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***I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN***  
THIRTY THIRD GUAM LEGISLATURE  
155 Hesler Place, Hagåtña, Guam 96910

February 22, 2016

The Honorable Edward J.B. Calvo  
*I Maga'låhen Guåhan*  
*Ufisinan I Maga'låhi*  
*Hagåtña, Guam*

OFFICE OF THE GOVERNOR  
CENTRAL FILES  
RECEIVED BY *Kal Sota*  
TIME *2:59* DATE *2/22/16*

Dear *Maga'låhi* Calvo:

Transmitted herewith are Bill Nos. 213-33 (COR), 223-33 (COR), 235-33 (LS), 238-33 (LS), 241-33 (COR), 242-33 (COR), 244-33 (COR) and 247-33 (COR); and Substitute Bill Nos. 89-33 (LS), 149-33 (COR), 191-33 (LS), 218-33 (COR), 228-33 (COR), 229-33 (COR), 231-33 (LS), 236-33 (LS), 245-33 (COR) and 248-33 (COR), which were passed by *I Mina'Trentai Tres Na Liheslaturan Guåhan* on February 18, 2016.

Sincerely,

  
TINA ROSE MUNA BARNES  
Legislative Secretary

Enclosure (18)

*I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN*  
2016 (SECOND) Regular Session


CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'LÅHEN GUÅHAN*

This is to certify that **Bill No. 213-33 (COR)**, "AN ACT TO AMEND SECTION 2 OF PUBLIC LAW 32-114, RELATIVE TO AUTHORIZING THE UNIVERSITY OF GUAM TO ASSIGN EMPLOYEES TO THE RESEARCH CORPORATION OF THE UNIVERSITY OF GUAM (RCUOG) FOR UP TO FIVE (5) YEARS WITH THE RETENTION OF UNIVERSITY OF GUAM EMPLOYEE BENEFITS," was on the 18<sup>th</sup> day of February 2016, duly and regularly passed.



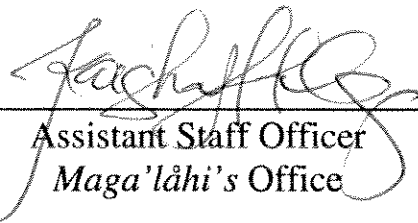
Judith T. Won Pat, Ed.D.  
Speaker

Attested:



Tina Rose Muña Barnes  
Legislative Secretary

This Act was received by *I Maga'låhen Guåhan* this 22<sup>ND</sup> day of FEBRUARY 2016, at 2:59 o'clock P.M.

  
Assistant Staff Officer  
*Maga'låhi's Office*

APPROVED:

EDWARD J.B. CALVO  
*I Maga'låhen Guåhan*

Date: \_\_\_\_\_

Public Law No. \_\_\_\_\_

***I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN***  
**2015 (FIRST) Regular Session**

**Bill No. 213-33 (COR)**

As amended by the Committee on  
Higher Education, Culture,  
Public Libraries and Women's Affairs.

Introduced by:

Michael F.Q. San Nicolas

T. C. Ada

V. Anthony Ada

FRANK B. AGUON, JR.

Frank F. Blas, Jr.

B. J.F. Cruz

James V. Espaldon

Brant T. McCreadie

Tommy Morrison

T. R. Muña Barnes

R. J. Respicio

Dennis G. Rodriguez, Jr.

Mary Camacho Torres

N. B. Underwood, Ph.D.

Judith T. Won Pat, Ed.D.

**AN ACT TO *AMEND* SECTION 2 OF PUBLIC LAW 32-114, RELATIVE TO AUTHORIZING THE UNIVERSITY OF GUAM TO ASSIGN EMPLOYEES TO THE RESEARCH CORPORATION OF THE UNIVERSITY OF GUAM (RCUOG) FOR UP TO FIVE (5) YEARS WITH THE RETENTION OF UNIVERSITY OF GUAM EMPLOYEE BENEFITS.**

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

2 **Section 1. Amendment of Public Law 32-114.** Section 2 of Public Law

3 32-114 is hereby *amended* to read:

1           “Section 2. A new Chapter 29 is hereby *added* to Division 3 of Title  
2 17, Guam Code Annotated, to read as follows:

3   **“CHAPTER 29**  
4   **RESEARCH CORPORATION OF THE UNIVERSITY OF GUAM**  
5   **(RCUOG)**

- 6           § 29101.    Establishment of the Research Corporation.  
7           § 29102.    Purpose.  
8           § 29103.    Administration.  
9           § 29104.    Officers and Employees of the Research Corporation.  
10          § 29105.    Authorized Activities.  
11          § 29106.    Procurement.  
12          § 29107.    Annual Report.  
13          § 29108.    Dissolution.  
14          § 29109.    Special Account.  
15          § 29110.    RCUOG Excepted from Certain Guam Laws.  
16          § 29111.    Severability.

