EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor Of Guam

AUG 1 1 2017

GLH 34-17-8801
Speaker Benjamin J.F. Cruz

Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuåttro Na Liheslaturan Guåhan
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

AUG 1 1 2017
Time: 11:41 AM PM
Received By: 34-184

Dear Mr. Speaker:

Transmitted herewith is Bill No. 118-34 (COR), **"AN ACT TO *AMEND* § 3602(b) AND 3603(b)(1) OF ARTICLE 6, CHAPTER 3, TITLE 22, GUAM CODE ANNOTATED, RELATIVE TO CLARIFYING THE EMPLOYEE THRESHOLD FOR COVERAGE UNDER THE GUAM FAMILY AND MEDICAL LEAVE ACT,"** which was signed into law on August 7, 2017, as **Public Law 34-41.**

Senseramente,

EDDIE BAZA CALVO

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I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN
Thirty-Fourth Guam Legislature

July 27, 2017

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

Dear *Maga'lahi* Calvo:

Transmitted herewith are Bill Nos. 38-34 (LS), 118-34 (COR), 105-34 (COR), 106-34 (COR), 107-34 (COR), 115-34 (COR), 117-34 (COR); and Substitute Bill No. 49-34 (COR) which were passed by *I Mina'Trentai Kuåttro Na Liheslaturan Guåhan* on July 26, 2017.

Sincerely,

RÉGINE BISCOE LEE
Legislative Secretary

Enclosure (8)

OFFICE OF THE GOVERNOR
CENTRAL FILES
RECEIVED BY
TIME 12:58 DATE 7.27.17

GUAM CONGRESS BUILDING • 163 CHALAN SANTO PAPA • HAGÅTÑA, GUAM 96910

I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN
2017 (FIRST) Regular Session

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

This is to certify that **Bill No. 118-34 (COR), "AN ACT TO *AMEND* §§ 3602(b) AND 3603(b)(1) OF ARTICLE 6, CHAPTER 3, TITLE 22, GUAM CODE ANNOTATED, RELATIVE TO CLARIFYING THE EMPLOYEE THRESHOLD FOR COVERAGE UNDER THE GUAM FAMILY AND MEDICAL LEAVE ACT,"** was on the 26th day of July 2017, duly and regularly passed.

Benjamin J.F. Cruz
Speaker

Attested:

Régine Biscoe Lee
Legislative Secretary

This Act was received by *I Maga'låhen Guåhan* this 27th day of July, 2017, at 1:55 o'clock P.M.

Assistant Staff Officer
Maga'låhi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'låhen Guåhan

Date: AUG 07 2017

Public Law No. 34-41

I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN
2017 (FIRST) Regular Session

Bill No. 118-34 (COR)

Introduced by: Régine Biscoe Lee
Thomas C. Ada
FRANK B. AGUON, JR.
William M. Castro
B. J.F. Cruz
James V. Espaldon
Fernando Barcinas Esteves
Tommy Morrison
Louise B. Muña
Telena Cruz Nelson
Dennis G. Rodriguez, Jr.
Joe S. San Agustin
Therese M. Terlaje
Mary Camacho Torres

AN ACT TO *AMEND* §§ 3602(b) AND 3603(b)(1) OF ARTICLE 6, CHAPTER 3, TITLE 22, GUAM CODE ANNOTATED, RELATIVE TO CLARIFYING THE EMPLOYEE THRESHOLD FOR COVERAGE UNDER THE *GUAM FAMILY AND MEDICAL LEAVE ACT*.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that there is an inconsistency in the *Guam Family and Medical Leave Act* (Act) regarding the employee threshold for coverage.

The Act defines an employer as "[a]ny person (including any individual, association, partnership, corporation, company, entity, or organized group of persons

acting directly or indirectly in the interest of an employer in relation to an employee) who directly employs twenty-five (25) or more persons to perform services for a wage or salary." However, the Act further states that "it *shall not* be an unlawful employment practice for an employer to refuse to grant a request for family care and medical leave by an employee if the employer employs fewer than twelve (12) employees in Guam." The conflict between the two (2) employee threshold counts in the Act prevents human resources managers and business owners from effectively carrying out the provisions in this law for workplaces that employ between twelve (12) and twenty-five (25) people.

I Liheslaturan Guåhan further finds that the people of Guam should be afforded with the availability of job-protected leave in the event an employee needs to take care of a family member who has a serious health condition, to take care of their own serious health condition, or to take time off for the reason of a birth of a child or in connection with the adoption of a child. Additionally, the leave of an employee taken for a significant amount of time may have unintentional adverse impacts to small businesses. It is important that the needs of employees are balanced with the needs of small businesses.

According to the 2012 Economic Census for Island Areas on "General Statistics by Kind of Business and Employment Size of Establishments for Guam" released on September 29, 2015, seventy-two percent (72%) of employees on Guam are employed by nineteen percent (19%) of business establishments who employ twenty (20) employees or more. Providing job-protected leave to employees who work in business establishments employing twenty (20) employees or more will cover the majority of employees on Guam, without causing harm to the eighty-one percent (81%) of small businesses employing nineteen (19) employees or less.

It is therefore, the intent of *I Liheslaturan Guåhan* to clarify the employee threshold to enable human resources managers and business owners to better fulfill the mandates of the Act.

Section 2. § 3602(b) of Article 6, Chapter 3, Title 22, Guam Code Annotated, is *amended* to read:

"(b) Notwithstanding Subsection (a) of this Section, it *shall not* be an unlawful employment practice for an employer to refuse to grant a request for family care and medical leave by an employee if the employer employs fewer than twenty (20) employees in Guam."

Section 3. § 3603(b)(1) of Article 6, Chapter 3, Title 22, Guam Code Annotated, is *amended* to read:

"(b) *Employer* means either of the following:

(1) Any person (including any individual, association, partnership, corporation, company, entity, or organized group of persons acting directly or indirectly in the interest of an employer in relation to an employee) who directly employs twenty (20) or more persons to perform services for a wage or salary; or"