



COMMITTEE ON RULES

I Mina'trentai Unu na Liheslaturan Guåhan • The 31st Guam Legislature

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September 12, 2012

MEMORANDUM

To: Pat Santos
Clerk of the Legislature

Attorney Therese M. Terlaje
Legislative Legal Counsel

From: Senator Rory J. Respicio
Majority Leader & Rules Chair

Subject: Referral of Bill Nos. 509-31 (COR) & 510-31 (COR)

As the Chairperson of the Committee on Rules, I am forwarding my referral of Bill Nos. 509-31 (COR) and 510-31 (COR).

Please ensure that the subject bills is referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Unu na Liheslaturan Guåhan*.

Should you have any questions, please feel free to contact our office at 472-7679.

Si Yu'os Ma'åse!

(2) Attachment

I Mina'Trentai Unu Na Liheslaturan Guahan

Bill Log Sheet

BILL NOS.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	120 DAY DEADLINE	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	STATUS
509-31 (COR)	Judith T. Won Pat, Ed.D., T.R. Muna Barnes	AN ACT TO ADD A NEW CHAPTER 15A OF DIVISION 3, TITLE 17 GUAM CODE ANNOTATED RELATIVE TO THE STUDENT FINANCIAL ASSISTANCE PROGRAMS	09/10/2012 3:37pm	9/12/12		Committee on Education & Public Libraries			

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) REGULAR SESSION

Bill No. 509-31 (COR)

Introduced by:

Judith T. Won Pat, Ed.D.

T.R.m. Barnes

SEP 10 PM 3:37
OK

**AN ACT TO ADD A NEW CHAPTER 15A OF
DIVISION 3, TITLE 17 GUAM CODE ANNOTATED
RELATIVE TO THE STUDENT FINANCIAL
ASSISTANCE PROGRAMS**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guahan* finds

that access to higher education is becoming more difficult as costs continue to rise at all institutions of higher education across the nation. The biggest source of financial assistance for most college students in the United States remains the federal government's Title IV programs (U.S. Higher Education Act) consisting mainly of the Pell Grant and the Direct Student Loan programs.

I Liheslatura further finds that while Title IV programs have been extremely helpful in supplementing a student's cost of education, aid to students have steadily lagged behind rising higher education costs, resulting in students and their families opting to sign up for costly education loans.

In an effort to assist students to fill these funding gaps, most states have implemented programs to assist the most needy students and families in their communities with state grants to attend universities within their jurisdiction.

1 Programs such as the Cal Grant (California), the Hawaii State Incentive Grant
2 (Hawaii), and the Oregon Opportunity Act (Oregon) are examples of programs that
3 provide grants to their students that meet certain residency, financial, and academic
4 requirements. These state grants, in conjunction with Title IV programs offered by
5 the federal government, allow more students access to higher education.

6 *I Liheslatura* further finds that, although Guam currently offers financial
7 assistance to residents to pursue higher education, these programs are often
8 cumbersome and bureaucratic, requiring separate application forms with different
9 application due dates and eligibility requirements, resulting in confusion and
10 frustration on the part of the student.

11 It is therefore the intent of *I Liheslatura* to reform the process of the locally
12 funded financial aid programs by aligning the limited local resources with funds
13 received from the federal government. The alignment of these resources will result
14 in greater access for Guam residents to higher education by making it more
15 affordable.

16 **Section 2. A new Chapter 15A is hereby added to Division 3 of Title 17**
17 **Guam Code Annotated to read as follows:**

18 **“Chapter 15A.**

19 ***STUDENT FNANCIAL ASSISTANCE PROGRAMS FOR HIGHER***
20 ***EDUCATION***

21 **Article 1. Administration.**

22 **Article 2. Merit Awards to the University of Guam (For Academic**
23 **Years 2013-2014 and Thereafter).**

24 **Article 3. Jesus U. Torres Professional and Technical Awards (For**
25 **Academic Years 2013-2014 and Thereafter).**

