

I MINA'BENTE NUEBI NA LIHESLATURAN GUÅHAN
2008 (SECOND) Regular Session

2008 APR 14 PM 2:12 *ebm*

Bill No. ²⁷¹__ (EC)

Introduced by:

E. J. B. Calvo *EC*

AN ACT TO *AMEND* TITLE 5, CHAPTER 22,
§22415 RELATIVE TO ALLOWING FOR THE
TRANSFER OF PROMISSORY NOTES ISSUED
TO CREDITORS OF THE GOVERNMENT OF
GUAM.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that recent revisions to the issuance of Promissory Notes to Creditors of the Government of Guam have resulted in the inability of these Creditors to transfer their notes to other companies as an option when the Government of Guam was unable to pay its Creditors on a timely basis. The loss of this financing option has had an adverse affect on companies struggling to keep employees on the payroll and their doors open to provide services to the people of Guam. It is therefore the intent of *I Liheslaturan Guåhan* to reinstate the transferability of Promissory Notes issued to Creditors of the Government of Guam by the Department of Administration.

Section 2. Title 5, Chapter 22, §22415 Guam Code Annotated is hereby *amended* to read as follows:

§22415. Promissory Note; Issuance to Creditors. (a) Any creditor of the government of Guam (other than a tort claimant with an adjudicated claim) who is not paid within thirty (30) days of filing his claim may request that the Director of Administration issue a registered, **nontransferable** promissory note in the amount of his claim from the government of Guam, bearing interest at six percent (6%) per annum and maturing one year from its date of issue. **Promissory Notes issued pursuant to this Act shall be issued and payable to "Bearer" to ensure the transferability of such notes.** Within thirty (30) days of the request, the Director of Administration *shall* either issue said promissory note *or shall* deliver to the claimant a statement that part *or* all of the claim is disputed. *If* only part of the claim is disputed, a

1 promissory note *shall* be issued for the undisputed portion. The Director *shall*, in the statement
2 that part *or* all of the claim is disputed, designate a hearing officer for a hearing pursuant to the
3 Administrative Adjudication Law, set a hearing date *not less than* thirty (30) days *nor* more than
4 sixty (60) days from the date of the statement, and indicate with particularity the reasons the
5 claim is disputed. *If* no such statement of disputed claim is issued within thirty (30) days, the
6 claim *shall* be deemed undisputed.

7 (b) The amount of promissory notes issued in a fiscal year pursuant to subsection (a) hereof shall
8 *not exceed* two percent (2%) of the total revenues projected pursuant to Title 2 Guam Code
9 Annotated Chapter 13 for the General Fund for that fiscal year.