



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

DEC 05 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	
ACKNOWLEDGMENT RECEIPT	
Received By	<u>[Signature]</u>
Time	<u>4:58pm</u>
Date	<u>12-5-97</u>

Dear Speaker Unpingco:

Enclosed please find a copy of Bill No. 378 (COR), "AN ACT TO AMEND §1109 AND ADD §§1110, 1111, 1112, 1113 AND 1114 TO CHAPTER 1 OF TITLE 4 OF THE GUAM CODE ANNOTATED, AS AMENDED BY P.L. NO. 23-79, RELATIVE TO THE 'GOVERNMENT OF GUAM INCENTIVE AWARDS PROGRAM ACT'," which I have **signed** into law today as **Public Law No. 24-114**.

This legislation corrects a deficiency in the presently existing Incentive Awards Program Act that made it difficult to implement. This bill incorporates language to address funding, protection laws, liability concerns, appeal procedures, and establishment of the regulating board.

Very truly yours,

[Signature]
Carl T. C. Gutierrez

00569

Attachment

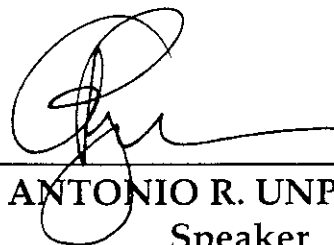
cc: The Honorable Joanne M. S. Brown
Legislative Secretary

Office of the Speaker
ANTONIO R. UNPINGCO
Date: 12-5-97
Time: 1630
Rec'd by: [Signature]
Print Name: Charlene Duena

TWENTY-FOURTH GUAM LEGISLATURE
1997 (FIRST) Regular Session

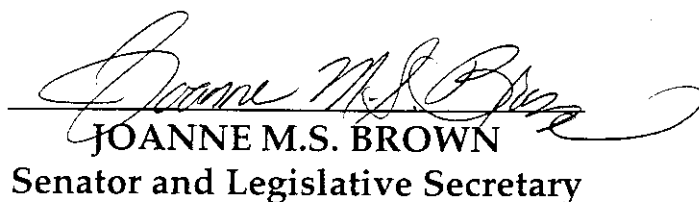
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill No. 378 (COR), "AN ACT TO AMEND §1109 AND ADD §§1110, 1111, 1112, 1113 AND 1114 TO CHAPTER 1 OF TITLE 4 OF THE GUAM CODE ANNOTATED, AS AMENDED BY P.L. NO. 23-79, RELATIVE TO THE 'GOVERNMENT OF GUAM INCENTIVE AWARDS PROGRAM ACT'," was on the 21st day of November, 1997, duly and regularly passed.



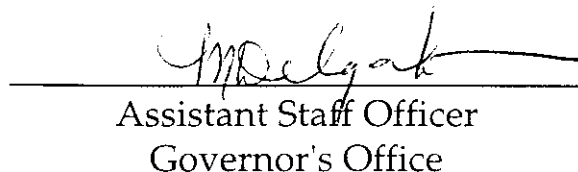
ANTONIO R. UNPINGCO
Speaker

Attested:



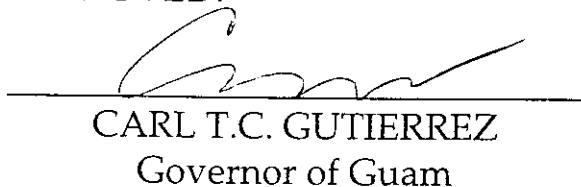
JOANNE M.S. BROWN
Senator and Legislative Secretary

This Act was received by the Governor this 25th day of November,
1997, at 3:15 o'clock P.M.



Assistant Staff Officer
Governor's Office

APPROVED:



CARL T.C. GUTIERREZ
Governor of Guam

Date: 12-5-97

Public Law No. 24-114

TWENTY-FOURTH GUAM LEGISLATURE
1997 (FIRST) Regular Session

Bill No. 378 (COR)

As amended on the Floor.

