EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

June 3, 2015

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Tres Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

2015 JUN -4 AM 10:19

Dear Madame Speaker:

Transmitted herewith is Bill No. 15-33 (COR) **"AN ACT TO *AMEND* § 41006 AND SUBSECTION (a)(4) AND (a)(5) OF § 41004 OF ARTICLE 10, CHAPTER 4 OF TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO AMENDING THE REQUIREMENT THAT THE GUAM HOUSING CORPORATION APPROPRIATE A FIXED AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS ($500,000) FROM ITS ANNUAL OPERATING REVENUE TO ENSURE A RESERVE BALANCE OF THE SAME AT THE BEGINNING OF EACH FISCAL YEAR; TO AMENDING THE TIMELINE WITH RESPECT TO THE ANNUAL AUDIT OF THE HOUSING TRUST FUND TO COINCIDE WITH THAT OF THE GUAM HOUSING CORPORATION'S ANNUAL AUDIT; AND TO CLARIFYING CERTAIN PROVISIONS OF A GRANT DEED BETWEEN THE GUAM HOUSING CORPORATION AND MAEDA PACIFIC CORPORATION"** which I signed into law on June 2, 2015, as **Public Law 33-30.**

Senseramente,

EDDIE BAZA CALVO

33-15-0504
Office of the Speaker
Judith T. Won Pat, Ed.D
Date: 06/04/2015
Time: 9:57 AM
Received By: CARL SANCHEZ
CS

0504

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I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN
2015 (FIRST) Regular Session

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

This is to certify that **Substitute Bill No. 15-33 (COR), "AN ACT TO *AMEND* § 41006 AND SUBSECTIONS (a)(4) AND (a)(5) OF § 41004 OF ARTICLE 10, CHAPTER 4 OF TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO AMENDING THE REQUIREMENT THAT THE GUAM HOUSING CORPORATION APPROPRIATE A FIXED AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS ($500,000) FROM ITS ANNUAL OPERATING REVENUE TO ENSURE A RESERVE BALANCE OF THE SAME AT THE BEGINNING OF EACH FISCAL YEAR; TO AMENDING THE TIMELINE WITH RESPECT TO THE ANNUAL AUDIT OF THE HOUSING TRUST FUND TO COINCIDE WITH THAT OF THE GUAM HOUSING CORPORATION'S ANNUAL AUDIT; AND TO CLARIFYING CERTAIN PROVISIONS OF A GRANT DEED BETWEEN THE GUAM HOUSING CORPORATION AND MAEDA PACIFIC CORPORATION",** was on the 29th day of May 2015, duly and regularly passed.

Judith T. Won Pat, Ed.D.
Speaker

Attested:

Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahen Guåhan* this 29 day of May, 2015, at 7:26 o'clock p.M.

Assistant Staff Officer
Maga'lahi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'lahen Guåhan

Date: JUN 0 2 2015

Public Law No. 33-30

I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN
2015 (FIRST) Regular Session

Bill No. 15-33 (COR)
As substituted and amended on the Floor.

Introduced by:

T. R. Muña Barnes
T. C. Ada
V. Anthony Ada
Frank F. Blas, Jr.
FRANK B. AGUON, JR.
B. J.F. Cruz
James V. Espaldon
Brant T. McCreadie
Tommy Morrison
R. J. Respicio
Dennis G. Rodriguez, Jr.
Michael F.Q. San Nicolas
Mary Camacho Torres
N. B. Underwood, Ph.D.
Judith T. Won Pat, Ed.D.

AN ACT TO *AMEND* § 41006 AND SUBSECTIONS (a)(4) AND (a)(5) OF § 41004 OF ARTICLE 10, CHAPTER 4 OF TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO AMENDING THE REQUIREMENT THAT THE GUAM HOUSING CORPORATION APPROPRIATE A FIXED AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS ($500,000) FROM ITS ANNUAL OPERATING REVENUE TO ENSURE A RESERVE BALANCE OF THE SAME AT THE BEGINNING OF EACH FISCAL YEAR; TO AMENDING THE TIMELINE WITH RESPECT TO THE ANNUAL AUDIT OF THE HOUSING TRUST FUND TO COINCIDE WITH THAT OF THE GUAM HOUSING CORPORATION'S ANNUAL AUDIT; AND TO CLARIFYING CERTAIN PROVISIONS OF A GRANT DEED BETWEEN THE GUAM HOUSING CORPORATION AND MAEDA PACIFIC CORPORATION.