17          **§ 29101.    Establishment of the Research Corporation.**

18                 The University of Guam (University or UOG) is authorized to  
19 establish a body corporate, the Research Corporation of the University  
20 of Guam (RCUOG or Corporation). The Corporation *shall* be a public  
21 corporation incorporated on Guam, and *shall* operate as an integral part  
22 of the University and may apply for a 501(c)(3) designation.

23          **§ 29102.    Purpose.**

24                 The purposes of the Corporation *shall* include, but *not* be limited  
25 to, the promotion of assigned educational, scientific, and literary  
26 pursuits of the University of Guam’s grants and contracts by:

1 (a) encouraging, initiating, aiding, developing, and  
2 conducting training, research, and study in the physical, biological, and  
3 social sciences, humanities, and all other branches of learning;

4 (b) encouraging and aiding in the education and training of  
5 persons for the conduct of the training, investigations, research, and  
6 study;

7 (c) furnishing the means, methods, and agencies by which the  
8 training, investigation, research, and study may be conducted, in  
9 support of the mission and best practices of the University of Guam;

10 (d) assisting in the dissemination of knowledge by  
11 establishing, aiding, and maintaining professorships or other staff  
12 positions, fellowships, scholarships, publications, and lectures;

13 (e) engaging in other means of making the benefits of  
14 training, investigations, research, and study available to the public; and

15 (f) taking any and all other actions reasonably designed to  
16 promote these purposes in the interest of promoting the general welfare  
17 of the people of Guam.

18 **§ 29103. Administration.**

19 The affairs of the Corporation *shall* be under the general  
20 management and control of the RCUOG Board of Directors.

21 (a) Composition of the Board of Directors. The Board of  
22 Directors *shall* consist of up to ten (10) members, as follows:

23 (1) Ex-officio Chief Executive Officer – University of  
24 Guam President;

25 (2) Ex-officio Member – Senior Vice President of  
26 Academic and Student Affairs;

1 (3) Ex-officio Member – Vice President of  
2 Administration and Finance;

3 (4) UOG President appointees of up to four (4)  
4 members (minimum of two (2) members representing the  
5 community at large);

6 (5) UOG Research Council appointee of one (1)  
7 member;

8 (6) UOG Faculty Senate appointee of one (1) member;

9 (7) UOG Board of Regents appointees of two (2) UOG  
10 Board of Regents members; and

11 (8) UOG Endowment Foundation Board of Directors  
12 appointee of one (1) UOG Endowment Foundation Board of  
13 Director.

14 (b) All members of the Board of Directors *shall* serve without  
15 pay, but *shall* be entitled to reimbursement for necessary expenses  
16 while attending meetings and while in the discharge of duties and  
17 responsibilities.

18 (c) The Chairperson of the Board of Directors *shall* be the  
19 President of the University of Guam. The Senior Vice President and  
20 Vice President for Administration and Finance *shall* serve as ex-officio  
21 members of the Board.

22 **§ 29104. Officers and Employees of the Research Corporation.**

23 (a) RCUOG will follow all the requirements applicable to  
24 each major grant program and maintain internal control over  
25 compliance in accordance with OMB Circulars A-133 and A-21, and  
26 appropriate Federal Acquisition Requirements.

1 (b) RCUOG employees *shall* be governed by the RCUOG  
2 Board of Directors. Rules and regulations governing the selection,  
3 compensation, promotion, performance evaluation, disciplinary action,  
4 and other terms and conditions of employment, affecting RCUOG  
5 personnel *shall* be adopted by the Board. The Board may establish or  
6 abolish positions as necessary for the purposes herein.

7 (c) The Board of Directors *shall* appoint the Executive  
8 Director of RCUOG.

9 (d) The RCUOG Board of Directors *shall* establish an  
10 employment policy for the Research Corporation, as necessary, in  
11 administering the affairs of the RCUOG.

