

**GUAM CODE ANNOTATED**

**TITLE 5**

**GOVERNMENT OPERATIONS**

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**DIVISION 1**

**CHAPTER 1  
OFFICE OF THE GOVERNOR**

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**ARTICLE 1  
TEMPORARY VACANCIES IN OFFICE**

- § 1101. Temporary Vacancies, Order of Succession.
- § 1102. Permanent Vacancies; Succession.

**§ 1101. Temporary Vacancies, Order of Succession.**

(a) The order of succession, consisting of the officers who shall be eligible in the order named, to serve as Acting Governor upon the temporary disability or temporary absence of both the Governor and Lieutenant Governor shall be the Speaker or Acting Speaker of the Guam Legislature. While serving as Acting Governor, a person so authorized shall have all the powers of the Governor.

(b) The order of succession, consisting of the officers who shall be eligible in the order named, to serve as Acting Lieutenant Governor upon the temporary disability or temporary absence of the Governor [and] the Lieutenant Governor and the Speaker of the Guam Legislature shall be the Vice Speaker or the Acting Speaker. While serving as Acting Lieutenant Governor, a person so authorized shall have all the powers of Lieutenant Governor.

**SOURCE:** GC § 5000, as amended by P.L. 13-86:2 (Nov. 3, 1975). Amended by P.L. 15-74:2 (Oct. 24, 1979).

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**NOTE:** The original § 5000 enacted by P.L. 1-88 Nov. 29, 1952), addressing the duties of the Secretary of Guam, was repealed by P.L. 13-114:1 (Dec. 13, 1975).

**COMMENT:** In subsection (b), the word and is substituted by the Compiler because the original or makes no sense in view of §8(e) of the Organic Act. That §8(e) permits the laws of Guam to regulate succession only when both the Governor and Lieutenant Governor are temporarily absent or disabled. If only the Governor is absent or disabled, then the Organic Act provides, in §8(a), that the Lieutenant Governor becomes Acting Governor. Further, §8(c) of the Organic Act provides for the situation when only the Lieutenant Governor is absent or disabled temporarily. Therefore, this law can only cover the situation where both Governor and Lieutenant Governor are temporarily absent or disabled.

**§ 1102. Permanent Vacancies; Succession.**

(a) In case of a permanent vacancy in the offices of both the Governor and Lieutenant Governor, the Speaker of the Guam Legislature shall, upon his resignation as Speaker, become the Governor to hold office for the unexpired term and until he or his successor shall have been duly elected and qualified at the next regular election for Governor.

(b) If, by reason of death, resignation, removal from office, inability or failure to qualify, there is no Speaker to act as Governor under subsection (a) of this Section, then the Director of the Department highest on the order of succession established by § 1101 of this Article who is not under disability to discharge the powers and duties of the Office of the Governor shall become Governor. An individual who becomes Governor under this subsection shall continue to serve until the expiration of the then current term of the Governor. The taking of the oath of office by an individual under this subsection shall constitute his resignation from the office upon which his succession is based.

(c) During the period the individual serves as Governor under this Section, his compensation shall be the same as that then provided by law for the Governor.

**SOURCE:** Added GC § 5001 added by P.L. 13-86:3.

**COMMENT:** When this § 1102 was enacted, the § 1102 provided that succession as Acting Governor would run to the Director of Administration, Director of the Bureau of Budget & Management Research and the Attorney General, in that order. Since the repeal and reenactment of § 1101, no department head is in line for temporary or permanent succession to the Office of Governor.

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**NOTE:** This Chapter establishes the procedure for creating what has come to be known as the “*I-Tanot’a*” Land Use Plan.

**§ 1200. Legislative Findings.**

The Legislature recognizes that since the early 1960’s, Guam has experienced population, economic and physical growth rates that are among the highest in the region; that Guam and her people have benefitted greatly from all levels of socio-economic and physical development which has thus far taken place but it is the desire of the people of Guam to sustain and encourage the development of the island in a manner that would foster greater economic opportunities and stability for Guam without adversely affecting the cultural, environmental, social and natural resources unique to the island; that without careful study of the types and scale of socio-economic development anticipated for Guam and her residents, there will continue

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to be an absence of foresight, direction and guidance present in the current and future stages of development needed by Guam to sustain the desired standards and quality of living for its people; that to fully enjoy the benefits that can and would be derived from Guam's limited human and natural resources, development in Guam must be guided by a Comprehensive Development Plan that reflects the desires and aspirations of all who are guided by it; that a process for formulating Guam's Comprehensive Development Plan shall be established which shall identify the roles, authorities, responsibilities and processes involved in the formulation of the plan;

That there is a pressing need to establish policies which reflect the people's aspirations with respect to the future development of Guam - policies which evolve from sound strategic planning initiatives; policies that take into account all diverse elements of community needs and desires; policies that would channel the deployment of resources to meet the following goals and objectives:

- (a) To upgrade the quality of life for Guam's people;
- (b) To create conditions and opportunities whereby people fully participate and benefit at every level of social and economic activity;
- (c) To maintain balance and equity between development and the environment in order to preserve the unique culture, traditions and beauty of the island;
- (d) To optimize the use of resources to meet present and future infrastructure and supra structure requirements of the people of Guam;
- (e) To develop and maintain infrastructure capacity at a level that could sustain future population, socio-economic and physical growth.

**SOURCE:** GC § 62010 reenacted by P.L. 20-147:1 (03/21/90). This entire Article was repealed and reenacted by P.L. 20-147:1 in the form of its prior Government Code Chapter II of Title LXV.

**2012 NOTE:** In maintaining the general codification scheme of the GCA the Compiler changed the hierarchy of subsections beginning with "Numbers" to "Lowercase Letters" in this section.

**§ 1201. Legislative Intent.**

- (a) It is the intent of the Legislature:

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(1) to integrate its policy-making efforts with public and private interests engaged in physical, social and economic development planning for the island;

(2) to establish a process and mechanism through which duly adopted policies of Guam are linked with all elements of governmental and non-governmental development planning and implementation activity, the island having experienced the ill-effects of fragmented and disjointed development efforts resulting from the absence of both an integrated planning process and a Comprehensive Development Plan that contain rational parameters for Guam's growth;

(3) that all planning efforts that occur in Guam, be they private or public, adhere and conform to the adopted policies, goals and objectives set forth in Guam's Comprehensive Development Plan;

(4) to ensure that the people of Guam are not subjected to unbridled and unmanageable growth that would threaten the benefits, comforts and privileges to which each Guam resident is entitled; and

(5) that the formulation of the Guam Comprehensive Development Plan serve to guide the island's growth and development up to and through the Twenty-First Century.

The Legislature wishes to collectively draw input, participation and expertise from all segments of the community in the effort to establish comprehensive planning for Guam and to solicit the services of development planning experts from both the public and private sectors.

(b) In its desire to establish short-range and comprehensive long term development objectives for Guam, inclusive of but not limited to the areas of education, visitor industry, economic development, community development, health, transportation, communication, public safety, agriculture, taxation, culture, labor and human resources, recreation, environment, and political development, the Legislature hereby establishes strategies for initiating comprehensive planning for Guam and the formulation of the Guam Comprehensive Development Plan. These strategies shall be as follows:

(1) To determine the extent that Guam's land, water and human resources limit urban and rural development;

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(2) To plan for the preservation of the natural charm and character of Guam within the framework of a growing population and modern technology;

(3) To establish specified areas of use within urban, suburban, rural, agriculture, conservation, industrial, and resort contexts;

(4) To provide a development pattern that enhances the comfort, convenience and economic welfare of the individual;

(5) To prepare land-use capability criteria as a basis for real property evaluation that equalize the divergent qualities of location;

(6) To reappraise the extent of public, private and Federal land tenure in Guam and provide guidelines for relocation of inefficient or inappropriate uses;

(7) To plan for the development and extension of necessary infrastructure and transportation facilities;

(8) To plan for a high quality environment essentially free from pollution and with adequate and well-kept open space throughout Guam's varying activity centers;

(9) To prepare criteria of substandard neighborhoods and identify areas that meet these criteria;

(10) To recommend creative legislation regulating Guam's use of land for the protection of future generations.

Nothing in this Chapter is intended to limit the scope of any element or the areas of concern cited herein. However, it is the intention of the Legislature to fully integrate all planning elements and concerns within a viable development planning mechanism.

**SOURCE:** GC § 62010 reenacted by P.L. 20-147.

**2012 NOTE:** In maintaining the general codification scheme of the GCA the Compiler numbered subsections (a) and (b) and changed the hierarchy of subsections in subsections; (a) beginning with "Lowercase Roman Numerals" to "Numbers" and (b) beginning with "Lowercase Letters" to "Numbers" in this section.

**§ 1202. Territorial Planning Council.**

**[(a) through (c) repealed.]**

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(d) Procedures. The Council shall, pursuant to the Administrative Adjudication Law, adopt rules, procedures, and regulations to govern its meetings, hearings, business and affairs.

(e) Fees. Members of the Council who are not public officials shall be compensated Fifty Dollars (\$50) per meeting not to exceed One Hundred Dollars (\$100) per month.

(f) **[Repealed by implication.]**

Upon the termination of the Council, the remaining council funds as well as assets, equipment, copyrights, and any existing positions shall automatically be transferred to the Bureau of Statistics and Plans.

**SOURCE:** GC § 62012 reenacted by P.L. 20-147. Subsection (f) added by P.L. 23-128:III:32. P.L. 26-76:22 (uncodified) stated:

**Repeal of GPC.** All the powers, duties, responsibilities and jurisdiction of the former Guam Planning Council ('GPC') are hereby transferred to the Bureau of Statistics and Plans. All records, equipment, documents and otherwise any physical property in the possession of the GPC shall be transferred to the custody of the Bureau of Statistics and Plans. Any funds of any nature under the control of the GPC shall be transferred to the control of the Bureau of Statistics and Plans.

**COMMENT:** Since the powers, duties and responsibilities of the former Planning Council were transferred, not abolished, The Compiler has left those parts of this Article intact so that the Bureau of Plans & Statistics can refer here for its additional responsibilities.

**AG OPINION:** The Territorial Planning Council took over the functions of the old Central Planning Council created under the prior version of this Article. BOP 90-0628 (6/11/90)

**§ 1203. Council Responsibilities and Authority.**

The responsibilities and authority of the Council shall be:

(a) Prepare Plan. To cause to be prepared, through the services of a consortium of both public and private experts possessing diverse planning experience and expertise, a comprehensive development plan (the Plan), which shall provide short and long-range guidance for the social, economic, infrastructure, supra structure, and physical development of Guam, and which shall contain a statement of development objectives, standards and principles with respect to the most desirable use of land within Guam for residential, recreational, agricultural, commercial, industrial, and other uses completely serviced by an access and

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circulation network and infrastructure consistent with proper protection to enhance the quality of the environment and preserve Guam's natural beauty and historical heritage;

(b) Assist Planning. To harmonize, improve and assist in implementing comprehensive planning activities at all levels of government;

(c) Insure Consistency. To insure that the current planning programs and projects are consistent with the comprehensive development plan and the comprehensive program and financial plan (set out in the Executive Budget Acts) and the policies enumerated in this Chapter;

(d) Rules. To adopt any necessary rules or regulations in accordance with the Administrative Adjudication Law and to exercise all other powers necessary and proper for the discharge of its responsibilities;

(e) Recommendations. To develop all elements of the comprehensive development plan for Guam, as described in § 1210 of this Chapter, and to make detailed written recommendations to the Governor, including minority dissenting opinions, for approval, disapproval, revision, amendment or referral to specific agencies or groups for further study and review;

(f) Agreements. To enter into and carry out any agreement or agreements in connection with the provisions of this Chapter and to solicit assistance from public, private or Federal sources as required in the development planning process and which are not inconsistent with or contrary to the laws of Guam; and

(g) Annual Report. To deliver to the Governor on the last Monday of January of each year a written report of the planning program and progress.

**SOURCE:** GC § 62013 reenacted by P.L. 20-147.

**§ 1204. Support and Coordination for Comprehensive Planning.**

All agencies, departments, boards, commissions and other instrumentalities of the government of Guam shall review their present statutory authority, administrative regulations and current planning policies and procedures to determine whether there is any duplication, any deficiencies or inconsistencies therein which prohibit or tend to

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prohibit integration, coordination and compliance with respect to the purposes and provisions of this Chapter and shall thereafter propose to the Council at a date determined by the Council such measures as may be necessary to bring their planning authority functions and programs into conformity with the intent, purposes, and procedures set forth in this Chapter. All master plans, development plans, long-range plans, and the like prepared by public agencies shall be submitted to the Council for processing as part of the comprehensive planning program. Emphasis will be placed on the continuing nature of the comprehensive plan program rather than a final completion of a single plan. The Council may assign, with concurrence of the director or other head of the agency involved, planning staffs or portions thereof of staff or line agencies who shall prepare portions of the plan under the supervision of the Bureau of Plans & Statistics.

**SOURCE:** GC § 62104 reenacted by P.L. 20-147.

**§ 1205. Plan Review: Public Hearings.**

The Plan or any of its elements prepared by the various public agencies or any private entity, shall be submitted to the Council for review. Within forty-five (45) days following receipt of any such element or elements by the Council, the Council shall hold one (1) or more public hearings thereon. Announcements of such hearings shall be printed in a newspaper of general circulation on Guam ten (10) days and one (1) day prior thereto. Summaries of the element or elements to be heard shall be prepared by the Council and submitted to appropriate news media.

**§ 1205.1. Plan Submission.**

Within thirty (30) days after the hearing of the Plan or any of its elements, the Council shall submit to the Governor its recommendation thereon including a summary of testimony at the hearing(s).

**SOURCE:** Added as GC § 62015.1 by P.L. 20-147.

**§ 1205.2. Cooperation of Other Departments.**

Every department and agency of the government of Guam is hereby directed to render such assistance to the Council as the Council may require.

**SOURCE:** Added by GC § 62015 .2 by P.L. 20-147.

**§ 1206. Plan Adoption.**

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The Plan or any of its elements received by the Governor from the Council shall be approved, disapproved or referred to the Council for further recommendation prior to approval. The Governor shall have sixty (60) calendar days to act on the Plan or any of its elements submitted; provided, however, that if no action is taken thereon within sixty (60) calendar days after submission, the Plan or any of its elements so submitted shall be deemed approved by the Governor. Within ten (10) calendar days of approval by the Governor, the Plan or any of its elements shall be submitted to the Legislature for adoption. The Legislature shall review and approve or disapprove the Plan or any of its elements within sixty (60) calendar days of its receipt. In the event of failure by the Legislature to act within such sixty (60) calendar day period, the Plan or any of its elements so submitted shall be deemed approved.

**SOURCE:** GC § 62016 reenacted by P.L. 20-147.

**§ 1207. Bureau of Plans & Statistics.**

There is created within the Office of the Governor, the Bureau of Plans & Statistics (the ‘Bureau’), which shall provide technical assistance, support and planning information to the Council and assist the Council in its effort to integrate and coordinate all levels of development planning throughout the government of Guam. The administrator of the Bureau, who shall be designated Director of Planning (the ‘Director’), shall be appointed by the Governor with the consent of the Legislature, and shall be a person who, as a result of training, experience and attainments, is exceptionally well-qualified to analyze and interpret development trends and information of all kinds, to appraise and coordinate planning programs and supervise the execution of the responsibilities of the Council in accordance with the policies set forth in this Chapter. The Director shall be responsible for the administration of this Chapter and shall supervise the staff of the Bureau which, in addition to its regular duties, shall serve the Council.

**SOURCE:** GC § 62017 reenacted by P.L. 20-147. Name change here and elsewhere by direction of P.L. 26-76:31(a).

**§ 1208. Same: Staff Organization.**

The staff of the Bureau shall be organized into such divisions, sections, or units as are sufficient to appraise, coordinate and assist in the preparation of long-range planning programs for the social, economic, infrastructure, and supra structure development of Guam. Expertise,

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either singly or collectively, should be evident in such areas as community facilities, conservation, cultural development, demography, economics, education, environment, finance, infrastructure, land utilization, natural resources, transportation, urban and rural design, utilities, and visitor industry. Preparation of planning elements not the duty and function of staff and line agencies, shall be the responsibility of the staff of the Bureau.

**SOURCE:** GC § 62018 reenacted by P.L. 20-147.

**§ 1209. Powers of the Bureau.**

In the execution of its responsibilities under this Chapter, the Bureau is authorized to perform the following functions:

(a) Grants. To apply for and accept grants, loans, contributions, appropriations and assistance from the Federal government and from any other sources, public or private, and enter into and carry out contracts or agreements in connection therewith, and include in any contract for financial assistance with the Federal laws as it may deem reasonable and appropriate and which are not inconsistent with the purposes of this Chapter and the laws of Guam;

(b) Contracts. To contract for any professional services if such work or services cannot satisfactorily be performed by its employees;

(c) Studies. To conduct, or cause to be conducted, investigations, studies, surveys, research and analysis relating to physical, human, social, and economic development of Guam and to publish the results thereof;

(d) Policies. To develop and recommend territorial policies to foster and promote the improvement of planning activity and development quality;

(e) Private Services. To utilize to the fullest extent possible, the services, facilities and information of public and private agencies and organizations and individuals in order that duplication of effort and expenses may be avoided;

(f) Appraise Plans. To review, appraise and make such use as it sees fit of all existing plans, inclusive of the 1978 Kabales Na Planu Para Guåhan, and those presently being prepared;

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(g) Data Bank. To develop an information system and data bank for the continual collection and storage of public information needed or utilized in the development plan process; and

(h) Annual Report. To report to the Council and the Legislature of its annual progress and of its fiscal year activities.

(i) Statistics. To conduct research and to disseminate statistical findings relative to producing data needed for economic and social planning on Guam.

(j) Agriculture Data Collection. The Bureau shall separate data collected relative to the types and amounts of all produce imported into Guam, and report such data on a quarterly and annual basis. Such data shall be posted on the Bureau's website and the Department of Agriculture's website, to include the poundage of each type of produce. The Bureau shall also collect data on a quarterly basis on all government procurement of local produce by the Department of Education, the Department of Youth Affairs, the Department of Corrections, the Guam Memorial Hospital Authority, Government House, and any other government agencies involved in such procurement. This data should be made available to the media. Copies of the posting in printed format shall be made available at the Department of Agriculture's offices. All departments and agencies that handle documents containing information on the data required to be collected and published herein shall cooperate with the Bureau to ensure the completion of the reports as required herein.

**SOURCE:** GC § 62019 reenacted by P.L. 20-147. Subsection (i) added by P.L. 26-76:31 as part of the abolishing of the Department of Commerce. Subsection (j) added by P.L. 33-093:2 (Nov. 9, 2015).

**§ 1209.1 Additional Duties of the Bureau.**

The Bureau shall carry out the following duties in addition to the functions specified in § 1209 of this Chapter:

(a) facilitate cooperation with the U.S. Bureau of the Census in collecting, compiling, analyzing, interpreting and disseminating information concerning demographics, agriculture, housing, manufacturing, businesses and government of Guam in such forms as to be most valuable to Guam's businesses and industries, and of other places; and to act as the principal receiver, depository and

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distributor of similar information provided by its national and international counterparts;

(b) assume lead agency functions for the South Pacific Commission and the Economic and Social Commission for Asia and the Pacific;

(c) conduct the census under the auspices of the U.S. Census Bureau;

(d) compile, collect, develop and publish quarterly scientific indices and economic indicators, including, but not limited to, economic growth, trade balances, exports and imports, consumer prices and other information relating to economic conditions;

(e) compile periodically a census of businesses and industries on Guam, and analyze and publish this information in such forms as to be most valuable to Guam's businesses and industries; and

(f) in the event sufficient funds are not available to the Bureau, to publish all of the material required by this Section; the information gathered shall be published, subject to the following priorities:

- (1) consumer prices;
- (2) exports and imports;
- (3) trade balances; and
- (4) all other information deemed essential to be published.

(g) Notwithstanding any other provision of law, all information, statistics, or data obtained pursuant to § 1209.1 (d) shall be held in full confidence and not subject to the open government law.

**SOURCE:** Added by P.L. 26-76:43. Subsection (g) added by P.L. 31-226:3 (June 15, 2012). Subsection (b)(1) added as uncodified law by P.L. 32-068:XII:23 (Sept. 11, 2013) and codified by the Compiler, stricken pursuant to P.L. 32-181:XIII:19 (Sept. 5, 2014).

**2013 NOTE:** Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters were added and/or altered to adhere to the Compiler's alpha-numeric scheme.

**§ 1209.1.1. Guam Census Program.**

(a) Program Operation and Funding. The Guam Census Program

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will be established by the Guam Bureau of Statistics and Plans. Funds from the U.S. Census Bureau will be used for the census operation, which includes staff salaries, overtime, office space, office equipment, office supplies, vehicle rental, travel, all forms of publicity, and all other related program costs.

(b) Bureau of Statistics and Plans Established Positions. The list of unclassified positions for the decennial census shall include:

- Local Census Office (LCO) Manager (Census)
- Assistant Manager for Administration (AMA) (Census)
- Assistant Manager for Office Operations (AMOO) (Census)
- Assistant Manager for Field Operations (AMFO) (Census)
- Partnership/Media Specialist (Census)
- Geographic Specialist (Census)
- Security Officer (Census)
- Administrative Assistant (Census)
- Access Controller (Census)
- Office Operations Supervisor (OOS) (Census)
- Field Operations Supervisor (FOS) (Census)
- Group Quarters Operations Supervisor (GQOS) (Census)
- Crew Leader (Census)
- Crew Leader Assistants (Census)
- Enumerator (Census)
- Clerk (Census)
- Interpreter (Census)

For future decennial censuses, as new position(s) are created, changed or deleted by the Bureau in support of the census operations and activities, the Program shall notify *I Liheslaturan Guåhan* of such changes for action. All Program positions shall include “(Census)” after each position title.

(c) Unclassified Employment, Outside Employment of Government of Guam Employees and Retirees. Persons recruited for the Program

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will be hired as unclassified employees. Individuals employed with the government of Guam must obtain approval for outside employment from their respective department or agency head prior to employment with the Program pursuant to Title 4, Chapter 4, Article 1, § 4105(d)(4) of the Guam Code Annotated, and such work shall not conflict with or negatively impact the individual's regular employment responsibilities, nor shall the employee be authorized any sick, annual, administrative or other leave to perform such census work. Prior to the employment of any government of Guam employees, every effort must be exhausted to ensure that the general community is provided with the initial opportunity to participate and support the conduct of the Census activities. Government of Guam retirees may participate in the Program without loss or suspension of annuity.

(d) Salaries and Benefits. The Bureau of Statistics and Plans shall establish the salary of all Program employees. The Bureau will provide funding for workers' compensation, FICA, and overtime (OT) pay as necessary to complete field work, re-interviews, field follow-ups, canvassing and other related Program operations. Employees of the Program shall be in the unclassified position. Management staff of the Program, including the Local Census Office Manager, Assistant Manager for Administration, Assistant Manager for Office Operations, Assistant Manager for Field Operations, Partnership/Media Specialist, Geographic Specialist, Security Officer, and the Administrative Assistant, shall be entitled to annual and sick leave, and medical and dental insurance. All other census employees will be excluded from such coverage and other benefits, to include salary increment.

(e) Drug Screening, Police and Court Clearance Requirements. Prior to the employment of any individual with the Program, the individual must undergo and pass a mandatory drug screening in which the initial testing will be paid for by the Program subject to availability of funds. In addition, selected individuals must provide to the Program the most recent police and court clearances (both valid for one (1) month only) which will also be paid for by the Program subject to availability of funds.

**SOURCE:** Added by P.L. 30-058:2 (Nov. 16, 2009).

**§ 1209.2. Information as Confidential.**

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(a) The Director shall have the sole authority to approve the contents of reports or data and the timing or release of information by the Bureau.

(b) Neither the Director nor any other officer or employee of the Authority, or the Office of *I Maga'lahañ Guåhan* may use the information furnished under the provisions of this Article for any purpose other than the statistical purposes for which it is supplied, or make any publication whereby the data furnished by any particular establishment or individual under this Article can be identified.

(c) Whoever, being the owner, official, agent, person in charge, or assistant person in charge, of any company, business, institution, establishment, or organization of any nature whatsoever, neglects or refuses, when requested by the Director or other authorized officer or employee of the Bureau to answer completely and correctly to the best of that person's knowledge all questions pertinent to the duties of the Authority set forth in § 1209.1 of this Title, and relating to that person's company, business, institution, establishment or other organization, or to records or statistics in that person's official custody, contained in any census or other schedule prepared and submitted to that person under authority of this Article, shall be fined not more than Five Hundred Dollars (\$500.00), or imprisoned not more than sixty (60) days, or both; and if that person willfully gives a false answer to any such question, that person shall be fined not more than One Thousand Dollars (\$1,000.00), or imprisoned not more than one (1) year, or both.

(d) Whoever, being an officer or an employee of the Bureau, publishes or communicates, without the written authority of the Director, any information coming into that person's possession by reason of that person's employment under the provisions of this Article shall be fined not more than One Thousand Dollars (\$1,000.00), or imprisoned not more than one (1) year, or both.

