible for overseeing all Federal aid

1 programs, grants, loans, direct Federal development, and other Federal  
2 funding sources for Guam. *I Liheslaturan Guåhan* finds that, particularly in  
3 light of the present dire financial situations of the government, it is of critical  
4 importance to identify, track and oversee the process of obtaining and  
5 receiving sources of Federal funding for Guam, and to ensure that the  
6 government of Guam's relationship and rapport with Federal agencies and  
7 instrumentalities administering such funding is accorded the highest level of  
8 importance. Accordingly, it is important that responsibility for these matters  
9 is vested at the highest levels of the Executive Branch of government.

10 **Section 2.** Section 2101 of Chapter 2 of Title 5 of the Guam Code  
11 Annotated is hereby *amended* to read as follows:

12 **“Section 2101. Creation of the Guam State Clearinghouse.**

13 There is within the Office of *I Segundu Na Maga'lahi* a bureau of the  
14 government of Guam which shall be known as the ‘*Guam State*  
15 *Clearinghouse.*’

16 Notwithstanding any other provision of law to the contrary, the Guam  
17 State Clearinghouse shall have *exclusive* purview at the Guam-level over all  
18 Federal aid programs, grants, loans, contracts, contributions, appropriations,  
19 advances, direct Federal development and other Federal funding sources for  
20 Guam. The Guam State Clearinghouse shall be headed by a Director, who  
21 shall be *I Segundu Na Maga'lahi*, who shall determine the positions and  
22 staffing pattern of the Guam State Clearinghouse.”

23 **Section 3.** Section 2101.1 is hereby *added* to Chapter 2 of Title 5 of the  
24 Guam Code Annotated to read as follows:

1           **"Section 2101.1. Duties and Responsibilities of the Guam State**  
2 **Clearinghouse.** In addition to the duties and responsibilities of the  
3 Guam State Clearinghouse as may be prescribed by *I Segundu Na*  
4 *Maga'lahi*, or by law, the Guam State Clearinghouse shall also have the  
5 following duties and responsibilities:

6           (a) Administer the initiation, coordination and review  
7 process of all activities within Guam involving Federal financial  
8 assistance.

9           (b) Ensure that grant proposals for Federal assistance are  
10 in accordance with plans, policies, programs, objectives and  
11 procedures of the government of Guam.

12           (c) Ensure that proposed projects for which Federal  
13 financial assistance is sought are fiscally and environmentally  
14 sound and are in compliance with all applicable Federal laws.

15           (d) Ensure that the government of Guam complies with all  
16 applicable Federal laws relating to Federal financial assistance and  
17 that there exists sound tracking, management, and financial  
18 accountability for all Federal programs awarded to the  
19 government of Guam.

20           (e) Perform cost analysis on all Federal aid programs,  
21 grants, loans, contracts, contributions, advances, direct Federal  
22 development, or other Federal funding for the financial impact on  
23 the government of Guam's General Fund or special funds used to  
24 fund the local matching requirement as prescribed by Federal law;

1 and the financial impact on the government of Guam for the  
2 continuation of the Federal program should the Federal funding  
3 expire and require the government of Guam to financially assume  
4 the program's operation one hundred percent (100%).

5 (f) With the exception of the Guam Community College  
6 and the University of Guam, and notwithstanding any other  
7 provision of law to the contrary, no application for any Federal aid  
8 programs, grants, loans, contracts, contributions, advances, direct  
9 Federal development, or other Federal funding shall be submitted  
10 or deemed approved on behalf of the government of Guam or any  
11 agency, division, office, department or instrumentality thereof, or  
12 any public corporation, without the final approval of the Director  
13 of the Guam State Clearinghouse.

14 (g) *I Segundu Na Maga'lahi* may delegate any of the  
15 foregoing duties and responsibilities to any entity, officer or  
16 employee of the government of Guam."

17 **Section 4.** Section 2101.2 is hereby *added* to Chapter 2 of Title 5 of the  
18 Guam Code Annotated to read as follows:

19 **"Section 2101.2. Transition.** Sixty (60) days after this Act  
20 shall become law, any and all powers previously held by the Bureau of  
21 Budget and Management Research ('BBMR'), and any other agency,  
22 council, board, office, officer or instrumentality of the government of  
23 Guam, or any public corporation, including, but *not* limited to, the  
24 Department of Administration, the Department of Agriculture, the

1 Council on the Arts and Humanities, *I Dipattamenton I Kaohao Guinahan*  
2 *Chamorro*, the Department of Public Health and Social Services, the  
3 Department of Mental Health and Substance Abuse, the Guam Housing  
4 and Urban Renewal Authority, the Guam Economic Development and  
5 Commerce Authority, the Guam Health Coordinating Council, and the  
6 Hag'atna Restoration and Development Authority, with regard to the  
7 application for, receipt, disbursement, administration, oversight and  
8 review of any Federal aid programs, grants, loans, contracts,  
9 contributions, advances, direct Federal development, and other Federal  
10 funding sources for Guam, shall cease and shall thereupon be assumed  
11 by the Guam State Clearinghouse.

