

I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN

2024 (SECOND) Regular Session

VOTING RECORD

Bill No. 262-37 (LS)	Speaker Antonio R. Unpingco Legislative Session Hall Guam Congress Building April 26, 2024					
NAME	Aye	Nay	Not Voting/ Abstained	Out During Roll Call	Absent	Excused
Senator Chris Barnett	✓					
Senator Frank Blas, Jr.	✓					
Senator Joanne Brown	✓					
Senator Christopher M. Dueñas	✓					
Senator Thomas J. Fisher	✓					
Senator Jesse A. Lujan	✓					
Vice Speaker Tina Rose Muña Barnes	✓					
Senator William A. Parkinson	✓					
Senator Sabina Flores Perez	✓					
Senator Roy A. B. Quinata	✓					
Senator Joe S. San Agustin	✓					
Senator Dwayne T. D. San Nicolas	✓					
Senator Amanda L. Shelton	✓					
Senator Telo T. Taitague	✓					
Speaker Therese M. Terlaje	✓					

TOTAL

15

0

**Not
Voting/
Abstained**

**Out
During
Roll Call**

0

0

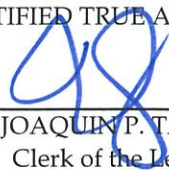
Absent

Excused

Aye

Nay

CERTIFIED TRUE AND CORRECT:



JOAQUIN P. TAITAGUE
Clerk of the Legislature

I = Pass

I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN
2024 (SECOND) Regular Session

Bill No. 262-37 (LS)

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Introduced by:

William A. Parkinson

**AN ACT TO APPROVE THE TERMS AND CONDITIONS
OF THE ISSUANCE BY GUAM POWER AUTHORITY
OF REVENUE BONDS TO REFUND OUTSTANDING
GUAM POWER AUTHORITY REVENUE BONDS.**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that 12 GCA § 8203 provides that the Guam Power Authority (Authority) is
4 authorized to incur indebtedness by the issuance of revenue bonds with the
5 approval of *I Maga'hågan Guåhan* (the Governor of Guam) to raise funds for the
6 purpose of establishing the electric power system of the Authority, or of acquiring
7 lands for the system, or of acquiring, constructing, improving, equipping,
8 maintaining, repairing, renewing, replacing, reconstructing or insuring the
9 system, or any part thereof, or for the purpose of refunding any such bonds, or for
10 any combination of such purposes.

11 *I Liheslaturan Guåhan* finds that 12 GCA § 12105 provides that the Authority
12 shall not enter into any contractual agreements or obligations (including bonds)
13 which could increase rates and charges prior to the written approval of the Guam
14 Public Utilities Commission (GPUC).

15 *I Liheslaturan Guåhan* finds that 12 GCA § 50103 provides that public
16 corporations of the government of Guam, including the Authority, shall issue bonds

1 and other obligations only by means of, and through the agency of the Guam
2 Economic Development Authority (GEDA), and that GEDA shall not sell any bond
3 without the approval by *I Liheslaturan Guåhan* of the terms and conditions of the
4 bonds.

5 *I Liheslaturan Guåhan* finds that based on low interest rates and current
6 market conditions, the Authority expects to be able to refund certain maturities of its
7 outstanding 2014 Series A revenue bonds for debt service savings.

8 Therefore, to benefit ratepayers, it is the intent of *I Liheslaturan Guåhan* to
9 approve the issuance of revenue bonds by the Authority for the purpose described in
10 the immediately preceding paragraph, all subject to approval by the Consolidated
11 Commission on Utilities (CCU), *I Maga'hågan Guåhan*, the GPUC, and the Board
12 of Directors of GEDA in accordance with law.

13 **Section 2. Approval of the Terms and Conditions of the Guam Power**
14 **Authority Refunding Bonds.**

15 *I Liheslaturan Guåhan*, pursuant to 12 GCA § 50103(k), hereby approves the
16 terms and conditions of the issuance of senior revenue bonds by the Guam Power
17 Authority from time to time, including, but not limited to, on a forward basis, for the
18 purpose of refunding all or a portion of its currently outstanding 2014 Series A
19 revenue bonds, in accordance with the following requirements, limitations,
20 terms and conditions:

21 (a) The aggregate principal amount of the refunding bonds shall not
22 exceed the sum of (1) the amount determined in accordance with 12 GCA §
23 8229, plus (2) any additional amount needed to provide for a deposit to the
24 debt service reserve in connection with the issuance of the refunding bonds.

25 (b) All obligations of the Authority to pay debt service on, and the
26 redemption price of, the prior bonds shall be discharged concurrently with the
27 issuance of the refunding bonds. Thereafter, the prior bonds shall be payable

1 solely from and secured solely by an escrow established for such purpose in
2 accordance with the Authority's existing bond indenture.

3 (c) The final maturity of the refunding bonds shall not exceed the
4 final maturity of the latest maturing then outstanding revenue bonds. For
5 clarity, the final maturity of the refunding bonds may exceed the maturity of
6 an individual series of prior bonds so long as the final maturity of all then
7 outstanding revenue bonds is not exceeded.

8 (d) Such bonds shall be issued and sold pursuant to the Authority's
9 existing bond indenture and in compliance with the provisions of Chapter 8,
10 Title 12, Guam Code Annotated, including approval by the CCU and by *I*
11 *Maga'hågan Guåhan* as provided therein.

12 (e) The sale of the bonds shall be approved by the Board of Directors
13 of GEDA as provided in Chapter 50 of Title 12, Guam Code Annotated; and,
14 the terms and conditions of the issuance of the bonds shall be approved by the
15 GPUC as provided in Chapter 12, Title 12, Guam Code Annotated.

16 (f) The present value of debt service on the refunding bonds shall be
17 at least two percent (2%) less than the present value of debt service on the
18 prior bonds, using the yield on the refunding bonds as the discount rate.

19 (g) Such refunding bonds shall have a principal amount or principal
20 amounts sufficient to provide funds for the payment of all or a portion of the
21 prior bonds refunded, and in addition, for the payment of all expenses incident
22 to the calling, retiring, or paying of such prior bonds and the issuance of such
23 refunding bonds, including:

24 (1) the difference in amount between the par value of the
25 refunding bonds and any amount less than par for which the refunding
26 bonds are sold;

1 (2) any amount necessary to be made available for the
2 payment of interest upon such refunding bonds from the date of sale
3 thereof to the date of payment of the prior bonds or to the date upon
4 which the prior bonds will be paid pursuant to the call thereof or
5 agreement with the holders thereof;

6 (3) the premium, if any, necessary to be paid in order to call
7 or retire the prior bonds and the interest accruing thereon to the date of
8 the call or retirement; and

9 (4) any additional amount needed to provide for a deposit to
10 the debt service reserve in connection with the issuance of the refunding
11 bonds.

12 (h) Savings in annual debt service payments from refunding shall be
13 utilized specifically for the direct benefit of the ratepayers. Within ninety (90)
14 days of the completion of the refinancing, the Guam Power Authority and the
15 Guam Public Utilities Commission shall notify *I Liheslaturan Guåhan* of their
16 intent and plan regarding the annual debt service payment savings achieved
17 from the refinancing.

18 **Section 3. Local Sale of Bonds.** The Guam Economic Development
19 Authority shall undertake its best efforts to cause a portion of any bonds issued
20 pursuant to this Act to be offered for sale in Guam, as well as in other jurisdictions,
21 if and to the extent that such offer and any sales resulting from such offer do not
22 increase the cost to the Authority of issuing and repaying such bonds.

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

1 **Section 5. Effective Date.** This Act shall be effective upon enactment.