

*I Mina'trentai Ocho Na Liheslaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
65-38 (COR) As amended on the Floor.	Frank F. Blas, Jr. V. Anthony Ada Chris Barnett Christopher M. Dueñas Eulogio Shawn Gumataotao Jesse A. Lujan Tina Rose Muña-Barnes Sabina Flores Perez Sabrina Salas Matanane Joe S. San Agustin Telo T. Taitague Therese M. Terlaje	AN ACT TO AMEND SECTION 1908 OF CHAPTER 19, TITLE 1 GUAM CODE ANNOTATED, RELATIVE TO THE DUTIES OF THE PUBLIC AUDITOR WITH REGARD TO AUDITS ON NON-PROFIT AND NON-GOVERNMENTAL ORGANIZATIONS THAT RECEIVE FUNDING FROM ANY DEPARTMENT OR AGENCY OF THE GOVERNMENT OF GUAM.	2/19/25 4:39 p.m.	2/26/25	Committee on Finance and Government Operations.	Request: 2/26/25  3/5/25	2/6/26 9:00 a.m.	3/6/26	
	<b>SESSION DATE</b>	<b>TITLE</b>	<b>DATE PASSED</b>	<b>TRANSMITTED</b>	<b>DUE DATE</b>	<b>VETOED</b>	<b>NOTES</b>		
	3/23/26	AN ACT TO AMEND § 1908 OF CHAPTER 19, TITLE 1, GUAM CODE ANNOTATED, RELATIVE TO THE DUTIES OF THE PUBLIC AUDITOR WITH REGARD TO AUDITS ON NON-PROFIT AND NON-GOVERNMENTAL ORGANIZATIONS THAT RECEIVE FUNDING FROM ANY DEPARTMENT OR AGENCY OF THE GOVERNMENT OF GUAM.	3/27/26	3/27/26	4/8/26	4/8/26	Received: 4/8/26 Mess and Comm. Doc. No. 38GL-26-2175		

LOURDES A. LEON GUERRERO  
GOVERNOR



JOSHUA F. TENORIO  
LT. GOVERNOR

UFISINAN I MAGA'HÅGAN GUÅHAN  
OFFICE OF THE GOVERNOR OF GUAM

38GL-26-2175  
OFFICE OF THE SPEAKER  
FRANK F. BLAS JR.

APR 08 2026

**Transmitted via Email to:** [speakerblas@guamlegislature.org](mailto:speakerblas@guamlegislature.org)

Time: 4:22pm  
Received: Derek Cortez

April 8, 2026

**THE HON. FRANK BLAS, JR., Speaker**  
*I Mina'trentai Ocho Na Liheslaturan Guåhan*  
38th Guam Legislature  
Guam Congress Building  
163 Chalan Santo Papa  
Hagåtña, Guam 96910

**Re: Bill No. 65-38 (COR), "AN ACT TO AMEND § 1908 OF CHAPTER 19, TITLE 1, GUAM CODE ANNOTATED, RELATIVE TO THE DUTIES OF THE PUBLIC AUDITOR WITH REGARD TO AUDITS ON NON-PROFIT AND NON-GOVERNMENTAL ORGANIZATIONS THAT RECEIVE FUNDING FROM ANY DEPARTMENT OR AGENCY OF THE GOVERNMENT OF GUAM."**

*Håfa Adai* Mr. Speaker,

On February 6, 2026, Director Birn submitted a letter to the Committee on Finance and Government Operations stating that Bill 65-38 (COR) is unnecessary because (1) the majority of funding made available to non-profits on Guam are federal grants which impose certain federal regulations, including monitoring requirements, and (2) that the Department of Administration recommends such organizations should have their financial statements reviewed by a Certified Public Accountant. I agree with Director Birn.

Furthermore, this bill is superfluous as Guam law already empowers the Public Auditor with similar yet clearer authority. If I signed this bill into law, it would render 1 GCA § 1921(b)(1), which authorizes the Public Auditor to supervise audits of all grant funds in excess of \$300,000 for a single fiscal year to non-profit or profit-making groups, irrelevant. If the Legislature is not satisfied with the existing law's monetary threshold or scope, then they should amend it instead of bloating the code.

Finally, Bill 65-38 (COR) is a massive and intrusive government overreach into the private sector for three reasons. As currently drafted, the bill would amend 1 GCA § 1908(b) to empower the Public Auditor to audit or review all transactions and accounts of non-profit organizations and non-governmental organizations that cumulatively received more than \$200,000 in one or more fiscal years.