12 *Not later than sixty (60) days after this Act shall become law, all*  
13 *agencies, departments, councils, boards, divisions, offices or*  
14 *instrumentalities of the government of Guam, and all public*  
15 *corporations, shall submit to I Segundu Na Maga'lahi a full and complete*  
16 *listing of all existing Federal aid programs, grants, loans, contracts,*  
17 *contributions, advances, direct Federal development, and any other*  
18 *Federal funding sources over which each respective agency,*  
19 *department, council, board, division, office, public corporation or*  
20 *instrumentality has been involved in overseeing, administering or*  
21 *reviewing.*

22 Each such agency, department, division, office, public corporation  
23 or instrumentality shall render its full cooperation and assistance to *I*  
24 *Segundu Na Maga'lahi* to facilitate the transfer of authority over such

1 programs, grants, loans, contracts, contributions, advances, direct  
2 Federal development and any other Federal funding sources to the  
3 Guam State Clearinghouse."

4 **Section 5.** Section 2101.3 is hereby *added* to Chapter 2 of Title 5 of the  
5 Guam Code Annotated to read as follows:

6 "Section 2101.3. The University of Guam and the Guam  
7 Community College shall be exempted from the provisions prescribed  
8 in §§ 2101, 2101.1 and 2101.2 of Chapter 2, Division 1 of Title 5 of the  
9 Guam Code Annotated. *However*, the Presidents of the University of  
10 Guam and the Guam Community College shall separately perform the  
11 following duties and responsibilities:

- 12 (i) administer the initiation, coordination and review  
13 process of all activities within the institution  
14 involving Federal financial assistance;
- 15 (ii) ensure that grant proposals for Federal assistance  
16 are in accordance with plans, policies, programs,  
17 objectives and procedures of the government of  
18 Guam;
- 19 (iii) ensure that proposed projects for which Federal  
20 financial assistance is sought are fiscally and  
21 environmentally sound and are in compliance with  
22 all applicable Federal laws;
- 23 (iv) ensure that the institution complies with all  
24 applicable Federal laws relating to Federal financial



1 assistance and that there exists sound tracking,  
2 management, and financial accountability for all  
3 Federal Programs awarded to the institution;

4 (v) perform cost analysis on all Federal aid programs,  
5 grants, loans, contracts, contributions, advances,  
6 direct Federal development, or other Federal  
7 funding that the institution is applying for, for the  
8 financial impact on the institution and the  
9 government of Guam's General Fund or special  
10 funds used to fund the local matching requirement  
11 as prescribed by Federal law; and the financial  
12 impact on the institution and the government of  
13 Guam for the continuation of the Federal program  
14 should the Federal funding expire and require the  
15 government of Guam to financially assume the  
16 program's operation one hundred percent (100%);  
17 *and*

18 (vi) the Presidents of the University of Guam and the  
19 Guam Community College may delegate any of the  
20 foregoing duties and responsibilities to any officers  
21 or employees of their respective institution."

22 **Section 6.** Section 22305 of Article 3, Chapter 22, Division 2 of Title 5 of  
23 the Guam Code Annotated is hereby *amended* to read as follows:

1           **"Section 22305. General Fund Protected.** To insure that the  
2 General Fund will *not* be burdened with expenditures for Federal  
3 projects, an agency head responsible for administering any Federal  
4 funds shall submit to the Director of the Guam State Clearinghouse on  
5 the 30<sup>th</sup> of each month a report on expenditures incurred for Federal  
6 programs for the preceding month. Said report shall be certified by the  
7 agency head for accuracy and compliance with all applicable laws and  
8 regulations governing administration of the programs.

9           The form and details of this report shall be prescribed by the  
10 Director of the Guam State Clearinghouse. The Director of the Guam  
11 State Clearinghouse shall promptly discontinue disbursement of funds  
12 for Federal programs for noncompliance by agencies with these  
13 reporting and certification requirements."

14       **Section 7.** Section 2 of Public Law Number 26-135 is hereby *amended* to  
15 read as follows:

16           **"Section 2. Creation of Work Group.** There is hereby  
17 created a work group to be known as the '*Advance Direct Collection*  
18 *of Funds to Operate and Implement Federal Programs and Grant*  
19 *Awards Work Group*' ('Advance Federal Funding Work Group')  
20 under the purview of the Director of the Guam State  
21 Clearinghouse, which shall meet on a regular basis as necessary to  
22 accomplish its task. The Advance Federal Funding Work Group  
23 shall consist of the Director of the Guam State Clearinghouse; the  
24 Director of the Department of Administration; the Director of the

1 Bureau of Budget and Management Research; the Attorney  
2 General of Guam; the Public Auditor of Guam; and the Director of  
3 the Department of Public Health and Social Services.

4 The Director of the Guam State Clearinghouse shall serve as  
5 the Chairperson of the Advance Federal Funding Work Group.  
6 The Directors of the Department of Administration and the  
7 Bureau of Budget and Management Research shall serve as  
8 deputy co-chairs of the Advance Federal Funding Work Group."

9 **Section 8.** Section 3(b) of Public Law Number 26-135 is hereby *amended*  
10 to read as follows:

11 "(b) The development of a comprehensive plan and all aspects of  
12 the study shall be concluded *prior* to April 1, 2003. The Chairperson of  
13 the Advance Federal Funding Work Group shall transmit to *I*  
14 *Liheslaturan Guåhan* a detailed report of the Advance Federal Funding  
15 Work Group's findings and recommendations, *no later than* thirty (30)  
16 days after April 1, 2003."

17 **Section 9.** Section 4 of Public Law Number 26-135 is hereby *amended* to  
18 read as follows:

19 "**Section 4. Work Group Ceased.** The Advance Federal  
20 Funding Work Group shall be dissolved *immediately* on June 30,  
21 2003."

22 **Section 10. Severability.** *If* any provision of this Law or its  
23 application to any person or circumstance is found to be invalid or contrary to  
24 law, such invalidity shall *not* affect other provisions or applications of this

- 1 Law which can be given effect without the invalid provisions or application,
- 2 and to this end the provisions of this Law are severable.