12 (e) Notwithstanding any other provision of law, rule, or  
13 regulation, employees of the Research Corporation *shall* be  
14 unclassified public employees. The Board of Directors *shall* set the  
15 employees' duties, responsibilities, salaries, holidays, leaves, hours of  
16 work, and working conditions. The Board of Directors may grant such  
17 other benefits to its employees as it deems necessary, and in accordance  
18 with RCUOG's employment policy and federal employment laws. The  
19 University of Guam may assign *no more than* two (2) University  
20 employees to the RCUOG, with the approval of the RCUOG Board of  
21 Directors, for a maximum start-up period of five (5) years. These  
22 employees *shall* retain their status as University employees during this  
23 assignment period and *shall* continue to receive all University benefits  
24 available to them as University employees.

25 (f) The RCUOG Board of Directors *shall* promulgate rules  
26 and regulations for hiring, employment, procurement, and property set  
27 forth by RCUOG Policy, and the requirements applicable to each major

1 grant program and on internal control over compliance in accordance  
2 with OMB Circulars A-133 and A-21, and Federal Acquisition  
3 Requirements.

4 (g) Employees of the Research Corporation *shall not* be  
5 entitled to any benefits conferred under Title 4, GCA - Public Officers  
6 and Employees: Chapter 4 - Personnel Policy and the Civil Service  
7 Commission, relating to civil service and public service; and Chapter 8  
8 - Retirement of Public Employees, relating to pension and retirement  
9 systems, and the appropriate collective bargaining agreement,  
10 executive order, executive directive, or rule.

11 **§ 29105. Authorized Activities.**

12 Notwithstanding any other provision of law, rule, or regulation, the  
13 RCUOG is authorized to conduct the following activities:

14 (a) to create, adopt, amend, and repeal by-laws governing the  
15 conduct of its business and the exercise of the powers and performance  
16 of duties granted to it or imposed upon it by law;

17 (b) to enter into and perform such contracts, leases,  
18 cooperative agreements, grants or other transactions on behalf of the  
19 University, as may be necessary to facilitate the conduct of the  
20 authorized activities described herein;

21 (c) to buy, sell, lease, rent, hold, maintain, use, and operate  
22 any property, real, personal, or mixed, tangible or intangible, in  
23 accordance with the conditions under which it was received and under  
24 the purposes of the RCUOG;

25 (d) to submit each year for the approval of the Board of  
26 Directors an annual budget; such budget will include projected income,  
27 including indirect/facilities and administrative revenue, and a cost of



1 operating expenses of the Corporation, as well as the distribution plan  
2 of the net proceeds for the University's use, which *shall* include a  
3 reasonable corporate reserve; the allocation of indirect/facilities and  
4 administrative cost will be determined by the Board of Directors, and  
5 follow UOG-BOR Resolution 08-40;

6 (e) to receive through University procedures, by  
7 gifts, grants, devises, bequests, or other private or public  
8 sources, any property, real, personal, or mixed, tangible or intangible,  
9 absolutely or in trust, to be used and disposed of, either the principal or  
10 the income there from, in accordance with the conditions under which  
11 it was received; *except*, that no property shall be accepted  
12 *unless* approved or confirmed by the RCU Board of Directors;

13 (f) to facilitate multi-year contracts;

14 (g) to possess the corporate seal,

15 (h) to sue and to be sued in its own name and to indemnify the  
16 University against losses incurred specific to that activity;

17 (i) to serve as trustee or agent under terms of any gift,  
18 in accordance with the terms of the gift;

19 (j) to apply for, take out, receive, and hold,  
20 administer, and dispose of copyrights, patent rights, licenses,  
21 assignments of inventions, discoveries, processes, and other property,  
22 rights or interests therein, the income thereof, absolutely or subject to  
23 such conditions or trusts as may be attached thereto or be imposed  
24 thereon, and to obligate itself to perform and execute any and all such  
25 conditions or trusts in coordination with UOG's Intellectual Property  
26 Policy;

1           (k) to conduct research, studies, experiments, investigations,  
2 and tests in all fields of knowledge; to promote and develop the  
3 scientific and commercial value of inventions, discoveries, and  
4 processes; and to make published, and distribute the results thereof;