**SOURCE:** Added by P.L. 26-76:44.

**§ 1210. Content of the Plan.**

The Comprehensive Development Plan for Guam shall contain specific elements as follows:

(a) Land Use. A land-use element together with the appropriate zoning recommendations supporting distribution, location and the extent of uses of land for housing, business, industry, agriculture,

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recreation, education, public buildings, open space, conservation and other categories of public and private uses of land, which include islands, reef and lagoon areas, and the sea within the territorial waters, inclusive of a statement of the standards of population and building density and building intensity for the various districts and other areas covered by the Plan, and regulatory criteria governing the use, development and subdivision of land;

(b) Community Design. A community design element consisting of standards and principles governing the subdivision and development of land and showing recommended designs for community and neighborhood development and redevelopment, including sites for schools, parks, playgrounds and other community uses;

(c) Transportation. A transportation element which would provide a comprehensive transportation and circulation system consisting of existing and proposed major routes, thoroughfares, highways, and collector streets; locations of rights-of-way, terminals, viaducts, and grade separation, port, harbor, aviation and mass transit lines, and related facilities, all of which are correlated with the land use element of the Plan;

(d) Regulations. A regulatory element concerning parking facilities and building setback lines and the delineations of such systems on the land, a system of street naming, housing and building numbering, and such other matters as may be related to the improvement of circulation of traffic;

(e) Public Facilities. A public services and facilities element showing general plans for sewage, refuse disposal, drainage, and local utilities, and rights-of-way, easements, and facilities for them;

(f) Public Lands. A public lands element that provides an inventory of all government of Guam and federal lands;

(g) Public Buildings. A public buildings element identifying locations and arrangement of civic and community centers, public schools, libraries, police and fire stations, and other public buildings, including their architecture and the landscape treatment of their grounds;

(h) Housing. A housing element consisting of standards and plans for elimination of substandard dwelling conditions, the

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improvement of housing, and the provision of adequate sites for housing;

(i) Redevelopment. A redevelopment element for the elimination of unsafe or blighted areas, community redevelopment and the revitalization of housing sites, business and industrial sites, public building sites, and for other purposes authorized by law;

(j) Conservation. A conservation element to guide the conservation, development, and utilization of natural resources including forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals, and other natural resources which, as sub-elements, may also incorporate the following:

(1) Reclamation of land and waters;

(2) Flood control;

(3) Prevention and control of pollution of streams and other waters;

(4) Regulations of the use of land in stream channels and conservation areas;

(5) Prevention, control, and correction of the erosion of soils, beaches, and shores; and

(6) Protection of watersheds.

(k) Recreation. A recreation element establishing a comprehensive system of areas and public sites for recreation, including the following and, when practicable, their locations and proposed development:

(1) Natural reservations,

(2) Parks,

(3) Parkways,

(4) Beaches,

(5) Reef and lagoons,

(6) Playgrounds,

(7) Historic and archaeological sites, and

(8) Other recreation areas.

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(l) Safety. A safety element for the protection of the community from natural and man-made hazards including features necessary for such protection as evacuation routes, peak load water supply requirements, minimum road widths, clearances around structures, geologic hazard mapping in areas of known geologic hazards;

(m) Tourism. A visitor industry element which will establish cooperation and coordination between the public and private sectors to provide for steady and regulated growth within the visitor industry, while developing the industry in a manner that will continue to provide new business and job opportunities and steady employment for the people of Guam, and which will enable Guam's people to obtain job training and education geared for upward job mobility within the industry;

(n) Development Policy. A short and long-range socio-economic development strategy to include policy, opportunities, and programs to address or alleviate problems concerning health services, manpower planning, employment opportunity, education, elimination of poverty, law enforcement, welfare, substandard housing, consumer protection, public revenue and expenditures, cultural heritage preservation, visitor industry, and the like to include population characteristics and economic analysis with projections for each region and sub-region of the island;

(o) Capital Improvements. A short and long-range capital improvements program and projects to be derived from public and private input and compiled from schedules of proposed capital improvements submitted to the Council by each department, agency, division, board, commission, branch, and instrumentality of the government of Guam; and which shall provide recommendations and identify programs for the balanced development of the island's port, highway, communication, and public transportation facilities including, but not limited to, institutions of higher learning, health and welfare facilities, correctional institutions, elementary and secondary schools, electric power, water, telephone, sewer and other utility facilities;

(p) Policy Statements. A statement of specific policies for at least each of the following general areas: Socio-economic and human resource development, natural resource development,

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environmental protection, historical, and cultural preservation, public safety, housing and community development, education, land-use and population growth, visitor industry, or in other areas deemed appropriate by the Council;

(q) Other Elements. Such additional elements dealing with other subjects, which in the judgment of the Council relate to the physical development of Guam.

**SOURCE:** GC § 62020 reenacted by P.L. 20-147.

**§ 1211. Plan Implementation and Financing.**

The Comprehensive Development Plan shall contain a schedule of programs and projects to be implemented annually. Funding for such programs and projects shall be identified in the Plan by the project's or program's principal or administering government agency or instrumentalities. Funding for programs or projects contained in the Plan which do not fall under the authority or responsibility of any particular instrumentality of the government of Guam shall be met by annual appropriation of the Legislature.

**SOURCE:** GC § 62021 added by P.L. 20-147.

**§ 1212. Annual Budget.**

The Chairman of the Council shall prepare and submit the Council's first annual fiscal year budget to the Legislature within ninety (90) calendar days of the enactment of this Chapter, and thereafter shall submit its annual budgets prior to the end of each fiscal year. Such budget shall contain a financial breakdown of personnel, administrative and all operating costs to be incurred by the Council in the performance of provisions set forth in this Chapter. Said personnel expenditures shall be applied to the full staffing requirements of the Council as submitted to the Legislature by the Council.

**SOURCE:** GC § 62022 added by P.L. 20-147.

**§ 1213. Master Plan Proposals.**

The Council shall proceed to develop proposals consisting of a scope of work and cost estimates for all elements of the Plan. The Council shall incorporate in its annual budget submission to the Legislature the amount of financial resources needed to facilitate the objectives of this Chapter.

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**SOURCE:** GC § 62023 added by P.L. 20-147.

**§ 1214. Coordination of Effort.**

Any existing Committee, Commission, Task Force or body mandated to engage in planning for Guam or for particular areas or jurisdictions within Guam, shall seek to ensure that such planning efforts are provided the appropriate financial, human, technical and support resources necessary to accomplish any mandates or requirements of law relative to development planning; provided, however, that such planning efforts are supportive of and consistent with the intent of this Chapter.

For purposes of this Chapter, all plans prepared by any agency or instrumentality of the government of Guam shall be circulated to other agencies or instrumentalities affected by such plan and to the Bureau for review and finalization not later than sixty (60) days prior to submission of the plan to the Council.

**SOURCE:** GC § 62014 added by P.L. 20-147.

**§ 1215. Severability.**

If any provision of this Chapter or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Chapter which can be given effect without the invalid provisions or application, and to this end, the provisions of this Chapter are severable.

**SOURCE:** GC § 62021 amended and renumbered by P.L. 20-147.

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**ARTICLE 3**

**BUREAU OF BUDGET AND MANAGEMENT RESEARCH**

- § 1301. Creation of Bureau of Budget and Management Research.
- § 1302. Duties and Responsibilities of the Bureau.
- § 1303. Management of Allotments.
- § 1303.1. Exemption from BBMR Allotment Release Control.
- § 1304. Audit Fees.

**§ 1301. Creation of Bureau of Budget and Management Research.**

There is within the Office of the Governor of Guam, a Bureau of Budget and Management Research which shall be headed by a Director

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of Bureau of Budget and Management Research. The Director, Deputy Director and Private Secretary shall be members of the unclassified service of the government of Guam. All other positions in the Bureau of Budget and Management Research shall be in the classified service. The Director shall be appointed by the Governor with the advice and consent of the Legislature.

**SOURCE:** GC § 5005 added by P.L. 12-115; amended by P.L. 15-27:1.

**§ 1302. Duties and Responsibilities of the Bureau.**

In addition to the duties and responsibilities prescribed for the Bureau by any other provision of law, the Bureau shall also have the following duties and responsibilities:

(a) Conduct necessary operational planning and management research and studies to ensure that effective planning and management methods are utilized by departments and agencies of the government of Guam and otherwise to ensure that each public school student receives an adequate public education;

(b) Subject to the approval of *I Maga'lahi* (the Governor), prescribe a budget calendar for the guidance of all executive agencies and a system of quarterly allotments to insure that appropriations and non-appropriated funds are not exhausted beyond the fiscal period for which such appropriations and funds are made available; provided that such budget calendar and quarterly allotments are proportionately calculated so as to ensure that every public school student receives an adequate public education;

(c) To institute a system of form control; and

(d) Perform such other duties and responsibilities as may be prescribed by *I Maga'lahi* (the Governor) or by law.

**SOURCE:** GC § 5005.1 added by P.L. 12-115:2. Amended by P.L. 28-045:5, effective Oct. 1, 2005 in accordance with P.L.28-045:23.

**COMMENT:** The original language in the first paragraph referred to Chapter III of Title X of the Government Code. However, these sections were repealed by P.L. 7-101 in 1964 and therefore the reference in this section to those laws has been eliminated. Also, the original reference was probably a misprint, as the referenced sections dealt with the Chief Medical Examiner and not the BBMR.

**§ 1303. Management of Allotments.**

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In the release of monthly or quarterly allotments by the Bureau of Budget & Management Research from appropriation acts, the Director thereof shall base such allotments on anticipated cash receipts so that the obligations incurred pursuant to such release of periodic allotments shall have sufficient cash for their payment, provided that sufficient cash shall always be released to the Department of Education to provide an adequate public education to every public school student.

No agency shall contract or agree to spend any money for goods or services or in settlement of a lawsuit or claim in excess of the amount appropriated by the Legislature to that Agency for such goods, services, claim, or settlement, and BBMR shall not allot funds to that agency for the payment of any amount towards such goods, services, claim, or settlement if the total amount of the goods, services, claim, or settlement is more than the amount appropriated or amount allotted by BBMR. Any contract or agreement made in violation hereof shall be void. Any agency head or certifying officer who knowingly contracts or agrees to spend any money in excess of said allotments shall be guilty of a misdemeanor.

**SOURCE:** GC § 5005.2 added by P.L. 17-24:7. Amended by P.L. 28-045:6, effective Oct. 1, 2005 in accordance with P.L.28-045:23. Amended by P.L. 31-233:XII:12(b) (Sept. 7, 2012).

**NOTE:** Per P.L. 28-150:VI:1 (Sept. 30, 2006), this section “shall not apply to the Mayor’s Council of Guam, *I Liheslaturan Guåhan*, the Office of the Public Auditor, the Office of Finance and Budget, the Office of the Attorney General and the Judicial Branch. Said entities may draw against their respective appropriations in order to meet their respective obligations, as the need arises, in accordance with a drawdown schedule that such entities shall submit to the Department of Administration.”

**2009 NOTE:** Reference to Office of Public Auditor changed to Office of Public Accountability pursuant to P.L. 30-027:2 (June 16, 2009).

P.L. 28-045:10 (June 6, 2005) changed the name of the Department of Education to the Guam Public School System. P.L. 30-050:2 (July 14, 2009) reverted the name of the Guam Public School System to the Department of Education.

**§ 1303.1. Exemption from BBMR Allotment Release Control.**

Section 1303 of this Chapter shall not apply to *I Liheslaturan Guåhan* (including the Office of Finance and Budget), the Public Defender Service Corporation, the Unified Judiciary of Guam, the Mayors Council of Guam, the Office of Public Accountability, the Office of the Attorney General, the Guam Memorial Hospital Authority, the Guam Visitors Bureau, the University of Guam, and the Guam

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Community College. Said entities may draw against their respective appropriations as needed to meet their obligations in accordance with a drawdown schedule that said entities shall submit to the Director of Administration no later than October 31 of each fiscal year. Failure to submit such drawdown schedule by October 31 of each fiscal year shall subject such entity to the allotment release control by the Bureau of Budget and Management Research.

**SOURCE:** Added by P.L. 33-066:XII:25 (Sept. 5, 2015).

**§ 1304. Audit Fees.**

The Bureau of Budget and Management Research is authorized to use federal funds received as reimbursement for audit and program evaluation already performed on Federal Programs for purposes of recruitment, training and staff development within the Bureau. However, recruitment shall be subject to the availability of federal funds.

**SOURCE:** Section 41 of P.L. 18-15. Uncodified.

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**ARTICLE 4  
ECONOMIC PLANNING COUNCIL**

- § 1401. Economic Planning Council.
- § 1402. Purpose of Council.
- § 1403. Logistic Support.
- § 1404. Council's Authority to Recommend.

**§ 1401. Economic Planning Council.**

There is within the Office of *I Maga'lahañ Guåhan* an Economic Planning Council to be comprised of nine (9) members. Of the nine (9) members, four (4) members shall be selected by *I Maga'lahañ Guåhan* from among those who head the following agencies: the Department of Agriculture ('DOA'), the Guam Economic Development and Commerce Authority, the Guam Housing and Urban Renewal Authority ('GHURA'), the Guam Housing Corporation ('GHC'), the Department of Labor ('DOL'), the DOL Division of Workforce Development and Training, the Bureau of Budget and Management Research ('BBMR'), the Department of Revenue and Taxation ('DRT'), the A. B. Won Pat Guam International Airport Authority ('GIAA'), the Port Authority of

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Guam ('PAG'), the Guam Community College ('GCC'), the University of Guam ('UOG'), the Guam Advisory Council of Vocational Rehabilitation, the Bureau of Statistics and Plans, and the Guam Visitors Bureau ('GVB').

In addition to the agency members, there shall be four (4) members from the business community and community-at-large chosen by *I Maga'lahaen Guåhan* (the Governor) with the advice and consent of *I Liheslaturan Guåhan* (the Legislature). The ninth (9th) member of the Council shall be chosen by the other eight (8) members. The non-agency members shall receive the sum of Fifty Dollars (\$50.00) for each attendance at a meeting of the Council, not to exceed One Hundred Dollars (\$100.00) per month.

**SOURCE:** GC § 5250 added by P.L. 17-23. Amended by P.L. 26-76:40.

**2015 NOTE:** Pursuant to P.L. 33-061 (Aug. 24, 2015), codified as 22 GCA § 1301 *et seq.*, the reference to the Agency for Human Resources Development has been replaced with the Division of Workforce Development and Training of the Department of Labor.

**§ 1402. Purpose of Council.**

The Council shall undertake an economic program of the territory for the purpose of formulating a short and long-range economic master plan for the territory which shall be approved by resolution. The Council shall monitor the approved progress of the program and report any actions of nonconforming and/or noncooperative governmental agencies to the Governor and the Legislature.

**SOURCE:** GC § 5251 added by P.L. 17-23.

**COMMENT:** The Legislature does not have the power to approve, with binding effect, by resolution any matter which will have the force and effect of law. See Attorney General Opinion PCF #85-1031; see also *INS v. Chada*, 103 S.Ct. 2754 (1983). To avoid any question of validity, and because this section does not mention the body required to adopt the resolution, the Compiler assumes that the body which must pass the resolution is the Council, itself.

**§ 1403. Logistic Support.**

The Governor is authorized to designate appropriate governmental agencies to provide office space, clerical and professional assistance to the Council.

**SOURCE:** GC § 5252 added by P.L. 17-23.

**§ 1404. Council's Authority to Recommend.**

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The Council shall have the authority to recommend policy guidelines for any government agencies necessary to be in conformity to the economic program adopted by § 1402 of this Article.

**SOURCE:** GC § 5253 added by P.L. 17-23.

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**ARTICLE 5  
GENERAL PROVISIONS CONCERNING THE GOVERNOR**

- § 1501. Report to Accompany Proposed Legislation.
- § 1502. Transition in Office of Governor.
- § 1503. Authority of Governor to Issue General Obligation Bonds.
- § 1504. Authority to Create Debt to Re-fund Highway Bonds.
- § 1505. Authority to Create Debt for Capital Improvement Projects.
- § 1506. Sister City Programs.
- § 1507. Annual Report.
- § 1508. Water System Revenue Bonds.
- § 1508.1. Water System Bonds of 2001.
- § 1509. Indemnity for Tiyan (former NAS) Liabilities.
- § 1510. Chamorro Names Used.
- § 1511. *I Maga'lahen Guåhan* [Governor] to Always Receive Bills.
- § 1512. Authorization to Issue Bonds for Deficit Financing.
- § 1512.1. [Same] Authorization to Issue Bonds for Deficit Financing.
- § 1512.2. Authorization to Enter Into Loan for Landfill Costs.
- § 1512.3. Authorization to Issue Bonds for Revenue Anticipation Financing.
- § 1513. 2005 Revenue Road and Pothole Repair Bonds.
- § 1514. Authorization to Borrow For the Purpose of Acquiring, Constructing and Equipping an Educational Cultural Facility.
- § 1515. Authorization to Borrow for the Purpose of Acquiring, Constructing and Equipping an Educational Cultural Facility, a Community Cultural Center and Certain Other Projects That Benefit Guam's Tourism Industry and for the Purpose of Refunding the Outstanding Government of Guam Limited Obligation Infrastructure Improvement Bonds.
- § 1516. GARVEE Bonds Authorized.

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**2011 NOTE:** P.L. 31-077:XII:40 (Sept. 20, 2011) added a new item (3) to subsection (i), Title 5, Chapter 1, Article 5, but did not include the intended section.

Item (3), provides:

“(3) Bond proceeds appropriated under item (1) of this Subsection shall be expended for purposes exclusive to and in support of item (1) and shall not be expended for purposes in item (2) of this Subsection or for any other purposes.”

**§ 1501. Report to Accompany Proposed Legislation.**

Whenever the Governor transmits to the Legislature proposed legislation pursuant to § 6(b) of the Organic Act of Guam, such proposed legislation shall be accompanied by a written report containing the following items:

- (a) A narrative statement and the reasons why said legislation is necessary;
- (b) What changes, if any, such proposed legislation will make in existing law, whether statutory or otherwise, if enacted; [and]
- (c) A section-by-section analysis of the proposed legislation.

**SOURCE:** GC § 5008 added by P.L. 10-24.

**NOTE:** “And” has been added after subparagraph (b) to indicate that subparagraph (c) is the last of a series of connected paragraphs.

**§ 1502. Transition in Office of Governor.**

(a) For the period following the election of the Governor of Guam in November of every fourth year beginning in 1970, the then incumbent Governor, if not the successful candidate, shall assist the Governor-elect in preparing for his new duties until he assumes office in January of the year following his election. Such assistance by the incumbent Governor shall include but not be limited to making available to the Governor-elect or his designees office space, office supplies, clerical assistance, and logistical support from other governmental agencies necessary for site and facility preparation, transportation, and security in conjunction with the inaugural celebration. In addition, the incumbent Governor shall assist the Governor-elect in acquainting the latter with the operation of the government with the end in view that the transition between administrations will go smoothly and not interrupt the orderly transaction of public affairs. All expenses authorized by this subsection (a) shall be

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paid out of the current operations budget of the Executive Branch of the government notwithstanding any other provisions of law or regulations to the contrary.

(b) The Governor-elect is authorized to appoint a Committee which shall assist him during the transition period between his election and his assumption of office. The Committee shall comprise of such members as the Governor-elect shall deem necessary and shall be an operating agency of the government and remain such for a period not to exceed 30 days after the assumption of office by the Governor-elect. The Committee shall have such duties as the Governor-elect may deem necessary for an orderly transition between administrations which shall include, but not be limited to, the preparation of the Governor-elect's inaugural ceremony and celebration.

(c) Notwithstanding any provisions of law to the contrary, the Governor-elect, or delegates designated by him in writing, shall have exclusive authority to obligate or make commitments against any appropriation made to carry out the provisions of subsection (b) of this Section, and the Certifying Officer of the Department of Administration shall certify all obligations or expenditures made thereunder.

(d) The Chairman of the Committee, who shall be appointed by the Governor-elect, shall, not later than 30 days after the assumption of office by the Governor-elect, prepare and submit a written report to the Governor and the Legislature regarding the activities of the Committee, together with recommendations for improvement of transition between administrations as provided by the provisions of this Section.

(e) Notwithstanding any other provisions of law, in addition to utilizing government funds and in order to keep the use of public funds to a minimum, the Committee may accept monetary and in-kind donations for the purposes set out in this Section, and may deposit donations in a private bank account to be administered by the Committee. A report of the donations received and expenses paid shall be included in the report made pursuant to subsection (d) of this Section. All such donations, being made to an interim government agency, shall be tax deductible pursuant to § 170 of the Internal Revenue Code. Donations in excess of the amount needed to pay expenses of the Committee shall be the property of the Government of Guam and shall be deposited with the Treasury of Guam no later than thirty days after the assumption of office of the Governor-elect.

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**SOURCE:** GC § 5010 added by P.L. 10-111; amended by P.L. 12-188. Subsection (e) added by P.L. 22-142:3(d) (12/13/94).

**§ 1503. Authority of Governor to Issue General Obligation Bonds.**

The Governor of Guam is authorized to borrow funds pursuant to by the issuance of General Obligation Bonds provided such bonds are issued pursuant to 12 GCA § 2103(k).

**SOURCE:** GC § 5011 added by P.L. 17-25:13.

**§ 1504. Limited Obligation Highway Refunding Bonds.**

(a) Authorization of Issuance of Limited Obligation Highway Bonds. The Governor of Guam is authorized to issue new bonds of the government of Guam in an aggregate principal amount not to exceed Sixty Eight Million Five Hundred Thousand Dollars (\$68,500,000) for the purposes of refunding all or a portion of the Government of Guam Limited Obligation Highway Bonds, 1985 Series A, implementing the Capital Improvement Highway Projects enumerated in Subsection (j) of this Section, and paying expenses incurred in connection with the issuance of such new bonds; provided, however, that the issuance of the new bonds shall not cause a violation of the debt limitation provisions of 48 U.S.C. § 1423a.

(b) Terms and Conditions Determined by Indenture. The terms and conditions of the bonds shall be as determined by the Governor by the execution of an indenture securing the bonds upon or prior to the issuance of the bonds. The indenture shall contain such terms and conditions as are consistent with this Section.

(c) Valid and Binding Obligation. To the extent that the debt limitation provisions of 48 U.S.C. §1423a are not violated, any bonds authorized by this Section shall constitute the valid and legally binding limited obligations of the government of Guam payable solely from and secured by a pledge of the revenues pledged pursuant to Subsection (d) of this Section. The validity of any such bonds shall not be affected by the validity or regularity of any proceedings for the implementation of Capital Highway Improvement Projects funded by the new bonds or the bonds being refunded or by the application of any escrow created to pay debt service on the bonds being refunded.

(d) Pledge of Revenues; Not a General Obligation. All or any part of the revenues from the taxes levied pursuant to Article 4 of Chapter 26 of Title 11 of the Guam Code Annotated and from the license fees and

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penalties imposed pursuant to §§ 7146, 7159, 7170, 7171, 3102, 7173 and 11101 of Title 16 of the Guam Code Annotated may be pledged to secure the repayment of any bonds issued under this Section and to pay costs incurred in the issuance or administration of the bonds. Any pledge made to secure the bonds shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the government of Guam or such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The indenture or agreement by which such pledge is created need not be recorded. All such taxes, fees and penalties, to the extent so pledged, are hereby continuously appropriated for such purpose. The bonds shall not be, and shall state on their face that they are not, general obligations of the government of Guam.

(e) Waiver of Immunity. Notwithstanding any substantive or procedural provision of Chapter 6 of Title 5 of the Guam Code Annotated the government of Guam waives immunity from any suit or action in contract on the bonds, but does not waive sovereign immunity as to the personal liability of elected officials and employees of the government of Guam.

(f) Form of Bonds; Covenants; Appointment of Fiduciaries. The technical form and language of the bonds, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated bonds, negotiability, cancellation and other terms or conditions not inconsistent with this Section, including covenants relating to the maintenance of revenues, shall be as specified in the indenture approved by the Governor, authorizing the issuance of the bonds. The indenture may appoint one or more trustees or other fiduciaries authorized to receive and hold in trust the proceeds of the bonds and revenues relating thereto, to protect the rights of bondholders and to perform such other duties as may be specified in the indenture. The Governor is also authorized to execute, on behalf of the government of Guam, any appropriate agreements, certificates or other instruments relating to the bonds, the sale of the bonds and payment of the bonds being refunded.

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(g) Authorization for Credit Enhancement. The Governor is authorized to enter into such contracts or agreements with such banks, insurance companies or other financial institutions as he determines are necessary or desirable to improve the security and marketability of the bonds issued under this Section. Such contracts or agreements may contain an obligation to reimburse, with interest, any such banks, insurance companies or other financial institutions for advances used to pay principal or interest on the bonds. Any such reimbursement obligation shall be payable solely from, and may be secured by a pledge of, the revenues described in Subsection (d) of this Section.

(h) Use of Proceeds from the Sale of the Bonds. Proceeds from the sale of the bonds shall be used solely to refund all or a portion of the government of Guam Limited Obligation Highway Bonds, 1985 Series A, to implement the Capital Improvement Highway Projects enumerated in Subsection (j) of this Section, and to pay expenses relating to the authorization, sale and issuance of the bonds and the payment of the bonds being refunded, including, without limitation, printing costs, costs of reproducing documents, bond insurance premiums, underwriting, legal and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings, fees and charges for execution, transportation and safekeeping of bonds, escrow agent fees and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds and the payment of the bonds being refunded.

(i) No Personal Liability except for failure to perform ministerial duty. No employee or elected official of the government of Guam shall be individually or personally liable for the payment of any amounts due on any bonds issued under this Section, or for any other liability arising in connection with the bonds; provided, however, that nothing in this Section shall relieve any employee or elected official from the performance of any ministerial duty required by law.

(j) The proceeds shall be expended for the following highway capital improvement projects:

<b>Project</b>	<b>Cost</b>
(1) Reconstruction of Route 1 from Polaris Point Intersection to Route 2A (Commissary Junction near Naval Station)	\$ 6.0 Million

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- |   |                |
|---|----------------|
| (2) Reconstruction of Route 2A from Commissary Junction to Namu River in Agat   | \$ 4.0 Million |
| (3) Design and Reconstruction of of three (3) land highway including sidewalks on Route 30 (Camp Watkins Road) from its intersection with Route 1 (Marine Drive) to Guam Memorial Hospital including Farenholt Avenue and land acquisition required for the project           | \$10.0 Million |
| (4) Design and Construction of Harmon Access Road including Land Acquisition (Road from Harmon Strip connecting to Route 16 at the Harmon Loop Intersection)  | \$ 3.0 Million |
| (5) Land Acquisition for the Agat Umatac Project and for unacquired land on Route 1, land acquisition of unacquired Route 6 property, land acquisition Macheche Road, Bello Road, and Alegeta St.   | \$ 4.0 Million |
| (6) Resurfacing of approximately 5 miles of Route 4 through Merizo including spot repair, minor drainage improvements and safety treatments as needed   | \$ 3.0 Million |
| (7) Design and construction of San Ramon Hill roadway network encompassing Route 7, Senator Gibson Road, and Esperanza Street, including installation of underground drainage with sidewalks, spot repair as necessary, widening and installation of anti-skid wearing course | \$ 2.0 Million |
| (8) A sidewalk 6 feet in width on the South side of San Vitores Road from John F. Kennedy High School to the traffic circle   | \$ 0.5 Million |
| (9) Planning, design and initial construction of bike/jogging paths island wide   | \$ 1.0 Million |
| (10) The unused and unencumbered bond proceed balance; to the extent of any bond proceeds not required and unexpended for the   |                |

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projects listed in Items (1) through (9) of this Subsection (j); and the interest earned upon or any profits derived from the sale of bond investments cumulatively deposited and made a part of the Capital Projects Fund of the Territorial Highway Fund (aka Guam Highway Fund) of which the government of Guam is authorized to use and expend by legislative appropriation for capital improvement road and infrastructure projects.