# I MINA' BENTE SAIS NA LIHESLATURAN GUAHAN

2002 (SECOND) Regular Session

Date: 12/30/02

## VOTING SHEET

Bill No. 432 (COR)

Resolution No. \_\_\_\_\_

Question: \_\_\_\_\_

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
ADA, Joseph F.	✓				
ADA, Thomas C.	✓				
AGUON, Frank B., Jr.	✓				
BROWN, Joanne M. S.	✓				
CALVO, Eddie B.	✓				
CAMACHO, Felix P.					✓
CHARFAUROS, Mark C.	✓				
FORBES, Mark	✓				
KASPERBAUER, Lawrence F.	✓				
LEON GUERRERO, Lourdes A.	✓				
MOYLAN, Kaleo S.					✓
PANGELINAN, Vicente C.	✓				
SANTOS, Angel L.G.					✓
UNPINGCO, Antonio R.	✓				
WON PAT, Judith T.	✓				

TOTAL

12   0   0   0   3

CERTIFIED TRUE AND CORRECT:

\_\_\_\_\_  
Clerk of the Legislature

\* 3 Passes = No vote  
EA = Excused Absence

DEC 26 2002

Speaker Antonio R. Unpingco  
I Mina' Bente Sais Na Liheslaturan Guåhan  
155 Hesler Street  
Hagåtña, Guam 96910

Dear Mr. Speaker:

The Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal, Foreign and General Affairs, to which Bill No. 432, was referred, wishes to report its findings and recommendations **TO DO PASS BILL NO. 432**: "AN ACT TO ESTABLISH THE GUAM STATE CLEARINGHOUSE AND VESTING THE LIEUTENANT GOVERNOR WITH AUTHORITY OVER THE STATE CLEARINGHOUSE."

The voting record is as follows:

<b>TO PASS</b>	<u>8</u>
<b>NOT TO PASS</b>	<u>0</u>
<b>ABSTAIN</b>	<u>0</u>
<b>TO PLACE IN INACTIVE FILE</b>	<u>0</u>
<b>TO REPORT OUT</b>	<u>0</u>

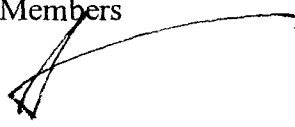
Copies of the Committee Report and other pertinent documents are attached. Thank you and si Yu'os ma'ase for your attention to this matter.

  
**MARK FORBES**

Attachments

DEC 26 2002

**MEMORANDUM**

**TO:** Committee Members  
**FROM:** Chairman   
**SUBJECT:** Committee Report- BILL NO. 432: "An Act To Establish The Guam State Clearinghouse And Vesting The Lieutenant Governor With Authority Over The State Clearinghouse."

Transmitted herewith for your information and action is the report on Bill No. 432, from the Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal, Foreign and General Affairs.

This memorandum is accompanied by the following:

1. Committee Voting Sheet
2. Committee Report
3. Bill No.432
4. Public Hearing Sign-in Sheet
5. Fiscal Note/Fiscal Note Waiver

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.


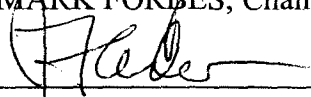
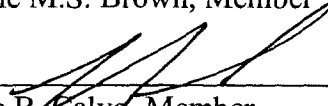
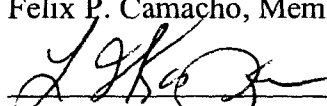



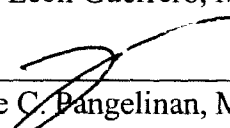
**MARK FORBES**

Attachments

**Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal,  
Foreign and General Affairs**  
**I Mina' Bente Sais Na Liheslaturan Guåhan**

**Voting Record**

BILL NO. 432: "An Act To Establish The Guam State Clearinghouse And Vesting The Lieutenant Governor With Authority Over The State Clearinghouse."

	<u>TO PASS</u>	<u>NOT TO PASS</u>	<u>TO ABSTAIN</u>	<u>INACTIVE FILE</u>	<u>REPORT OUT</u>
 MARK FORBES, Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Joseph F. Ada, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joanne M.S. Brown, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Eddie B. Calvo, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Felix P. Camacho, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Lawrence F. Kasperbauer, Ph. D., Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kaleo S. Moylan, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Antonio R. Unpingco, <i>Ex-Officio Member</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Thomas C. Ada, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Lou A. Leon Guerrero, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Vicente C. Pangelinan, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



2nd  
12/20/02

3rd  
12/20/02

DEC 21, 2002  
Rec - 1:30 p.m.

MINA'BENTE SAIS NA LIHESLATURAN GUAHAN  
2002 (SECOND) Regular Session

Bill No. 432 (COA)

Introduced by:

v.c. pangelinan  
L.A. Leon Guerrero *LS*

AN ACT TO ESTABLISH THE GUAM STATE  
CLEARINGHOUSE AND VESTING THE  
LIEUTENANT GOVERNOR WITH AUTHORITY  
OVER THE STATE CLEARINGHOUSE.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan*

3 finds that there is a need to establish a single and centralized clearinghouse  
4 within the government of Guam responsible for overseeing all federal aid  
5 programs, grants, loans, direct federal development, and other federal  
6 funding sources for Guam. *I Liheslaturan Guåhan* finds that, particularly in  
7 light of the present dire financial situations of the government, it is of critical  
8 importance to identify, track and oversee the process of obtaining and  
9 receiving sources of federal funding for Guam, and to ensure that the  
10 government of Guam's relationship and rapport, with federal agencies and  
11 instrumentalities administering such funding is accorded the highest level of  
12 importance. Accordingly, it is important that responsibility for these matters  
13 are vested at the highest levels of the executive branch of government.