CFD0615 - 2222

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. It is the intent of *I Liheslaturan Guåhan* to repeal certain provisions of the Housing Trust Fund statute requiring the Guam Housing Corporation to appropriate Five Hundred Thousand Dollars ($500,000) from its annual operating revenues to ensure that a reserve balance is maintained at the beginning of each fiscal year, and to amend the provisions relating to the timeline on conducting annual audits of the Housing Trust Fund to be consistent with the same time as the Guam Housing Corporation's annual audit; and further, it is the intent of *I Liheslaturan Guåhan* to clarify certain provisions of the Grant Deed With Continuing Conditions and Restrictions, executed on or about October 2010 and approved by Public Law 31-195. All of which are logistical measures meant to ensure the successful execution by the Guam Housing Corporation of its critical mandates.

Section 2. § 41006 of Article 10, Chapter 4, Title 12, Guam Code Annotated, is hereby *amended* to read as follows:

"**§ 41006. Annual Audit.** An annual audit *shall* be conducted on the Fund and *shall* be submitted to *I Maga'lahen Guåhan* and the Speaker of *I Liheslaturan Guåhan* within the same period of the Guam Housing Corporation's annual yearly audit. Such annual audits *shall* be conducted or cause to be conducted by the Office of Public Accountability. The funding for each annual audit *shall* be funded by the GHC in an amount to be approved by the GHC Board of Directors."

Section 3. Subsections (a)(4) and (a)(5) of § 41004 of Article 10, Chapter 4, Title 12, Guam Code Annotated, are hereby *amended* to read:

"(4) For the fiscal years thereafter, up to Two Hundred Fifty Thousand Dollars ($250,000) is hereby appropriated from the GHC's annual

operating and/or non-operating revenues as needed to ensure the reserved balance of the Fund required in Subsection (6) is at least Two Hundred Fifty Thousand Dollars ($250,000) at the beginning of each fiscal year through Fiscal year 2017. For Fiscal Year 2018 the amount appropriated and reserved balance at the beginning of the fiscal year *shall* be reduced to Fifty Thousand Dollars ($50,000). The requirements of this Subsection *shall* be repealed on September 30, 2018.

(5) If, in the fiscal years thereafter, the GHC's annual operating and/or non-operating revenues and/or income are not sufficient to provide the funding necessary to fulfill the requirements set forth in § 41004(a)(4), the difference between what is required and what is appropriated from the GHC's annual operating and/or non-operating revenues and/or income, is hereby appropriated from the GHC's fund balance or its equivalent. The requirements of this Subsection *shall* be repealed on September 30, 2018."

Section 4. Clarification of Grant Deed With Continuing Conditions and Restrictions, Executed On or About October 2010 and Approved by Public Law 31-195. Notwithstanding any other provision of law, the right of reversion contained in the Grant Deed With Continuing Conditions and Restrictions approved by Public Law 31-195 *shall* be triggered only by the failure by the developer to build homes within the nine year period commencing upon the date of enactment of Public Law 31-282. If the current owner or its successor fails to complete construction prior to the expiration of such period, title to the property that remains unconstructed *shall* revert to the Guam Housing Corporation. All other special conditions contemplated *shall* remain enforceable by judicial remedy, but *shall not* be grounds for reversion of the property to the Guam Housing Corporation.

The Guam Housing Corporation, through its Board of Directors, is granted the authority to execute any deed necessary to effectuate the intent of this provision; provided, however, that such actions remain consistent with this Section.

Section 5. Severability. The provisions outlined in this Act are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this statute, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this statute or the validity of its application to other persons or circumstances.

Section 6. Effective Date. The provisions outlined in this Act *shall* become effective upon enactment.