



TERRITORY OF GUAM
OFFICE OF THE GOVERNOR
AGAÑA, GUAM 96910
U. S. A.

EXECUTIVE ORDER NO. 88-10

CREATION OF THE STATE WAGE INFORMATION
COLLECTION AGENCY (SWICA)
AND THE SWICA COMMITTEE

WHEREAS, Section 2651 of the U.S. Deficit Reduction Act of 1984 (DEFRA), commonly known as the Gramm-Rudman Act, mandates that all 50 states and U.S. territories, including the Territory of Guam designate a State Wage Information Collection Agency (SWICA) to implement, by October 1, 1988, stringent provisions and procedures to require all employers to file quarterly wage reports for each individual employee; and

WHEREAS, failure to implement these SWICA provisions shall result in Federally-imposed sanctions on Federally and locally funded social and welfare service programs administered by the Department of Public Health & Social Services (DPHSS) which would aggravate the Territory's existing deficit of over \$170 million; and

WHEREAS, the employment related income information provided shall be utilized to re-verify income and eligibility requirements of program participants in order to reduce the possibility of fraud and incorrect payments in the DPHSS Welfare and Public Assistance Social Services Programs such as: Food Stamps, Aid to Families with Dependent Children (AFDC), Old Age Assistance, Aid to the Blind, Aid to the Permanently and Totally Disabled and Medicaid; and

WHEREAS, the benefits derived from implementing these SWICA provisions would be to:

- (1) substantially reduce and control the historically excessive payment error rate payments.
- (2) Provide a more efficient and updated system for on-line verification of employment and wage information.
- (3) Quarterly, instead of annual, cross-verification of employer and employee wage information.
- (4) Detect non-compliance of employers and employees with the respective reporting requirements.

WHEREAS, there is a need for the existing SWICA Committee to continue its work in assisting the designated SWICA agency in the development, coordination and implementation of these SWICA provisions and procedures by October 1, 1988.



NOW THEREFORE, I, JOSEPH F. ADA, Governor of Guam, by virtue of the authority vested in me by the Organic Act of Guam, as amended, do hereby order the following:

The Department of Revenue and Taxation shall be the designated SWICA agency for the Territory of Guam; and,

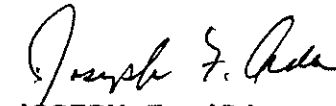
The membership of the SWICA Committee shall consist of designated representatives from the following departments:

- (1) Chairman - Department of Revenue & Taxation
- (2) Vice-Chairman - Dept. of Public Health & Social Services
- (3) Member - Bureau of Planning
- (4) Member - Department of Commerce
- (5) Member - Department of Labor
- (6) Member - Office of the Governor
- (7) Member - Department of Administration
- (8) Member - Bureau of Budget & Management Research

The SWICA Committee shall meet at the call of the chairman, or at the request of a majority of the members, or at the request of the Governor. A majority of the members of the Committee constitutes a quorum for the transaction of business. The Committee shall receive support and legal assistance from the Office of the Attorney General. All administrative and clerical assistance required by the Committee shall be furnished by the Department of Revenue & Taxation with the assistance of the Department of Public Health and Social Services.

The duties and responsibilities of the Director of the Department of Revenue and Taxation and the SWICA Committee shall be to insure compliance with all the legal and program requirements for a State Wage Information Collection Agency found in Section 2651 of the U.S. Deficit Reduction Act of 1984 and all of the Federal regulations concerning State Wage Information Collection Agencies adopted by the U.S. Department of Health & Human Services, the U.S. Department of Agriculture and the U.S. Department of Labor and any other requirements on it imposed by Federal and local laws and this act.

SIGNED AND PROMULGATED, at Agana, Guam this 29th day of MARCH, 1988.


JOSEPH F. ADA
Governor of Guam

COUNTERSIGNED:


FRANK F. BLAS
Lieutenant Governor of Guam