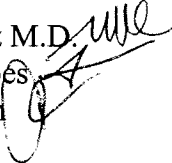


MINA BENTE OCHO NA LIHESLATURAN GUAHAN
2005 (FIRST) Regular Session

Bill No. 117 (EC)

Introduced by:

Mike Cruz M.D. 
Mark Forbes
J. A. Lujan

**AN ACT TO ESTABLISH A REMEDY FOR GOVERNMENT OF GUAM
EMPLOYEES INTENDING TO RETIRE BUT DENIED BY THE
RETIREMENT FUND BECAUSE OF THEIR RESPECTIVE
GOVERNMENT AGENCY HAS DEBT TO THE RETIREMENT FUND BY
PROVIDING FOR COMPENSATION BY HIS/HER GOVERNMENT
AGENCY.**

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

2 **Section 1.** This Act shall be known as “EMPLOYEES INTERIM
3 RETIREMENT COMPENSATION PLAN”.

4 **Section 2. Legislative Findings.** I Liheslaturan Guahan finds that the
5 government of Guam regularly deducted money from the employees’ paycheck for their
6 contribution into the Government of Guam Retirement Fund (“Retirement Fund”).
7 Unfortunately some agencies do not remit their own money obligation plus the
8 employees’ contribution to the Retirement Fund. The employees who are eligible to
9 retire will not be able to retire (especially those employees with medical reasons) because
10 said funds were never transferred to the Retirement Fund. In many instances the agency
11 may owe the Retirement Fund millions of dollars. I Liheslaturan Guahan further finds
12 that it is not the fault of the employees but the fault of the government and therefore
13 employees who can retire should be able to do so. I Liheslaturan Guahan finds that the
14 only just remedy until these debt obligations are resolved is for the Agency at fault to
15 compensate the retired employees for what is due to them as government of Guam
16 retirees.

17 **Section 3. Compensation.** Any government employee certified by the
18 Government of Guam Retirement Fund to have applied for retirement and eligible to
19 receive benefits from the Retirement Fund but denied due to the debt obligations of

1 his/her respective agency shall be compensated by their respective agency for lost
2 retirement annuity income. The amount of compensation shall be based on the amount
3 per annum that the Retirement Fund has approved should the employee retire under the
4 Government of Guam retirement plan. This amount shall then be calculated into the
5 biweekly payroll by employee's agency and disbursed accordingly. The beginning date
6 of compensation shall be that date of denial by the Retirement Fund. All compensation
7 shall be retroactive to the date of denial by the Retirement Fund.

8 **Section 4. Employee Protections.** (a) Any government employee receiving
9 compensation from his/her agency by this Act shall be considered on active employee
10 status with all health insurance and life insurance benefits afforded to active employees
11 of the Government of Guam.

12 (b) Compensation provided employees under provisions of this Act shall not
13 affect the investiture rights of said employees in either the Defined Benefit or the Defined
14 Contribution Plans.

15 **Section 5. Termination of Compensation.** The Retirement Fund shall notify the
16 government employee when he/she shall be able to retire and receive benefits from the
17 Retirement Fund. At that time, the compensation authorized under this Act shall be
18 terminated.

19 **Section 6. Transfer Authority** Notwithstanding any provisions of the law, *I*
20 *Maga'lahaen Guåhan* is authorized to transfer *up to* two million dollars (\$2,000,000.00)
21 every fiscal year to any government agency from the appropriations to the Executive
22 Branch agencies to fund the purposes of this Act.

23 **Section 7. Severability.** If any provisions of this Act or its application to any
24 person or circumstance is found to be invalid or contrary to law, such invalidity shall not
25 affect other provisions or applications of this Act which can be given effect without the
26 invalid provisions or applications, and to this end the provisions of this Act are severable.