5           (l) to do any and all other acts reasonably necessary to carry  
6 out the objectives and purposes of the Corporation and the University,  
7 as approved by the University and the RCUOG Board of Directors;

8           (m) to coordinate and correlate activities and projects of the  
9 Corporation with the work of government of Guam agencies for the  
10 purpose of relating research work to the economic development of  
11 Guam whenever practical or desirable;

12           (n) to stimulate and promote cooperative research projects and  
13 activities;

14           (o) to establish and maintain, or to assist in establishing and  
15 maintaining, scholarships, fellowships, and professorships, and other  
16 staff positions for the purpose of aiding in the acquisition and  
17 dissemination of knowledge; and to enter into agreements or contracts  
18 with other corporations, organizations, institutions, or persons for this  
19 purpose and to pay the necessary and appropriate expenses therefor;

20           (p) to prepare, print, or publish any manuscript, research  
21 article, report, study, discussion, reference, collection, or any pictorial  
22 or schematic representation or group or collection thereof, whether it  
23 belongs to or is the work of any government of Guam agency or its  
24 employees, or the University or one of its faculty members or  
25 employees, or the Corporation or its employees, or a contractor of  
26 RCUOG. The printing or publication may be accomplished through

1 whatever person, company, or agency is deemed most appropriate by  
2 the Board of Directors.

3 **§ 29106. Procurement.**

4 RCUOG *shall* adopt a procurement policy approved by the  
5 RCUOG Board that is aligned with sound business practices and  
6 consistent with federal program rules and regulations as applicable to  
7 grants and contracts, such as, but *not* limited to, OMB Circular A-21.

8 **§ 29107. Annual Report.**

9 The Corporation *shall* submit an annual report to the University  
10 of Guam Board of Regents, *I Maga'låhen Guåhan* (the Governor of  
11 Guam), and *I Liheslaturan Guåhan* (the Guam Legislature).

12 The report *shall* include, but *not* be limited to, the Corporation's  
13 audited financial statements, including its balance sheet, statement of  
14 income and expenses, a synopsis of all ongoing research projects, and  
15 a summary of funding for each such project by the source of such  
16 funding, whether local government, federal government, or other  
17 sources, and a statement of cash flows; and progress and  
18 accomplishments during the year.

19 **§ 29108. Dissolution.**

20 In the event of the dissolution of the Corporation, all of its  
21 property, real, personal, and mixed, and wheresoever situated, *shall*  
22 vest immediately and absolutely in the University of Guam.

23 **§ 29109. Special Account.**

24 The Corporation *shall* be authorized to set up a special account  
25 for depositing moneys received from either public or private contracts,  
26 or from private or public grants, awards, or gifts. All disbursements  
27 *shall* be drawn on the special account upon checks prepared and signed,

1 as approved by the Executive Director of the RCUOG and *at least* one  
2 (1) other RCUOG officer or employee authorized by the RCUOG  
3 Board of Directors.

4 **§ 29110. RCUOG Excepted from Certain Guam Laws.**

5 Unless otherwise specifically stated in law, RCUOG is excepted  
6 from the following Guam laws:

7 (a) Title 5 GCA - Government Operations: Chapter 22 -  
8 General Fiscal Policies and Controls, relating to the management and  
9 regulation of expenditures with the use of public funds;

10 (b) Title 4 GCA - Public Officers and Employees: Chapter 4 -  
11 Personnel Policy and the Civil Service Commission, relating to public  
12 employment and the Civil Service Commission;

13 (c) Title 4 GCA - Public Officers and Employees: Chapter 8 -  
14 Retirement of Public Employees, relating to pension and retirement  
15 systems;

16 (d) Title 5 GCA - Government Operations: Chapter 5 -  
17 Guam Procurement Law, relating to the procurement of goods and  
18 services with public funds.

19 **§ 29111. Severability.**

20 If any provision of this Act, or the application thereof to any  
21 person or circumstances is held invalid, the invalidity *shall not* affect  
22 other provisions or applications of the Act that can be given effect  
23 without the invalid provisions or application, and to this end the  
24 provisions of this Act are severable.”

25 **Section 2. References to Provisions of Public Law 32-114 Amended by**  
26 **this Act.** Any reference to provisions enacted by Public Law 32-114 and amended

- 1 by this Act in any rule, regulation, procedure, agreement, or other legal document
- 2 *shall* be construed to refer to the amended provisions of this Act, as appropriate.