26 **Article 4. Access to Higher Education Financial Assistance Program**

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ARTICLE 1
ADMINISTRATION

- §15A101. Definitions**
- §15A102. Administration.**
- §15A103. Fund.**
- §15A104. Regulation.**
- §15A105. Application Forms and Notices.**
- §15A106. Limitation of Awards.**
- §15A107. Discharge of Award Obligation Upon Death or Disability.**
- §15A108. Garnishment of Income Tax Refunds in the Event of Default.**
- §15A109. Interest Computation on Financial Assistance Awarded After September 30, 2006 For Cash (Non-Service Credit) Payments.**
- §15A110. Prohibition.**
- §15A112. Reporting Requirements**

§15A101. Definitions. The Following terms whenever used in this Chapter shall have the following meaning, except when the context otherwise requires:

- (a) Awards shall mean awards for grants and loans provided by this Chapter.
- (b) Board shall mean the Board of Regents of the University of Guam.

1 (c) Fund shall mean the Student Financial Assistance Fund.

2 **§15A102. Administration.** The provision of this Chapter shall be
3 administered by the Board of Regents of the University of Guam, and all
4 awards provided by this Chapter shall be granted by the Board. The Board
5 of Regents may delegate to the management of the University, its authority
6 granted under any Administrative Rules and Regulations.

7 **§15A103. Fund.** There is hereby established a Student Financial
8 Assistance Fund hereinafter referred to as the “Fund” from which awards
9 granted pursuant to this Chapter shall be financed. The Board is authorized
10 to accept for the Funds gifts, devices, bequests, donations and all other kinds
11 of contributions for the purposes of the Fund. The Fund may be
12 supplemented by annual appropriations to the extent made necessary by
13 awards granted pursuant to this Chapter. The Fund shall be administered by
14 the Board and all moneys appropriated for awards pursuant to this Chapter
15 and all repayment of such awards, made under this Chapter, shall be paid
16 directly to the Fund and dispensed by the Board. Within sixty (60) days
17 after the closing of each fiscal year, the Board shall transmit to the
18 Legislature an annual report consistent with §15A112 of this Article.

19 **§15A104. Regulations.** The Board, subject to the provisions of the
20 Administrative Adjudication Law, shall make regulations pursuant to and
21 not inconsistent with the provision of this Chapter.

22 **§15A105. Application Forms and Notices.** The Board shall
23 prescribe by regulation necessary application forms and procedures for all
24 awards pursuant to this Chapter. The Board shall give notice to the
25 community to permit interested students, who shall be residents of Guam

1 and citizens of the United States of America, or a permanent resident alien,
2 an opportunity to apply for the awards granted by this Chapter.

3 **§15A106. Limitation on Awards.** No person receiving benefits
4 under one article of this Chapter shall be entitled to benefits under any other
5 article of this Chapter, and no person receiving benefits under any teacher
6 training program, in-service training program or other government of Guam
7 education programs shall be entitled to benefits under the provision of this
8 Chapter.

9 **§15A107. Discharge of Award Obligations Upon Death or**
10 **Disability.** The Board may, upon death or disability of a student who is
11 receiving or has received an award under the provisions of this Chapter,
12 discharge in full or in part all obligations for the repayment of said award.

13 **§15A108. Garnishment of Income Tax Refunds in the Event of**
14 **Default.** The Board may, subject to the terms and conditions of a
15 Memorandum of Understanding with the Department of Revenue and
16 Taxation, garnish the tax refunds due to any recipients of assistance pursuant
17 to this Chapter and/or recipient's co-signer(s) who has defaulted on the
18 repayment of such assistance and a judgment has been issued. Such
19 garnishment shall not exceed the judgment amount.

20 **§15A109. Interest Computation on Financial Assistance Awarded**
21 **On or After Award Year 2013-2014 for Non Cash (Non-Service Credit)**
22 **Repayments.** Interest on all awards of assistance made on or after Award
23 Year 2013-2014, pursuant to this Chapter shall be computed on the
24 outstanding balance on a simple interest basis beginning on the date of
25 disbursement at an annual percentage rate of ten percent (10%). Repayment
26 shall be made in either a lump sum by which the principal and accrued

1 interest up to the date of repayment is satisfied or through a periodic
2 payment plan under the following conditions:

3 (a) the awardee can amortize the combined balance of principal and
4 accrued interest balances over a specified term at an annual
5 percentage rate of 10 percent (10%);

6 (b) the period for repayment shall not exceed ten (10) years; and

7 (c) all awardees choosing to repay assistance in cash in lieu of service
8 credit must pay all accrued interest before any payments are applied to
9 the principal of the debt.