1           Section 2. Section 2101 of Chapter 2, Division 1, Title 5 of the Guam  
2 Code Annotated is hereby *amended* to read as follows:

3           ~~"§2101. Program Responsibilities of Lieutenant Governor. The~~  
4           ~~Office of Lieutenant Governor shall have program responsibilities~~  
5           ~~including, but not limited to, the following:~~

6           ~~(a) The Office of the Lieutenant Governor shall be designated as~~  
7           ~~the clearinghouse for all federal aid programs for Guam. As such, the~~  
8           ~~Lieutenant Governor shall be the liaison between the Executive Branch~~  
9           ~~of the government of Guam and the federal Regional Council and~~  
10           ~~federal agencies. All federal program commitments, state plans and~~  
11           ~~applications must have the initial review of the Bureau of Budget and~~  
12           ~~Management Research prior to their submission to the Lieutenant~~  
13           ~~Governor for final action. The Lieutenant Governor shall submit to the~~  
14           ~~Speaker of the Legislature a list of all federally aided programs or~~  
15           ~~projects covered in the clearinghouse review process. The Lieutenant~~  
16           ~~Governor shall keep the Speaker of the Legislature informed of the~~  
17           ~~nature of clearinghouse procedures.~~

18           ~~(b) The Lieutenant Governor shall forward copies of all~~  
19           ~~clearinghouse comments on proposed federally assisted programs and~~  
20           ~~projects, together with descriptions of proposed programs and projects,~~  
21           ~~to the Speaker of the Legislature for purposes of information only and~~  
22           ~~review. The Legislature may reject, by resolution, prior to grant award,~~  
23           ~~a department or agency's participation in a federally assisted program~~  
24           ~~or project upon determining that such program or project would be~~

1       ~~adverse to the public interest, or that insufficient funds exist for local~~  
2       ~~matching contribution.~~

3               ~~(c) The Lieutenant Governor shall notify in writing all federal~~  
4       ~~agencies located within the territory of Guam, including the armed~~  
5       ~~forces, that plans for direct federal development within the territory~~  
6       ~~shall be submitted to the clearinghouse and to the Territory's elected~~  
7       ~~officials for review and comment prior to implementation, as required~~  
8       ~~by Presidential Executive Order 12372.~~

9               ~~(d) The Lieutenant Governor shall submit to the Legislature any~~  
10       ~~proposed capital improvement projects to be presented to the Federal~~  
11       ~~Government for direct congressional appropriation. The Legislature~~  
12       ~~shall reserve the right to approve or reject such proposals, and to~~  
13       ~~establish priorities for funding purposes.~~

14               Creation of Guam State Clearinghouse.       There is within the  
15       Office of the Lieutenant Governor a bureau of the government of Guam  
16       which shall be known as the Guam State Clearinghouse.

17       Notwithstanding any other provision of law to the contrary, the  
18       Guam State Clearinghouse shall have exclusive purview at the territorial  
19       level over all federal aid programs, grants, loans, contracts,  
20       contributions, appropriations, advances, direct federal development,  
21       and other federal funding sources for Guam. The Guam State  
22       Clearinghouse shall be headed by a Director who shall be the  
23       Lieutenant Governor. The Lieutenant Governor shall determine the  
24       positions and staffing pattern of the Guam State Clearinghouse."

1           **Section 3.** Section 2101.1 is hereby *added* to Chapter 2, Division I of  
2 Title 5 of the Guam Code Annotated to read as follows:

3           **“Section 2101.1. Duties and responsibilities of the Guam State**  
4 **Clearinghouse.** In addition to the duties and responsibilities of the  
5 Guam State Clearinghouse as may be prescribed by the Lieutenant  
6 Governor or by law, the Guam State Clearinghouse shall also have the  
7 following duties and responsibilities:

8                   (a) Administer the initiation, coordination, and review  
9 process of all activities within Guam involving federal financial  
10 assistance.

11                   (b) Ensure that grant proposals for federal assistance are  
12 in accordance with plans, policies, programs, objectives and  
13 procedures of the government of Guam.

14                   (c) Ensure that proposed projects for which federal  
15 financial assistance is sought are fiscally and environmentally  
16 sound and are in compliance with all applicable federal laws.

17                   (d) Ensure that the government of Guam complies with all  
18 applicable federal laws relating to federal financial assistance and  
19 that there exists sound tracking, management, and financial  
20 accountability for all Federal Programs awarded to the  
21 government of Guam.

22                   (e) Perform cost analysis on all federal aid programs,  
23 grants, loans, contracts, contributions, advances, direct federal  
24 development, or other federal funding for the financial impact on

1 the government of Guam's General Fund or special funds used to  
2 fund the local matching requirement as prescribed by federal law;  
3 and the financial impact on the government of Guam for the  
4 continuation of the federal program should the federal funding  
5 expire and require the government of Guam to financially assume  
6 the program's operation one hundred percent (100%).

7 (f) With the exception of the Guam Community College  
8 and the University of Guam, and notwithstanding any other  
9 provision of law to the contrary, no application for any federal aid  
10 programs, grants, loans, contracts, contributions, advances, direct  
11 federal development, or other federal funding shall be submitted  
12 or deemed approved on behalf of the government of Guam or any  
13 agency, division, office, department, or instrumentality thereof, or  
14 any public corporation, without the final approval of the Director  
15 of the Guam State Clearinghouse.