Introduced by:

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

**AN ACT TO AMEND §1109 AND ADD §§1110, 1111,
1112, 1113 AND 1114 TO CHAPTER 1 OF TITLE 4 OF
THE GUAM CODE ANNOTATED, AS AMENDED
BY P.L. NO. 23-79, RELATIVE TO THE
"GOVERNMENT OF GUAM INCENTIVE
AWARDS PROGRAM ACT."**

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

1 **Section 1. Legislative Intent.** The "Government of Guam Incentive
2 Awards Program Act" was designed to reward ingenuity and economy of
3 government service to those government employees who promote cost-
4 effectiveness and efficiency within the government of Guam through
5 suggestions, ideas, inventions or designs. The funding source, protection
6 laws, liability concerns, appeal procedures and the establishment of an
7 Incentive Awards Board need to be identified and included in this
8 Amendment.

9 **Section 2.** Section 1109 of Chapter 1 of Title 4 of the Guam Code
10 Annotated, as amended by Public Law Number 23-79, is hereby amended to
11 read as follows:

12 **"Section 1109. Funding Source.** (a) Each department shall
13 develop a methodology to monitor the savings realized throughout the
14 year as a result of the implementation of the employee's suggestion,
15 idea, invention or design.

16 (b) The department shall report to the Director of
17 Administration, on a quarterly basis, the status of the implementation of
18 the suggestion and the actual amount saved during the quarter.

19 (c) A cash award of up to ten percent (10%) of the total savings
20 generated by the suggestion, idea, invention or design, shall be granted
21 to the suggestor within one (1) year of the implementation date.

22 (d) If the suggestion, idea, invention or design is implemented
23 by two (2) or more departments, then the cooperative efforts of all
24 affected departments shall monitor the savings and report their
25 individual results, on a quarterly basis, to the Director of

Administration.”

Section 3. A new §1110 is hereby added to Chapter 1 of Title 4 of the Guam Code Annotated to read as follows:

“Section 1110. Protection of Employee’s Suggestion, Idea, Invention or Design. (a) All suggestions, ideas, inventions or designs will be certified upon receipt, reviewed for originality and assigned an identification number. Suggestions, ideas, inventions or designs which have been previously implemented or suggested at other localities, agencies, private or public sectors, are not considered original ideas and shall not be eligible for cash awards, even though the suggestion, idea, invention or design has never been submitted or implemented in the government of Guam.

(b) Suggestions, ideas, inventions or designs previously implemented or suggested at other localities, agencies, private or public, but, with major modification by the suggestor to suit a government of Guam operation resulting in savings to the government of Guam, may warrant a cash award of not more than three percent (3%) of the total savings to the government.

(c) An audit shall be conducted by the Chief Public Auditor for regulatory compliance, fairness in awards, and for any other appropriate reason, at least once every two (2) years or upon request by the Director of Administration.”

Section 4. A new §1111 is hereby added to Chapter 1 of Title 4 of the Guam Code Annotated to read as follows:

“Section 1111. Liability. Suggestions, ideas, inventions or

1 designs submitted by an employee or employees and determined by the
2 appointing authority or other experts, to be, or possibly be, a safety
3 hazard, shall not be implemented. The appointing authority, or the
4 expert's appointing authority, will be held liable for any injury to the
5 employee or others, or any damage to government property, if authority
6 is granted for implementation of the suggestion, idea, invention or
7 design, even if only on a trial basis."

8 **Section 5.** A new §1112 is hereby added to Chapter 1 of Title 4 of the
9 Guam Code Annotated to read as follows:

10 **"Section 1112. Incentive Awards Board.** (a) An Incentive
11 Awards Board ('Board') shall be established to serve as the approving
12 authority for all suggestions, ideas, inventions or designs submitted by
13 employees. The Board shall consist of five (5) members appointed by
14 the Governor of Guam, whose terms will be staggered to ensure
15 continuity of members. Each member shall serve a term of two (2)
16 years, except for the first appointed members, in which three (3) shall be
17 appointed to serve a three (3) year term, and two (2) shall serve a two (2)
18 year term.

19 (b) The majority of the Board shall be three (3) members. The
20 vote of three (3) members shall be required for any action by the Board.
21 The Board may adopt administrative policies to govern its procedures."