10 Repayment of awards made prior to Award Year 2013-2014 shall be made
11 pursuant to the provisions of Chapter 15 of this Title.

12 **§15A110. Prohibition.**

13 (a) No awards shall be granted under this Chapter for the purposes of
14 pursuing theological studies.

15 (b) No money may be expended for awards under this Chapter unless
16 such awards are authorized by the Board by resolution. Any officer who
17 disburses or certifies any expenditure from the Fund without such
18 authorization shall be personally liable for the restitution of such expenditure
19 to the Fund.

20 **§15A111. Prioritization of Awards.** Beginning in the 2013-2014
21 award year, the Board shall adopt, by resolution, a listing of awarding
22 priorities prior to awarding students under Articles 3 of this Chapter.
23 Awarding priorities shall be established every three (3) years or sooner if
24 requested by the President of the University.

25 **§15A112. Reporting Requirements.** The Board shall submit a report
26 of the Student Financial Assistance Programs for Higher Education to the

1 Governor of Guam and to the Speaker of *I Liheslaturan Guahan* no later
2 than one month from the end of the Academic Year which, at the very least,
3 shall contain the following information: the total number of recipients under
4 this chapter, sorted by new and continuing recipients; the total number of
5 students that have completed their degrees under Article 3, sorted by
6 program; the total amount expended for the academic year; and any other
7 information that *I Liheslatura* will deem helpful in the review of the
8 programs in this chapter.

9 **ARTICLE 2**

10 **MERIT AWARDS TO THE UNIVERSITY OF GUAM**

11 **(For Academic Years 2013-2014 and Thereafter)**

12 **§15A201. Students Entitled to Merit Awards**

13 **§15A202. Benefits**

14 **§15A203. Service Credit**

15 **§15A204. Rules and Regulations**

16
17 **§15A201. Students Entitles to Merit Awards.**

18 (a) There are established annual Merit Awards for high school
19 students in the graduating classes of public and private high school
20 licensed to do business on Guam now or hereafter established. The
21 students entitled to these awards shall be the students having the
22 highest scholastic standing in the graduating classes of each such
23 public and non-public high school on Guam. The awards shall be
24 determined as follows:

25 (1) One for every fifty (50) graduates or a fraction
26 thereof of a school's graduating class. If as a result of the

1 equal scholastic standing of two (2) or more graduates,
2 there is a tie for the awards granted pursuant to this
3 Chapter, the graduates' respective school shall provide a
4 mechanism to break the tie. Awardees are entitled to
5 four (4) years of education at the University of Guam.

6 (2) All awards shall be subject to the following
7 limitations:

8 A recipient must be a:

9 (i) United States citizen, or a permanent resident
10 alien, who has completed a minimum of three (3) but no
11 more than four (4) academic years and meets all
12 academic credit requirements for graduation during
13 attendance in a public, non-public, or DODEA high
14 school on Guam; and

15 (ii) a resident of Guam for a continuous period of
16 not less than five (5) years immediately preceding June
17 15th of the year the award is to be given.

18 (4) To be eligible for a Merit Award, a student must have
19 achieved a cumulative high school grade point average of
20 not less than 3.00 or its equivalent at the time of
21 graduation.

22 (b) If any student is ineligible for an award because of failure to
23 meet the requirements contained in Subsection (a) of this
24 Section; or if any eligible student chooses not to accept an
25 award when first offered such award, the award shall be granted
26 to the eligible student with the next highest scholastic rank, on

1 in the case of a tie, the student that was eliminated by the tie-
2 breaker. If an eligible student declines to accept an award when
3 first offered, the student may not accept the award after it has
4 been granted to another student. The recipient of a merit award
5 must notify the Board within thirty (30) days that the award is
6 accepted. Failure to notify the Board within thirty (30) days
7 will forfeit the award and shall be offered to the next alternate.