16 (g) The Lieutenant Governor may delegate any of the  
17 foregoing duties and responsibilities to any entity, officer of  
18 employee of the government of Guam."

19 **Section 4.** Section 2101.2 is hereby *added* to Chapter 2, Division I of  
20 Title 5 of the Guam Code Annotated to read as follows:

21 **Section 2101.2. Transition.** Sixty (60) days after this Act  
22 shall become law, any and all powers previously held by the Bureau of  
23 Budget and Management Research ("BBMR") and any other agency,  
24 council, board, office, officer, or instrumentality of the government of

1 Guam, or any public corporation, including but not limited to the  
2 Department of Administration, Department of Agriculture, Council on  
3 the Arts and Humanities, ~~Dipattameiiton~~ I Kaohao Guinahan  
4 Chamorro, Department of Public Health and Social Services,  
5 Department of Mental Health and Substance Abuse, Guam Housing  
6 and Urban Renewal Authority, Guam Economic Development and  
7 Commerce Authority, the Guam Health Coordinating Council, and the  
8 Hag'atna Restoration and Development Authority, with regard to the  
9 application for, receipt, disbursement, administration, oversight and  
10 review of any federal aid programs, grants, loans, contracts,  
11 contributions, advances, direct federal development, and other federal  
12 funding sources for Guam, shall cease and shall thereupon be assumed  
13 by the Guam State Clearinghouse. Not later than sixty (60) days after  
14 this Act shall become law, all agencies, departments, councils, boards,  
15 divisions, offices, or instrumentalities of the government of Guam, and  
16 all public corporations, shall submit to the Lieutenant Governor a full  
17 and complete listing of all existing federal aid programs, grants, loans,  
18 contracts, contributions, advances, direct federal development, and any  
19 other federal funding sources over which each respective agency,  
20 department, council, board, division, office, public corporation or  
21 instrumentality has been involved in overseeing, administering, or  
22 reviewing. Each such agency, department, division, office, public  
23 corporation or instrumentality shall render its full cooperation and  
24 assistance to the Lieutenant Governor to facilitate the transfer of

1 authority over such programs, grants, loans, contracts, contributions,  
2 advances, direct federal development, and any other federal funding  
3 sources to the Guam State Clearinghouse."

4 **Section 5.** Section 2101.3 is hereby *added* to Chapter 2 of Division 1 of  
5 Title 5, Guam Code Annotated to read as follows:

6 "Section 2101.3. The University of Guam and the Guam  
7 Community College shall be exempted from the provisions  
8 prescribed in Sections 2101, 2101.1 and 2101.2 of Chapter 2 of  
9 Division 1 of Title 5, Guam Code Annotated. However, the  
10 Presidents of the University of Guam and the Guam Community  
11 College shall separately perform the following duties and  
12 responsibilities:

- 13 (i) Administer the initiation, coordination, and review  
14 process of all activities within the institution  
15 involving federal financial assistance.
- 16 (ii) Ensure that grant proposals for federal assistance  
17 are in accordance with plans, policies, programs,  
18 objectives and procedures of the government of  
19 Guam.
- 20 (iii) Ensure that proposed projects for which federal  
21 financial assistance is sought are fiscally and  
22 environmentally sound and are in compliance with  
23 all applicable federal laws.

- 1 (iv) Ensure that the institution complies with all  
2 applicable federal laws relating to federal financial  
3 assistance and that there exists sound tracking,  
4 management, and financial accountability for all  
5 Federal Programs awarded to the institution.
- 6 (v) Perform cost analysis on all federal aid programs,  
7 grants, loans, contracts, contributions, advances,  
8 direct federal development, or other federal  
9 funding that the institution is applying for, for the  
10 financial impact on the institution and the  
11 government of Guam's General Fund or special  
12 funds used to fund the local matching requirement  
13 as prescribed by federal law; and the financial  
14 impact on the institution and the government of  
15 Guam for the continuation of the federal program  
16 should the federal funding expire and require the  
17 government of Guam to financially assume the  
18 program's operation one hundred percent (100%).
- 19 (vi) The Presidents of the University of Guam and the  
20 Guam Community College may delegate any of the  
21 foregoing duties and responsibilities to any officers  
22 or employees of their respective institution."

23 **Section 6.** Section 22305 of Article 3, Division, 2 of Title 5 of the Guam  
24 Code Annotated is hereby *amended* to read as follows:



1           **"Section 22305. General Fund Protected.** To insure that the  
2 General Fund will not be burdened with expenditures for Federal  
3 projects, ~~the~~ an agency head responsible for administering ~~the project~~  
4 any Federal funds shall submit to the Director of ~~Administration~~ the  
5 Guam State Clearinghouse on the 30<sup>th</sup> of each month a report on  
6 expenditures incurred for Federal programs for the preceding month.  
7 Said report shall be certified by the agency head for accuracy and  
8 compliance with all applicable laws and regulations governing  
9 administration of the programs. The form and details of this report  
10 shall be prescribed by the Director of ~~Administration~~ the Guam State  
11 Clearinghouse. The Director of ~~Administration~~ the Guam State  
12 Clearinghouse shall promptly discontinue disbursement of funds for  
13 Federal programs for noncompliance by agencies with these reporting  
14 and certification requirements."