**GRAND TOTAL**

**\$33.5 Million**

All segments of the road system listed above shall be designed to include an adjacent paved path for pedestrians, bikes and joggers and a paved shoulder to allow for emergency stops by motor vehicles. When limited by space, the design may include a paved shoulder for combined use by pedestrians, bikes and joggers and for emergency stops by motor vehicles.

(k) Village Streets Fund. (1) There is hereby created, separate and apart from other funds of the government of Guam, a fund known as the Village Streets Fund ('VSF'). The VSF shall be used exclusively for the purposes of payment to vendors for village road planning, design, construction, reconstruction, improvement, repair and maintenance services, supplies and equipment to be used for road repair and maintenance, the acquisition of rights of way, or to service debt payments of revenue bonds which may be issued to fund the construction, repair and maintenance of secondary and tertiary roads. All roads defined as 'major arterial', 'minor arterial' and 'major collector', as defined in the Highway System Classification Map of Guam, shall continue to be maintained by the Department of Public Works and are excluded from the proceeds of the VSF. Funds deposited into the VSF shall be subject to Legislative appropriation prior to expenditures from such fund and shall not be subject to any transfer authority.

**SOURCE:** Added by P.L. 19-002:1 (Apr. 20, 1987) as GC § 6128. Codified by Compiler as GC § 6130. Recodified by Compiler as 5 GCA § 1504. Entire section repealed and reenacted by P.L. 20-014:3 (June 8, 1989) and P.L. 21-110:1 (June 1, 1992). Subsection (k) added by P.L. 23-128:25 (Dec. 12, 1996); repealed/reenacted by P.L. 25-164:III:20(b) (Sept. 26, 2000); amended by P.L. 26-077:12 and 13 (Mar. 24, 2002); amended by P.L. 28-068:IV:24 (Sept. 30, 2005). Item (j)(10) added by P.L. 28-068:II:IV:1k (Sept. 30, 2005).

**§ 1505. Authority to Create Debt for Capital Improvement Projects.**

(a) Authorization of Issuance of Limited Obligation Infrastructure Improvement Debts. The Governor of Guam is authorized to create a debt or debts of the government of Guam in aggregate principal amount not to exceed Twenty-Nine Million Dollars (\$29,000,000) for a maximum term of twenty (20) years for the purpose of implementing Capital Improvement Projects enumerated in subsection (i) of this section; provided, however, that

(1) the terms and conditions of the debts or debts shall be approved by the Legislature by statute; and

(2) the debt or debts shall not cause a violation of the debt limitation provisions of 48 U.S.C. §1423a.

(b) Loans, Indenture or Other Agreement. Such debt or debts may be created by a loan, indenture or other agreement executed by the Governor containing such terms as are consistent with this section.

(c) Valid and Binding Obligation. To the extent that the debt limitation provisions of 48 U.S.C. §1423a are not violated, any debt or debts authorized by this section shall constitute the valid and legally binding limited obligation of the government of Guam payable from and secured by a pledge of the revenues derived from the Tourist Attraction Fund. The validity of any such debt or debts shall not be affected by the validity or regularity of any proceedings for the implementation of Capital Improvement Projects funded by the debt or debts.

(d) Pledge of Revenues. All or any part of the revenues constituting the Tourist Attraction Fund created by § 19655 of this Code may be pledged to secure the repayment of any debt or debts created under this section and pay costs incurred in the creation of such debts. Any pledge made to secure the debt or debts shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without physical delivery thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, against the government of Guam, such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The indenture by which such

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pledges are created need not be recorded. Revenues pledged for debt service are hereby continuously appropriated for such purpose.

(1) Revenues constituting the Tourist Attraction Fund shall be expended in accordance with the terms of the indenture pursuant to which the debt or debts will be issued so that

(A) The first priority shall be to meet all requirements of the repayment of debt or debts created in this section; and

(B) The second priority shall be to provide operating funds for the Guam Visitors Bureau at a level the Legislature deems appropriate.

(2) The Legislature shall continue to enact a budget for the operation of the Guam Visitors Bureau at any level which the Legislature deems appropriate.

(3) All revenues so pledged and appropriated which are not required pursuant to paragraphs (1) and (2) of this subsection (d) shall revert to the Tourist Attraction Fund.

(4) The Director of Administration shall transmit to the Legislature a copy of the trustee's monthly report on collections and disbursements of the funds it collects and disburses pursuant to this section within five (5) working days of the Director's receipt of such report. The preparation and filing of such a monthly report are mandatory.

(e) Waiver of Immunity. Notwithstanding any substantive or procedural provision of Chapter VI of Title VII of the Government Code, the government of Guam waives immunity from any suit or action in contract on such debt, but does not waive sovereign immunity as to the personal liability of elected officials and full time employees of the government of Guam.

(f) Form of Debt or Debts; Covenants; Appointment of Trustee. The technical form and language of the debt or debts, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated bonds, negotiability, cancellation and other terms or conditions not inconsistent with this § 6130, including covenants relating to the maintenance of revenues, shall be as specified in an indenture approved by the Governor, authorizing the issuance of the debt or debts. The indenture may appoint a trustee authorized to receive and hold in trust

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the proceeds of the debt or debts and revenues related thereto, to protect the rights of debt holders and to perform such other duties as may be specified in the indenture. The Governor is also authorized to execute, on behalf of the government of Guam, any appropriate agreements, certificates or other instruments relating to the debt or debts and the sale of the debt or debts.

(g) Authorization for Credit Enhancement. The Governor is authorized to enter into such contracts or agreements with such banks, insurance companies or other financial institutions as he determines are necessary or desirable to improve the security and marketability of the debt or debts created under this section. Such contracts or agreements may contain an obligation to reimburse, with interest, any such banks, insurance companies or other financial institutions for advances used to pay principal or interest on the debt or debts. Any such reimbursement obligation may be secured by a pledge of the revenues described in subsection (d) of this section.

(h) Use of Proceeds from the Sale of Debt or Debts. All Capital Improvement Projects to be funded from the provisions of this section must be reviewed and approved by the Governor prior to their implementation. Proceeds from the sale of the debt or debts shall be used solely to pay the costs of the Capital Improvement Projects described in subsection (i) of this section and to pay expenses related to the authorization, sale and issuance of the debt or debts, including without limitation, printing costs, costs of reproducing documents, bond insurance premiums, underwriting, legal and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings, fees and charges for execution, transportation and safekeeping of bonds and other costs, charges and fees in connection with the issuance, sale and delivery of the debt or debts.

(i) The Capital Improvement Projects to be funded from the implementation of this section, any deviation from which requires legislative concurrence, are:

(1) TUMON SEWAGE REVERSAL	\$4,700,000
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(Installation of sewer force main and gravity lines and modification of Tumon and Mamajano pump stations; project will reverse sewage flows from Tumon, Harmon, Barrigada and Liguán Terrace to the Northern

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District Sewer System.)

(2) COMPLETION OF SAN VITORES ROAD \$2,700,000

(\$2.2 million will be applied towards completion of physical improvements and \$500,000 will be utilized for remaining land acquisition.)

(3) AGAT-UMATAC HIGHWAY COMPLETION \$3,100,000

(Construction of Route 4 from Agat to Lalahita Memorial Park.)

(4) ASTUMBO SUBDIVISION INFRASTRUCTURE \$3,500,000

(Construction of roadways and water and sewer facilities to serve approximately 500 residential lots.)

(5) GMHA POWER SYSTEM DESIGN \$800,000

(Secure the services of an electrical engineering firm to: determine the electrical generation needs of the Guam Memorial Hospital, taking into consideration present load requirements and load requirements of future expansion plans; design an uninterruptible emergency power supply system for the Hospital; prepare a request for proposals for:

(A) purchase and installation of the uninterruptible power supply system, inclusive of an automatic transfer witch,

(B) construction management of the installation of said uninterruptible power supply system, and

(C) a training program designed to educate and train Guam Memorial Hospital

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employees in the operation and maintenance of said uninterruptible power supply system. The Guam Memorial Hospital Authority shall secure the services of the electrical engineering firm provided for here through the standard procurement regulations and procedures of the government of Guam, provided, however, that the firm selected for the feasibility and design phases of this project shall not be eligible for consideration for the construction management contract nor shall said firm be involved in the actual purchase of said electrical generating equipment except for the provision of consulting services to the Guam Memorial Hospital during the evaluation of submissions in response to the requests for proposals contained herein.)

**(6) PUBLIC MARKET PROJECT**

**\$1,845,972**

(Design and construction of a new facility to accommodate a variety of public market functions. The facility shall be permanent no temporary structures and no tin roofs; and provided, however, that no funds for this improvement project shall be expended until the repair on the Sagan Dinana structure has commenced. Preference and priority for space in the Public Market shall be given to those who sell local marine, aquacultural and agricultural products and those who primarily sell products bearing the Guam Product Seal. The Governor and the Port Authority of Guam Board of Directors must concur that the final plans of the Public Market are aesthetically consistent with the development of the Agana Marina; Port Authority Board approval should

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be expressed through the adoption of a resolution.)

**(7) HIGHWAY HAZARD ELIMINATION PROJECT** **\$3,650,000**

(This project entails roadway spot repairs and anti-skid paving, installation of guardrails, pavement markers and other safety measures at various locations. Specific locations are as follows:

- |   |           |
|---|-----------|
| (A) Route 4 from poultry farm to As Linguit / Pauliluc Bridges, Inarajan  | \$250,000 |
| (B) Route 4 between Umatac and Merizo villages  | \$680,000 |
| (C) Route 17 between Santa Rita and Yona along Cross Island Road  | \$570,000 |
| (D) Route 4A from Route 4 to Talofofu Village proper  | \$400,000 |
| (E) Route 9 in the vicinity of Agafa Gumas, Yigo  | \$150,000 |
| (F) Route 12, installation of 400 linear feet of guardrail in the vicinity of Santa Rita                                    | \$30,000  |
| (G) Macheche Road, replacement of anti-skid surface and installation of pavement markers near the Latte Heights Subdivision | \$350,000 |
| (H) Gayinero Road, installation of 800 linear feet of guardrail in Yigo   | \$50,000  |
| (I) Ypao Road, installation of guard rails, pavement markers, spot repairs and anti-skid pavement                           | \$70,000  |
| (J) Route 7 in the vicinity of Agana Heights between Route 1 inter section and Naval Hospital entrance                      |           |

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	\$550,000
(K) Route 6 in the vicinity of Asan/ Piti and the Nimitz Hill area	\$500,000
(8) MERIZO FLOOD CONTROL (Installation of drainage improvements in the Barcinas and Cruz areas in Merizo.)	\$350,000
(9) INARAJAN BOAT LAUNCHING RAMP (Construction of new boat ramp in the Inarajan Village area.)	\$250,000
(10) MERIZO PIER EXPANSION (Replacement of existing pier to increase capacity and to restore shoreline eroded areas.)	\$200,000
(11) UMATAC SEA WALL (Restoration of approximately 200 linear feet of sea wall in Umatac Village proper.)	\$60,000
(12) UMATAC-MERIZO HIGHWAY DESIGN (Highway design along Route 4, Umatac to Merizo, for an upgraded two lane highway with a center lane. The project will include paved shoulders and adequate drainage.)	\$2,056
(13) MERIZO-INARAJAN HIGHWAY DESIGN (Highway design along Route 4, Merizo to Inarajan for an upgraded two lane highway with a center lane. The project will include paved shoulders and adequate drainage.)	\$1,680
(14) INARAJAN-TALOFOFO HIGHWAY DESIGN (Highway design of Route 4 from Inarajan to Talofof for an upgraded two lane highway	\$400,000

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with a center lane. The project will include paved shoulders and adequate drainage.)

(15) TALOFOFO-YONA HIGHWAY DESIGN	\$400,000
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(Highway design of Route 4 from Talofoto to Yona for an upgraded two lane highway with a center lane. The project will include paved shoulders and adequate drainage.)

(16) INARAJAN COMMUNITY CENTER UPGRADE	\$400,000
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(Repair and renovation of existing Inarajan Community Center)

(17) MALOJLOJ BASEBALL FIELD	\$520,000
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(Design and construction of baseball field in Malojloj)

(18) MONGMONG COMMUNITY CENTER CONSTRUCTION	\$300,000
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(Construction of new Mongmong Community Center)

(19) YIGO COMMUNITY CENTER UPGRADE	\$300,000
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(Repair and renovation of existing Yigo Community Center)

(20) EXTENSION OF CHALAN KANTON TUTUJAN TO ROUTE 7	\$1,400,000
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(21) CHAOT SEWER SYSTEM UPGRADE	\$817,618
	\$25,630,000

(j) Refunding Obligations. The Governor of Guam is authorized, with the specific authorization by statute of the Legislature, to create a debt of debts for the sole purpose of refunding all or a portion of the debt or debts authorized by subsection (a) of this § 6130.

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(k) Except for Item (21), all unexpended, un-obligated and unencumbered balances of the appropriations in Subsection (i) of this Section as of September 30, 1999 shall be reprogrammed and re-appropriated as follows:

(1) ninety-nine percent (99%) to the Department of Education for the repair and renovation of public school buildings and structures, to be expended in the following priority:

(A) repair and reconstruction of C. L. Taitano Elementary School;

(B) match of Federal funds made available by Federal Emergency Management Agency, or other Federal entity, in order to maximize the ability of the Department of Education to repair, reconstruct or construct school buildings; and

(C) repair, reconstruction or construction of school buildings that have a direct impact of remedying structural deficiencies to ensure student and staff safety.

(2) one percent (1%) to the Guam Police Department for the renovation of its crime laboratory located in Tiyan.

**SOURCE:** GC § 6130 enacted by P.L. 19-5:144; subsections (a), (d) and (3) as amended by P.L. 19-18:1. Repealed and reenacted by P.L. 20-14:3. Items (6), (12) and (13) of Subsection (i) are amended and new Item (21) is added by P.L. 23-97:2. Subsection (k) added by P.L. 25-98:26.

**NOTE:** Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters in subsection (a), (d), and (i)(5), (7) and (k)(1) were altered to adhere to the Compiler's alpha-numeric scheme.

**2009 NOTE:** P.L. 28-045:10 (June 6, 2005) changed the name of the Department of Education to the Guam Public School System. P.L. 30-050:2 (July 14, 2009) reverted the name of the Guam Public School System to the Department of Education.

**§ 1506. Sister City Programs.**

(a) The Governor of Guam, on behalf of the government of Guam, is hereby authorized to enter into Sister City relationships between the territory of Guam and any city outside of Guam, provided, however, that any such relationship shall be approved by the Legislature by resolution.

(b) Expenses by the government of Guam for such programs shall be paid out of the contingent funds appropriated for the Governor of Guam in the case of any expenditure incurred by the Executive Branch

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and out of the contingent funds appropriated for the Speaker of the Legislature in the case of expenditures incurred by the Guam Legislature.

**SOURCE:** GC § 5050 added by P.L. 13-6:5.

**COMMENT:** The Legislature does not have the power to regulate the Executive Branch by resolution. See Attorney General's Opinion PCF #85-1031. See also *INS v. Chada*, 103 S. Ct. 2754 (1983).

**§ 1507. Annual Report.**

Each head of a department, independent agency, board, or commission shall submit a detailed report by no later than December 31 of each year, unless otherwise provided by law, to the Governor and Legislature on the operation of his department, independent agency, board, or commission during the fiscal year concluded on the preceding September 30, and projecting the goals and objectives of the department, independent agency, board or commissions developed for the program budget report. Any department, independent agency, board or commission may issue such additional reports on its findings and recommendations as its operations require.

**SOURCE:** GC § 5150 added by P.L. 14-15:1; amended by P.L. 16-60:1.

**COMMENT:** Amendment made to reflect change in the government's fiscal year to correspond to the federal government's fiscal year, as required by § 30 of the Organic Act.

**§ 1508. Water System Revenue Bonds.**

(a) Authorization of Issuance of Water System Revenue Debt. The Governor of Guam is authorized to create a debt or debts of the government of Guam in aggregate principal amount not to exceed Fifty-Three Million Dollars (\$53,000,000) for a maximum term of twenty (20) years for the purpose of implementing the Water System Projects enumerated in subsection (k) of this § 1508; provided, however, that

(1) the terms and conditions of the debt or debts shall be approved by the Legislature by statute; and

(2) any debt or debts shall not cause a violation of the debt limitation provisions of 48 U.S.C. § 1423a.

(b) Certificate of Governor. The terms and conditions of the debt or debts shall be as determined by the Governor by the execution of one or more certificates upon or prior to the issuance of the debt or debts. Any such certificate may also authorize persons so designated to execute, on behalf of the government of Guam, any appropriate agreements or other

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documents relating to the debt or debts and the sale of the debt or debts. The certificates shall contain such terms and conditions as are consistent with this § 1508.

(c) Valid and Binding Obligation. To the extent that the debt limitation provisions of 48 U.S.C. § 1423a are not violated, any debt or debts authorized by this § 1508 shall constitute the valid and legally binding limited obligation of the government of Guam payable from and secured by a pledge of the revenues described in subsections (d) and (e) of this § 1508. The validity of any such debt or debts shall not be affected by the validity or regularity of any proceedings for the implementation of Water System Projects funded by the debt or debts.

(d) Pledge of Water and Sewer System Revenues. All or any part of the revenues received or receivable by the government of Guam from the ownership or operation of any part of the water and sewer systems operated by the Public Utility Agency of Guam shall be deposited in the Public Utility Agency of Guam Fund pursuant to § 21208 of the Government Code, and shall be pledged subject to any prior or parity pledge to secure the repayment of any debt or debts created under this § 1508 and pay costs incurred in the creation of such debt or debts. Any pledge made to secure the debt or debts shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without physical delivery thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, against the government of Guam, such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The certificate by which such pledges are created need not be recorded. Revenues for debt service pledged are hereby continuously appropriated for such purpose.

(e) Pledge of Section 30 Revenues. All or any part of the revenues derived by the government of Guam under Section 30 of the Organic Act may be pledged to secure the repayment of any debt or debts created under this § 1508 and pay costs incurred in the creation of such debts, subject to any previously created lien on or pledge of such revenues. Any pledge made to secure the debt or debts shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or

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custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without physical delivery thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, against the government of Guam, such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The certificate by which such pledge is created need not be recorded. All revenues pledged are hereby continuously appropriated for the purpose for which they have been pledged.

(f) Appropriation to Public Utility Agency of Guam. The Legislature shall continue to enact a budget for the operation of the Public Utility Agency of Guam at any level which the Legislature deems appropriate for the term of the debt prescribed in Section 4 of this Act.

(g) Waiver of Immunity. Notwithstanding any substantive or procedural provision of Chapter VI of Title VII of the Government Code, the government of Guam waives immunity from any suit or action in contract on such debt or debts, but does not waive sovereign immunity as to the personal liability of elected officials and full-time employees of the government of Guam.

(h) Form of Debt or Debts; Covenants; Appointment of Trustee. The technical form and language of the debt or debts, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated bonds, negotiability, cancellation and other terms and conditions not inconsistent with this § 1508, including covenants relating to the maintenance and operation of the water and sewer systems operated by the Public Utility Agency of Guam, shall be as specified in a certificate approved by the Governor, authorizing the issuance of the debt or debts. The certificate may appoint a trustee authorized to receive and hold in trust the proceeds of the debt or debts and revenues related thereto, to protect the rights of debt holders and to perform such other duties as may be specified in the certificate. The Governor is also authorized to execute, on behalf of the government of Guam, any appropriate agreements, certificates or other instruments relating to the debt or debts and the sale of the debt or debts.

(i) Authorization for Credit Enhancement. The Governor is authorized to enter into such contracts or agreements with such banks, insurance companies or other financial institutions as he determines are necessary or desirable to improve the security and marketability of the

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debt or debts created under this § 1508. Such contracts or agreements may contain an obligation to reimburse, with interest, any such banks, insurance companies or other financial institutions for advances used to pay principal or interest on the debt or debts. Any such reimbursement obligation may be secured by a pledge of the revenues described in subsections (d) and (e) of this § 1508.

(j) Use of Proceeds from the Sale of Debt or Debts. All Water System Projects to be funded from the provisions of this § 1508 must be reviewed and approved by the Governor prior to their implementation. Proceeds from the sale of the debt or debts shall be used solely to pay and are hereby appropriated to pay the costs of the Water System Projects described in subsection (k) of this § 1508, and to pay expenses related to the authorization, sale and issuance of the debt or debts, including without limitation, printing costs, costs of reproducing documents, bond insurance premiums, underwriting, legal and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings, fees and charges for execution, transportation and safekeeping of bonds and other costs, charges and fees in connection with the issuance, sale and delivery of the debt or debts.

(k) Water System Projects. The following projects shall be funded as follows:

(1) Yigo/Dededo Source and Storage System Improvement	10,592,312
(2) Replacement of Water Distribution Lines in Agat/Santa Rita	5,311,288
(3) Agat/Santa Rita Sewer System, Part of Phase I and Total of Phase II	4,640,634
(4) Finegayan/Tumon Waterline-Water Transmission Line from Y-Sengsong Intersection South along Route 3, West along Route 1 past Harmon Loop Reservoir to Intersection with 14" Water Main	4,277,190

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(5) Barrigada/Toto Waterline-Water Transmission Line along Route 8 from Route 10 Intersection to Canada-Toto Road	1,885,646
(6) Tumon/Tamuning Waterline-Water Transmission Line from Intersection of Route 1 and 14" Water Main (near Haruna Restaurant) South Westerly along Route 1 to Camp Watkins Road Intersection	2,431,184
(7) Agana/Asan/Piti Water System Improvement	7,140,000
(8) Agat/Umatac Water System Improvement	4,005,826
(9) Dededo Reservoir	3,484,540
(10) Macheche/Adacao Water Distribution Lines, Phase I	2,715,376
(11) Northern Treatment Plant Improvements, including Digestors and Effluent Line (land segment)	2,800,000
(12) Chaot Wastewater Improvements	979,073
(13) BPM, Mangilao	642,649
(14) Lalo, Mangilao	340,000
(15) Carlos Heights	-0-
(16) Fujita Pump Station	1,000,000

(l) The Agat/Umatac Water System Improvement project shall incorporate the elimination of the bottleneck that currently exists in the transmission line before entering Umatac from Merizo and within the village.

(m) It is the policy and intent of the Legislature to ensure that all projects enumerated in subsection (k) are completed. In this respect, the Legislature gives its consent and authorization to allow the transfer of

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funds from such a project, which has a surplus, to a project with a shortfall, provided, however, that the Legislature be informed in writing prior to any transfer. If a project or projects are placed on hold by the Chief Officer of the Public Utility Agency of Guam due to an unanticipated circumstance, a transfer of funds from the project or projects enumerated in subsection (k) on hold to another project with a shortfall is authorized by the Legislature; provided, that prior to any transfer the Legislature be informed in writing [of] the reasons why such a project so enumerated in subsection (k) is on hold. This subsection shall take effect on January 3, 1995.

(n) Refunding Obligations. The Governor of Guam is authorized, with the specific authorization by statute of the Legislature, to create a debt or debts for the sole purpose of refunding all or a portion of the debt or debts authorized by subsection (a) of this § 1508.

**SOURCE:** Added by P.L. 20-13:2 ad GC § 6132. Subsection (m) repealed/reenacted by P.L. 22-141 (12/14/94). Subsection (k) repealed and reenacted by P.L. 23-97:1(a).

**2013 NOTE:** Pursuant to the authority granted by 1 GCA § 1606, numbers and/or letters in subsection (a) were altered to adhere to the Compiler's alpha-numeric scheme.

**§ 1508.1. Water System Bonds of 2001.**

(a) Authorization of Issuance of Bonds. *I Maga'lahaen Guåhan* [Governor of Guam] is authorized to issue on behalf of the government of Guam an issue of bonds of the government which may be issued as part of a larger issue including bonds issued pursuant to Chapter 51, Title 12 of the Guam Code Annotated in an aggregate principal amount not to exceed Six Million Dollars (\$6,000,000) for a maximum term of ten (10) years and with a true interest cost not to exceed five and one-half percent (5.5%) per annum for the purpose of implementing the Water System Projects enumerated in Subsection (i) of this Section, provided, however, that any such issue of bonds shall not cause a violation of the debt limitation of 48 U.S.C. § 1423a.

(b) Terms and Conditions Determined by Certificate or Indenture. The terms and conditions of the bonds shall be as determined by *I Maga'lahaen Guåhan* by the execution of one or more certificates or indentures authorizing the issuance of the bonds in substantially the form presented to *I Liheslaturan Guåhan* [Guam Legislature]. Any such certificate or indenture may also authorize persons so designated to execute, on behalf of the government of Guam, any appropriate

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agreements or other documents relating to the bonds and the sale of the bonds. The certificates or indentures shall contain such terms and conditions as are consistent with this Section.