8 (c) Award recipients must agree that the recipient will work on
9 Guam for a period of one (1) year for each academic year the
10 award was received within six (6) months following the
11 completion or termination of the course of study for which the
12 award was granted; provided that if the recipient continues as a
13 full-time student at a graduate or professional school, such
14 recipient may defer work on Guam until such additional studies
15 are completed.

16 (d) Awards granted on or subsequent to the effective date of
17 this Section shall be cancelled if a recipient:

18 (1) fails to maintain a cumulative grade point average of
19 2.5 or its equivalent, except a recipient may be allowed one (1)
20 academic term to regain the required grade point average
21 without cancellation of the award, or

22 (2) fails to meet the academic and/or other requirements
23 governing full-time students at the University of Guam, except
24 a recipient shall be allowed one (1) academic term to regain
25 full-time status before cancellation of recipient's award.

1 **§15A202. Benefits.** Students entitled to merit awards pursuant to this
2 Article shall receive the following benefits:

3 (a) Tuition and Fees at the University of Guam. Tuition and
4 fees for each academic year to be paid by the Student Financial
5 Assistance Fund for a period of not more than four (4) years in an
6 undergraduate program at the University of Guam. For awards
7 granted under §15A201(a)(2) of this Article, student shall receive an
8 additional two (2) years of tuition and fees for a graduate degree at the
9 University of Guam. To be eligible for an additional award granted
10 under §15A201(a)(2), the awardee must begin their graduate program
11 at the University of Guam within three years from their undergraduate
12 completion date.

13 (b) Stipend. Award recipients are entitled to a monthly stipend
14 to be disbursed in nine (9) monthly installments during the academic
15 year, as follows:

16 (1) First Year and Second Year Students: Three Hundred
17 Dollars (\$300.00) per month.

18 (2) Third Year and Fourth Year Students: Five Hundred
19 Dollars (\$500.00) per month.

20 (3) Graduate Students: Six Hundred Dollars (\$600.00)
21 per month.

22 (c) Allowance for Textbooks. Each student receiving an award
23 under this Article shall be entitled to an additional Three Hundred and
24 Fifty Dollars (\$350.00) per semester for textbooks.

25 (d) Optional Inter-Session Allowed.

1 (1) Summer Semester. Each student shall be entitled to
2 tuition for full time enrollment, fees, and textbooks.

3 (2) Between Fall and Spring Semesters. Each student
4 shall be entitled to tuition for full time enrollment, fees,
5 and textbooks. Students attending inter-session between
6 Fall and Spring Semesters shall not be entitled to an
7 additional stipend.

8 **§15A203. Service Credit.** The financial assistance granted under this
9 Article shall be repaid on a one-to-one basis for each year that assistance
10 was provided through employment on Guam or in the office of Guam's
11 Delegate to the United States Congress. In the event that any portion of the
12 assistance is not repaid through service credit, the amount unpaid in service
13 credit shall become due and payable.

14 (a) In calculating the amount due and payable for failure to pay
15 through service credit, the amount due shall be the total amount of
16 assistance minus the number of years repaid through service credit.
17 For purposes of this Section, a year of service credit is twelve (12)
18 months. The Board may also extend payments of cash repayment by
19 executing a promissory note for a term not to exceed ten (10) years at
20 an annual percentage rate of not less than ten percent (10%). No
21 amounts shall be considered due and payable during the time which
22 the awardee is repaying service credit pursuant to the provisions in
23 this Article.

24 (b) The Board may allow deferrals of repayment through
25 service for the following reasons:

26 (1) pursuit of a graduate degree; or

1 (2) a family or medical emergency

2 (c) Any awardee granted an award pursuant to the provisions
3 of this Article must commence work on Guam within six (6) months
4 following the completion of studies, unless extended by the Board for
5 extenuating circumstances or will be considered in default of their
6 obligation as of the date classes ended. The permanent transfer to an
7 off-Guam office or branch of a Guam employer shall not count
8 towards service credit and shall result in default on the date of transfer
9 and interest shall begin accruing on such a date of default. Permanent
10 transfers, for purposes of this Section, are those that are longer than
11 six (6) months. The Board shall establish such policies prescribing
12 the length and terms of repayment, the interest rates to be charged,
13 and the collection of delinquent accounts.

