

18 GCA BUSINESS STRUCTURE & FUNCTION
CH. 16 EMPLOYEE-OWNED COMPANIES

CHAPTER 16
EMPLOYEE-OWNED COMPANIES

NOTE: Entire Chapter added by P.L. 28-016.

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§ 16000. Citation.

This Chapter may be cited as the ‘Employee-Owned Company Law’.

§ 16001. Policy of the Law.

It is the policy of the law that government employees must have the opportunity to put their hard work, dedication and enterprise to work so that they may take full advantage of their hard work. When government functions are outsourced, government employees ought to have the opportunity to share in the profits created by their labor, to become their own bosses and otherwise share in the benefits of capitalism and free enterprise. When government functions are outsourced, government of Guam employees should be encouraged to form companies and bid on the outsourcing contracts.

§ 16002. Employee-Owned Companies.

In this Chapter ‘Employee-Owned Company (EOC)’ means any form of business organization described in this Title that is formed and organized by government of Guam employees whose jobs may be privatized or outsourced.

§ 16003. Same: Name.

The name of an Employee-Owned Company shall contain the letters EOC.

§ 16004. Displaced Employee.

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In this Chapter 'Displaced Employee' means an employee who is or had been employed by an entity of the government that was or is scheduled to be outsourced or privatized and the employment was or may be terminated as a result of the outsourcing or privatization.

§ 16005. Same: Ownership.

Regardless of the business form of an EOC, the majority of the ownership and control of an EOC must, at the time of its formation and for five (5) years thereafter, be held by displaced employees.

§ 16006. Same: Conflict of Interest.

The provisions of 5 GCA §§ 5626, 5628, 5632 and 5633 shall not apply to an EOC or its owners when the EOC is attempting to acquire or participate in a contract with the government to provide services that have been or will be privatized or outsourced.

§ 16007. Small Business Development Center.

The Small Business Development Center of the University of Guam shall develop a program to assist employees in the formation of EOC's.

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