(c) Valid and Binding Obligation. The bonds authorized by this Section shall constitute the valid and legally binding limited obligations of the government of Guam payable from and secured by a pledge of the revenues described in Subsection (d) of this Section. All officers charged by law with any duty in the collection of any revenues from which debt service on the bonds is payable shall do every lawful thing necessary to collect the money necessary for such purpose. The validity of any such bonds shall not be affected by the validity or regularity of any proceedings for the implementation of Water System Projects funded by the debt or debts.

(d) Pledge of Section 30 Revenues. All or any part of the revenues derived by the government of Guam under Section 30 of the Organic Act may be pledged to secure the repayment of any bonds issued pursuant to this Section and pay costs incurred in the creation of such debts, subject to any previously created lien on or pledge of such revenues. Any pledge made to secure the bonds shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without physical delivery thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, against the government of Guam, such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The certificate or indenture by which such pledge is created need not be recorded. All revenues pledged are hereby continuously appropriated for the purpose for which they have been pledged.

(e) Waiver of Immunity; No Personal Liability. Notwithstanding any substantive or procedural provision of the Government Claims Act, Chapter 6 of Title 5 of the Guam Code Annotated, the government of Guam waives immunity from any suit or action in contract on the bonds issued pursuant to this Section, but does not waive sovereign immunity as to the personal liability of elected officials and full-time employees of the government of Guam. No employee or elected official of the government of Guam shall be individually or personally liable for the payment of any amounts due on any bonds issued under this Section, or

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for any other liability arising in connection with the bonds; provided, however, that nothing in this Section shall relieve any employee or elected official from the performance of any ministerial duty required by law.

(f) Form of Bonds; Covenants; Appointment of Trustee. The technical form and language of the bonds, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated bonds, negotiability, cancellation and other terms and conditions not inconsistent with this Section, shall be as specified in a certificate or indenture approved by *I Maga'lahaen Guåhan*, authorizing the issuance of the bonds. The certificate or indenture may appoint one or more trustees or other fiduciaries authorized to receive and hold in trust the proceeds of the bonds and revenues related thereto, to protect the rights of bondholders and to perform such other duties as may be specified in the certificate or indenture. *I Maga'lahaen Guåhan* [Governor of Guam] is also authorized to execute, on behalf of the government of Guam, any appropriate agreements, certificates or other instruments relating to the bonds and the sale of the bonds.

(g) Authorization for Credit Enhancement. *I Maga'lahaen Guåhan* [Governor of Guam] is authorized to enter into such contracts or agreements with such banks, insurance companies or other financial institutions as he determines are necessary or desirable to improve the security and marketability of the bonds issued pursuant to this Section. Such contracts or agreements may contain an obligation to reimburse, with interest, any such banks, insurance companies or other financial institutions for advances used to pay principal or interest on the bonds. Any such reimbursement obligation shall be payable solely from and secured by a pledge of the revenues described in Subsection (d) of this Section.

(h) Use of Proceeds from the Sale of Bonds. Proceeds from the sale of the bonds shall be used solely to pay and are hereby appropriated to pay the costs of the Water System Projects described in Subsection (i) of this Section, to fund any necessary bond reserves, to pay past due accounts owed by the Guam Waterworks Authority to the Guam Power Authority; provided, such total amount paid from bond proceeds for this purpose shall not exceed Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000.00), and to pay expenses related to the authorization, sale and issuance of the bonds, including without limitation, printing costs, costs of reproducing documents, bond insurance premiums,

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underwriting, legal and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings, fees and charges for execution, transportation and safekeeping of bonds and other costs, charges and fees in connection with issuance, sale and delivery of the debt or debts.

(i) Water System Projects.

(1) The proceeds of the bonds issued pursuant to Section 1508.1 of this Act shall be expended upon the capital outlays listed in Exhibit A of Public Law Number 26-34, not to exceed Three Million Two Hundred Fifty Dollars (\$3,250,000). No proceeds received pursuant to this Section shall be expended without appropriation by *I Liheslaturan Guåhan* [Guam Legislature].

(2) [See NOTE below.]

(j) Policy and Intent. It is the policy and intent of *I Liheslaturan Guåhan* [Guam Legislature] to ensure that all projects enumerated in Subsection (i) are completed. In this respect, *I Liheslaturan Guåhan* [Guam Legislature] gives its consent and authorization to allow the transfer of funds from a project with a surplus to a project with a shortfall, provided, however, that *I Liheslaturan Guåhan* [Guam Legislature] shall approve all transfers. If a project or projects are placed on hold by the General Manager of Guam Waterworks Authority due to unanticipated circumstances, a transfer of funds from the project or projects enumerated in Subsection (i) on hold to another project with a shortfall is permitted; provided, that prior to any transfer *I Liheslaturan Guåhan* [Guam Legislature] shall approve all transfers.

(k) Approval of Guam Economic Development Authority Required. 12 GCA § 50103(k) provides that agencies and instrumentalities of the government of Guam shall issue bonds and other obligations only by means of and through the agency of the Guam Economic Development Authority ('GEDA'). No issue of bonds authorized by this Section shall be sold until the Board of Directors of GEDA has adopted a resolution approving the sale of such bonds.

(l) Approval of Terms and Conditions. 12 GCA § 50103(k) also provides that GEDCA shall not sell any bonds without approval by *I Liheslaturan Guåhan* [Guam Legislature] of the terms and conditions of the issuance of the bonds. *I Liheslaturan Guåhan* [Guam Legislature]

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hereby approves the issuance, terms and conditions of the bonds authorized by this Section.

(m) Permitted Investments. The proceeds of bonds issued by the government pursuant to this Section, and any revenues relating to such bonds, may be invested in, but only in, the types of investments permitted by the certificate or indenture pursuant to which such bonds are issued.

(n) Local Sale of Bonds. GEDA shall undertake its best efforts to cause a portion of any bonds issued pursuant to this Section, to be offered for sale in Guam, as well as in other jurisdictions, if and to the extent that such offer and any sales resulting from such offer do not increase the cost to the government of Guam of issuing and repaying such bonds.

**SOURCE:** Added by P.L. 26-58. Subsections (h) and (i) amended by P.L. 26-81:4 & 5.

**NOTE:** Apparently as part of the above § 1508.1, P.L. 26-081:6 repealed and reenacted § 13 of P.L. 26-34, which was and remains uncodified. That amendment appears below:

(2) Section 13 of Public Law 26-34 is hereby repealed and re-enacted to read:

“Section 13. Revenue Reserves. (a) The revenue reserves of One Million Six Hundred Fifty-five Thousand Eight Hundred Seventy-nine Dollars (\$1,655,879), which is the difference between the FY2002 revenue forecast of Thirty-seven Million Seven Hundred Twelve Thousand One Hundred Nine Dollars (\$37,712,109) and the combined total of the authorization in Subsection (b) herein and the FY2002 funding authorization of Thirty-five Million Eight Hundred Thirty-nine Thousand Five Hundred Sixty-four Dollars (\$35,839,564) shall be deposited in the “GWA Budget Reserve Account”.

(b) Notwithstanding any other provision of this Act or the Exhibits, Two Hundred Sixteen Thousand Six Hundred Sixty-six Dollars (\$216,666.00) of the Fiscal Year 2002 revenues shall be used as payment on the One Million Three Hundred Thousand Dollars (\$1,300,000) in debt service owed in Fiscal Year 2002 for the IBM / J.D. Edwards loan. The Board of Directors shall make its best efforts to refinance this debt for a term not to exceed sixty (60) months, and shall inform *I Liheslaturan Guåhan* [Guam Legislature] of its efforts and the status of the refinancing every twenty (20) days.”

**§ 1509. Indemnity for Tiyan (former NAS) Liabilities.**

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Whenever the government of Guam, upon signature of the Governor, indemnifies the United States government pursuant to execution of a license, lease, or other agreement to occupy and use land and facilities at the former Naval Air Station (NAS), now known as Tiyan, the government of Guam shall indemnify and hold harmless the government of the United States and agencies thereof for any loss to the government of the United States resulting from any liability in tort for wrongful death or personal injury claims up to an amount equal to the extent that the Federal Tort Claims Act declares liability for the government of the United States and its agencies for the land and facilities so licensed, leased, or subject to agreement, and for the time period applicable to the license, lease, or agreement. This liability for indemnification and to hold harmless shall not extend to any existing environmental problems or hazards covered by CERCLA 120 (h). The Governor is authorized to enter into such an indemnification agreement pursuant to this section. Except for indemnification claims against the government of Guam by the government of the United States and its agencies, the government of Guam shall not be liable for any tort claim arising out of its use and occupation of land and facilities at the former Naval Air Station (NAS), now known as Tiyan, in excess of the liability limits set forth in the Government Claims Act, Chapter 6 of Title 5, Guam Code Annotated.

**SOURCE:** Added by P.L. 23-1.

**§ 1510. Chamorro Names Used.**

(a) Name of Governor. The Governor of Guam, created by the Organic Act of Guam, shall be known and designated as, '*I Maga'lahren Guåhan.*' It is further designated that when referring to the Governor, the name in the Chamorro language, '*I Maga'lahi*' shall be used.

(b) Name of Lieutenant Governor. The Lieutenant Governor of Guam, created by the Organic Act of Guam, shall be designated as, '*I Segundu na Maga'lahren Guåhan.*' It is further designated that when referring to the Lieutenant Governor, the name in the Chamorro language, '*I Segundu na Maga'lahi*' shall be used.

(c) Applicability. All references in this Code and the laws, rules and regulations of Guam to 'Governor of Guam' shall be understood to refer to '*I Maga'lahren Guåhan.*' All references in this Code and the laws, rules and regulations of Guam to 'Governor' shall be understood to refer to '*I Maga'lahi.*'

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All references in this Code and the laws, rules, and regulations of Guam to ‘Lieutenant Governor of Guam’ shall be understood to refer to ‘*I Segundu na Maga’lahen Guåhan.*’ All references in this Code and the laws, rules and regulations of Guam to ‘Lieutenant Governor’ shall be understood to refer to ‘*I Segundu na Maga’lahi.*’

(d) Gender. When ‘*I Maga’lahen Guåhan*’ is a female, the proper term to be used shall be ‘*I Maga’hagan Guåhan.*’ Similarly, in such circumstance, references to ‘*Maga’lahi*’ shall be changed to ‘*Maga’haga.*’ When ‘*I Segundu na Maga’lahen Guåhan*’ is a female the proper term to be used shall be ‘*I Segundu na Maga’hagan Guåhan.*’ Similarly, in such circumstance, references to ‘*I Segundu na Maga’lahi*’ shall be changed to ‘*I Segundu na Maga’haga.*’

**SOURCE:** Added by P.L. 24-175:1.

**2016 NOTE:** P.L. 33-066:XII:36 refers to this provision; however, because the public law lacks express amendatory language, no change was made to the statute.

**§ 1511. *I Maga’lahen Guåhan* [Governor] to Always Receive Bills.**

*I Maga’lahen Guåhan* [The Governor] shall receive bills transmitted from *I Liheslaturan Guåhan* [the Legislature] for his review and action at any time, including after regular government working hours and on weekends and holidays. *I Maga’lahen Guåhan* [The Governor] shall provide for a process in which transmission can be effectuated during and after regular government working hours by *I Liheslaturan Guåhan* [the Legislature] by delivering to the Speaker of *I Liheslaturan Guåhan* [the Legislature], within thirty (30) days of enactment of this law, written notice of the procedures. Until such time as notice is provided to the Speaker of *I Liheslaturan Guåhan* under this Section, *I Liheslaturan Guåhan* shall deliver to the Office of *I Maga’lahen Guåhan* bills for *I Maga’lahen Guåhan*’s review and action during regular government working hours; and if *I Maga’lahen Guåhan* is unavailable after regular government working hours, to the security personnel at Government House located in Agana Heights. *I Maga’lahen Guåhan* shall be deemed unavailable after regular government working hours when any security personnel at Government House advise the Clerk of *I Liheslaturan Guåhan*, either in writing or orally, that *I Maga’lahen Guåhan* cannot immediately receive the legislation.

**SOURCE:** Added by P.L. 25-37:2 and renumbered to § 1511 by Compiler since § 1510 had been added by the previous Legislature.

**§ 1512. Authorization to Issue Bonds for Deficit Financing.**

**[Repealed].**

**SOURCE:** Added by P.L. 27-19:2 as § 1520. Since the last section in this Article is § 1511, the Compiler has renumbered this section. Repealed by P.L. 29-002:VI:31 (May 18, 2007).

**§ 1512.1. Authorization to Issue Bonds for Deficit Financing.**

(a) Authorization of Issuance of Bonds. *I Maga'lahaen Guåhan* is authorized to issue one or more series of bonds of the Government of Guam as provided in this Section, in an aggregate principal amount not to exceed the amount necessary to provide Two Hundred Forty-six Million Eight Hundred Twenty Thousand Eight Hundred Fifty-six Dollars (\$246,820,856) for the payment of authorized expenses listed in Subsection (i) hereof, to fund necessary reserves and to pay expenses incurred in connection with the issuance of such bonds not already included in an existing appropriation for or the regular budget of any government agency or instrumentality or public corporation providing any service in connection with the issuance of such bonds; provided, however, that bonds may not be issued in an amount that would cause a violation of the debt limitation provisions of 48 U.S.C. §1423a (§ 11 of the Organic Act of Guam).

(b) Terms and Conditions Determined by Certificate or Indenture. The terms and conditions of the bonds shall be as determined by *I Maga'lahaen Guåhan*, and approved by *I Liheslaturan Guåhan*, by the execution of a certificate or indenture authorizing the issuance of the bonds prior to the issuance of the bonds; provided, however, that such terms and conditions shall be consistent with this Section, and that the bonds shall mature not later than November 15, 2039 and shall bear interest at such rates and be sold for such price or prices as shall result in a yield to the bond holders that does not exceed ten percent (10%) per annum.

(c) (1) Valid and Binding. The bonds authorized by this Section shall constitute the valid and legally binding general or limited obligations of the government of Guam. The government of Guam pledges its full faith and credit for the punctual payment of both principal of and interest on the bonds and covenants that there shall be collected annually in the same manner and at the same time as government revenue for other purposes is collected, such sum as is required to pay the principal of and interest on the bonds. There are hereby appropriated from the General Fund such sums as may be

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necessary in each year to equal the amount of money necessary to pay the principal and interest on such bonds. The certificate or indenture shall require interest only payments for Fiscal Years 2009 and 2010 and shall not require bond principal payments until after such Fiscal Years. All officers charged by law with any duty in the collection of the revenues of the government from which debt service on the bonds will be payable shall do every lawful thing necessary to collect such sum. The validity of any such bonds shall not be affected by the validity or regularity of any proceedings for the payment of the General Fund expenses paid or to be paid with the proceeds of the bonds.

(2) Pledge of Section 30 Revenues. All or any part of the revenues derived by the government of Guam under Section 30 of the Organic Act may be pledged to secure the repayment of any bonds issued pursuant to this Section and pay costs incurred in the creation of such debts, subject to any previously created lien on or pledge of such revenues. Any pledge made to secure the bonds shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without physical delivery thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, against the government of Guam, such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The certificate or indenture by which such pledge is created need not be recorded. All revenues pledged are hereby continuously appropriated for the purpose for which they have been pledged.

(d) Additional Bonds. This Section does not prohibit the government of Guam from issuing, after appropriate enabling legislation, other obligations of the government secured by the general obligation of the government on a parity with or subordinate to the bonds authorized by this Section on such terms as are created by the indenture or certificate pursuant to which the bonds are issued.

(e) Waiver of Immunity; Submission to Jurisdiction. Notwithstanding any substantive or procedural provision of Chapter 6 of Title 5, Guam Code Annotated, the government of Guam waives immunity from any suit or action in contract on the bonds, but does not

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waive immunity as to the personal liability of elected officials and employees of the government of Guam. Any such suit or action shall be brought in the District Court of Guam.

(f) No Personal Liability. No employee or elected official of the Government of Guam shall be individually or personally liable for the payment of any amounts due on any bonds issued under this Section, or for any other liability arising in connection with the bonds; provided, however, that nothing in this Section shall relieve any employee or elected official from the performance of a ministerial duty required by law.

(g) Form of Bonds; Covenants; Appointment of Fiduciaries. The technical form and language of the bonds, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated bonds, negotiability, cancellation and other terms or conditions not inconsistent with this Section, including covenants relating to the collection of Revenues, shall be as specified in the certificate or indenture executed by *I Maga'lahaen Guåhan* authorizing issuance of the bonds. Said certificate or indenture shall appoint one or more trustees, co-trustees or other fiduciaries authorized to receive and hold in trust the proceeds of the bonds, the Revenues and other moneys relating thereto, to protect the rights of bondholders and to perform such other duties as may be specified in the indenture. *I Maga'lahaen Guåhan* is also authorized to execute any appropriate agreements, certificates or other instruments relating to the bonds and the sale of bonds.

(h) Authorization for Credit Enhancement. *I Maga'lahaen Guåhan* is authorized to enter into such contracts or agreements with such banks, insurance companies or other financial institutions as he determines are necessary or desirable to improve the security and marketability of the bonds issued under this Section. Such contracts or agreements may obligate the government to reimburse, with interest, any such banks, insurance companies or other financial institutions for advances they make to pay principal of or interest on the bonds and to indemnify any such banks, insurance companies or other financial institutions for costs and expenses incurred in connection with any such advance. Any such reimbursement obligation and any other obligations of the government under such contracts or agreements shall be general obligations of the government of Guam. Any such reimbursement obligation and any other obligations of the government under such contracts or agreements shall

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be treated, under § 11 of the Organic Act, as creating an obligation issued to refund the bonds.

(i) Use of Proceeds from the Sale of the Bonds. The proceeds from the sale of the bonds shall be used and are hereby appropriated to (i) pay the General Fund expenses described below in this Subsection; (ii) establish necessary reserves; (iii) pay expenses relating to the authorization, sale and issuance of the bonds, including, without limitation, printing costs, costs of reproducing documents, credit enhancement fees, underwriting, legal, financial advisory and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds; and (iv) fund capitalized interest on the bonds for a period ending not later than thirty (30) months after their issuance. The General Fund expenses authorized to be paid with the proceeds of the bonds are as follows and shall be paid in the following order of priority:

- |  |                |
|--|----------------|
| (1) Cost of Living Adjustment (COLA) to discharge finally and permanently the obligations of the government incurred pursuant to the settlement agreement entered into between the Government of Guam and the COLA Class as ordered by the Judgment in Rios v. Camacho, Superior Court Case No. SP0206-93: | \$92,000,000;  |
| (2) 2008 and prior year individual tax refunds including interest shall be paid first. Any remaining proceeds shall be used to pay 2008 and prior year corporate tax refunds including interest:   | \$112,000,000; |
| (3) Health Care Capital Improvement Projects at the Guam Memorial Hospital:  | \$11,000,000;  |
| (4) amounts past due as contributions to the Government of Guam Retirement Fund, including interest, if any, thereon, on behalf of the following:  |                |
| (A) Guam Memorial Hospital:  | \$10,953,216   |

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(B) Department of Education:	\$10,867,640
Total	\$236,820,856

Payments made pursuant to this Subsection shall apply to any other appropriations for the same items and shall not constitute double appropriations.

(j) Permitted Investments. The bond proceeds and any revenues generated by said bonds shall be invested only in those investments permitted by the certificate or indenture pursuant to which such bonds are issued.

(k) Approval by Guam Economic Development and Commerce Authority. No bonds authorized by this Section shall be sold until the Board of Directors of GEDCA has approved the sale by resolution.

(l) Approval of Voters Not Required. The issuance of bonds pursuant to this Section shall not be subject to the approval of the voters of Guam.

(m) Approval of Bonds. *I Liheslaturan Guåhan*, pursuant to § 50103 (k), Title 12 Guam Code Annotated, hereby approves the issuance and sale by the government of Guam of bonds for the purposes and in the principal amounts mandated by § 1512.1, Title 5 Guam Code Annotated; provided that the bonds are issued and sold subject to the terms, conditions, requirements and limitations mandated therein.

(n) Approval of Form of Certificate of Issuance. The bonds shall be issued pursuant to an certificate of issuance in substantially the form of the certificate of issuance presented to this Legislature, as evidenced by the attached "Exhibit A" made part of this Act, subject to such modifications to and changes in such certificate of issuance as *I Maga'lahaen Guåhan* may approve consistent with §1512.1, Title 5 Guam Code Annotated and subject to the terms, conditions, requirements and limitations therein.

**SOURCE:** Added by P.L. 29-019:X:1 (Sept. 29, 2007). Amended by P.L. 29-113:VI:16 (Sept. 30, 2008). Subsection (i) amended by P.L. 29-116:1 (Nov. 25, 2008), P.L. 30-007:14 (Apr. 2, 2009). Subsection (c) amended by P.L. 29-124:2 (Dec. 15, 2008), P.L. 30-007:13 (Apr. 2, 2009). Subsection (b) amended by P.L. 30-007:15 (Apr. 2, 2009); amended by P.L. 30-024:2 (June 10, 2009). Subsection (i)(2) amended by P.L. 30-042:1 (July 1, 2009).

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**2012 NOTE:** In maintaining the general codification scheme of the GCA the Compiler changed the hierarchy of subsections beginning with “Lowercase Roman Numerals” to “Numbers” in subsections (c) and (i).

**2009 NOTE:** P.L. 28-045:10 (June 6, 2005) changed the name of the Department of Education to the Guam Public School System. P.L. 30-050:2 (July 14, 2009) reverted the name of the Guam Public School System to the Department of Education.

**§ 1512.2. Authorization to Enter Into Loan for Landfill Costs.**

(a) Authorization to Borrow. *I Maga’lahen Guåhan* is authorized to borrow on behalf of the government of Guam as provided in this Section from one (1) or more banks or other financial institutions an amount not to exceed the amount necessary to provide Twenty Million Dollars (\$20,000,000) for the purpose of financing costs of a new landfill.

(b) Terms and Conditions. The terms and conditions of the loan shall be as determined by *I Maga’lahen Guåhan* by the execution of a loan agreement; provided, however, that the loan:

(1) shall be subject to prepayment from the proceeds of the first revenue bonds issued for the landfill, which proceeds may be pledged for that purpose;

(2) may be secured by Compact Impact funds;

(3) may be a general obligation of the government of Guam;

(4) may also be secured by a pledge of Section 30 Revenues, which shall be subordinate to and not on parity with the bonds authorized under 5 GCA [§] 1512.1(c);

(5) shall, if not paid with the proceeds of revenue bonds, have annual principal payments over the twenty (20) year or less period commencing one (1) year after its funding date;

(6) shall bear interest at such fixed or variable rate or rates as may be negotiated by *I Maga’lahen Guåhan* in the best interests of the government, such interest rate shall not exceed eight percent (8%) and shall be computed on a three hundred sixty-five (365) day calendar year upon the actual amount extended to the government;

(7) prepaid charges shall not be levied by the bank or entity for opening a loan or line of credit;

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(8) interest derived from the financial agreement shall be exempt from taxation by the government of Guam;

(9) the debt service on the loan shall be paid from the solid waste tipping fees; and

(10) the lender may require that an amount not exceeding the monthly debt service be paid from the solid waste tipping fees into a trust account to satisfy debt service payment as a condition of the loan.

(c) Approval by Guam Economic Development Authority. No loan authorized by this Section shall be entered into until the Board of Directors of GEDA has approved the loan by resolution.

(d) Approval of Voters Not Required. The loan shall not be subject to the approval of the voters of Guam.

(e) Approval of Loan. *I Liheslaturan Guåhan*, pursuant to § 50103(k), Title 12 Guam Code Annotated, hereby approves a borrowing by the government of Guam for the purposes and in the principal amount authorized by this Section provided that the loan is entered into subject to the terms and conditions mandated in this Section.

(f) Notwithstanding any substantive or procedural provision of Chapter 6 of Title 5 of the Guam Code Annotated, the government of Guam hereby waives immunity from any suit or action in contract on the Loan, but does not waive sovereign immunity as to the personal liability of elected or appointed officials and employees of the government of Guam.

**SOURCE:** Added by P.L. 29-116:2 (Nov. 25, 2008). Subsection (b) amended by P.L. 29-124:1 (Dec. 15, 2008). Subsection (f) added by P.L. 29-129:4 (Dec. 31, 2008).

**2013 NOTE:** Section symbol added by Compiler in subsection (b)(4) pursuant to 1 GCA § 1606.

**§ 1512.3. Authorization to Issue Bonds for Revenue Anticipation Financing.**

(a) Authorization of Issuance of Bonds. *I Maga'lahaen Guåhan* is authorized to issue four (4) series of bonds of the government of Guam, as provided in this Section, in an aggregate principal amount *not to exceed* Three Hundred Forty-Three Million Seven Hundred Thousand Dollars (\$343,700,000) plus such principal amount as may be necessary

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for the purposes of the refunding of Government of Guam General Obligation Bonds, 1993 Series A, as provided in and subject to the conditions of Paragraph (3) of this Subsection (a), and plus such principal amount as may be necessary for the purposes of the refunding of Government of Guam General Obligation Bonds, 2007 Series A and Government of Guam General Obligation Bonds, 2009 Series A, as provided in and subject to the conditions of Paragraph (4) of this Subsection (a), to provide the following:

(1) For the first bond series, in the following order of priority:

(A) up to One Hundred Ninety-Eight Million Dollars (\$198,000,000) for payment of unpaid income tax refunds plus interest to include for 2010 and prior;

(i) Set-aside for Tax Refunds for Humanitarian Purposes. Of the total amount of proceeds available to issue tax refund payments, the sum of Twenty Million Dollars (\$20,000,000) *shall* be set aside and appropriated to the Department of Revenue and Taxation for the purpose of paying tax refunds for humanitarian purposes. The provisions of this Section *shall* supplement other guiding provisions of law regarding the processing of emergency tax refund payments. Requests submitted for the following humanitarian purposes *shall* qualify to be processed from this Twenty Million Dollars (\$20,000,000) set-aside:

(aa) off-island medical treatment, inclusive of the need to purchase medication; or death of a family member, within two (2) degrees of consanguinity;

(bb) delinquent billing payments owed to the Guam Power Authority, the Guam Waterworks Authority, the Guam Housing and Urban Renewal Authority, and the Judiciary of Guam, which have become delinquent due to financial hardships;

(cc) delinquent loan payments owed to the Guam Housing and Urban Renewal Authority, which have become delinquent due to financial hardships; and

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(dd) delinquent loan payments owed to legally qualified and licensed lenders, which have become delinquent due to financial hardships. For the purposes of this Section, a request for tax refunds *shall* be submitted by the taxpayer to the Director of Revenue and Taxation. All such requests are subject to the review and approval of the Director.