To: The Hon. Frank Blas, Jr., *Speaker*  
Fr: The Hon. Lourdes A. Leon Guerrero, *Governor of Guam*  
Date: April 8, 2026  
Re: Bill No. 65-38 (COR)

Page 2 of 2

First, the term “non-governmental organization” is not defined in the bill or in Chapter 19. Presumably, the Legislature intended for the definition of “non-governmental organization” to align somewhat with the one found in the Cambridge Dictionary which states, “an organization that tries to achieve social or political aims but is not controlled by a government.” If this is the case, why specifically include “non-profit organizations?” Its inclusion implies that “non-governmental organizations” are something different and distinct from non-profits, and since the bill is silent on what a “non-governmental organization” actually is, this potentially allows for invasive and intrusive audits of all businesses. Is it the Legislature’s intention to allow the Public Auditor to audit the entirety of the private sector that engages in business with Guam? The issues with amending section 1908(b) in this manner go deeper. Previously, the language found in section 1908(b)(2), which authorizes the Public Auditor to decide the auditing firm for a corporation if it obtained an independent audit, was clearly referring to the public corporations in 1908(a). The proposed amendments to section 1908 would limit subsection (b) to the private sector and leave subsection (a) to the public sector. Is it the Legislature’s intention to allow the Public Auditor to dictate to the private sector who they engage in business with?

Second, the phrase “cumulatively received more than \$200,000 in one or more fiscal years” is vague as to time. Is the Legislature saying the Public Auditor is empowered to audit these organizations once it has obtained a total of \$200,000.01 from the Government of Guam over a number of fiscal years or is each fiscal year to be counted separately as stated in section 1921(b)(1)? If each fiscal year is to be counted separately, why include the word “cumulatively” or the phrase “one or more fiscal years” instead of the language used in 1921(b)(1)? Moreover, is this audit limited to just those fiscal years in question? The language used implies that the Public Auditor will be empowered to audit an organization indefinitely once it has hit the monetary threshold.

Third, this bill would empower the Public Auditor to review all transactions and accounts of an organization. It does not limit the audit or review to transactions that used public funds or accounts that held them. No private enterprise would want to engage in business with the Government of Guam if it knew its transactions and accounts could be searched indefinitely. This is a fundamental issue of privacy.

For these reasons, I veto Bill No. 65-38 (COR).

*Senseramente,*



**LOURDES A. LEON GUERRERO**

*I Maga 'hågan Guåhan*

Governor of Guam



**38GL-26-2175**  
Messages and Communications

**RECEIVED**  
COMMITTEE ON RULES  
April 9, 2026

10:06 a.m.

*Marie Crisostomo*

Enclosure(s): Bill No. 65-38 (COR) - **VETO**

cc via email: *Honorable* Joshua F. Tenorio, *Segundo Maga 'låhen Guåhan*, Lt. Governor of Guam  
Compiler of Laws

*I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN*  
2026 (SECOND) Regular Session

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

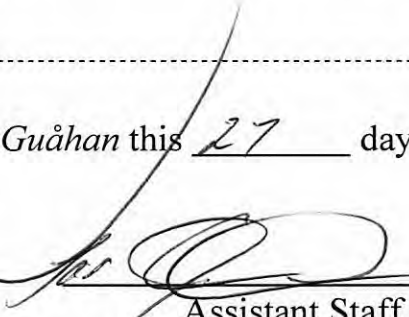
This is to certify that **Bill No. 65-38 (COR), "AN ACT TO AMEND § 1908 OF CHAPTER 19, TITLE 1, GUAM CODE ANNOTATED, RELATIVE TO THE DUTIES OF THE PUBLIC AUDITOR WITH REGARD TO AUDITS ON NON-PROFIT AND NON-GOVERNMENTAL ORGANIZATIONS THAT RECEIVE FUNDING FROM ANY DEPARTMENT OR AGENCY OF THE GOVERNMENT OF GUAM,"** was on the 27<sup>th</sup> day of March 2026, duly and regularly passed.

  
\_\_\_\_\_  
**Frank F. Blas, Jr**  
**Speaker**

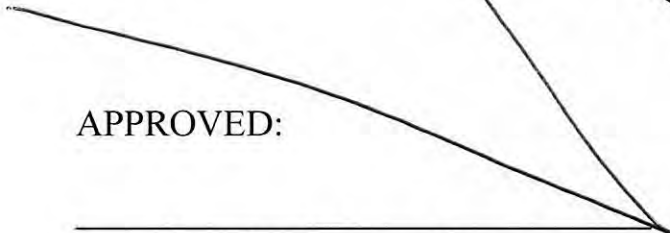
Attested:

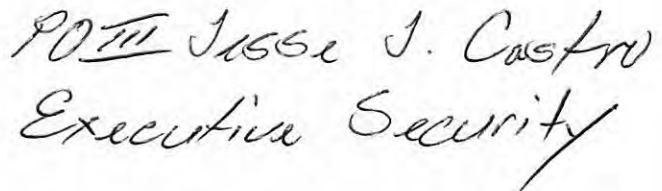
  
\_\_\_\_\_  
**Sabrina Salas Matanane**  
**Legislative Secretary**

This Act was received by *I Maga'hågan Guåhan* this 27 day of March 2026, at 8:24 o'clock P.M.