14 (d) Death or total disability of the student shall terminate any
15 obligations herein. Total disability for purposes of this Section is
16 defined as any physiological or psychological condition that will
17 prevent the student from obtaining or maintaining any form of gainful
18 employment for a period of not less than three (3) years. The Board
19 may defer repayment for temporary disability. Total and permanent
20 disability requires the certification by two (2) physicians licensed to
21 practice in the United States.

22 **§15A204. Rules and Regulations.** The Board shall develop
23 appropriate rules and regulations for the administration of this Article.
24

25 **ARTICLE 3**

26 **JESUS U. TORRES PROFESSIONAL AND TECHNICAL AWARDS**

1 **(For Academic Years 2013-2014 and Thereafter)**

2

3 **§15A301. Students Entitled to Awards.**

4 **§15A302. Benefits.**

5 **§15A303. Repayment of Benefits and Service Credit.**

6 **§15A304. Forfeiture of Awards.**

7 **§15A305. Rules and Regulations.**

8

9 **§15A301. Students Entitled to Awards.** There are established

10 professional and technical awards for graduate studies. To qualify for these

11 awards, applicants must meet the following criteria:

12 (a) The applicant must be a bona fide resident of Guam for a period of

13 not less than ten (10) years prior to application, and a United States citizen,

14 or a permanent resident alien, and must have achieved an overall grade point

15 average of 3.00 in undergraduate studies if pursuing a master's degree or a

16 professional degree, or a 3.33 grade point average in a master's degree or

17 professional degree program if pursuing a doctoral degree or an irrevocable

18 letter of acceptance from a U.S. accredited institution as recognized by the

19 Council for Higher Education Accreditation (CHEA) or its successors or an

20 irrevocable letter of acceptance from a foreign medical school as listed in the

21 World Health Organization (WHO) listing of medical schools, which was

22 approved by the Board of Medical Examiners or the Council on Medical

23 Education and hospitals of the American Medical Association (or by a

24 private non-profit accrediting body approved by the Guam Board of Medical

25 Examiners.

1 (b) the applicant must agree to the repayment terms as specified
2 in §15A303 and §15A304;

3 (c) the applicant must present to the Board, prior to granting of
4 the award, satisfactory proof that such applicant has been accepted by
5 a U.S. accredited college or university, as recognized by the Council
6 for Higher Education Accreditation (CHEA), or its successors, or
7 satisfactory proof that such applicant has been accepted by a foreign
8 medical school as listed in the World Health Organization (WHO)
9 listing of medical schools, which was approved by the Board of
10 Medical Examiners or the Council on Medical Education and
11 hospitals of the American Medical Association or by a private non-
12 profit accrediting body approved by the Guam Board of
13 Medical Examiners as a full-time student pursuing a program of study
14 in the field applied for; and

15 (d) the college or university must be properly accredited as
16 recognized by the Council for Higher Education Accreditation
17 (CHEA), or its successors, or the foreign medical school must be
18 properly accredited as listed in the World Health Organization (WHO)
19 listing of medical schools, which was approved by the Board of
20 Medical Examiners or the Council on Medical Education and
21 hospitals of the American Medical Association or by a private non-
22 profit accrediting body approved by the Guam Board of Medical
23 Examiners, and must be approved by the Board, however, that no
24 award shall be granted for studies at an off-Guam institution in a
25 program that is available at the University of Guam.

1 (e) The Board shall select the recipients of the awards based
2 upon the basis of scholastic ability, financial need, and aptitude. The
3 Board may also use work or life-time experience and achievement
4 criteria in place of the aptitude criteria, if it can be reasonably
5 determined that the applicant will succeed in a course of study funded
6 by an award herein.