(ii) Twenty Million Dollars (\$20,000,000) for the payment of cost of living allowance to certain retired government of Guam employees pursuant to the case known as *Rios v. Camacho*;

(iii) Twenty-Six Million Four Hundred Thousand Dollars (\$26,400,000) for payments owed to the Government of Guam Retirement Fund for the Guam Department of Education and the Guam Memorial Hospital Authority principal and interest pursuant to Public Law 28-38, as amended by Public Law 31-74; and

(iv) if no alternate source of funding is available, for the payment of health insurance premiums for Fiscal Year 2012.

(2) For the second bond series:

(A) no less than Twenty-Five Million One Hundred Thousand Dollars (\$25,100,000) for payments owed to the Government of Guam Retirement Fund for the Guam Department of Education, the Guam Memorial Hospital Authority, and the Health Insurance Bailout Agreement of FY 2011 principal and interest pursuant to Public Law 28-38, as amended by Public Law 31-74, such that the sums owed to the GGRF by the government of Guam pursuant to Public Law 28-38, as amended, *shall* be extinguished in its entirety;

(B) the remaining balance of bond proceeds such that the debt to the GGRF identified in Item (2)(A) of this Subsection (a) is paid, *shall* be used, in any amount, for any of the following:

(i) the design, construction, re-construction, rehabilitation, maintenance, renovation of government of Guam or Guam Department of Education-owned school

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facilities, and/or the procurement and preventive maintenance of school buses. A “school facility” *shall* mean school campus facilities, including any structure or structures, together with all ancillary facilities, including parking facilities, utilities, infrastructure and equipment associated with providing the educational or related services required by the Guam Department of Education, and may include an existing school facility being rehabilitated; and/or

(ii) the payment of unpaid income tax refunds for tax year 2011; and/or

(iii) if no alternate source of funding is available, the payment of health insurance premiums for Fiscal Year 2012.

(3) For the third bond series, to fund an escrow to pay principal, interest and redemption price of Government of Guam General Obligation Bonds, 1993 Series A and to pay expenses relating to the authorization, sale and issuance of the bonds, including, without limitation, printing costs, costs of reproducing documents, credit enhancement fees, underwriting, legal, feasibility, financial advisory and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds; provided, however, that bonds may *not* be issued for this purpose unless

(A) all obligation of the government to pay debt service on, and the redemption price of, the bonds being refunded *shall* be discharged concurrently with the issuance of the refunding bonds;

(B) thereafter, the refunded bonds *shall* be payable solely from and secured solely by the escrow established for such purpose;

(C) the present value of debt service on the refunding bonds *shall* be at least two percent (2%) less than the present value of debt service on the bonds being refunded, inclusive of

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all fees, for bond counsel and bond underwriters and other costs of issuance; and

(D) the issuance of the refunding bonds *shall not* result in any increase in the aggregate amount of the government's outstanding "public indebtedness" as that term is used in 48 U.S.C. § 1423a (§ 11 of the Organic Act of Guam).

(4) For the fourth bond series, to fund an escrow or otherwise to pay principal, interest and redemption price of all or a portion of the Government of Guam General Obligation Bonds, 2007 Series A and the Government of Guam General Obligation Bonds, 2009 Series A, to capitalize interest on the refunding Business Privilege Tax Bonds in an amount to ensure the General Fund is made whole in the current or following fiscal year due to timing of debt service requirements but in an amount not to exceed one percent (1%) of refunding proceeds, and to pay expenses relating to the authorization, sale, and issuance of the bonds, including without limitation, printing costs, costs of reproducing documents, credit enhancement fees, underwriting, legal, feasibility, financial advisory and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds; provided, however, that bonds may *not* be issued for this purpose unless

(A) all obligation of the government to pay debt service on, and the redemption price of, the bonds being refunded *shall* be discharged concurrently with the issuance of the refunding bonds;

(B) thereafter, the refunded bonds *shall* be payable solely from and secured solely by the escrow established for such purpose; and

(C) the present value of debt service on the refunding bonds *shall* be at least two percent (2%) less than the present value of debt service on the bonds being refunded, inclusive of all fees, for bond counsel and bond underwriters and other costs of issuance.

(5) For the first and second bond series, such amount as may be needed to capitalize and pay from bond proceeds interest on the

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bonds due, accruing or required to be set aside in Fiscal Years 2012 and 2013.

(6) Expenses incurred in connection with the issuance of such bonds not already included in an existing appropriation for or the regular budget of any government agency or instrumentality or public corporation providing any service in connection with the issuance of such bonds; provided, however, that bonds may *not* be issued in an amount that would cause a violation of the debt limitation provisions of 48 U.S.C. § 1423a (§ 11 of the Organic Act of Guam).

(7) *I Maga'lahaen Guåhan shall* utilize the 2011 Real Property Tax Assessment Roll as certified by the Board of Equalization in accordance with § 24518 of Chapter 24, Title 11, Guam Code Annotated, in calculating the amount available for future debt obligation under the Debt Limit (Ceiling) for the bond issuance authorized in this Subsection.

(b) Terms and Conditions Determined by Certificate or Indenture. The terms and conditions of the bonds shall be as approved by *I Liheslaturan Guåhan*, and as determined by *I Maga'lahaen Guåhan* by the execution of a certificate or indenture authorizing the issuance of the bonds, prior to the issuance of the bonds; provided, however, that such terms and conditions *shall* be consistent with this Section; that the first and second series of the bonds *shall* mature *not later than* thirty-five (35) years after their date of issuance, *shall* bear interest at such rates and be sold for such price or prices as shall result in a yield to the bondholders that does *not* exceed six and one half percent (6.5%) per annum, *shall* require interest only payments for Fiscal Years 2012, 2013 and 2014, and *shall not* require bond principal payments until after such fiscal years; that the third series of the bonds *shall* mature *not later than* December 31, 2018, and *shall* bear interest at such rates and be sold for such price or prices as shall result in the present value of debt service on the third series of the bonds being at least two percent (2%) less than the present value of debt service on the bonds being refunded, using the yield on the third series of the bonds as the discount rate; and that the fourth series of the bonds *shall* mature *not later than* November 15, 2039, *shall not* be used to fund any new money projects, and *shall* bear interest at such rates and be sold for such price or prices as shall result in the present value of debt service on the fourth series of the bonds being at least two percent (2%) less than the present value of debt service on the bonds being

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refunded, using the yield on the fourth series of the bonds as the discount rate.

(1) Use of Funds Saved From Fourth Series. Beginning Fiscal Year 2016, the savings achieved by the government of Guam to the General Fund at or above the target referenced in Subsection (a) due to the refunding of the Government of Guam General Obligation Bonds, 2007 Series A and the Government of Guam General Obligation Bonds, 2009 Series A by the fourth series of bonds, an amount equal to the resulting reduction in debt service payments relating to the refunded Government of Guam General Obligation Bonds, 2007 Series A and the Government of Guam General Obligation Bonds, 2009 Series A, shall, to the extent practical, be allocated from the General Fund and subject to an appropriation by *I Liheslaturan Guåhan* toward capital improvements relating to the Guam Memorial Hospital Authority and other health related matters. The Bureau of Budget and Management Research (BBMR) shall be tasked to track and manage the savings achieved by this fourth series refunding and allocate such savings pursuant to this Subsection, and reflect the savings and allocation in the executive branch submission of its budget request to *I Liheslaturan Guåhan* each fiscal year. The funds allocated herein shall be in addition to the annual budget allocation and budgeted appropriation levels provided to the Guam Memorial Hospital Authority.

(c) Valid and Binding General or Limited Obligations. The certificate or indenture pursuant to which the bonds authorized by this Section are issued shall provide that the bonds constitute the valid and legally binding general or limited obligations of the government of Guam payable from the sources described in the certificate or indenture. If and to the extent that the bonds are general obligation bonds,

(1) the government of Guam pledges its full faith and credit for the punctual payment of both principal of and interest on the bonds and covenants that there shall be collected annually in the same manner and at the same time as government revenue for other purposes is collected, such sum as is required to pay the principal of and interest on the bonds; and

(2) there are hereby appropriated from the General Fund such sums as may be necessary in each year, in addition to the amounts

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appropriated under Subsection (d)(2) of this Section to equal the amount of money necessary to pay the principal and interest on such bonds.

All officers charged by law with any duty in the collection of the revenues of the government from which debt service on the bonds will be payable shall do every lawful thing necessary to collect such sum. The validity of any such bonds shall not be affected by the validity or regularity of any proceedings for the payment of the expenses paid or to be paid with the proceeds of the bonds.

(d) Cost-Benefit Analysis.

(1) *I Maga'lahi* (the Governor) Authorized to Pledge Revenues. *I Maga'lahi* (the Governor) shall perform or cause to be performed expert independent financial and cost-benefit analysis to determine the more favorable financing for the government using the pledge, either business privilege tax revenues or General Obligation full faith and credit, for the repayment of the bond of which he is authorized to pledge. Such financial and cost-benefit analysis shall be performed by an independent, external party that does not have any financial interest in the bond financing or any connection to any party who may have a financial interest in the bond financing. The analysis shall include, but not be limited to, the following:

(A) impact upon existing General Obligation bondholders and/or lines of credit;

(B) cost of funds differential between a General Obligation and a Limited Obligation bond structure;

(C) likelihood of investment grade rating on a Limited Obligation bond structure;

(D) ability to issue future General Obligation debt in the capital markets;

(E) indenture provisions that may limit government of Guam flexibility; and

(F) additional security requirements that may impact or reduce net proceeds or affect government of Guam liquidity (i.e. reserve funds, coverage requirements, other covenants)

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*I Maga'lahañ Guåhan* shall first consult with the University of Guam to identify finance and economics professionals (professors or researchers), if any, within the University of Guam School of Business and Public Administration that hold the relevant experience and expertise necessary to perform the independent financial and cost-benefit analysis, to conduct the said analysis before seeking other potential providers. The University of Guam shall disclose the name(s) of all the faculty, staff or contracted individuals involved in the independent financial and cost-benefit analysis. The University of Guam shall have ten (10) days from the enactment of this Act, to inform *I Maga'lahañ Guåhan* whether it agrees to provide the analysis.

Before any marketing of Limited Obligation bonds backed by a pledge of business privilege tax or General Obligation bonds can occur, the expert independent financial and cost-benefit analysis required in this Subsection shall be provided to the Speaker of *I Liheslaturan Guåhan*.

Up to Twenty Five Thousand Dollars (\$25,000) is appropriated from the operating fund balance, or its equivalent, of the Guam Economic Development Authority for the independent financial and cost-benefit analysis required in accordance with this Subsection.

(2) Pledge of Business Privilege Tax Revenues. The certificate or indenture pursuant to which the bonds authorized by this Section are issued may provide that the tax revenues derived from the levy of up to three (3) percentage points, out of the total number of percentage points levied from time to time, of the business privilege tax levied pursuant to Article 2 of Chapter 26 of Title 11, Guam Code Annotated, or any successor thereto, are pledged to secure the repayment of any bonds issued under this Section and to pay costs incurred in the issuance or administration of the bonds and any required reserves. Any such pledge made to secure the bonds shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or custodian shall be deposited in a separate account entitled the "RAF Revenue Fund" and shall be immediately subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the government of Guam or such trustee,

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depository or custodian, irrespective of whether the parties have notice thereof. The certificate or indenture by which such pledge is created need not be recorded, and shall direct the distribution and disbursement of revenues from the RAF Revenue Fund following their deposit therein. All such taxes to the extent so pledged are hereby continuously appropriated for such purpose. So long as any bonds issued pursuant to § 1512.3, Title 5, Guam Code Annotated, remain outstanding, the government of Guam may not reduce the rate of levy and collection of the pledged business privilege tax below three percent (3%), nor may the government of Guam reduce the services, products or activities to which the pledged business privilege tax applies, nor may the government of Guam upwardly adjust any exception or exclusion to, or otherwise impair, the pledged business privilege tax.

(3) In the event the independent financial and cost-benefit analysis conclude that the pledge of the more favorable financing option for the repayment of the bond is credit-negative to any and all existing or authorized General Obligation bonds or lines of credit, the authorization of the bond issue shall be contingent upon final legislative approval of the financing terms including, but not limited to, the bond structure, security, indenture and covenants. *I Maga'lahi* (the Governor) shall request such approval from *I Liheslaturan Guåhan* prior to the sale of bonds in the market but after the credit rating on the bonds is secured and affirmation of the current General Obligation rating and outlook is received.

(e) Additional Bonds. This Section does not prohibit the government of Guam from issuing, after appropriate enabling legislation, other obligations of the government that are general obligations of the government. This Section does not prohibit the government of Guam from issuing, after appropriate enabling legislation, other obligations of the government that are secured by pledged business privilege tax revenues on a parity with or subordinate to the bonds authorized by this Section on such terms as are provided by the certificate or indenture pursuant to which the bonds are issued. Such certificate or indenture may also provide that the aggregate principal amount of all bonds outstanding on a parity with the bonds authorized pursuant to this Section with respect to pledged business privilege tax revenues shall not exceed Three Hundred Forty Three Million Seven Hundred Thousand Dollars (\$343,700,000). Notwithstanding anything to the contrary in this

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Subsection (e), the certificate or indenture pursuant to which the bonds are issued shall provide that such limitation shall not apply to additional bonds issued for the sole purpose of refunding outstanding bonds authorized under by this Section, paying costs of issuance and funding any required debt service reserves associated therewith, and may otherwise provide for the raising of such limitation under such circumstances as may be specified therein.

(f) Waiver of Immunity; Submission to Jurisdiction. Notwithstanding any substantive or procedural provision of Chapter 6 of Title 5, Guam Code Annotated, the government of Guam waives immunity from any suit or action in contract on the bonds or any other agreement or facility entered into in connection with the bonds, but does not waive immunity as to the personal liability of elected officials and employees of the government of Guam. Any such suit or action shall be brought in the District Court of Guam.

(g) No Personal Liability. No employee or elected official of the government of Guam shall be individually or personally liable for the payment of any amounts due on any bonds issued under this Section, or for any other liability arising in connection with the bonds; provided, however, that nothing in this Section shall relieve any employee or elected official from the performance of a ministerial duty required by law.

(h) Form of Bonds; Covenants; Appointment of Fiduciaries. The technical form and language of the bonds, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated bonds, negotiability, cancellation and other terms or conditions not inconsistent with this Section, including covenants relating to the collection and application of revenues, shall be as specified in the certificate or indenture executed by *I Maga'lahaen Guåhan* authorizing issuance of the bonds. Said certificate or indenture shall appoint one or more trustees, co-trustees or other fiduciaries authorized to receive and hold in trust the proceeds of the bonds, the revenues and other moneys relating thereto, to protect the rights of bondholders and to perform such other duties as may be specified in the indenture. *I Maga'lahaen Guåhan* is also authorized to execute any appropriate agreements, certificates or other instruments relating to the bonds and the sale of bonds.

(i) Authorization for Credit Enhancement. *I Maga'lahaen Guåhan* is authorized to enter into such contracts or agreements with such banks,

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insurance companies or other financial institutions as he determines are necessary or desirable to improve the security and marketability of the bonds issued under this Section. Such contracts or agreements may obligate the government to reimburse, with interest, any such banks, insurance companies or other financial institutions for advances they make to pay principal of or interest on the bonds and to indemnify any such banks, insurance companies or other financial institutions for costs and expenses incurred in connection with any such advance. Any such reimbursement obligation and any other obligations of the government of Guam under such contracts or agreements shall be limited obligations of the government of Guam payable from and secured by the revenues as provided by the certificate or indenture. Any such reimbursement obligation and any other obligations of the government of Guam under such contracts or agreements shall be treated, under § 11 of the Organic Act, as creating an obligation issued to refund the bonds.

(j) Use of Proceeds from the Sale of the Bonds.

(1) The proceeds from the sale of the first bond series shall be used and are hereby appropriated to

(A) pay unpaid income tax refunds and pay cost of living allowance to certain retired government of Guam employees pursuant to the case known as *Rios v. Camacho*; payments owed to the government of Guam Retirement Fund for the Guam Department of Education and the Guam Memorial Hospital Authority principal and interest pursuant to Public Law 28-38, as amended by Public Law 31-74; and, if no alternate source of funding is available, pay health insurance premiums for Fiscal Year 2012;

(B) fund capitalized interest due, accruing or required to be set aside on the bonds prior to the end of Fiscal Year 2013; and

(C) pay expenses relating to the authorization, sale and issuance of the bonds, including, without limitation, printing costs, costs of reproducing documents, credit enhancement fees, underwriting, legal, feasibility, financial advisory and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds.

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(2) The proceeds from the sale of the second bond series shall be used and are hereby appropriated to

(A) pay monies owed to the government of Guam Retirement Fund for the Guam Department of Education, the Guam Memorial Hospital Authority, and the Health Insurance Bailout Agreement of FY 2011 principal and interest pursuant to Public Law 28-38, as amended by Public Law 31-74, such that the sums owed to the GGRF by the government of Guam pursuant to Public Law 28-38, as amended, shall be extinguished in its entirety; pay for the design, construction, reconstruction, rehabilitation, maintenance of School Facilities, and/or procurement and preventive maintenance of school buses; pay unpaid income tax refunds for tax year 2011; and/or, if no alternate source of funding is available, pay health insurance premiums for Fiscal Year 2012;

(B) fund capitalized interest due, accruing or required to be set aside on the bonds prior to the end of Fiscal Year 2012, 2013, and 2014; and

(C) pay expenses relating to the authorization, sale and issuance of the bonds, including, without limitation, printing costs, costs of reproducing documents, credit enhancement fees, underwriting, legal, feasibility, financial advisory and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds.

(3) The proceeds from the sale of the third bond series shall be used and are hereby appropriated to

(A) fund an escrow to pay principal, interest and redemption price of Government of Guam General Obligation Bonds, 1993 Series A; and

(B) pay expenses relating to the authorization, sale and issuance of the bonds, including, without limitation, printing costs, costs of reproducing documents, credit enhancement fees, underwriting, legal, feasibility, financial advisory and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of

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credit ratings and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds.

(4) The proceeds from the sale of the fourth bond series *shall* be used and are hereby appropriated to

(A) fund an escrow to pay principal, interest and redemption price of Government of Guam General Obligation Bonds, 2007 Series A and Government of Guam General Obligation Bonds, 2009 Series A, or otherwise to pay in full such 2007 Bonds and 2009 Bonds;

(B) fund capitalized interest on the refunding Business Privilege Tax Bonds in an amount to ensure the General Fund is made whole in the current or following fiscal year due to timing of debt service requirements, but in an amount not to exceed one percent (1%) of refunding proceeds; and

(C) pay expenses relating to the authorization, sale and issuance of the bonds, including, without limitation, printing costs, costs of reproducing documents, credit enhancement fees, underwriting, legal, feasibility, financial advisory and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings, and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds.

The Guam Economic Development Authority (GEDA) *shall* receive *no more than* Four Hundred Thousand Dollars (\$400,000) as a bond service fee relative to the issuance of the bonds authorized by this Section. The fee to be paid to GEDA *shall* be from the savings made available to the General Fund resulting from the refunding of the Government of Guam General Obligation Bonds, 2007 Series A and the Government of Guam General Obligation Bonds, 2009 Series A.

(k) Permitted Investments. The bond proceeds and any revenues pledged to secure the payment of the bonds are authorized to be, and shall only be, invested in those investments permitted by the certificate or indenture pursuant to which such bonds are issued. Permitted investments shall include investment agreements, forward purchase agreements or similar structured contracts as further described in the certificate or indenture authorizing the issuance of the bonds.

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(l) Approval by Guam Economic Development Authority. No bonds authorized by this Section shall be sold until the Board of Directors of GEDA has approved the sale by resolution.

(m) Approval of Voters Not Required. The issuance of bonds pursuant to this Section shall not be subject to the approval of the voters of Guam.

(n) Approval of Bonds. *I Liheslaturan Guåhan*, pursuant to Subsection (b) of this section and § 50103(k), Title 12, Guam Code Annotated, hereby approves the issuance and sale by the government of Guam of the bonds for the purposes and in the aggregate principal amount authorized by § 1512.3, Title 5, Guam Code Annotated; provided that such bonds are issued and sold subject to the terms, conditions, requirements and limitations mandated therein.

(o) Deposit of Bond Proceeds to:

(1) Pay Income Tax Refunds. The portion of the bond proceeds authorized by this Section to pay income tax refunds shall be transferred immediately after receipt thereof by the bond trustee into the Income Tax Reserve Fund and shall be considered separate and apart from any required deposits in Title 11, Guam Code Annotated, Chapters 50 and 51, and shall not be credited toward any required deposits in Title 11, Guam Code Annotated, Chapters 50 and 51.

(2) Pay for any Design, Construction, Repair, Renovation, Rehabilitation, Maintenance for any School Facility and/or procurement and preventive maintenance of school buses. The portion of the bond proceeds authorized by this Section to pay for any Design, Construction, Repair, Renovation, Rehabilitation, Maintenance for any School Facility and/or procurement and preventive maintenance of school buses shall be transferred immediately after receipt thereof by the bond trustee into the Adequate Education Trust Account created in Public Law 31-40. Notwithstanding any other provision of law, the bond proceeds deposited into the Adequate Education Trust Account shall be available to pay for the Design, Construction, Repair, Renovation, Rehabilitation, Maintenance for any School Facility and/or procurement and preventive maintenance of school buses as approved by the Guam Education Board.

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(p) Bond Proceeds Not Subject to Transfer Authority. The proceeds of the bonds authorized by this Section shall not be subject to any transfer authority of *I Maga'lahaen Guåhan*.

(q) Conflicts Prohibited. No Covered Person, as such term is defined below, shall be eligible to provide or be paid for, in whole or in part, any services related to the authorization, sale and issuance of the bonds, including, without limitation, printing costs, costs of reproducing documents, credit enhancement fees, underwriting, legal, feasibility, financial advisory and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds authorized in this Act and for any design, construction, repair, renovation, rehabilitation, maintenance contracts for any School Facility and/or procurement and preventive maintenance of school buses; that are authorized to be paid for with the bond proceeds in this Act. For the purposes of this Section, the term "Covered Person" shall mean any:

(1) elected or appointed official of the government of Guam, unclassified managers of the Guam Economic Development Authority (GEDA), members of the GEDA Board of Directors, and members of *I Liheslaturan Guåhan* who hold office at the time of the approval and issuance of the bonds and bond indentures authorized by this Act;

(2) advisors or consultants of *I Liheslaturan Guåhan* who are advising or working with *I Liheslaturan Guåhan* with respect to the approval and issuance of the bonds and bond indentures authorized by this Act;

(3) person or spouse of such person related by consanguinity of the third degree, which for the purposes of this Act shall include spouses, all children, parents, grandchildren, siblings, grandparents, great-grandchildren, nieces, nephews, uncles, aunts, and great-grandparents, to any person described in Subsections (a) and (b) of this Section.

(r) Reporting Requirements by all appointed trustees, co-trustees or other fiduciaries. For the second bond series proceeds, the Department of Administration (DOA) shall submit a written request to withdraw bond proceeds to all appointed trustees, co-trustees or other fiduciaries (trustee). The written request shall unequivocally state the purpose of

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said withdrawal specific to the authorized use mandated or selected pursuant to § 1512.3(a)(2) of Article 5, Chapter 1, Title 5, Guam Code Annotated. The trustee shall provide a copy of all documents submitted by the DOA to withdraw funds to *I Maga'lahen Guåhan* and to the Speaker of *I Liheslaturan Guåhan* five (5) days prior to the disbursement of request funds.

**SOURCE:** Added by P.L. 31-076:1 (Sept. 19, 2011). Subsection (a)(4) added by P.L. 31-078:3 (Sept. 24, 2011). Subsection (c) amended by P.L. 31-078:2 (Sept. 24, 2011). Subsection (a) amended by P.L. 31-196:2 (Mar. 28, 2012), amended by P.L. 31-276:2 (Dec. 28, 2012), and P.L. 33-060:2 (July 31, 2015). Subsection (e) amended by P.L. 31-196:3 (Mar. 28, 2012). Subsection (j) amended by P.L. 31-196:4 (Mar. 28, 2012). Subsection (o) amended by P.L. 31-196:5 (Mar. 28, 2012). Subsection (q) amended by P.L. 31-196:6 (Mar. 28, 2012). Subsection (r) added by P.L. 31-196:7 (Mar. 28, 2012). Subsection (b) amended by P.L. 31-276:3 (Dec. 28, 2012), and P.L. 33-060:3 (July 31, 2015). Subsection (j)(3) added by P.L. 31-276:4 (Dec. 28, 2012). Subsection (b)(1) added by P.L. 33-060:4 (July 31, 2015). Subsection (j)(4) added by P.L. 33-060:5 (July 31, 2015).

**2015 NOTE:** The reference to § 1512.3(2) in subsection (r), added by P.L. 31-196:7 (Mar. 28, 2012), appears to be a manifest error. The correct reference is to § 1512.3(a)(2). This correction was made pursuant to 1 GCA § 1606.

Subsection designations were altered to adhere to the Compiler's alpha-numeric scheme pursuant to 1 GCA § 1606.

**§ 1513. 2005 Revenue Road and Pothole Repair Bonds.**

(a) Authorization of Issuance of Revenue Road and Pothole Repair Bonds. *I Maga'lahen Guåhan* is authorized to issue new bonds of the government of Guam in an aggregate principal amount not to exceed Twenty-Six Million Six Hundred Eight Thousand Dollars (\$26,608,000) for the purposes of funding all or a portion of the road and pothole repair projects described herein, and paying expenses incurred in connection with the issuance of such new bonds; provided, however, that the issuance of the new bonds shall not cause a violation of the debt limitation provisions of 48 U.S.C. § 1423a.