15           **Section 7.** Section 2 of Public Law 26-135 is hereby *amended* to read as  
16 follows:

17           **"Section 2. Creation of Work Group.** There is hereby  
18 created a work group to be known as the "Advance Direct  
19 Collection of Funds to Operate and Implement Federal Programs  
20 and Grant Awards Work Group" (herein after the "Advance  
21 Federal Funding Work Group") under the purview of the Director  
22 of the Guam State Clearinghouse ~~Directors of the Department of~~  
23 ~~Administration and the Bureau of Budget and Research~~  
24 ~~Management~~, which shall meet on a regular basis as necessary to

1 accomplish its task. Advance Federal Funding Work Group shall  
2 consist of the Director of the Guam State Clearinghouse; Director  
3 of the Department of Administration; the Director of the Bureau of  
4 Budget and Management Research; the Attorney General; the  
5 Public Auditor of Guam; and the Director of the Department of  
6 Public Health and Social Services.

7 The Director of the Guam State Clearinghouse shall serve as  
8 the chairperson of the Advance Federal Funding Work Group. The  
9 Directors of the Department of Administration and the Bureau of  
10 Budget and Management Research shall serve as deputy co-chairs  
11 of the Advance Federal Funding Work Group.”

12 **Section 8.** Subsection (b) of Section 3 of Public Law 26-135 is hereby  
13 *amended* to read as follows:

14 “(b) The development of a comprehensive plan and all  
15 aspects of the study shall be concluded prior to April 1, 2003  
16 ~~September 30, 2002~~. The Chairperson of the Advance Federal  
17 Funding Work Group shall transmit to I Liheslaturan Guåhan a  
18 detailed report of Advance Federal Funding Work Group’s  
19 findings and recommendations, no later than thirty (30) days after  
20 September 30, 2002 April 1, 2003.”

21 **Section 9.** Section 4 of Public Law 26-135 is hereby *amended* to read as  
22 follows:

1                   “Section 4. Work Group Ceased. Advance Federal Funding  
2                   Work Group shall be dissolved immediately on June 30, 2003.  
3                   ~~December 31, 2002.~~”

4                   **Section 10. Severability.** *If* any provision of this Law or its application  
5                   to any person or circumstance is found to be invalid or contrary to law, such  
6                   invalidity shall *not* affect other provisions or applications of this Law which  
7                   can be given effect without the invalid provisions or application, and to this  
8                   end the provisions of this Law are severable.

MINA'BENTE SAIS NA LIHESLATURAN GUAHAN  
2002 (SECOND) Regular Session

Bill No. 432 (COR)

Introduced by:

v.c. pangelinan  
L.A. Leon Guerrero 

AN ACT TO ESTABLISH THE GUAM STATE  
CLEARINGHOUSE AND VESTING THE  
LIEUTENANT GOVERNOR WITH AUTHORITY  
OVER THE STATE CLEARINGHOUSE.

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

2           **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*  
3 finds that there is a need to establish a single and centralized clearinghouse  
4 within the government of Guam responsible for overseeing all federal aid  
5 programs, grants, loans, direct federal development, and other federal  
6 funding sources for Guam. *I Liheslaturan Guåhan* finds that, particularly in  
7 light of the present dire financial situations of the government, it is of critical  
8 importance to identify, track and oversee the process of obtaining and  
9 receiving sources of federal funding for Guam, and to ensure that the  
10 government of Guam's relationship and rapport, with federal agencies and  
11 instrumentalities administering such funding is accorded the highest level of  
12 importance. Accordingly, it is important that responsibility for these matters  
13 are vested at the highest levels of the executive branch of government.

1           **Section 2.** Section 2101 of Chapter 2, Division 1, Title 5 of the Guam  
2 Code Annotated is hereby *amended* to read as follows:

3           ~~“§2101. Program Responsibilities of Lieutenant Governor. The~~  
4 ~~Office of Lieutenant Governor shall have program responsibilities~~  
5 ~~including, but not limited to, the following:~~

6           ~~(a) The Office of the Lieutenant Governor shall be designated as~~  
7 ~~the clearinghouse for all federal aid programs for Guam. As such, the~~  
8 ~~Lieutenant Governor shall be the liaison between the Executive Branch~~  
9 ~~of the government of Guam and the federal Regional Council and~~  
10 ~~federal agencies. All federal program commitments, state plans and~~  
11 ~~applications must have the initial review of the Bureau of Budget and~~  
12 ~~Management Research prior to their submission to the Lieutenant~~  
13 ~~Governor for final action. The Lieutenant Governor shall submit to the~~  
14 ~~Speaker of the Legislature a list of all federally aided programs or~~  
15 ~~projects covered in the clearinghouse review process. The Lieutenant~~  
16 ~~Governor shall keep the Speaker of the Legislature informed of the~~  
17 ~~nature of clearinghouse procedures.~~

18           ~~(b) The Lieutenant Governor shall forward copies of all~~  
19 ~~clearinghouse comments on proposed federally assisted programs and~~  
20 ~~projects, together with descriptions of proposed programs and projects,~~  
21 ~~to the Speaker of the Legislature for purposes of information only and~~  
22 ~~review. The Legislature may reject, by resolution, prior to grant award,~~  
23 ~~a department or agency's participation in a federally assisted program~~  
24 ~~or project upon determining that such program or project would be~~

1 ~~adverse to the public interest, or that insufficient funds exist for local~~  
2 ~~matching contribution.~~

3 ~~(c) The Lieutenant Governor shall notify in writing all federal~~  
4 ~~agencies located within the territory of Guam, including the armed~~  
5 ~~forces, that plans for direct federal development within the territory~~  
6 ~~shall be submitted to the clearinghouse and to the Territory's elected~~  
7 ~~officials for review and comment prior to implementation, as required~~  
8 ~~by Presidential Executive Order 12372.~~

9 ~~(d) The Lieutenant Governor shall submit to the Legislature any~~  
10 ~~proposed capital improvement projects to be presented to the Federal~~  
11 ~~Government for direct congressional appropriation. The Legislature~~  
12 ~~shall reserve the right to approve or reject such proposals, and to~~  
13 ~~establish priorities for funding purposes.~~

14 Creation of Guam State Clearinghouse. There is within the  
15 Office of the Lieutenant Governor a bureau of the government of Guam  
16 which shall be known as the Guam State Clearinghouse.