7 (f) In determining financial need, the applicant must submit a
8 Free Application for Federal Student Aid (FAFSA) to determine level
9 of need.

10 (g) No benefits as specified in §15A302 shall be continued
11 beyond the number of years normally required to complete studies in
12 the specific academic degree program for which the award was
13 granted, except under exceptional circumstances, as determined by the
14 Board.

15 **§15A302. Benefits.** Students entitled to awards pursuant to this
16 Article shall receive the following benefits:

17 (a) payment of tuition and fees up to Ten Thousand Dollars
18 (\$10,000.00) per year, except that students whose course of study is in
19 an area leading to a Doctor of Medicine (MD), a Doctor of Dental
20 Medicine (DMD), Doctor of Dental Surgery (DDS), a Doctor in
21 Clinical Psychology (ClinPsyD), or a Doctor of Veterinary Medicine
22 (DVM) shall be entitled to Twenty Thousand Dollars (\$20,000.00) for
23 tuition and fees.

24 (b) an annual grant loan of not more than Ten Thousand Dollars
25 (\$10,000.00) per year to be used for room and board, books and
26 educational supplies, except that students whose course of study is in

1 an area leading to a Doctor of Medicine (MD), a Doctor of Dental
2 Medicine (DMD), Doctor of Dental Surgery (DDS), a Doctor in
3 Clinical Psychology (ClinPsyD), or a Doctor of Veterinary Medicine
4 (DVM) shall be entitled to Fifteen Thousand Dollars (\$15,000.00)
5 Such grant loans are to be non-interest bearing, except as to unpaid
6 delinquent amounts; and

7 (c) cost of an economy, one way airfare to the school of
8 attendance and the cost of an economy, one way airfare to return to
9 Guam upon completion of studies for which an award was given
10 under this Article.

11 Total for items (a) and (b) of this Section shall not exceed Twenty
12 Thousand Dollars (\$20,000.00) per year. If the course of study leads
13 to a Doctor of Medicine (MD), a Doctor of Dental Medicine (DMD),
14 Doctor of Dental Surgery (DDS), a Doctor in Clinical Psychology
15 (ClinPsyD), or a Doctor of Veterinary Medicine (DVM), the total for
16 items (a) and (b) of this Section shall not exceed Thirty-five Thousand
17 Dollars (\$35,000.00) per year.

18 **§15A303. Repayment of Benefits and Service Credit.** The financial
19 assistance granted under this Article shall be repaid on a two-to-one (2:1)
20 basis for each year that assistance was provided through employment on
21 Guam or in the office of Guam's Delegate to the United States Congress. In
22 the event that any portion of the assistance is not repaid through service
23 credit, the amount unpaid in service credit shall become due and payable.

24 (a) Every student granted an award pursuant to this Article shall
25 execute a promissory note agreeing to repay said loan over a period to
26 be determined by the Board, but not in excess of ten (10) years from

1 the contemplated date of the termination or the completion of the
2 course of study for which the award was approved. The amount of the
3 note shall be left blank until the completion of studies, in which the
4 amount of the note will be the total monetary amount of assistance
5 provided by the award. Said promissory note shall be non-interest
6 bearing, except as to amounts unpaid by service credit that are due
7 and payable under the note, which shall be subject to interest at the
8 annual rate of ten percent (10%). No amounts shall be considered due
9 and payable during the time in which the awardee is repaying service
10 credit pursuant to the provisions herein.

11 (b) Any student granted an award pursuant to this Article shall
12 receive service credit against amounts due under the promissory note
13 as follows:

14 (1) The amount of the note shall be the total amount of
15 assistance provided. Service credit shall be applied in against
16 the note in monthly installments.

17 (2) The number of monthly installments to be paid shall
18 be based on the number of months for which assistance was
19 provided multiplied by two (2).

20 (3) In the event of default, the balance due in monetary
21 terms shall be the amount of assistance provided less the
22 amount repaid through service credit. The amount repaid
23 through service credit shall be the total amount of assistance
24 provided divided by the number of installments of service credit
25 due as calculated in sub section (b)(2) multiplied by the number
26 of installment paid through service credit.

