

MINA' TRENTAI UNU NA LIHESLATURAN GUÅHAN
2011 (FIRST) Regular Session

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Bill No. 301-31(LS)

Introduced by:

B.J.F. Cruz
T.R. Muña Barnes

AN ACT ADD A *NEW* § 22112 TO CHAPTER 22 OF TITLE 5 OF THE GUAM CODE; RELATIVE TO INTERFUND BORROWING.

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**
2 **Section 1.** A new § 22112 is hereby *added* to Chapter 22 of Title 5, Guam
3 Code Annotated to read:
4 **“§ 22112. Interfund Borrowing.**
5 (a) It is the policy of the Government that interfund loans between the
6 General Fund, the Special Funds, the Capital Project Funds, or the Debt
7 Service Funds may be used to alleviate a temporary cash deficiency. The
8 loan shall be accounted for as a temporary borrowing between funds or
9 accounts and shall not be available for appropriation or be considered
10 revenue to the borrowing fund or account. Amounts loaned shall be repaid
11 within sixty (60) calendar days. Borrowing shall occur only when the fund
12 or account receiving the money will earn sufficient revenue during the
13 current fiscal year, to repay the amount borrowed. No more than fifteen
14 percent (15%) of the maximum of moneys held in any fund or account
15 during a current fiscal year may be loaned.
16 (b) The Director of Administration *shall* certify that such loans *shall*
17 *not* be used to balance the budget of the Borrowing Fund; nor shall they

1 deter any function or project for which the Loaning Fund was established
2 before any interfund loan transaction takes place. The certification shall
3 contain the exact amount of the loan, the funds involved, the purpose of the
4 loan, the specific source of funds for repayment, and the schedule for
5 repayment and the interest rate involved.

6 (c) The Director of Administration shall provide a report within thirty
7 (30) days of any such loans and subsequent repayments, made pursuant to
8 this Section, to the Speaker of *I Liheslaturan Guåhan*.”

9 **Section 2. Effective Date.** This Act shall be effective upon enactment.

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