22 **Section 6.** A new §1113 is hereby added to Chapter 1 Title 4 of the
23 Guam Code Annotated to read as follows :

24 **"Section 1113. Appeal for Rejected or Stolen Suggestions, Ideas,**
25 **Inventions or Designs.** An employee who feels cheated on his/her

1 original suggestion, idea, invention or design, or whose suggestion,
2 idea, invention or design was rejected, may appeal to the Director of
3 Administration who will appoint an ad hoc Board of Review, approved
4 by the Incentive Awards Board. This Board of Review shall be
5 constituted by two (2) members outside the government of Guam,
6 designated by the Director of Administration, and two (2) members
7 from the present Incentive Awards Board, and an expert in the area
8 relating to the suggestion, idea, invention or design.”

9 **Section 7.** A new §1114 is hereby added to Chapter 1 Title 4 of the
10 Guam Code Annotated to read as follows:

11 **“Section 1114. Administration. (a) Rules and Regulations.**

12 Within one hundred eighty (180) days after enactment of this bill into
13 law, the Department of Administration, in consultation with the Civil
14 Service Commission, shall file with the Legislative Secretary, rules and
15 regulations for the administration of the program in accordance with the
16 Administrative Adjudication Law. In order to provide for the fair and
17 efficient administration of the Program, such rules and regulations shall
18 provide specific controls to safeguard against the possibility of collusion
19 or manipulation. The rules and regulations for the Incentive Awards
20 Program must also include methods for protecting the rights and
21 benefits of the person generating and submitting an idea.

22 **(b) Awareness Program.** Within one hundred eighty (180) days
23 of the enactment of this bill into law, the agency heads of the
24 Department of Administration, the autonomous agencies, and the
25 Supreme Court of Guam shall implement a “Government of Guam

1 Incentives Awards Program" providing information about the
2 objectives and procedures of the Program and to encourage
3 participation from all government of Guam employees."



GUAM LEGISLATURE

Senator Felix P. Camacho

Power, Foreign Affairs and General Government Services

✓
FELIX P. CAMACHO
Senator, 24th Guam Legislature

472-3505 x 6

472-9747

November 13, 1997

The Honorable
Antonio R. Unpingco
Speaker, 24th Guam Legislature
Agana, Guam

via: Committee on Rules

Dear Mr. Speaker:

The Committee on Power, Foreign Affairs & General Government Services, to which was referred **Bill No. 378**, "An act to amend Public Law No. 23-79, known as the "Government of Guam Incentive Awards Program Act" to change §1109 and add §1110, §1111, §1112, §1113 and §1114" with the recommendation **TO DO PASS**.

Votes of committee members are as follows:

<u>8</u>	To Pass
<u> </u>	Not To Pass
<u> </u>	To The Inactive File
<u> </u>	Abstained
<u> </u>	Off-Island
<u>6</u>	Not Available

Sincerely,

Felix P. Camacho


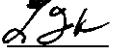

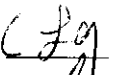
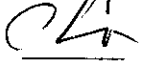

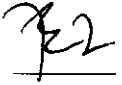
Attachments

**COMMITTEE ON POWER, FOREIGN AFFAIRS
& GENERAL GOVERNMENT SERVICES
TWENTY-FOURTH GUAM LEGISLATURE
155 Hesler Street, Agana, Guam 96910**

Chairman: Senator Felix P. Camacho Vice Chairman: Senator Lawrence F. Kasperbauer Ex-Officio Member: Speaker Antonio R. Unpingco
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VOTING SHEET ON:

Bill No. 378, "An act to amend Public Law No. 23-79, known as the "Government of Guam Incentive Awards Program Act" to change §1109 and add §1110, §1111, §1112, §1113 and §1114."