17 Notwithstanding any other provision of law to the contrary, the  
18 Guam State Clearinghouse shall have exclusive purview at the territorial  
19 level over all federal aid programs, grants, loans, contracts,  
20 contributions, appropriations, advances, direct federal development,  
21 and other federal funding sources for Guam. The Guam State  
22 Clearinghouse shall be headed by a Director who shall be the  
23 Lieutenant Governor. The Lieutenant Governor shall determine the  
24 positions and staffing pattern of the Guam State Clearinghouse."

1           **Section 3.** Section 2101.1 is hereby *added* to Chapter 2, Division I of  
2 Title 5 of the Guam Code Annotated to read as follows:

3           **“Section 2101.1. Duties and responsibilities of the Guam State**  
4 **Clearinghouse.** In addition to the duties and responsibilities of the  
5 Guam State Clearinghouse as may be prescribed by the Lieutenant  
6 Governor or by law, the Guam State Clearinghouse shall also have the  
7 following duties and responsibilities:

8                   (a) Administer the initiation, coordination, and review  
9 process of all activities within Guam involving federal financial  
10 assistance.

11                   (b) Ensure that grant proposals for federal assistance are  
12 in accordance with plans, policies, programs, objectives and  
13 procedures of the government of Guam.

14                   (c) Ensure that proposed projects for which federal  
15 financial assistance is sought are fiscally and environmentally  
16 sound and are in compliance with all applicable federal laws.

17                   (d) Ensure that the government of Guam complies with all  
18 applicable federal laws relating to federal financial assistance and  
19 that there exists sound tracking, management, and financial  
20 accountability for all Federal Programs awarded to the  
21 government of Guam.

22                   (e) Perform cost analysis on all federal aid programs,  
23 grants, loans, contracts, contributions, advances, direct federal  
24 development, or other federal funding for the financial impact on

1 the government of Guam's General Fund or special funds used to  
2 fund the local matching requirement as prescribed by federal law;  
3 and the financial impact on the government of Guam for the  
4 continuation of the federal program should the federal funding  
5 expire and require the government of Guam to financially assume  
6 the program's operation one hundred percent (100%).

7 (f) With the exception of the Guam Community College  
8 and the University of Guam, and notwithstanding any other  
9 provision of law to the contrary, no application for any federal aid  
10 programs, grants, loans, contracts, contributions, advances, direct  
11 federal development, or other federal funding shall be submitted  
12 or deemed approved on behalf of the government of Guam or any  
13 agency, division, office, department, or instrumentality thereof, or  
14 any public corporation, without the final approval of the Director  
15 of the Guam State Clearinghouse.

16 (g) The Lieutenant Governor may delegate any of the  
17 foregoing duties and responsibilities to any entity, officer of  
18 employee of the government of Guam."

19 **Section 4.** Section 2101.2 is hereby *added* to Chapter 2, Division I of  
20 Title 5 of the Guam Code Annotated to read as follows:

21 **Section 2101.2. Transition.** Sixty (60) days after this Act  
22 shall become law, any and all powers previously held by the Bureau of  
23 Budget and Management Research ("BBMR") and any other agency,  
24 council, board, office, officer, or instrumentality of the government of



1 Guam, or any public corporation, including but not limited to the  
2 Department of Administration, Department of Agriculture, Council on  
3 the Arts and Humanities, Dipattameiiton I Kaohao Guinahan  
4 Chamorro, Department of Public Health and Social Services,  
5 Department of Mental Health and Substance Abuse, Guam Housing  
6 and Urban Renewal Authority, Guam Economic Development and  
7 Commerce Authority, the Guam Health Coordinating Council, and the  
8 Hag'atna Restoration and Development Authority, with regard to the  
9 application for, receipt, disbursement, administration, oversight and  
10 review of any federal aid programs, grants, loans, contracts,  
11 contributions, advances, direct federal development, and other federal  
12 funding sources for Guam, shall cease and shall thereupon be assumed  
13 by the Guam State Clearinghouse. Not later than sixty (60) days after  
14 this Act shall become law, all agencies, departments, councils, boards,  
15 divisions, offices, or instrumentalities of the government of Guam, and  
16 all public corporations, shall submit to the Lieutenant Governor a full  
17 and complete listing of all existing federal aid programs, grants, loans,  
18 contracts, contributions, advances, direct federal development, and any  
19 other federal funding sources over which each respective agency,  
20 department, council, board, division, office, public corporation or  
21 instrumentality has been involved in overseeing, administering, or  
22 reviewing. Each such agency, department, division, office, public  
23 corporation or instrumentality shall render its full cooperation and  
24 assistance to the Lieutenant Governor to facilitate the transfer of

1 authority over such programs, grants, loans, contracts, contributions,  
2 advances, direct federal development, and any other federal funding  
3 sources to the Guam State Clearinghouse."