1 (c) Any awardee granted an award pursuant to the provisions of
2 this Article must commence work on Guam within six (6) months
3 following the completion of studies, unless extended by the Board for
4 extenuating circumstances, or will be considered in default of their
5 obligation as of the date classes ended. The permanent transfer to an
6 off-Guam office or branch of a Guam employer shall not count
7 towards service credit and shall result in default on the date of transfer
8 and interest shall begin accruing on such a date of default. Permanent
9 transfers, for purposes of this Section, are those that are longer than
10 six (6) months. The Board shall establish such policies prescribing
11 the length and terms of repayment, the interest rates to be charged,
12 and the collection of delinquent accounts.

13 (d) If any temporary leave of absence is expected to last longer
14 than forty-five (45) days, the awardee shall inform the Board of the
15 length of time expected to be off-island, the reason for such time off-
16 island, and the address while off-island. As long as the employee
17 remains employed on Guam while off-island temporarily, the
18 employee shall receive service credit for such employment, during the
19 time the employee is off-island for the purposes described herein.

20 (e) Death or total disability of the student shall terminate any
21 obligations herein. Total disability for purposes of this Section is
22 defined as any physiological or psychological condition that will
23 prevent the student from obtaining or maintaining any form of gainful
24 employment for a period of not less than three (3) years. The Board
25 may defer repayment for temporary disability. Total and permanent

1 disability requires the certification by two (2) physicians licensed to
2 practice in the United States.

3 (f) The Board may grant deferrals of repayment through service
4 in cases where a family medical emergency arises.

5 (g) In the event a student forfeits an award defined in §15A404,
6 no service credit shall be granted and repaid according to the
7 provisions herein for those years in which assistance was provided
8 and all awards plus interest shall be repaid according to the provisions
9 herein.

10 **§15A304. Forfeiture of Awards.** Expulsion from a school or
11 institution attended, or suspension for a period of the same or greater than
12 one (1) academic semester, or its equivalent, in such school or institution, or
13 failure to complete the program for which the award was granted, or failure
14 to comply with the regulations of the Board, shall result in a forfeiture of the
15 award provided by this Article. For purposes of this Article, a person shall
16 be considered to have completed the course of studies upon the event or
17 events of forfeiture as provided in this Section.

18 **§15A305. Rules and Regulations.** The Board shall develop rules and
19 regulations pursuant to the Administrative Adjudication Law for the
20 administration of the program enacted by this Article. In addition to the
21 administration of the program, such Rules and Regulations shall include
22 provisions for:

- 23 (a) conditions for continuance of an award;
24 (b) construction of applicable promissory notes;
25 (c) time frames for the completion of program studies; and

1 (d) provisions for the temporary suspension of completion of a
2 degree program or repayment of awards for cases beyond the control
3 of the scholarship recipient such as personal illness or death or illness
4 of a family member.

5
6 **ARTICLE 4**

7 **ACCESS TO HIGHER EDUCATION FINANCIAL**
8 **ASSISTANCE PROGRAM**

9
10 **§15A401. Students Entitled to Award.** There is hereby established
11 the Access to Higher Education Financial Assistance Program. The award
12 shall be made available to any student meeting the qualification herein, for
13 the purpose of supplementing the cost of attending the University of Guam.
14 To qualify for these awards, applicants must meet the following criteria:

15 a. The applicant must have a minimum 2.50 high school Grade
16 Point Average (GPA) or 2.50 undergraduate GPA;

17 b. the applicant must be a United States citizen, or a permanent
18 resident alien, who has been a resident of Guam for a continuous
19 period of not less than four (4) years immediately preceding June 15th
20 of the year the award is to be given and must not be incarcerated;

21 c. the applicant must be pursuing their first undergraduate
22 degree (grant is not available for students pursuing a second
23 undergraduate degree or a graduate level degree);

24 d. the applicant must be enrolled as a full-time student at the
25 University of Guam.