<u>COMMITTEE MEMBERS</u>	<u>INITIAL</u>	<u>TO PASS</u>	<u>NOT TO PASS</u>	<u>ABSTAIN</u>	<u>TO PLACE IN INACTIVE FILE</u>
Sen. Felix P. Camacho		<input checked="" type="checkbox"/>			
Sen. Lawrence F. Kasperbauer		<input checked="" type="checkbox"/>			
Sen. Thomas C. Ada					
Sen. Elizabeth Barrett-Anderson		<input checked="" type="checkbox"/>			
Sen. Francisco P. Camacho					
Sen. Mark C. Charfauros					
Sen. Edwardo J. Cruz, MD					
Sen. William B. S.M. Flores					
Sen. Carlotta A. Leon Guerrero		<input checked="" type="checkbox"/>			
Sen. Alberto A.C. Lamorena V		<input checked="" type="checkbox"/>			
Sen. Vicente C. Pangelinan					
Sen. Angel L.G. Santos		<input checked="" type="checkbox"/>			
Sen. Francis E. Santos		<input checked="" type="checkbox"/>			
Sen. Judith Won Pat-Borja					

COMMITTEE ON POWER, FOREIGN AFFAIRS
& GENERAL GOVERNMENT SERVICES
TWENTY-FOURTH GUAM LEGISLATURE
155 Hesler Street, Agana, Guam 96910

COMMITTEE REPORT

ON

Bill No. 378

“An act to amend Public Law No. 23-79, known as the “Government of Guam Incentive Awards Program Act” to change §1109 and add §1110, §1111, §1112, §1113 and §1114.”

COMMITTEE MEMBERS

Chairman: Felix P. Camacho

Vice Chairman: Senator Lawrence F. Kasperbauer

Ex-Officio Member: Antonio R. Unpingco

Thomas C. Ada
Francisco P. Camacho
Edwardo J. Cruz, MD
Alberto A.C. Lamorena V
Vicente C. Pangelinan
Francis E. Santos

Elizabeth Barrett-Anderson
Mark C. Charfauros
William B. S.M. Flores
Carlotta A. Leon Guerrero
Angel L.G. Santos
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COMMITTEE REPORT
POWER, FOREIGN AFFAIRS & GENERAL GOVERNMENT SERVICES

Bill No. 378

“An act to amend Public Law No. 23-79, known as the “Government of Guam Incentive Awards Program Act” to change §1109 and add §1110, §1111, §1112, §1113 and §1114.”

PUBLIC HEARING

Senator Felix P. Camacho, Chairman of the Committee on Power, Foreign Affairs & General Government Services (CPFA&GGS) called to order at 9:00 a.m. Wednesday, October 22, 1997, a public hearing to gather testimony on Bill No. 378, “An act to amend Public Law No. 23-79, known as the “Government of Guam Incentive Awards Program Act” to change §1109 and add §1110, §1111, §1112, §1113 and §1114.”

MEMBERS PRESENT

Senator Felix P. Camacho	Chairman
Senator Lawrence Kasperbauer	Vice-Chairman
Senator Carlotta Leon Guerrero	Member
Senator Willie Flores	Member
Senator Francis Santos	Member
Senator Francisco P. Camacho	Member
Senator Vicente Pangelinan	Member
Senator Tom Ada	Member
Senator Joanne Brown	Nonmember
Senator Lou Leon Guerrero	Nonmember

PRESENT TO TESTIFY

None

BACKGROUND

Public Law No. 23-79, created the “Government of Guam Incentives Award Program”. Based on the findings of the Department of Administration and the Civil Service Commission, the law required further changes to effectuate the program. This bill incorporates language to address funding, protection laws, liability concerns and appeal procedures and establishment of the regulating Board.

TESTIMONY AND DISCUSSION

Mr. Michael Reidy, Director of the Department of Administration, provided written testimony recommending passage of the bill. Mr. Reidy states that his office and the task force have been working closely with the bill's sponsor to effectuate the program. The bill incorporates the required language to do just that. Mr. Reidy suggests the program will require a coordinator to staff and process employees applying for the incentive awards.

Senator Felix P. Camacho, Chairman, acknowledge that the Department of Administration is in full support of this measure, and that no one was present to testify.

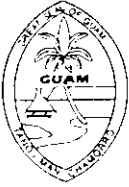
BBMR states in its fiscal note Bill No. 378 will encourage employees to suggest ways to reduce the costs of government and earn monetary rewards in return.