4 **Section 5.** Section 2101.3 is hereby *added* to Chapter 2 of Division 1 of  
5 Title 5, Guam Code Annotated to read as follows:

6 "Section 2101.3. The University of Guam and the Guam  
7 Community College shall be exempted from the provisions  
8 prescribed in Sections 2101, 2101.1 and 2101.2 of Chapter 2 of  
9 Division 1 of Title 5, Guam Code Annotated. However, the  
10 Presidents of the University of Guam and the Guam Community  
11 College shall separately perform the following duties and  
12 responsibilities:

- 13 (i) Administer the initiation, coordination, and review  
14 process of all activities within the institution  
15 involving federal financial assistance.
- 16 (ii) Ensure that grant proposals for federal assistance  
17 are in accordance with plans, policies, programs,  
18 objectives and procedures of the government of  
19 Guam.
- 20 (iii) Ensure that proposed projects for which federal  
21 financial assistance is sought are fiscally and  
22 environmentally sound and are in compliance with  
23 all applicable federal laws.

- 1 (iv) Ensure that the institution complies with all  
2 applicable federal laws relating to federal financial  
3 assistance and that there exists sound tracking,  
4 management, and financial accountability for all  
5 Federal Programs awarded to the institution.
- 6 (v) Perform cost analysis on all federal aid programs,  
7 grants, loans, contracts, contributions, advances,  
8 direct federal development, or other federal  
9 funding that the institution is applying for, for the  
10 financial impact on the institution and the  
11 government of Guam's General Fund or special  
12 funds used to fund the local matching requirement  
13 as prescribed by federal law; and the financial  
14 impact on the institution and the government of  
15 Guam for the continuation of the federal program  
16 should the federal funding expire and require the  
17 government of Guam to financially assume the  
18 program's operation one hundred percent (100%).
- 19 (vi) The Presidents of the University of Guam and the  
20 Guam Community College may delegate any of the  
21 foregoing duties and responsibilities to any officers  
22 or employees of their respective institution."

23 **Section 6.** Section 22305 of Article 3, Division, 2 of Title 5 of the Guam  
24 Code Annotated is hereby *amended* to read as follows:

1           **"Section 22305. General Fund Protected.** To insure that the  
2 General Fund will not be burdened with expenditures for Federal  
3 projects, ~~the an~~ agency head responsible for administering ~~the project~~  
4 any Federal funds shall submit to the Director of ~~Administration~~ the  
5 Guam State Clearinghouse on the 30<sup>th</sup> of each month a report on  
6 expenditures incurred for Federal programs for the preceding month.  
7 Said report shall be certified by the agency head for accuracy and  
8 compliance with all applicable laws and regulations governing  
9 administration of the programs. The form and details of this report  
10 shall be prescribed by the Director of ~~Administration~~ the Guam State  
11 Clearinghouse. The Director of ~~Administration~~ the Guam State  
12 Clearinghouse shall promptly discontinue disbursement of funds for  
13 Federal programs for noncompliance by agencies with these reporting  
14 and certification requirements."

15       **Section 7.** Section 2 of Public Law 26-135 is hereby *amended* to read as  
16 follows:

17           **"Section 2. Creation of Work Group.** There is hereby  
18 created a work group to be known as the "Advance Direct  
19 Collection of Funds to Operate and Implement Federal Programs  
20 and Grant Awards Work Group" (herein after the "Advance  
21 Federal Funding Work Group") under the purview of the Director  
22 of the Guam State Clearinghouse ~~Directors of the Department of~~  
23 ~~Administration and the Bureau of Budget and Research~~  
24 ~~Management~~, which shall meet on a regular basis as necessary to

1 accomplish its task. Advance Federal Funding Work Group shall  
2 consist of the Director of the Guam State Clearinghouse; Director  
3 of the Department of Administration; the Director of the Bureau of  
4 Budget and Management Research; the Attorney General; the  
5 Public Auditor of Guam; and the Director of the Department of  
6 Public Health and Social Services.

7 The Director of the Guam State Clearinghouse shall serve as  
8 the chairperson of the Advance Federal Funding Work Group. The  
9 Directors of the Department of Administration and the Bureau of  
10 Budget and Management Research shall serve as deputy co-chairs  
11 of the Advance Federal Funding Work Group."

12 **Section 8.** Subsection (b) of Section 3 of Public Law 26-135 is hereby  
13 *amended* to read as follows:

14 "(b) The development of a comprehensive plan and all  
15 aspects of the study shall be concluded prior to April 1, 2003  
16 ~~September 30, 2002~~. The Chairperson of the Advance Federal  
17 Funding Work Group shall transmit to *I Liheslaturan Guåhan* a  
18 detailed report of Advance Federal Funding Work Group's  
19 findings and recommendations, no later than thirty (30) days after  
20 ~~September 30, 2002~~ April 1, 2003."

21 **Section 9.** Section 4 of Public Law 26-135 is hereby *amended* to read as  
22 follows:

1                   “**Section 4. Work Group Ceased.** Advance Federal Funding  
2                   Work Group shall be dissolved immediately on June 30, 2003.  
3                   ~~December 31, 2002.~~”

4                   **Section 10. Severability.** *If* any provision of this Law or its application  
5                   to any person or circumstance is found to be invalid or contrary to law, such  
6                   invalidity shall *not* affect other provisions or applications of this Law which  
7                   can be given effect without the invalid provisions or application, and to this  
8                   end the provisions of this Law are severable.