(b) Terms and Conditions Determined by Indenture. The terms and conditions of the bonds shall be as determined by *I Maga'lahi* by the execution of an indenture securing the bonds upon or prior to the issuance of the bonds. The indenture shall contain such terms and conditions as are consistent with this Section.

(c) Valid and Binding Obligation. To the extent that the debt limitation provisions of 48 U.S.C. § 1423a are not violated, any bonds authorized by this Section shall constitute the valid and legally binding

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limited obligations of the government of Guam payable solely from and secured by a pledge of the revenues pledged pursuant to Subsection (d) of this Section.

(d) Pledge of Revenues; Not a General Obligation. There is established the Road and Pothole Repair Fund, hereinafter known as the 'RPRF'. Notwithstanding the provisions of Section 7161, 16 GCA, all fees deposited and maintained in the Street Light Fund shall be transferred and henceforth, deposited and maintained in the RPRF. All revenues contained in the RPRF may be pledged to secure the repayment of any bonds issued under this Section and to pay costs incurred in the issuance or administration of the bonds. Any pledge made to secure the bonds shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the government of Guam or such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The indenture or agreement by which such pledge is created need not be recorded. All such fees and penalties, to the extent so pledged, are hereby continuously appropriated for such purpose. Any annual balances in the RPRF not required for annual debt service, on an annual basis, or such other use as detailed in the indenture may be reverted to the Abandoned Vehicle/Streetlight Fund. The bonds shall not be, and shall state on their face that they are not, general obligations of the government of Guam.

(e) Waiver of Immunity. Notwithstanding any substantive or procedural provision of Chapter 6 of Title 5 of the Guam Code Annotated, the government of Guam waives immunity from any suit or action in contract on the bonds, but does not waive sovereign immunity as to the personal liability of elected officials and employees of the government of Guam.

(f) Form of Bonds; Covenants; Appointment of Fiduciaries. The technical form and language of the bonds, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated bonds, negotiability, cancellation and other terms or conditions not inconsistent with this Section, including covenants relating to the maintenance of revenues, shall be as specified in the indenture approved

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by *I Maga'lahi*, authorizing the issuance of the bonds. The indenture may appoint one (1) or more trustees or other fiduciaries authorized to receive and hold in trust the proceeds of the bonds and revenues relating thereto, to protect the rights of bondholders and to perform such other duties as may be specified in the indenture. *I Maga'lahi* is also authorized to execute, on behalf of the government of Guam, any appropriate agreements, certificates or other instruments relating to the bonds, the sale of the bonds and payment of the bonds being refunded. The indenture shall be subject to the approval of *I Liheslaturan Guåhan*.

(g) Authorization for Credit Enhancement. *I Maga'lahi* is authorized to enter into such contracts or agreements with such banks, insurance companies or other financial institutions as he determines are necessary or desirable to improve the security and marketability of the bonds issued under this Section. Such contracts or agreements may contain an obligation to reimburse, with interest, any such banks, insurance companies or other financial institutions for advances used to pay principal or interest on the bonds. Any such reimbursement obligation shall be payable solely from, and may be secured by a pledge of, the revenues described in Subsection (d) of this Section.

(h) Use of Proceeds from the Sale of the Bonds. Proceeds from the sale of the bonds shall be used solely to fund all or a portion of the projects enumerated in Subsection (j) of this Section, and to pay expenses relating to the authorization, sale and issuance of the bonds and the payment of the bonds being refunded, including, without limitation, printing costs, costs of reproducing documents, bond insurance premiums, underwriting, legal and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings, fees and charges for execution, transportation and safekeeping of bonds, escrow agent fees and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds and the payment of the bonds being refunded.

(i) No Personal Liability Except for Failure to Perform Ministerial Duty. No employee or elected official of the government of Guam shall be individually or personally liable for the payment of any amounts due on any bonds issued under this Section, or for any other liability arising in connection with the bonds; provided, however, that nothing in this Section shall relieve any employee or elected official from the performance of any ministerial duty required by law.

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(j) Proceeds. The proceeds shall be expended for the following road and pothole repair projects:

(1) Repair of potholes not determined to be caused by the Guam Waterworks Authority or its contractors, the Guam Power Authority or its contractors, or any autonomous agency of the government of Guam or its contractors, as determined by the Director of Public Works. The Director of Public Works shall prioritize the order in which potholes shall be repaired, taking into account usage of the effected road or highway, severity of the pothole and risk to public safety.

SUBTOTAL \$11,000,000.00

(2) Repairs to secondary and tertiary roads in Guam in accordance with the following table:

Mayoral Listing by Priority	Public Secondary/ Tertiary Road Listing	Project Distance (Miles)	Project Appropriation Cost
	<b>Agana Heights</b>		
1	Tutujan Drive/Chalan Canton Tutujan	0.12	\$36,000.00
2	Joseph Cruz/Chalan Macajna	0.19	\$57,000.00
3	Fonte Drive	0.08	\$24,000.00
4	Vicente Salomon Drive	0.06	\$18,000.00
5	Niyog Drive	0.12	\$36,000.00
6	Patnetos Drive	0.08	\$24,000.00
7	Francisco Javier Avenue	0.08	\$24,000.00
8	Dadik Lane	0.06	\$18,000.00
9	Chargualaf Drive	0.06	\$18,000.00
	<b>Municipality Subtotals:</b>	<b>0.85</b>	<b>\$255,000.00</b>
	<b>Agat</b>		
1	Erskin Drive	0.31	\$93,000.00
2	San Vicente Avenue	0.25	\$75,000.00
3	Calle De Los Marteres	0.16	\$48,000.00
4	Father Follard Street	0.25	\$75,000.00
5	Duenas Street	0.17	\$51,000.00

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Mayoral Listing by Priority	Public Secondary/ Tertiary Road Listing	Project Distance (Miles)	Project Appropriation Cost
6	San Rogue Street	0.31	\$93,000.00
7	San Isidro Street	0.11	\$33,000.00
8	West Santa Ana Street	0.25	\$75,000.00
9	Bruce Street	0.06	\$18,000.00
10	Perry Street	0.06	\$18,000.00
11	Kalachucha Street	0.20	\$60,000.00
12	Umang Road	0.20	\$60,000.00
13	Kiko Chela Road	0.06	\$18,000.00
14	South Perino Street	0.06	\$18,000.00
15	Santa Cruz Street	0.32	\$96,000.00
16	San Antonio De Padua Circle	0.11	\$33,000.00
17	Pagachao Drive	0.25	\$75,000.00
18	Chalan Kiko Chelo	0.25	\$75,000.00
	<b>Municipality Subtotals:</b>	<b>3.38</b>	<b>\$1,014,000.00</b>
	<b>Asan-Maina</b>		
1	Maria Candelaria Street. - Maina	0.25	\$75,000.00
2	Sene'so Field Road – Maina	0.13	\$39,000.00
3	Kalackac Road – Asan	2.00	\$600,000.00
	<b>Municipality Subtotals:</b>	<b>2.38</b>	<b>\$714,000.00</b>
	<b>Barrigada</b>		
1	Leyang Road	1.10	\$330,000.00
	Manibusan Street, Akaide Street, Cruz Street, and Pickle Symer Street, Caderon Street	0.42	\$126,000.00
2	Chalan Brandi - Canada	0.40	\$120,000.00
3	Canada Toto Road, Harris	0.20	\$60,000.00
4	Aspenago Street	0.30	\$90,000.00
5	Kaila Street	0.20	\$60,000.00
6	San Antonio Street	0.60	\$180,000.00

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<b>Mayoral Listing by Priority</b>	<b>Public Secondary/ Tertiary Road Listing</b>	<b>Project Distance (Miles)</b>	<b>Project Appropriation Cost</b>
7	Anderson Street - Lalo	0.30	\$90,000.00
8	Leon Guerrero Street - Layang	0.20	\$60,000.00
9	Manibusan Street - Radio	0.30	\$90,000.00
10	Joleen L.G. Street	0.60	\$180,000.00
11	East Route 8 (PC Lujan)	0.60	\$180,000.00
12	Jackson Road	0.15	\$45,000.00
13	Jackson Street	0.50	\$150,000.00
14	Taison Way	0.19	\$57,000.00
15	Guzman Way	0.80	\$240,000.00
16	North Sabana Drive	0.30	\$90,000.00
17	Tun Juan White Street	0.35	\$105,000.00
18	Unnamed Street - Intersecting Nalao Place	0.03	\$9,000.00
	<b>Municipality Subtotals:</b>	<b>7.54</b>	<b>\$2,262,000.00</b>
	<b>Chalan Pago/Ordot</b>		
1	Tai Road	1.00	\$300,000.00
2	Manibusan Road	1.00	\$300,000.00
3	Victorian Road	0.25	\$75,000.00
4	Chalan Peskadot	0.50	\$150,000.00
5	Scout Mike Laguana Road	0.25	\$75,000.00
6	Chalan Okso	0.50	\$150,000.00
7	Padiron - Tai Connector Road	3.00	\$900,000.00
8	Gogue Drive	0.25	\$75,000.00
9	Chalan Naki	0.50	\$150,000.00
10	Chalan Fama	2.20	\$1,700,000.00
11	Dero Road (after the Ordot dump)	0.60	\$180,000.00
12	Chalan Happy	0.04	\$12,000.00
13	Daso Road	0.06	\$18,000.00
14	Chalan Ping Pago	0.08	\$24,000.00
15	Chalan Campos	0.04	\$12,000.00

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Mayoral Listing by Priority	Public Secondary/ Tertiary Road Listing	Project Distance (Miles)	Project Appropriation Cost
16	Santa Cruz Drive	0.19	\$57,000.00
17	Chalan Kalo - Judge Sablan Street	0.20	\$60,000.00
	<b>Municipality Subtotals:</b>	<b>10.66</b>	<b>\$4,238,000.00</b>
	<b>Dededo</b>		
1	Castro Street (1/2 of road with CLTC)	0.30	\$90,000.00
2	South Caldiola (CLTC)	0.60	\$180,000.00
3	Adora Street (CLTC)	0.30	\$90,000.00
4	Stamp Road (CLTC)	0.80	\$240,000.00
5	East/West Liguán Avenue	0.40	\$120,000.00
6	West Nandez Avenue (CLTC)	0.50	\$150,000.00
7	Chalan Koda	1.00	\$300,000.00
8	Never Mind Road (CLTC)	0.60	\$180,000.00
9	North Ukudo Street	0.60	\$180,000.00
10	Algeta Street	1.00	\$300,000.00
11	Y-Sengsong Road area		
	Chalan I Natibu .05, Atbot de Fuego Street .04	0.90	\$270,000.00
12	Machanaonao area		
	Chalan Disipulu .3, Chalan Kareta .4, Kayon Cocora .3, Kayon Dalalai .5, Radha Bhojwani Court .4	1.90	\$570,000.00
13	Machanao area		
	Bisaya Road .2, Jalloria Street .3, Chalan Encio .3, Cactus Lane .2, Chalan Espinosa .2, Lucky Road .2	1.40	\$420,000.00
14	Santa Lourdes Street	0.20	\$60,000.00
15	Hegao Loop	0.10	\$30,000.00
	<b>Municipality Subtotals:</b>	<b>10.60</b>	<b>\$3,180,000.00</b>
	<b>Hagatna</b>		
1	East/West Obrien Drive	1.50	\$450,000.00

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<b>Mayoral Listing by Priority</b>	<b>Public Secondary/ Tertiary Road Listing</b>	<b>Project Distance (Miles)</b>	<b>Project Appropriation Cost</b>
2	Chalan Santo Papa	0.20	\$60,000.00
3	Archbishop Flores Street	0.30	\$90,000.00
4	Aspinall Avenue	0.80	\$240,000.00
5	Hessler Place	0.20	\$60,000.00
6	Hernan Cortez Avenue	0.20	\$60,000.00
7	West Soledad Avenue	0.20	\$60,000.00
8	Santa Cruz Lane	0.20	\$60,000.00
9	Olaiz Street	0.20	\$60,000.00
10	Bradley Place	0.20	\$60,000.00
11	Dulce Nombre Maria Street	0.20	\$60,000.00
12	Murry Boulevard	0.20	\$60,000.00
13	Tenth Street	0.20	\$60,000.00
14	Ninth Street	0.20	\$60,000.00
15	Eighth Street	0.20	\$60,000.00
16	Seventh Street	0.20	\$60,000.00
17	Sixth Street	0.20	\$60,000.00
18	Anecito Street	0.20	\$60,000.00
19	Fifth Street	0.20	\$60,000.00
20	Padre Palomo Street	0.20	\$60,000.00
21	Castillo Drive	0.20	\$60,000.00
22	Father Duenas Avenue	0.20	\$60,000.00
23	Seaton Boulevard	0.20	\$60,000.00
	<b>Municipality Subtotals:</b>	<b>6.60</b>	<b>\$1,980,000.00</b>
	<b>Inarajan</b>		
1	Ija Subdivision (All roads)	2.00	\$1,500,000.00
2	Y-Peca Lane	0.05	\$15,000.00
3	Y-Peca Lane road re-alignment (existing road on private property)	0.06	\$42,000.00
4	Tun Santiago North Paulino Street	0.12	\$36,000.00
5	Tun Jose L. San Nicolas Street	0.48	\$144,000.00

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<b>Mayoral Listing by Priority</b>	<b>Public Secondary/ Tertiary Road Listing</b>	<b>Project Distance (Miles)</b>	<b>Project Appropriation Cost</b>
6	Barcinas Drive	0.05	\$15,000.00
7	Tun Jesus Crisostomo	0.10	\$30,000.00
8	Chalan Chandia	0.10	\$30,000.00
9	Tinaga Lane	0.07	\$21,000.00
10	Chalan Guefan	0.20	\$60,000.00
11	Papaya Lane	0.06	\$18,000.00
12	Cepeda Drive	0.07	\$21,000.00
13	Chalan Laman	0.05	\$15,000.00
14	Friholes Street	0.03	\$9,000.00
15	Roy Meno Street	0.04	\$12,000.00
16	Bear Rock Lane	0.06	\$18,000.00
17	Ben Diego Road	0.06	\$18,000.00
18	Malojloj Well Drive	0.10	\$30,000.00
19	Tun Enemicio & Regina Diego Drive	0.05	\$15,000.00
	<b>Municipality Subtotals:</b>	<b>3.75</b>	<b>\$2,049,000.00</b>
	<b>Mangilao</b>		
1	Farfan Street	1.50	\$450,000.00
2	Spanish Road	1.00	\$300,000.00
3	Sengsong Street	1.00	\$300,000.00
4	Kinney Drive / Arriola Court	2.00	\$600,000.00
5	Sabana Maagas	2.00	\$600,000.00
6	Santos Road	1.50	\$450,000.00
7	Apiag Road	0.75	\$225,000.00
8	Lemon Lane	1.00	\$300,000.00
9	Suni Lane	1.00	\$300,000.00
10	Juan Muna-Mamis Street	0.05	\$15,000.00
11	Sietbro Road	0.30	\$90,000.00
12	Koko Lane	0.50	\$150,000.00
13	Washington Drive	2.00	\$600,000.00
14	Baza Lane	0.75	\$225,000.00

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Mayoral Listing by Priority	Public Secondary/ Tertiary Road Listing	Project Distance (Miles)	Project Appropriation Cost
15	Cadena Lane	0.50	\$150,000.00
16	Lalo Street	1.00	\$300,000.00
17	Tum Ramon Street	0.75	\$225,000.00
18	Mandarin Street	1.50	\$450,000.00
19	Costa Lane	0.75	\$225,000.00
20	Bilmar Court	1.00	\$300,000.00
21	Dimas Street	0.50	\$150,000.00
	<b>Municipality Subtotals:</b>	<b>21.35</b>	<b>\$6,405,000.00</b>
	<b>Merizo</b>		
1	Joseph A. Cruz Avenue (Pigua)	1.00	\$300,000.00
2	Benny T. Espinosa Avenue (Geus)	0.50	\$150,000.00
3	Jesus Quinene Road	1.00	\$300,000.00
4	Geronimo Tainatongo Street	0.14	\$42,000.00
5	Pedro Tainatongo Street	0.05	\$15,000.00
6	Jose Baza Street	0.08	\$24,000.00
7	Chalan J. Lujan	0.05	\$15,000.00
8	Vicente Quitugua Street	0.05	\$15,000.00
9	Chuck McJohn Street	0.05	\$15,000.00
10	Fred B. Quinene Road	0.12	\$36,000.00
	<b>Municipality Subtotals:</b>	<b>3.04</b>	<b>\$912,000.00</b>
	<b>Mongmong/Toto/Maite</b>		
1	Clara Road (Reconstruction)	0.80	\$1,500,000.00
2	North Old George Washington Road	0.30	\$90,000.00
3	J. A. Camacho Street	0.40	\$120,000.00
4	South Old George Washington Road	0.20	\$60,000.00
5	Biang Street/Casimero St. (Anti-skid paving)	0.22	\$44,000.00
6	Tuba Street	0.20	\$60,000.00
7	Torres Street	0.30	\$90,000.00
8	Balaku Street	0.30	\$90,000.00

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<b>Mayoral Listing by Priority</b>	<b>Public Secondary/ Tertiary Road Listing</b>	<b>Project Distance (Miles)</b>	<b>Project Appropriation Cost</b>
9	Taluba Street	0.30	\$90,000.00
10	Aragon Street (Anti-skid paving)	0.11	\$21,000.00
11	Manibusan Street	0.50	\$150,000.00
12	Robat Street	0.50	\$150,000.00
13	South Peperu Street	0.60	\$180,000.00
14	Bihu Street	0.30	\$90,000.00
15	Duendes Street	0.30	\$90,000.00
16	Martinez Lane	0.10	\$30,000.00
	<b>Municipality Subtotals:</b>	<b>5.43</b>	<b>\$2,855,000.00</b>
	<b>Piti</b>		
1	Ocean Street	0.17	\$51,000.00
2	Chalan Soling	0.12	\$36,000.00
3	Chalan Sabana	0.17	\$51,000.00
4	Masso Court	0.15	\$45,000.00
5	Edward Lane	0.17	\$51,000.00
6	Jesus Alig Drive	0.17	\$51,000.00
7	Ocean Summit Drive	0.22	\$66,000.00
8	Ocean Summit Drive (100 ft. of existing coral rd. is on private property, roads need re-alignment)	0.02	\$75,000.00
9	Turner Road	1.00	\$300,000.00
10	Juan Isabel Street	0.05	\$15,000.00
11	J.C. Santos Street	0.10	\$30,000.00
12	Assumption Drive	0.08	\$24,000.00
13	Scharff Street	0.05	\$15,000.00
14	Manga Street	0.12	\$36,000.00
	<b>Municipality Subtotals:</b>	<b>2.59</b>	<b>\$846,000.00</b>
	<b>Santa Rita</b>		
1	Joaquin Diaz Drive (Route 17)	0.05	\$15,000.00
2	Cross Island Road Atenta	0.06	\$18,000.00

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<b>Mayoral Listing by Priority</b>	<b>Public Secondary/ Tertiary Road Listing</b>	<b>Project Distance (Miles)</b>	<b>Project Appropriation Cost</b>
3	Felix T. Dysdasco Drive	0.08	\$24,000.00
4	Vicente Borja Drive	0.10	\$30,000.00
5	Juan Cruz Drive	0.24	\$72,000.00
6	Pale Medina Street	0.07	\$21,000.00
7	Sgt. E. Cruz Street	0.23	\$69,000.00
8	Namo Falls Road	0.18	\$54,000.00
9	Blas Dela Cruz Street	0.26	\$78,000.00
10	Aga Drive	0.21	\$63,000.00
11	Sgt. E. Cruz Street	0.21	\$63,000.00
12	Pahong Drive	0.13	\$39,000.00
13	Lalangita Drive	0.14	\$42,000.00
14	Pale Ferdinand Way	0.53	\$159,000.00
15	Joaquin D. Perez Drive	0.50	\$150,000.00
16	Pale Duenas Haya	0.48	\$144,000.00
17	Pale Eugenio Haya	0.10	\$30,000.00
18	Pale Eugenio Lago	0.11	\$33,000.00
19	Juan P. Sarmiento Street	0.48	\$144,000.00
20	Vicente D. Lizama Drive	0.10	\$30,000.00
	<b>Municipality Subtotals:</b>	<b>4.26</b>	<b>\$1,278,000.00</b>
	<b>Sinajana</b>		
1	Afame Road	0.50	\$150,000.00
2	Daso Road	0.30	\$90,000.00
3	Spring Lane	0.20	\$60,000.00
4	Nungi Street	0.20	\$60,000.00
5	Unnamed Street (Intersecting Nungi Street)	0.10	\$30,000.00
6	NW Spring Lane	0.10	\$30,000.00
7	Alvarez Road	0.10	\$30,000.00
8	Agana Spring / Lucio Road	1.00	\$300,000.00
9	Pale Kieran Drive (Anti-skid paving)	0.60	\$120,000.00

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Mayoral Listing by Priority	Public Secondary/ Tertiary Road Listing	Project Distance (Miles)	Project Appropriation Cost
	<b>Municipality Subtotals:</b>	<b>3.10</b>	<b>\$870,000.00</b>
	<b>Talofofo</b>		
1	Route 4A, San Miguel Street-Ernest Santos Street	0.30	\$90,000.00
2	Route 4A-Jose P. Cruz Street	0.43	\$129,000.00
3	West Johnny Taitague	0.08	\$24,000.00
4	Mariano Blas Street	0.08	\$24,000.00
5	Ipan, Talofofo Perez Hts .25 , Cruz Hts .76, Pacha-Don Dei Dr .40, Paulino Hts (North-South) .53, Padua Lane .25	2.19	\$657,000.00
6	Cabrera Lane	0.10	\$30,000.00
7	Nauta Lane	0.08	\$24,000.00
8	Ralph P. Santos Street	0.12	\$36,000.00
9	Ralph Benavente Street	0.10	\$30,000.00
10	Dave Gorton Street	0.30	\$90,000.00
11	Chalan Mapao	0.20	\$60,000.00
12	Chalan Fena	0.20	\$60,000.00
13	West Manuel Mantanona Lane	0.10	\$30,000.00
14	Ignacio P. Quitugua Street	0.49	\$147,000.00
15	Leonardo Tenorio Street	0.34	\$102,000.00
16	Francisco A. Reyes Avenue	0.60	\$180,000.00
17	Route 4 (Anti-skid paving from Jeff's Pirates Cove to Ipan Mobil)	0.40	\$117,000.00
	<b>Municipality Subtotals:</b>	<b>6.11</b>	<b>\$1,830,000.00</b>
	<b>Tamuning</b>		
1	Anthurium Lane	0.30	\$90,000.00
2	Milindes Court / Street John Street	1.20	\$360,000.00
3	Tun Pedro Cruz Street	0.40	\$120,000.00
4	Adrian Sanchez Street	1.30	\$390,000.00
5	Taitano Road	0.60	\$180,000.00

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Mayoral Listing by Priority	Public Secondary/ Tertiary Road Listing	Project Distance (Miles)	Project Appropriation Cost
6	Happy Landing Road (Old San Vitores Road)	0.50	\$150,000.00
7	Harmon Industrial Park (East & West)	1.20	\$360,000.00
8	Carlos Heights Road	0.60	\$180,000.00
9	Jones Town (All Roads)	2.50	\$750,000.00
10	Jalaguac Road	0.20	\$60,000.00
11	Manuel C. Rivera Street	0.20	\$60,000.00
12	Tan Conchita Lane	0.20	\$60,000.00
13	Black Construction Road	0.20	\$60,000.00
	<b>Municipality Subtotals:</b>	<b>9.40</b>	<b>\$2,820,000.00</b>
	<b>Umatac</b>		
1	S-7 Mahamok area	0.30	\$90,000.00
2	Jagan Drive	0.06	\$18,000.00
3	Jose A. Quinata Street (cemetery)	0.30	\$90,000.00
4	Jose Q. Aguon Street	0.30	\$90,000.00
5	George S. Sanchez Court	0.13	\$39,000.00
6	Jesus A. Quidachay Street	0.05	\$15,000.00
7	Unnamed Street, public easement (access to residence: Vivian Esteves)	0.05	\$15,000.00
8	Unnamed Street, public easement (access to residence: Eileen Celoso)	0.05	\$15,000.00
9	Unnamed Street, public easement (access to residence: Trini Halmi)	0.19	\$57,000.00
10	Unnamed Street, public easement (access to residence: Clare Gofigan)	0.11	\$33,000.00
11	Nino Perdido Street	0.15	\$45,000.00
	<b>Municipality Subtotals:</b>	<b>1.69</b>	<b>\$507,000.00</b>
	<b>Yigo</b>		
1	Juan Jacinto - Wusstig Road	0.39	\$117,000.00
2	Juan Jacinto (Anti-skid)	0.10	\$20,000.00

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<b>Mayoral Listing by Priority</b>	<b>Public Secondary/ Tertiary Road Listing</b>	<b>Project Distance (Miles)</b>	<b>Project Appropriation Cost</b>
3	East Gayinero Subdivision (Sylvia S.M. Borja Street, Tun Ramon Flores Street, Charles Flores Street, East Gayinero Court) Gayinero Subdivision 1.75	2.90	\$870,000.00
4	West Gayinero Road (Anti-skid)	0.10	\$20,000.00
5	Lamenta Subdivision Road	0.20	\$60,000.00
6	Emsley Subdivision (Chalan Untalan, Chalan Ahgao, Chalan Abas, Chalan Mendioka, Kayen Markie, Chalan Kadi, Chalan Plumeria Luchan & Kattan)	0.80	\$240,000.00
7	Bhojwani Subdivision & Gill Baza Subdivision (All Roads)	2.50	\$750,000.00
8	Agafa Gumas/Machananao Area-Chalan Abubu, Kahet Avenue, Lila Avenue	2.00	\$600,000.00
9	North Jose F. San Nicolas St. / South Jose F. San Nicolas St. / East As' Diaz St. & all roads connected (Gollo area)	0.50	\$150,000.00
10	Laguna Plains Subdivision (Chalan Gehalom, Chalan Kirida, Chalan Felix Remedio)	0.70	\$210,000.00
11	La Chance area (Chalan Mamis, Chalan Adams, Kayen Mepa, Kayen Mendiola, Chalan Y'Tranka, Chalan Bilimbines) Chalan Atis, Chalan Sungo, Chalan Lemai	0.50	\$150,000.00
12	I Seng Song Mayot (front gate to AAFB)	0.50	\$150,000.00
13	Kayen G.G. Perez, Chalan Manuel Helen	0.90	\$270,000.00
14	Areas Along Marine Corp Drive-Ojeda Way, Chalan Tun Ignacio Chana, David Flores Court	0.29	\$87,000.00

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Mayoral Listing by Priority	Public Secondary/ Tertiary Road Listing	Project Distance (Miles)	Project Appropriation Cost
15	Chalan Paharu (Chalan Mansanita)	0.80	\$240,000.00
16	Lupog (Chalan Luis Tugon, Chalan Padiron Lagu, Chalan Sylvia, Chalan Fatima)	0.19	\$57,000.00
17	Mataguac Area (Chalan Dibidi, Chalan Maanao, Chalan Familian Flores, Kayen Banaderu), Sabanan Mataguac Estates	1.70	\$510,000.00
18	Ana Manet Subdivision (Chalan Josen Tan Ana, Chalan Manuel Tan Ana)	0.12	\$36,000.00
19	Along Rt. 15 (Chalan Padiron Laga) Tun Akin Cabesa, Taitano Nursery, Tun Vicente Affleje Street)	0.19	\$57,000.00
20	Mt. Santa Rosa-Chobito, Chalan Henry Flores, Chalan Tun Vicente, Joaquin Tugon Road, Gloria Way	0.19	\$57,000.00
21	Salas I Subdivision (Chalan Hiteny, Chalan Laggua)	0.13	\$39,000.00
22	Takano Subdivision-Bobbie Lane, Chalan Tun Luis Takano	0.19	\$57,000.00
23	Bordallo Subdivision-Kayen Maipe, Chalan Tan Pai	0.11	\$33,000.00
24	Salas II Subdivison-Kayen Finalagu, Kayen Apreta	0.11	\$33,000.00
	<b>Municipality Subtotals:</b>	<b>16.11</b>	<b>\$4,813,000.00</b>
	<b>Yona</b>		
1	Willy Quichocho Road	0.11	\$33,000.00
2	Manenngon Road or Aguon Road	1.00	\$300,000.00
3	Chaco-Pocaigue Road	0.13	\$39,000.00
4	Teleforo Road	0.50	\$150,000.00
5	Ayuyu Road	0.08	\$24,000.00

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Mayoral Listing by Priority	Public Secondary/ Tertiary Road Listing	Project Distance (Miles)	Project Appropriation Cost
6	Balajadia and Pangelinan Road	0.12	\$36,000.00
7	Fair Way Drive	0.10	\$30,000.00
8	Fair Way Drive (Road re-alignment, existing road on private property)	0.02	\$90,000.00
9	Rt. 4 / Rt. 17 (Intersection anti-skid paving)	0.38	\$120,000.00
	<b>Municipality Subtotals:</b>	<b>2.44</b>	<b>\$822,000.00</b>
	<b>Grand Total:</b>	<b>121.28</b>	<b>\$39,650,000.00</b>

**SOURCE:** Added by P.L. 28-068:II:IV:1 (Sept. 30, 2005).

**NOTE:** Public Law 28-150:V:17 (Sept. 30, 2006) provides the effective date of "Fiscal Year 2008" for subsection (d) – October 1, 2007.