  
\_\_\_\_\_  
Assistant Staff Officer  
*Maga'hågan's Office*

APPROVED:

  
\_\_\_\_\_  
**Lourdes A. Leon Guerrero**  
*I Maga'hågan Guåhan*

  
**José J. Castro**  
**Executive Security**

Date: 4/8/2026

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

2024 - 25736  
**OFFICE OF THE GOVERNOR**  
CENTRAL FILES OFFICE  
Rec'd By: Jessica Dydasco  
Date: 3/30/26 Time: 10:05 AM

***I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN***  
**2025 (FIRST) Regular Session**

**Bill No. 65-38 (COR)**

As amended on the Floor.

Introduced by:

Frank F. Blas, Jr.  
V. Anthony Ada  
Chris Barnett  
Christopher M. Dueñas  
Eulogio Shawn Gumataotao  
Jesse A. Lujan  
Tina Rose Muña-Barnes  
Sabina Flores Perez  
Sabrina Salas Matanane  
Joe S. San Agustin  
Telo T. Taitague  
Therese M. Terlaje  
Vincent A.V. Borja  
Shelly V. Calvo  
William A. Parkinson

**AN ACT TO *AMEND* § 1908 OF CHAPTER 19, TITLE 1,  
GUAM CODE ANNOTATED, RELATIVE TO THE  
DUTIES OF THE PUBLIC AUDITOR WITH REGARD TO  
AUDITS ON NON-PROFIT AND NON-  
GOVERNMENTAL ORGANIZATIONS THAT RECEIVE  
FUNDING FROM ANY DEPARTMENT OR AGENCY OF  
THE GOVERNMENT OF GUAM.**

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

2           **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that non-profit and non-governmental organizations have availed themselves of the  
4 opportunity to receive funding from departments and agencies of the Government of

1 Guam. In almost every fiscal year budget act that contained an appropriation for  
2 these organizations, the verbiage “Access by the overseeing department’s or  
3 agency’s duly authorized representative and government auditors to appropriate  
4 records for the purpose of audit and examination of books, documents, papers, and  
5 records of funds expended under the authorization” is included in the Act. However,  
6 the law is ambiguous on any requirement that an audit actually be conducted with  
7 these organizations.

8 It is therefore the intent of *I Liheslatura* to provide the Public Auditor with  
9 the authority and discretion to conduct audits on all transactions and accounts of  
10 non-profit organizations and non-governmental organizations that receive funding  
11 from any government of Guam department or agency.

12 **Section 2.** § 1908, Chapter 19, Title 1, Guam Code Annotated, is hereby  
13 *amended* to read:

14 **“§ 1908. Public Audit.**

15 (a) The Public Auditor shall, annually, audit or cause to be  
16 conducted post-audits of all the transactions and accounts of all  
17 departments, offices, corporations, authorities, and agencies in all of the  
18 branches of the government of Guam.

19 (b) The Public Auditor may conduct or cause to be conducted  
20 such other audits or reviews, inclusive of all transactions and accounts  
21 of non-profit organizations and non-governmental organizations that  
22 have received cumulatively in excess of Two Hundred Thousand  
23 Dollars (\$200,000) in one or more fiscal years from any department or  
24 agency of the government of Guam as he or she deems necessary.

25 (1) With respect to the line departments of the  
26 executive, legislative, and the judicial branches, inclusive of any  
27 other non-profit organizations and non-governmental

1 organizations that have cumulatively received funds from any  
2 department or agency of the government of Guam, the Public  
3 Auditor may conduct the audit through his or her staff or may  
4 retain the services of an independent audit firm or organization,  
5 which audit shall be under the direction and supervision of the  
6 Public Auditor.

7 (2) With respect to corporations, authorities or  
8 agencies, including autonomous agencies and instrumentalities,  
9 which obtain independent audits, the Public Auditor shall make  
10 the selection of the auditing firm or organization and the scope  
11 of the audit, the audits of such autonomous agencies or  
12 instrumentalities to be at the cost of the agencies or  
13 instrumentalities.

14 (c) In the event any entity of the United States government,  
15 such as the Inspector General, makes an audit of the government  
16 accounts and financial transactions, the Public Auditor need not cause  
17 another audit to be done for that particular year as long as the audit is  
18 made available to the Public Auditor.”

19 **Section 3. Enactment.** This Act shall be effective upon enactment.

20 **Section 4. Severability.** If any provision of this Act or its application to any  
21 person or circumstance is found to be invalid or inorganic, such invalidity shall not  
22 affect other provisions or applications of this Act that can be given effect without  
23 the invalid provision or application, and to this end the provisions of this Act are  
24 severable.