1 e. the applicant must have completed the Free Application for
2 Federal Student Aid (FAFSA) and an Access to Higher Education
3 Financial Assistance Grant application by a date to be determined by
4 the Board;

5 **§15A402. Benefits.** Students entitled to grants pursuant to this Article
6 shall receive the following benefits:

7 a. A grant amount between Five Hundred Dollars (\$500.00) to
8 Three Thousand Dollars (\$3,000.00) per year based on financial need.
9 "Financial need" means the difference between the student's cost of
10 attendance at the University of Guam and the student's expected
11 family contribution (EFC). Expected Family Contribution (EFC),
12 shall be determined using the federal methodology pursuant to
13 subdivision (a) of Section 69506 (as established by Title IV of the
14 federal Higher Education Act of 1965, as amended (20 U.S.C. Secs.
15 1070 et seq.) and applicable rules and regulations adopted by Board.

16 1. Final awards shall be determined by the Board based
17 on a combination of fund availability, financial need and
18 application priority due dates.

19 2. Award recipients shall remain eligible for award
20 renewal only if he or she remains a Guam resident, in
21 attendance, and making satisfactory academic progress at the
22 University of Guam, as determined by the Board.

23 3. Award recipients shall not receive more than one type
24 of award concurrently under this Chapter.

25 **§15A403. Repayment of Benefits and Service Credit.** The financial
26 assistance granted under this Article shall be repaid on a one-to-one (1:1)

1 basis for each year that assistance was provided through employment on
2 Guam or in the office of Guam's Delegate to the United States Congress. In
3 the event that any portion of the assistance is not repaid through service
4 credit, the amount unpaid in service credit shall become due and payable.

5 **§15A404. Programs for Teachers, Nurses, and Other Specialized**
6 **Awards.** The Board shall continue to award programs identified in 17 GCA
7 Chapter 15, specifically, Article 9 (Doc Sanchez Scholarships), Article 10
8 (Nursing Training), Article 13 (The Doctor Antonio C. Yamashita Teacher
9 Corp), and Article 14 (The Every Child is Entitled to a Higher Education
10 Scholarship Program) consistent with Rules and Regulations promulgated by
11 the Board as authorized by this Chapter. The Rules and Regulations for
12 programs authorized under this section must contain provisions for
13 repayment of benefits and service credit.

14 **§15A405. Rules and Regulations.** The Board shall promulgate rules
15 and regulations prior to the granting of any award under this Chapter.”

16 **Section 3. Sunset Provision.** After Award Year 2012-2013, no other
17 awards shall be granted under Chapter 15 of Title 17 Guam Code Annotated except
18 as provided for in Chapter 15A. However, the provisions of Chapter 15 Title 17
19 shall remain in effect for all awards granted in Award Year 2012-2013 and prior.

I Mina'Trentai Unu Na Liheslaturan Guahan

Bill Log Sheet

BILL NOS.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	120 DAY DEADLINE	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	STATUS
510-31 (COR)	Judith P. Guthertz, DPA, Judith T. Won Pat	AN ACT TO ADD A NEW SECTION 8 TO CHAPTER VIII OF PUBLIC LAW 31-233 RELATIVE TO THE CONTINUING APPROPRIATIONS FOR THE MAYORS' COUNCIL OF GUAM.	09/11/2012 11:48am	9/12/12		Committee on Appropriations, Taxation, Public Debt, Banking, Insurance, Retirement and Land			

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

2012 SEP 11 AM 11:48

Bill No. 510-31(COR)

Introduced by:

Judith P. Guthertz, DPA

Judith T. Wompat, Ed. D. 

AN ACT TO ADD A NEW SECTION 8 TO CHAPTER VIII
OF PUBLIC LAW 31-233 RELATIVE TO THE CONTINUING
APPROPRIATIONS FOR THE MAYORS' COUNCIL OF
GUAM.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 **Section 1.** A new "Section 8." is hereby added to Public Law 31-233 to read:

3 "Section 8. Continuing Appropriation to the Mayors Council. The
4 unexpended balance of the funds appropriated to the Mayors Council for Fiscal Year
5 2012 *shall not* lapse and shall be available to the Mayors Council for expenditures in
6 Fiscal Year 2013."