**§ 1514. Authorization to Borrow For the Purpose of Acquiring, Constructing and Equipping an Educational Cultural Facility.**

(a) Authorization to Borrow. *I Maga'lahaen Guåhan* is authorized to borrow on behalf of the government of Guam, including by the issuance of limited obligation notes or debt, as provided in this Section, in an aggregate principal amount not to exceed Twenty-five Million Dollars (\$25,000,000) for the purpose of paying for:

(1) the costs of the acquisition, construction and equipping of an educational facility that reflects a sense of Guam and the Chamorro culture and will be the permanent home for the preservation and continuance of the Chamorro people; provides for the display of artifacts and historical documents; stimulates community involvement; fosters research and conveys the results of research to the public primarily through the medium of public exhibits, demonstrations, lectures, public programs and publications using the theme: *I Hinanao-ta*, the journey of the Chamorro people;

(2) the preservation and restoration of the Plaza de España and other structures within the Plaza as important field facilities in the continuing cultural education of Guam's school children, residents, and visitors; and

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(3) funding necessary reserves and paying expenses incurred in connection with the issuance of such debt not already included in an existing appropriation for, or the regular budget of any government agency or instrumentality or public corporation providing any service in connection with the issuance of such debt; provided, however, that such debt may not be issued in an amount that would cause a violation of the debt limitation provisions of 48 U.S.C. 1423a (§ 11 of the Organic Act of Guam).

(b) Terms and Conditions Determined by Certificate. The terms and conditions of the debt shall be determined by *I Maga'lahen Guåhan* by the execution of a certificate authorizing the issuance of the debt upon or prior to the issuance of the debt; provided, however, that such terms and conditions shall be consistent with this Section, and that the debt shall mature not later than the date thirty (30) years after its date of issuance and shall bear interest at such rates and be sold for such price or prices as shall result in a yield to the holders of the debt not exceeding seven and one-half percent (7½%) per annum.

(c) Valid and Binding. The debt authorized by this Section shall constitute the valid and binding limited obligation of the government of Guam payable from and secured by a pledge of the revenues derived from the Tourist Attraction Fund. The government of Guam pledges revenues described in Subsection (d) of this Section for the punctual payment of both principal of and interest on the debt and covenants that there shall be collected annually in the same manner and at the same time as government revenue for other purposes is collected, such sum as is required to pay the principal of and interest on the debt. There are hereby appropriated from the Tourist Attraction Fund such sums as may be necessary in each year to equal the amount of money necessary to pay the principal and interest on such debt. All officers charged by law with any duty in the collection of the revenues of the government from which debt service on the debt will be payable shall do every lawful thing necessary to collect such sum. The validity of any such debt shall not be affected by the validity or regularity of any proceedings for the expenditure of the proceeds of the debt.

(d) Pledge of Revenues. All or any part of the revenues constituting the Tourist Attraction Fund created by § 30107 of Title 11 GCA, Chapter 30 may be pledged to secure the repayment of any debt or debts created under this § 1514 and pay costs incurred in the creation of such debts, subject to any previously created lien on or pledge of such

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revenues. Any pledge made to secure the debt or debts shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without physical delivery thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, against the government of Guam, such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The certificate by which such pledge is created need not be recorded. All revenues pledged are hereby continuously appropriated for the purpose for which they have been pledged.

(e) **Waiver of Immunity.** Notwithstanding any substantive or procedural provision of Chapter 6 of Title 5, Guam Code Annotated, the government of Guam waives immunity from any suit or action in contract on the debt, but does not waive sovereign immunity as to the personal liability of elected officials and employees of the government of Guam.

(f) **No Personal Liability.** No employee or elected official of the government of Guam shall be individually or personally liable for the payment of any amounts due on any debt issued under this Section, or for any other liability arising in connection with the debt; provided, however, that nothing in this Section shall relieve any employee or elected official from the performance of any ministerial duty required by law.

(g) **Form of Debt; Covenants; Appointment of Fiduciaries.** The technical form and language of the debt, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated debt, negotiability, cancellation and other terms or conditions not inconsistent with this Section shall be as specified in the certificate executed by *I Maga'lahaen Guahan* authorizing the issuance of the debt. The certificate shall appoint one (1) or more trustees, co-trustees or other fiduciaries authorized to receive and hold in trust the proceeds of the debt and other moneys relating thereto, to protect the rights of holders of the debt and to perform such other duties as may be specified in the certificate. *I Maga'lahaen Guahan* is also authorized to execute, on behalf of the government of Guam, any appropriate agreements, certificates or other instruments relating to the debt and the sale of debt.

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(h) Use of Proceeds from the Sale of the Debt. The proceeds of the debt shall be used and are hereby appropriated to:

(1) pay for the costs of the acquisition, construction and equipping of an educational cultural facility;

(2) pay for Five Million Dollars (\$5,000,000) towards the costs of the preservation and restoration of the Plaza de España, and other structures within the Plaza;

(3) establish necessary reserves;

(4) pay expenses relating to the authorization, sale and issuance of the debt, including, without limitation, printing costs, costs of reproducing documents, legal, financial advisory and accounting fees and charges and other costs, charges and fees in connection with the issuance, sale and delivery of the debt; and

(5) fund capitalized interest on the debt for a period not exceeding twenty-four (24) months.

The educational cultural facility shall include facilities designed to assist in furthering the preservation, education and presentation of Guam's culture, heritage and history.

(i) Permitted Investments. The proceeds of the debt and any moneys relating to the payment of such debt, may be invested in, but only in, the types of investments permitted by the certificate pursuant to which such debt is issued.

(j) Approval by the Guam Economic Development Authority. Section 50103(k), Title 12, Guam Code Annotated, provides that agencies and instrumentalities of the government of Guam shall issue debt and other obligations only by means of and through the agency of the Guam Economic Development Authority (GEDA). No debt authorized by this Section shall be sold until the Board of Directors of GEDA has adopted a resolution approving the sale of such issue.

(k) Approval of Voters Not Required. Notwithstanding §§ 17311 and 17312 of Title 17, Guam Code Annotated, the issuance of the debt authorized by this Section shall not be required to be subject to the approval of, or placed before, the voters of Guam.

**SOURCE:** Added by P.L. 30-179:1 (Aug. 14, 2010). Subsection (b) amended by P.L. 30-228:4 (Dec. 30, 2010).

**§ 1515. Authorization to Borrow For the Purpose of Acquiring, Constructing and Equipping an Educational Cultural Facility, a Community Cultural Center and Certain Other Projects That Benefit Guam's Tourism Industry and For the Purpose of Refunding the Outstanding Government of Guam Limited Obligation Infrastructure Improvement Bonds.**

(a) Definitions. The following terms shall have the following meanings when used in this Section:

(1) Debt service means the scheduled principal of and interest on bonds plus fees, if any, to be paid for credit enhancement of such bonds.

(2) Debt service savings means the amount by which the present value of debt service on refunding bonds is less than the present value of the remaining debt service on the prior obligations refunded by such refunding bonds. Present value shall be calculated for this purpose using the yield on the bond issue as the discount rate.

(3) Hotel tax revenues means all revenues derived from taxes of the type now imposed by § 30101 of Chapter 30 of Title 11 of the Guam Code Annotated.

(4) New money bond means a bond issued pursuant to this Article as part of the same issue as the refunding bonds, but for the purpose of providing moneys for the projects authorized by Subsection (i) of this Section, funding a debt service reserve fund, or paying expenses incurred in connection with the issuance of such new money bonds not already included in an existing appropriation for, or the regular budget of any government agency or instrumentality or public corporation providing any service in connection with the issuance of such debt.

(5) Prior obligations means the outstanding Government of Guam Limited Obligation Infrastructure Improvement Bonds, 1997 Series A, being refunded in connection with the issuance of bonds pursuant to this Section.

(6) Refunding bond means a bond issued pursuant to this Section for the purpose of providing moneys to redeem or otherwise retire prior obligations, funding any appropriate reserves allocable to the refunding bonds, or paying expenses incurred in connection

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with the issuance of such refunding bonds not already included in an existing appropriation for, or the regular budget of any government agency or instrumentality or public corporation providing any service in connection with the issuance of such debt.

(7) Yield means the annual discount rate which, when used to discount all payments of net debt service on a bond issue to the date of issuance of the bonds, using a semiannual compounding interval, results in the aggregate present value of such payments being equal to the re-offering price to the public of the bonds. For this purpose, “net debt service” means debt service minus the amount of any direct subsidy payment to be received from the United States in connection with debt service.

(b) Authorization of Issuance of Limited Obligation Infrastructure Improvement Bonds. *I Maga’lahen Guåhan* is authorized to issue on behalf of the Government an issue of bonds of the Government consisting of refunding bonds and new money bonds, subject to the following requirements and limitations:

(1) The issuance of the bonds shall not cause a violation of the debt limitation provisions of Title 48 U.S.C. § 1423a (§ 11 of the Organic Act of Guam).

(2) All obligation of the Government to pay debt service on the prior obligations shall be discharged concurrently with the issuance of the refunding bonds. Thereafter, any remaining debt service on the prior obligations shall be payable solely from and secured solely by a refunding escrow established for such purpose.

(3) The present value of debt service on the refunding bonds shall be at least two percent (2.0%) less than the present value of debt service on the refunded bonds, using the yield on the refunding bonds as the discount rate.

(4) The aggregate principal amount of refunding bonds issued shall not exceed the amount necessary to redeem or otherwise retire the prior obligations, fund any appropriate reserves allocable to the refunding bonds, and pay expenses incurred in connection with the issuance of the refunding bonds not already included in an existing appropriation for, or the regular budget of any government agency or instrumentality or public corporation providing any service in connection with the issuance of such debt.

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(5) The aggregate principal amount of new money bonds issued shall not exceed the amount necessary to fund the sum of the amounts appropriated for the projects listed in Subsection (i) of this Section, establish a debt service reserve fund allocable to the new money bonds, pay capitalized interest on the bonds and pay expenses incurred in connection with the issuance of the new money bonds not already included in an existing appropriation for, or the regular budget of any government agency or instrumentality or public corporation providing any service in connection with the issuance of such debt.

(6) Aggregate net debt service in each fiscal year on the bonds issued pursuant to this Section and any Government of Guam Infrastructure Improvement Bonds, 1997 Series A, remaining outstanding after the issuance of such bonds shall not exceed Seven Million Dollars (\$7,000,000) per fiscal year.

(c) Source of Payment and Security for the Bonds. The bonds issued pursuant to this Section shall be limited obligations of the Government payable from and secured by a pledge of all or any part of the hotel tax revenues. Any pledge made to secure the bonds shall be valid and binding from the time the pledge is made. The hotel tax revenues received by the Government or any trustee, depository and custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without physical delivery thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise, against the Government of such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The indenture by which such pledge is created need not be recorded. Hotel tax revenues pledged for the purpose of paying the bonds are hereby continuously appropriated for such purpose and for the purposes of paying the charges of any trustee, custodian, depository, auditor or credit enhancement provider for the bonds and any other necessary bond expenses under the indenture. All such revenues not needed for such purpose or for the purposes of paying any Government of Guam Limited Obligation Infrastructure Improvement Bonds, 1997 Series A, remaining outstanding and any expenses related thereto shall be transferred periodically by any trustee or other fiduciary under the indenture as follows:

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(1) first, to the fund or account designated by the Guam Visitors Bureau (GVB), such amount as is specified by the budget enacted by *I Liheslaturan Guåhan* (the Guam Legislature) for the GVB, and

(2) second, the balance of such revenues to the Tourist Attraction Fund.

The obligation to make these transfers to the GVB and the Tourist Attraction Fund shall not be a part of the contract with the bondholders, and shall be subject to the modification by amendment of this Subsection (c) of this Section.

The Director of Administration shall provide to *I Liheslaturan Guåhan* (the Guam Legislature) a copy of each monthly trustee's or other fiduciary's report on collections and disbursements of hotel tax revenues within five (5) working days of the Director's receipt of such report.

(d) Terms and Conditions Determined by Indenture; Form of Bonds; Covenants; Appointment of Fiduciaries; Other Related Agreements. The terms and conditions of the new issue shall be as determined by *I Maga'lahaen Guåhan* by the execution of an indenture authorizing the issuance of the issue. The indenture shall contain such terms and conditions as are consistent with this Section. The technical form and language of the bonds of the new issue, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated bonds, negotiability, cancellation and other terms, covenants or conditions not inconsistent with this Section, shall be as specified in the indenture executed by *I Maga'lahaen Guåhan* authorizing the issuance of the bonds. The indenture may appoint one (1) or more trustees or other fiduciaries authorized to receive and hold in trust the proceeds of the bonds and moneys relating thereto, to protect the rights of bondholders and to perform such other duties as may be specified in the indenture. The proceeds of the bonds issued pursuant to this Section, and any revenues relating to such bonds, may be invested in, but only in, the types of investments permitted by the indenture. *I Maga'lahaen Guåhan* is also authorized to execute, on behalf of the Government, any appropriate agreements, certificates or other instruments relating to the bonds and the sale of the bonds.

(e) Authorization for Credit Enhancement. *I Maga'lahaen Guåhan* is authorized to enter into such contracts or agreements with such banks,

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insurance companies or other financial institutions as he determines are necessary or desirable to improve the security and marketability of any bonds authorized by this Section. Such contracts or agreements may contain an obligation to reimburse, with interest, any such banks, insurance companies or other financial institutions for advances used to pay principal of or interest on the issue. Any such reimbursement obligation shall be payable solely from the same sources as debt service on the issue is payable, and any such advance, if necessary, shall be treated as creating a reimbursement obligation issued to refund the issue.

(f) Valid and Binding Obligations, Collection of Revenue. The bonds of the issue authorized by this Section shall constitute the valid and binding limited obligations of the Government. All officers charged by law with any duty in the collection of any revenues from which debt service on the issue is payable shall do every lawful thing necessary to collect the money necessary for such purpose. The validity of any such bonds shall not be affected by the validity or regularity of any proceedings for the implementation of the infrastructure improvement projects funded by either the prior obligations or the new money bonds.

(g) Waiver of Immunity. Notwithstanding any substantive or procedural provision of the Government Claims Act, Chapter 6 of Title 5 of the Guam Code Annotated, the Government waives immunity from any suit or action in contract on the bonds authorized by this Section, but does not waive sovereign immunity as to the personal liability of elected officials and employees of the Government.

(h) No Personal Liability. No employee or elected official of the Government shall be individually or personally liable for the payment of any amounts due on any bonds issued under this Section, or for any other liability arising in connection with the bonds; provided, however, that nothing in this Section shall relieve any employee or elected official from the performance of any ministerial duty required by law.

(i) Infrastructure Improvement Projects. The proceeds of the new money bonds issued under this Section are hereby appropriated in amounts not to exceed the following amounts for the purposes of implementing the following projects, in the following order of priority:

- (1) Sixty-Eight Million Five Hundred Thousand Dollars (\$68,500,000) for the following projects:

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(A) for the acquisition, construction, and equipping of an educational facility that reflects a sense of Guam and the Chamorro culture and will be the permanent home for the preservation and continuance of the *Chamorro* people; provides for the display of artifacts and historical documents; stimulates community involvement; fosters research and conveys the results of research to the public primarily through the medium of public exhibits, demonstrations, lectures, public programs and publications using the theme: *I Hinanao-ta*, the journey of the *Chamorro* people; provided, however, that the location of such educational facility shall have been approved by *I Maga'låhen Guåhan* prior to acquisition (if any) or construction thereof;

(B) for resolution of the San Vitores flooding caused by storm water runoff along San Vitores Road north of the Fujita Pump Station by collecting and removing storm runoff via transmission to the Fujita Pump Station to be discharged at a suitable location;

(C) for various projects related to Historic Hagåtña to include the following:

(i) for the restoration of the walls of the Plaza de España;

(ii) for the restoration and rehabilitation of the Plaza de España Azotea;

(iii) for the restoration of the Plaza de España Chocolate House; and

(iv) for the development of a paver-surface crosswalk and landings on both sides of Marine Corps Drive to provide a proper connection between Skinner Plaza and the Chamorro Village.

(v) The Guam Economic Development Authority shall reprogram the sum of One Million Dollars (\$1,000,000) from the available unused allocation pursuant to this Section for the Dock and Shoreline Reinforcement Economic Enhancement Project of the Guam Fishermen's Cooperative Association Facility, to provide funding for the restoration and development of the

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seawall and new walkway beginning adjacent to the Hagåtña Fishermen's Cooperative Building and extending seaward along the Hagåtña Marina (Boat Basin) channel.

(D) for reimbursements to the Guam Preservation Trust interfund payables due to failure to deposit in said Fund and to transfers out by *I Maga'låhen Guåhan*;

(E) for the restoration of the Inarajan community center;

(F) for the restoration and rehabilitation of the Malessio Bell Tower, including landscaping and lighting improvements;

(G) for the design and construction of a Guam Farmers Cooperative Association facility and the relocation of the Dededo Flea Market;

(H) (i) for purposes of issuing a grant of no more than Five Million Dollars (\$5,000,000) to the Guam Fishermen's Cooperative Association (GFCA) for the purposes of construction, repair and improvements of its facility as part of the Greg D. Perez Marina Economic Enhancement Master Plan.

(ii) No funds authorized in this Section shall be used to pay any contracted consultants.

(iii) Notwithstanding the order of priority requirement in § 1515(i)(2) and upon enactment, the sum of Two Million Dollars (\$2,000,000) of the proceeds are authorized, appropriated and shall be deposited and accounted for in a separate trustee sub-account for the payments of expenses associated with the construction, repair and improvements of the GFCA facility. Any services or contracts or expenses associated with the construction, repair and improvements of the GFCA facility under this grant shall require the approval of the GFCA. Disbursements for payments of expenses associated with the construction, repair and improvements of the GFCA facility shall be approved by the GFCA and countersigned by GEDA. The proceeds of the grant must be expended or encumbered by the GFCA for the purposes provided herein no later than March 31, 2017. If any funds authorized by this Section remain unexpended

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or unencumbered after March 31, 2017, the amount of the unencumbered or unexpended authorization shall be subject to legislative re-appropriation. Funds not authorized for expenditure by the GFCA in this Section are subject to legislative appropriation for tourism-related capital improvement projects. The GFCA shall report to *I Maga'låhi* (the Governor) and the Speaker of *I Liheslatura* (the Legislature) on a quarterly basis of all expenditures of this grant and other funds secured by the GFCA used for the construction, repair and improvements of its facility until the grant is fully expended and the facility construction, repair and improvements are completed.

(I) for the construction of a historic monument and plaza to commemorate Ferdinand Magellan's historic visit to Umatac Bay;

(J) for the design and construction of village entrance signs for Guam's nineteen (19) municipalities;

(K) for improvements to the Nimitz Beach outdoor pavilion, public restrooms, lighting, benches and walking paths;

(L) for improvements to the public facilities near the Fish Eye Pier, including public restrooms, washing facilities, benches, lighting, and picnic areas;

(M) for improvements to the stalls, public restrooms, landscaping and walking paths of the Mangilao Public Market;

(N) for improvements in Tumon Bay, to include pedestrian corrals and safety railings, and overhead lighting at the Governor Joseph Flores Memorial Park;

(O) for the renovation of streetlights along Pale San Vitores Road;

(P) for the renovation of streetlights in the Agana Bay vicinity;

(Q) for the restoration and repair of scenic byways, overlooks, and historic sites, including the Cetti Bay and Sella Bay Overlooks; the Umatac Bay Overlook; the Agat Spanish

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Bridge (Talifak River); the Talofofu and Fadi'an Point Overlooks; the Santos Memorial Park ocean views; and the East Agana Bay picnic shelters and ocean views;

(R) for the design and construction of a permanent monument for the late Senator Angel L.G. Santos Park;

(S) for the scenic and informational highway signs;

(T) for improvements of the Hagåtña Tennis Courts;

(U) for improvements of the Hagåtña Pool;

(V) for deposit into the Community Sports Recreational Improvement Fund established under Public Law 14-27 for the construction and/or renovation of sports and community recreational facilities;

(W) for primary or supplemental funding for projects identified under the Hagåtña Master Plan; and

(X) for the acquisition of available real estate that is offered for sale, and the development of a public park, within the area known as Faifai and Gognga (Gun Beach) in Tumon.

(j) Approval of Guam Economic Development Authority. Section 50103(k) of Title 12, Guam Code Annotated provides that agencies and instrumentalities of the Government shall issue bonds and other obligations only by means of and through the agency of the Guam Economic Development Authority (GEDA). No issue of bonds authorized by this Section shall be sold until the Board of Directors of GEDA has adopted a resolution approving the sale of such issue.

(k) In the event that *I Maga'lahaen* secures a loan under Public Law 30-179, *I Maga'lahaen* is authorized to reprogram bond proceeds intended for Item (1) of Subsection (i) of this Section for the purpose of reconstructing and/or renovation of the Old Guam Legislature Building (the former Guam Congress Building) and other historic facilities in Hagåtña.

**SOURCE:** Added by P.L. 30-228:1 (Dec. 12, 2010). Subsection (i)(2)(G) repealed and reenacted by P.L. 31-196:9 (Mar. 28, 2012), amended by P.L. 32-056:1 (July 8, 2013), P.L. 33-059 (June 30, 2015), and 33-147:1 (Apr. 15, 2016). Subsection (i)(2)(W) added by P.L. 31-196:10 (Mar. 28, 2012). Subsection ((i)(2)(B)(v) added by P.L. 33-147:2 (Apr. 15, 2016). Subsection (i) amended by P.L. 33-206:2 (Dec. 15, 2016).

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**2016 NOTE:** Subitem designations were added to subsection (i)(2)(G) to adhere to the Compiler's codification and alpha-numeric schemes pursuant to authority granted by 1 GCA § 1606.

**§ 1516. GARVEE Bonds Authorized.**

(a) Legislative Findings and Intent. *I Liheslaturan Guåhan* hereby finds as follows:

(1) Federal law authorizes states and territories to issue Grant Anticipation Revenue Vehicle (GARVEE) bonds, which are payable from expected Title 23 Federal-aid grants from the U.S. Department of Transportation.

(2) Utilizing GARVEE bonds to finance highway construction projects eligible for Title 23 funding from the Federal Highway Administration (FHWA) can result in significant cost savings since projects can be completed at present-day costs, allows Guam to maintain its local highway construction capability by keeping it actively employed, and enables Guam to avoid the potential cost inflation that may accompany the military build-up.

