



Office of the Governor of Guam

P.O. Box 2950 Hagåtña, Guam 96932
TEL: (671) 472-8931 • FAX: (671) 477-4826 • EMAIL: governor@mail.gov.gu

Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

23 APR 2009

2009 APR 24 PM 2:33

The Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina' Trenta Na Liheslaturan Guahan
155 Hessler Street
Hagåtña, Guam 96910

Dear Speaker Won Pat:

Hafa Adai! Transmitted herewith please find Bill No. 69 (LS) "AN ACT TO ADD A NEW ARTICLE 2 TO CHAPTER 18 OF GCA RELATIVE TO LEGISLATIVE APPROVAL SETTLEMENT AGREEMENTS" which was enacted into law without the signature of I Maga'lahen Guahan. This legislation is now designated as Public Law No. 30-20.

Though the legislation is now law, I strongly urge I Mina' Trenta Na Liheslaturan Guahan to address this measure's statutory deficiencies. The Act, as passed, requires Legislative approval for all settlement agreements against the government of Guam, inclusive of all branches, mandating the issuance of cash. I would have you note, that this specific provision was not contained within the bill's original form and I believe the intent of the bill was to prevent the obligation of the government in settlement in excess of its authorized appropriation and not when the issuance of "cash" is contemplated.

It is clear that the original intent of this Act was to require legislative approval for any settlement which goes beyond a government entity's existing appropriation level; and not to restrict the use of funds already appropriated by the Legislative branch. Because the essence of the law only restates 5 G.C.A. §22401 and is currently part of our government's existing practice, it appears that the aforementioned cash-provision is an unintended and in advertent consequence of the Legislative process.

Secondly, the Act will also apply to the Judiciary, potentially hindering their operations and likely being deemed inorganic if challenged. Settlement agreements are often encouraged by the judicial system for expedient and efficient resolution of disputes between parties. For the government of Guam, this often results in a savings and the avoidance of protracted litigation and incurrence of more expenses.

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30-69-0502
Office of the Speaker
Judith T. Won Pat, Ed. D.
Date 4/23/09
Time 3:38 PM
Received by JP

As such, I strongly urge *I Mina' Trenta Na Liheslaturan Guahan* to reconsider any action that would delay or deter the ability of the government to settle with parties that have a claim against the government and enter into amicable resolutions that would be in the best interest of the government and ultimately the people of Guam.

Sinseru yan Magåhet,

A handwritten signature in black ink, appearing to read 'W. CRUZ', with a long horizontal stroke extending to the left.

MICHAEL W. CRUZ, M.D.
I Maga'låhen Guåhan para pa'go
Acting Governor of Guam

Attachment: copy of Bill

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

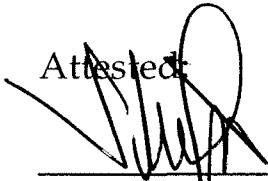
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that Bill No. 69(LS), "AN ACT TO ADD A NEW ARTICLE 2 TO CHAPTER 18, TITLE 1 OF THE GUAM CODE ANNOTATED, RELATIVE TO LEGISLATIVE APPROVAL OF SETTLEMENT AGREEMENTS," was on the 3rd day of April, 2009, duly and regularly passed.



Judith T. Won Pat, Ed. D.
Speaker

Attested



Fina Rose Muña Barnes
Senator and Secretary of the Legislature

This Act was received by *I Maga'lahaen Guåhan* this 6 day of April, 2009, at
4:45 o'clock P.M.



Assistant Staff Officer
Maga'lahi's Office

APPROVED:

MIKE W. CRUZ, MD
GOVERNOR OF GUAM ACTING

Date: _____

Public Law No. 30-20

Became law without the signature
of *I Maga'lahen Guahan* (the
Governor of Guam)

1 council, authority, committee of territorial government *or* branch, of the
2 government of Guam may enter into any consent decree, stipulated order *or*
3 other settlement agreement with any party seeking a claim against the
4 government of Guam, that requires the payment of cash, financing, *or* future
5 financing by the government of Guam without the approval of *I Liheslatura*
6 [the Legislature] *or* specific appropriation for that claim. Any proposed
7 settlement agreement, *supra*, that requires legislative appropriation *or*
8 authorization, by an Office, Department, Instrumentality, Agency,
9 Institution, Board, Bureau, Commission, Council, Authority *or* Branch,
10 purporting a consent decree, stipulated order *or* other settlement with the
11 government of Guam *shall* be transmitted to *I Liheslatura* which, by statute,
12 may amend, approve, *or* disapprove the plan *or* the action taken within
13 forty-five (45) days *or* said plan *or* action *shall* be deemed approved. This
14 Section *shall not* apply to claims against the government arising from the
15 provisions of the Government Claims Act (Chapter 6, 5GCA), the actions
16 authorized by Public Law of the Civil Service Commission *or* other
17 settlement expressly authorized by Public Law."