FINDINGS

The Committee finds that Bill No. 378 can be reported out without changes.

RECOMMENDATION

The Committee on Power, Foreign Affairs & General Government Services hereby reports out Bill No. 378 with the recommendation **TO DO PASS**.



GOVERNMENT OF GUAM

AGANA, GUAM 96932

DEPARTMENT OF ADMINISTRATION

(DIPATTAMENTON ATMENESTRASION)

DIRECTOR'S OFFICE

(UFISINAN DIREKTOT)

Post Office Box 884 • Agana, Guam 96932

Tel.: (671) 475-1101/1250 • Fax: (671) 477-6788

Carl T.C. Gutierrez
Governor

Madeleine Z. Bordallo
Lieutenant Governor

OCT 2 1 1997

Senator Felix P. Camacho
Chairman, Committee on Power, Foreign
Affairs and General Government Services
Twenty Fourth Guam Legislature
155 Hesler Street
Agana, Guam 96910

Ref: Comment on Bill 378

Dear Senator Camacho:

Buenas! Thank you for the opportunity to comment on Bill No. 378 to amend the Government of Guam Incentive Awards Program Act, P.L. 23-79.

This office and the task force, established to implement P.L. 23-79, have been working closely with Senator Carlotta Leon Guerrero, the bill's sponsor, to provide a comprehensive coverage of all areas of concerns which need to be addressed for the administration of the Incentive Awards Program. Those concerns are now included in Bill 378 and we recommend its passage.

It is anticipated that when this program is in place, the Department of Administration will require a coordinator to ensure that all suggestions, ideas, inventions or designs, are processed and addressed in a timely manner by experts and the Incentive Awards Board. This staff, who will serve as the liaison between the Board and the Department of Administration, will also follow-up on reports to determine appropriate savings to the department and the amount of award that is due to the employee.

Si Yu'os Ma'ase to Senator Leon Guerrero for her innovation and interest in this much needed legislation. Again, we strongly recommend the passage of Bill 378, and we look forward to a successful program which will benefit not only the suggestor but more importantly create savings to the government.

Si Yu'os Ma'ase for this opportunity. If you have any questions regarding this subject, please contact the Division of Personnel Management at 475-1131.

Sincerely,

MICHAEL J. REIDY, Director
Department of Administration



COMMONWEALTH NOW!

FISCAL NOTE
BUREAU OF BUDGET AND MANAGEMENT RESEARCH

BBMR-F7

Bill Number: 378 (COR)
 Amendatory Bill: No

Date Received: August 29, 1997
 Date Reviewed: September 12, 1997

Department/Agency Affected: Administration
 Department/Agency Head: Michael J. Reidy
 Total FY Appropriation to Date: \$10,027,870

Bill Title (preamble): AN ACT TO AMEND PUBLIC LAW 23-79 KNOWN AS THE "GOVERNMENT OF GUAM INCENTIVE AWARDS PROGRAM ACT" TO CHANGE §1109 AND ADD §1110, §1112, §1113 AND §1114.

Change in Law: N/A

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

Bill is for:
 Operations XXX Capital Improvement _____ Other _____

FINANCIAL/PROGRAM IMPACT

ESTIMATED SINGLE-YEAR FUND REQUIREMENTS (Per Bill)			
PROGRAM CATEGORY	GENERAL FUND	OTHER	TOTAL
	<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? N/A -- 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 [Signature] DATE 9/16/97 DIRECTOR Joseph E. Rivera, Acting DATE NOV 5 1997

FOOTNOTES:

1/ Bill Number 378(COR) is an act to amend Public Law 23-79 as the "Government of Guam Incentive Awards Program Act" to change §1109 and add §1110, §1111, §1112, §1113 and §1114. This Bill appears to be administrative in nature, however, its implementation may pose a fiscal impact on the agencies involved. Such an impact cannot be determined by the Bureau at this time.

It should be noted that any monetary awards paid out are outweighed by the savings realized by the individual departments. Any incentives given to employees that qualify may have to be paid out of that particular employee's departmental budget. The Bill does not appropriate any funds for the implementation of the proposed changes.