(3) Funding transportation projects with grant anticipation bonds will also enable completion of highway construction projects, or preliminary components thereof, during this lull prior to the military build-up.

(4) The borrowing rates for grant anticipation bonds are near their all-time historical lows, presenting Guam with a unique opportunity to fund its transportation projects at a favorable cost of capital.

(5) Bonds to be repaid solely with the proceeds of special purpose federal grants are not "public indebtedness" within the meaning of the debt limitation provisions of the Guam Organic Act, 48 U.S.C. §1423a.

(6) Therefore, it is in the best interest of Guam to develop these innovative methods for funding and accelerating critical transportation infrastructure projects.

(b) Grant Anticipation Revenue Vehicle (GARVEE) Bonds for Highways.

(1) Authorization of Issuance of GARVEE Bonds. The Governor of Guam is authorized to issue one or more series of grant

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anticipation notes or bonds of the government of Guam in an aggregate principal amount not to exceed Seventy-Five Million Dollars (\$75,000,000) for the purpose of implementing the Capital Improvement Highway Projects described in Subsection (11) of this Section, funding debt service reserves and paying expenses incurred in connection with the issuance of such bonds; provided, however, that the issuance of the notes or bonds shall not cause a violation of the debt limitation provisions of 48 U.S.C. §1423a.

(2) Terms and Conditions Determined by Indenture. As hereafter used in this Section, the term “bonds” includes notes, bonds and other evidences of indebtedness. The terms and conditions of the bonds shall be as determined by the Governor by the execution of an indenture securing the bonds upon or prior to the issuance of the bonds. The indenture shall contain such terms and conditions as are consistent with this Section.

(3) Valid and Binding Obligation. Any bonds authorized by this Section shall constitute the valid and legally binding limited obligations of the government of Guam payable solely from and secured by a pledge of the revenues pledged pursuant to Subsection (4) of this Section. The validity of any such bonds shall not be affected by the validity or regularity of any proceedings for the implementation of Capital Improvement Highway Projects funded by the new bonds.

(4) Pledge of Grant Revenues; Not a General Obligation. All or any part of amounts apportioned to the government of Guam by the United States Department of Transportation or its successor may be pledged to secure the repayment of any bonds issued under this Section and to pay costs incurred in connection with the issuance or administration of the bonds. Pledged revenues may include, but are not limited to, amounts paid to the government of Guam pursuant to Chapter 1 of Title 23, United States Code, Highways, as amended and supplemented from time to time (Title 23), any successor to or replacement of Title 23, and any other provision of federal law authorizing federal funding of highways in Guam. Any pledge made to secure the bonds shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without any physical delivery

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thereof or further act, and the lien of such pledge shall be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the government of Guam or such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The indenture or agreement by which such pledge is created need not be recorded. All such revenues, to the extent so pledged, are hereby continuously appropriated for such purpose. The bonds shall not be, and shall state on their face that they are not, general obligations of the government of Guam.

(5) Authorization of Memorandum of Understanding. Maga'láhen Guåhan may enter into one (1) or more memoranda of understanding on behalf of the government with the Federal Highway Administration, which would, among other things, identify the projects to be financed with proceeds of the bonds and set forth the procedures for calculation, request and payment of pledged revenues to the trustee, depository or custodian.

(6) Waiver of Immunity. Notwithstanding any substantive or procedural provision of Chapter 6 of Title 5 of the Guam Code Annotated, the government of Guam waives immunity from any suit or action in contract on the bonds, but does not waive sovereign immunity as to the personal liability of elected officials and employees of the government of Guam.

(7) Form of Bonds; Covenants; Appointment of Fiduciaries. The technical form and language of the bonds, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated bonds, negotiability, cancellation and other terms or conditions not inconsistent with this Section, including covenants relating to the administration of grant programs and the handling of revenues, shall be as specified in the indenture approved by the Governor, authorizing the issuance of the bonds. The indenture may appoint one or more trustees or other fiduciaries authorized to receive and hold in trust the proceeds of the bonds and revenues relating thereto, to protect the rights of bondholders and to perform such other duties as may be specified in the indenture. The Governor is also authorized to execute, on behalf of the government of Guam, any appropriate agreements, certificates or other instruments relating to the bonds and the sale thereof.

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(8) Authorization for Credit Enhancement. The Governor is authorized to enter into such contracts or agreements with such banks, insurance companies or other financial institutions as he determines are necessary or desirable to improve the security and marketability of the bonds issued under this Section. Such contracts or agreements may contain an obligation to reimburse, with interest, any such banks, insurance companies or other financial institutions for advances used to pay principal or interest on the bonds. Any such reimbursement obligation shall be payable solely from, and may be secured by a pledge of, the revenues described in Subsection (4) of this Section.

(9) Use of Proceeds from the Sale of the Bonds. Proceeds from the sale of the bonds shall be used solely to implement the Capital Improvement Highway Projects described in Subsection (11) of this Section, to fund a debt service reserve fund, if any, and to pay expenses relating to the authorization, sale and issuance of the bonds, including, without limitation, printing costs, costs of reproducing documents, credit enhancement fees, if any, underwriting, legal and accounting fees and charges, costs of credit ratings and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds. Any earnings derived from the investment of bond proceeds, and any bond proceeds not required for the completion of the Capital Improvement Highway Projects may be used by the Department of Public Works to purchase equipment and supplies to maintain Guam's highways.

(10) No Personal Liability. No employee or elected official of the government of Guam shall be individually or personally liable for the payment of any amounts due on any bonds issued under this Section, or for any other liability arising in connection with the bonds; provided, however, that nothing in this Section shall relieve any employee or elected official from the performance of any ministerial duty required by law.

(11) Expenditure of Proceeds.

(A) Project Groups. The 2030 Guam Transportation Plan (GTP) identifies highway projects that need to be undertaken to improve Guam's highway infrastructure. Highway projects to be funded under this Chapter are categorized into two (2) groups: Group 1 and Group 2.

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(i) Group 1: eligible highway projects identified in the 2030 GTP that are deemed high priority and require funding immediately. (The projects are listed in alphanumeric order as a matter of form, and the Group 1 list is not to be construed as an order of implementation priority).

(ii) Group 2: eligible highway projects identified in the 2030 GTP that may be undertaken using:

(aa) excess fund balances from completed Group 1 projects and not needed or insufficient for the completion of remaining Group 1 project(s), or

(bb) funds reprogrammed from a Group 1 project that cannot be completed within a reasonable time due to technical or regulatory constraints.

(B) The proceeds shall be expended for the following Capital Improvement Highway Projects:

**GROUP 1**

(i) Route 14B (Ypao Road) – Reconstruction and Widening:

(aa) Phase 1, From Rte-1 to Carmen Memorial Drive (near SDA),

(bb) Phase 2, from Carmen Memorial Drive to Rte-14B/Rte-14 (San Vitores Road).

(ii) Route 27 (aka Adrian Sanchez Rd or Hamburger Rd) – Reconstruction, Widening, and Drainage Improvements from Rte-1 to Rte 16, and signalization at Rte-1/Rte-27 intersection.

(iii) Tiyon Parkway - Construction, Phase 1 (from old GPD Headquarters, westward to Rte-8 vic. Cars Plus).

**GROUP 2**

(i) Route 10A (Airport Road) - Reconstruction and Widening.

(ii) Route 14 (Chalan San Antonio, Rte-1 to Archbishop Felixberto Flores Circle) - Resurfacing

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(iii) Route 17 (Cross-island Road) - Rehabilitation and widening, Phase 2B (Rte-5/Rte-17 to Rte-17/Rte-4A intersections).

(iv) Route 26 (Macheche Hill) - Reconstruction and Widening from Rte-1 to Rte 15.

(v) Mass transit improvements.

In the event that one (1) or more of the Capital Improvement Highway Projects listed in Group 1 or Group 2 of this Subsection (11) is completed at a cost that is lower than current estimates, or that logistics in construction or other events cause one (1) or more other Capital Improvement Highway Projects to be ready for construction prior to the Capital Improvement Highway Projects listed above in Group 1 or Group 2 of this Subsection (11), then the proceeds of the bonds may also be expended on such other or additional Capital Improvement Highway Projects as are approved by the Federal Highway Administration for financing with proceeds of the bonds pursuant to a new or amended memorandum of understanding (as described in Subsection (5) of this Section) with *I Maga'lahaen Guåhan*. Any earnings derived from the investment of bond proceeds, and any bond proceeds not required for the completion of all of the Capital Improvement Highway Projects, shall be used as required or permitted by federal law on transportation related projects, subject to an appropriation by the Legislature.

(12) Approval by Guam Economic Development Authority. Subsection (k) of § 50103 of Title 12 of the Guam Code Annotated provides that agencies and instrumentalities of the Government shall issue bonds and other obligations only by means of and through the agency of the Guam Economic Development Authority (GEDA). No issue of bonds authorized by this Section shall be sold until the Board of Directors of GEDA has adopted a resolution approving the sale of such issue.

(13) Approval by Legislature of Government of Guam Grant Anticipation Bonds. *I Liheslaturan Guåhan*, pursuant to Subsection (k) of § 50103 of Title 12 of the Guam Code Annotated, hereby approves the issuance and sale by the government of Guam of bonds pursuant to this Section in one or more series or issues; provided that such notes or bonds shall have an aggregate principal amount

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not to exceed Seventy-Five Million Dollars (\$75,000,000), shall have a final maturity not later than twenty (20) years from their date of initial issuance, shall bear interest at such rate or rates and shall be sold for such price or prices as shall result in a net yield to the bondholders not exceeding seven percent (7.0%) per annum, shall be issued and sold in the manner, for the purposes and subject to the requirements and limitations provided in this Section. Net yield to the bondholders shall be calculated by subtracting interest subsidy amounts, if any, to be received from the United States in connection with such bonds from the amount of interest to be paid to bondholders.

**SOURCE:** Added by P.L. 31-233:XII:26 (Sept. 7, 2012).

**2012 NOTE:** In maintaining the general codification scheme of the GCA the Compiler changed the hierarchy of subsections beginning with: “Lowercase Roman Numerals” to “Uppercase Letters”; “Lowercase Letters” to “Lowercase Roman Numerals”; and “Lowercase Roman Numerals” to “Double Lowercase Letters” in subsection (b)(11).

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**ARTICLE 6  
GUAM LIAISON OFFICES**

- § 1601. Establishment.
- § 1602. Duties of Office.
- § 1603. Coordination with Washington Delegate.
- § 1604. Certifying and Disbursing Officer.

**§ 1601. Establishment.**

There is established within the government of Guam, Guam Liaison Offices located in the mainland.

**SOURCE:** GC § 63000 repealed/reenacted by P.L. 15-66:VI:19.

**§ 1602. Duties of Office.**

The offices shall:

- (a) seek out and keep appropriate federal officials aware of Guam’s federal-territorial objectives;
- (b) promote Guam’s economic well being;

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(c) promote government programs through appropriate contacts with federal, state and national association officials;

(d) seek out and keep abreast of all Federal fund programs for which Guam qualifies or may qualify and inform appropriate officials; and

(e) perform such other duties as assigned by the [Lieutenant] Governor which are necessary and proper to benefit the government of Guam.

**SOURCE:** GC § 63001 repealed/reenacted by P.L. 15-66:VI:19.

**COMMENT:** The original San Francisco Liaison Office was closed by the failure of the 17th Guam Legislature to appropriate funds for its continuance and because the federal government switched its own liaison duties back to Washington. In addition, when P.L. 17-25:III:2 repealed and reenacted the law with respect to the duties of the Lt. Governor, that reenactment omitted any reference to the responsibility of the Lt. Governor over any Guam Liaison Offices. Beginning in 1983 the Governor has maintained his own Liaison Office in Washington, D.C.

Considering these executive, federal and legislative developments, the Compiler assumes that what federal-territorial liaison activities are being undertaken take place out of the Governor's Washington Liaison Office.

**§ 1603. Coordination with Washington Delegate.**

The offices shall closely coordinate activities with the office of Guam's Delegate to the United States House of Representatives but shall be located and operated separate from such office.

**SOURCE:** GC § 63002 repealed/reenacted by P.L. 15-66:VI:19.

**§ 1604. Certifying and Disbursing Officer.**

The Director of Administration shall be the Certifying Officer and the Disbursing Officer for expenditures by the Liaison Offices.

**SOURCE:** GC § 63003 repealed/reenacted by P.L. 15-66:VI:19.

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**ARTICLE 7  
EXTERNAL RELATIONS**

- § 1701. External Relations Commission.
- § 1702. Term of Office.
- § 1703. Duties.

**§ 1701. External Relations Commission.**

There is hereby created an External Relations Commission to be composed of nine members to be chosen as follows:

(a) Three members from the Legislature to be appointed by the Speaker;

(b) Three members are to be appointed by the Governor;

(c) Three representatives of private industry within the Territory to be appointed by the Speaker.

**SOURCE:** GC § 325 added by P.L. 15-52:1.

**COMMENT:** This Commission has never been activated. The Legislature, for a time, maintained liaison offices in Hong Kong, but has transferred this function to the Association of Pacific Island Legislatures. The Guam Economic Development Authority maintains a liaison in Hong Kong, and from time to time, elsewhere.

There are doubts as to the validity of this section, since the Speaker is appointing members to what is in effect an executive function.

**2013 NOTE:** Numbers and/or letters were altered to adhere to the Compiler's alpha-numeric scheme in accordance to 1 GCA § 1606.

**§ 1702. Term of Office.**

Each member of the Commission on External Relations shall serve a term of two years.

**SOURCE:** GC § 326 added by P.L. 15-52:1.

**§ 1703. Duties.**

The duties of the Commission on External Relations are to consult with the appropriate people in Taiwan, Japan, Republic of the Philippines, Republic of Korea, Singapore and the Peoples Republic of China on subjects of mutual interest of the people of Guam and the people of said countries.

**SOURCE:** GC § 327 added by P.L. 15-52:1.

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**ARTICLE 8  
BUREAU OF WOMEN'S AFFAIRS**

§ 1801. Bureau of Women's Affairs: Establishment

§ 1802. Authorization to Hire Personnel.

- § 1803. Duties and Responsibilities of the Bureau
- § 1804. Equal Employment Programs.
- § 1805. Committees: Formation.

**§ 1801. Bureau of Women’s Affairs: Establishment.**

There is established within the Executive Branch of the government of Guam a Bureau of Women’s Affairs (the Bureau). The Bureau shall be headed by a director (the Director), who shall be appointed by the Governor with the advice and consent of the Legislature.

**§ 1802. Authorization to Hire Personnel.**

The Director is authorized to employ clerical, technical and support staff to assist in carrying out the duties of the Bureau.

**§ 1803. Duties and Responsibilities of the Bureau.**

The Bureau shall have the following duties and responsibilities:

(a) To formulate policies to eliminate gender discrimination throughout the government of Guam and the private sector;

(b) To study and make recommendations on issues of particular concern to women, and on widening the access of persons of both genders to all positions and aspects of the community;

(c) To review and submit recommended legislation to the Legislature addressing the gender inequities in current laws;

(d) To be responsible for closely monitoring issues and legislation relating to gender discrimination, and to advise the Governor and the Legislature of issues on such discrimination along with proposed recommendations for action;

(e) To select representatives to attend national conventions and other forums where issues concerning gender discrimination are to be discussed and acted upon.

**§ 1804. Equal Employment Programs.**

The Bureau shall work with, and assist, the Director of Administration to ensure that the provisions of § 4403(f) of Title 4, Guam Code Annotated, pertaining to equal employment opportunity programs, are properly administered and implemented.

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**COMMENT:** Effective January 1, 2006, reference to the “Civil Service Commission,” amended to “Director of Administration” pursuant to P.L. 28-68:IV:45 (Sept. 30, 2005).

**§ 1805. Committees: Formation.**

The Director shall advertise throughout the government of Guam and the private sector for interested persons wishing to participate on committees to effectuate the purposes of the Bureau. The Board of Advisors appointed by the Governor pursuant to Executive Order 87-14 shall organize the Bureau’s structure and shall establish the organization of the Bureau and the committees necessary to further the work of the Bureau.

**SOURCE:** Article 8 is added by P.L. 21-23:1.

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**ARTICLE 9  
PACIFIC ISLANDS DEVELOPMENT BANK**

- § 1901. Short Title.
- § 1902. Acceptance of Membership.
- § 1903. Authorization by Governor of Person to Act on Behalf of the Government.
- § 1904. Governor to Implement Provisions of this Article.
- § 1905. Authorization of Appropriation and Payment of Subscription.
- § 1906. Appointment of Members to the Board of Governors of the Bank.
- § 1907. Immunity from Taxation.
- § 1908. Powers And Limitations of the Bank.
- § 1909. Audit.
- § 1910. Legal Opinion.

**§ 1901. Short Title.**

This Article may be cited as the Pacific Islands Development Bank Act.

**SOURCE:** Added as P.L. 22-148:1(a) (12/29/94). Codified by Compiler.

**§ 1902. Acceptance of Membership.**

The Governor of Guam is authorized to accept membership for the territory of Guam in the Pacific Islands Development Bank (the "Bank") provided for by the Agreement establishing the Bank (the Agreement).

**SOURCE:** Added as P.L. 22-148:1(b) (12/29/94). Codified by Compiler.

**§ 1903. Authorization by Governor of Person to Act on Behalf of the Government.**

The Governor is authorized to empower by instrument under his hand such person as may be named in the instrument:

(a) to sign the Agreement on behalf of the government of Guam;

(b) to deposit the instrument setting forth that the government of Guam has accepted or satisfied the Agreement in accordance with its laws and has taken the steps necessary to enable it to fulfill all of its obligations under this Agreement; and

(c) to sign any document that may be necessary or desirable to permit the full participation by the territory of Guam in the membership of the Bank.

**SOURCE:** Added as P.L. 22-148:1(c) (12/29/94). Codified by Compiler.

**2012 NOTE:** In maintaining the general codification scheme of the GCA the Compiler changed the hierarchy of subsections beginning with "Lowercase Roman Numerals" to "Lowercase Letters" in this section.

**§ 1904. Governor to Implement Provisions of this Article.**

The Governor is charged with the implementation of this Article and may make regulations as to any matter relating to the implementation of the provisions of the Agreement and to the fulfillment of the obligations of the government of Guam thereunder, and in particular, to the status, immunities and privileges of the Bank, of its governors and directors and their alternates and of its employees.

**SOURCE:** Added as P.L. 22-148:1(d) (12/29/94). Codified by Compiler.

**§ 1905. Authorization of Appropriation and Payment of Subscription.**

(a) One Million Dollars (\$1,000,000) are authorized to be appropriated, without fiscal year limitations, for the purchase of one thousand (1,000) shares of capital stock in the Bank;

(b) The Governor, on behalf of the government of Guam, shall:

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(1) make payment of an initial subscription to the additional capital stock of the Bank of a sum equivalent to One Hundred Thousand Dollars USD (\$100,000 USD) in accordance with the terms of the Agreement; and

(2) subject to appropriation by the Legislature, make any additional payments which may become payable under the Agreement to purchase the shares under Subitem (a) of this § 1905.

**SOURCE:** Added as P.L. 22-148:1(e) (12/29/94). Codified by Compiler.

**§ 1906. Appointment of Members to the Board of Governors of the Bank.**

The Governor, on behalf of the government of Guam, shall appoint one (1) person qualified to be representative of the Executive Branch on the Board of Governors of the Bank. One (1) person on the Board of Governors of the Bank shall be the Speaker or the Speaker's designee, as the representative of the Legislature Branch.

**SOURCE:** Added as P.L. 22-148:1(f) (12/29/94). Codified by Compiler.

**§ 1907. Immunity from Taxation.**

The Bank, its property, other assets, income, and the operations and transactions it carries out pursuant to this Section shall be immune from all taxation by the government of Guam.

**SOURCE:** Added as P.L. 22-148:1(g) (12/29/94). Codified by Compiler.

**§ 1908. Powers and Limitations of the Bank.**

The Bank, in accordance with its Articles of Agreement, is empowered to provide assistance in the following manner listed under subitems (a) through (i), and has the limitation listed under subitem (j) below:

(a) by the preparation, financing, and execution of development plans and projects, including the consideration of priorities, and the formulation of loan proposals on specific national or regional development projects;

(b) by the development and advanced training, through seminars and other forms of instruction of personnel specializing in the formulation and implementation of development plans and projects;

(c) by making or participating indirect loans;

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- (d) by investment of funds;
- (e) by guaranteeing, whether as primary or secondary obligator, in whole or in part, loans for economic development;
- (f) by acquiring and selling such securities, mortgages, bonds and other instrument as may be appropriate to the conduct of its business in the carrying out of its purpose;
- (g) to act as, or appoint, attorneys or custodians to administer and supervise funds;
- (h) to purchase, lease or dispose of assets, business and property within the limitations of its authority;
- (i) to deposit funds in financial institutions in Micronesia, the United States and elsewhere as may be appropriate; and
- (j) the Bank is prohibited from engaging in banking activities for the benefit of the general public such as maintaining deposit accounts and paying interest on balances thereon as well as engaging in the trust business or acting as a fiduciary in receiving funds, moneys, properties, or securities, and holding or investing such funds, moneys, properties, or securities for the account of such members of the general public; provided, however, that nothing in this subitem (j) shall prohibit the Bank from performing any activities for the benefit of its Members as defined in the Agreement, or performing any activity considered to be normal for a development financial institution.

**SOURCE:** Added as P.L. 22-148:1(h) (12/29/94). Codified by Compiler.

**2012 NOTE:** In maintaining the general codification scheme of the GCA the Compiler changed the hierarchy of subsections beginning with “Numbers” to “Lowercase Letters” in this section.

**§ 1909. Audit.**

The Bank will submit a copy of its annual audit report to the Executive and Legislative Branches of the government of Guam. In other respects, it will be subject to audit by the government of Guam.

**SOURCE:** Added as P.L. 22-148:1(i) (12/29/94). Codified by Compiler.

**§ 1910. Legal Opinion.**

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The Attorney General of Guam is authorized to render such legal opinions as may be required by the Bank or by the government to permit the government of Guam to participate fully in the Bank.

**SOURCE:** Added as P.L. 22-148:1(j) (12/29/94). Codified by Compiler.

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**ARTICLE 10**  
**OFFICE OF THE PUBLIC ENGINEER**

- § 1930. Title.
- § 1931. Office of the Public Engineer: Establishment.
- § 1932. Authorization To Hire Personnel.
- § 1933. Duties of the Public Engineer.
- § 1934. Qualifications of the Public Engineer.

**§ 1930. Title.**

This Act shall be cited as, “The Public Engineer Act of 1997.”

**§ 1931. Office of the Public Engineer: Establishment.**

There is established within the Bureau of Planning of the Executive Branch, the office of the Public Engineer. The office shall be headed by the ‘Public Engineer’, a classified position, recruited and selected within the rules and regulations of the government of Guam. Compensation for the ‘Public Engineer’ shall be determined by the Director of Administration.

**COMMENT:** Effective January 1, 2006, reference to the “Civil Service Commission,” amended to “Director of Administration” pursuant to P.L. 28-68:IV:45 (Sept. 30, 2005).

**§ 1932. Authorization to Hire Personnel.**

The Public Engineer is authorized to employ clerical, technical and support staff to assist in carrying out the duties of the office, except that the total annual number of FTE’s shall be no greater than three (3), including the Public Engineer.

**§ 1933. Duties of the Public Engineer.**

The Public Engineer (‘PE’) will have the responsibility to approve the scheduling of all Capital Improvement Projects authorized or performed by government of Guam departments, divisions or agencies,

including autonomous agencies of the Judicial, Legislative and Executive Branches. The PE will have the responsibility to coordinate all construction activities public and private, which affect government of Guam easements or property, and to schedule all work to coincide with the government of Guam infrastructure development projects.

The PE will have the responsibility to clear and approve all building permits for any development other than single, single-family residential units, including renovation of such which does not change occupancy, fencing or retaining walls 6' in height or less. The PE's sole responsibility will be to review projects and determine whether or not government infrastructure scheduling will be affected by the project. In the event scheduling is affected, the PE shall have the authority to hold the permit for no less than thirty (30) calendar days while schedules are matched. In the event schedules cannot be matched, the PE shall direct the Building Official to hold a monetary bond from the developers for any subsequent repair to facilities damaged or affected by construction. In the event that a government or private utility agency are the cause for a failure to match schedules, the utility shall guarantee in the form of a monetary bond or purchase order, to the affected utility and the Department of Public Works for the proper and warranted repair to damaged utilities, roadways or appurtenances, including relocation of utilities.

**§ 1934. Qualifications of the Public Engineer.**

The Public Engineer ('PE') shall be a U.S. Citizen, a resident of Guam, an engineer licensed at the time of application within Guam, having obtained licensure through education in an accredited engineering curriculum within the United States, or other institutions recognized by the National Society of Professional Engineers, passing the Engineer-in-Training or Fundamentals of Engineering Exam and passing the Professional Engineer or Principles and Practices Examination. There shall be no administrative exceptions made to these requirements.

At the time of application, the PE shall possess a minimum of fifteen (15) years of experience in the field of infrastructure engineering, development and planning, of which at least five (5) years should consist of the unique background of community infrastructure planning, and of which at least five (5) years should consist of demonstrated experience with public or private utilities doing work along rights-of-ways and

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easements, and shall have been a registered professional engineer at least fifteen (15) years prior to his or her appointment.

The PE should possess substantial experience in managing infrastructure development projects which require project management of various aspects of development, including community fit, development standards, local and Federal permitting, utilities and access development and coordination with utility services major traffic access. The PE will also possess experience with major private development projects which require similar coordination and management of permitting, utility and roadway access. The PE will possess a documented background of such experience, which will be part and parcel of the application for the position of PE. The applicant shall be fluent in either English or Chamorro, both being the official languages of Guam.

**SOURCE:** § 2000-2004 added by P.L. 24-119:2, re-codified by Compiler to maintain numbering scheme.

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