

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

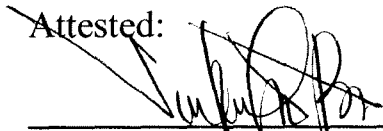
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that **Bill No. 402 (EC)**, "AN ACT TO AMEND §1512.2(b) AND §1512.1(c) OF TITLE 5 OF THE GUAM CODE ANNOTATED, RELATIVE TO THE AUTHORIZATION TO ENTER INTO A LOAN FOR LANDFILL COSTS AND TO PLEDGING ADDITIONAL SECURITY FOR BONDS," was on the 13th day of December, 2008, duly and regularly passed.



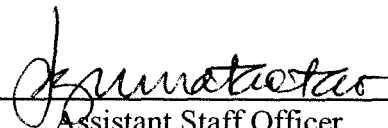
Judith T. Won Pat, Ed. D.
Speaker

Attested:



Tina Rose Muña Barnes
Senator and Secretary of the Legislature

This Act was received by *I Maga'lahen Guåhan* this 15 day of Dec., 2008, at 11:25 o'clock A.M.



Assistant Staff Officer
Maga'lahi's Office

APPROVED:

FELIX P. CAMACHO
I Maga'lahen Guåhan

Date: _____

Public Law No. _____

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

Bill No. 402 (EC)

As amended in the
Committee of the Whole.

Introduced by:

Committee on Calendar

*By request of I Maga'lahaen
Guåhan in accordance with
the Organic Act of Guam.*

**AN ACT TO AMEND §1512.2(b) AND §1512.1(c) OF TITLE 5
OF THE GUAM CODE ANNOTATED, RELATIVE TO THE
AUTHORIZATION TO ENTER INTO A LOAN FOR
LANDFILL COSTS AND TO PLEDGING ADDITIONAL
SECURITY FOR BONDS.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

**Section 1. §1512.2(b) of Title 5, Guam Code Annotated, is hereby
*amended to read:***

“(b) Terms and Conditions. The terms and conditions of the loan
shall be as determined by *I Maga'lahaen 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 5GCA 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

1 interest at such fixed *or* variable rate *or* rates as may be negotiated by *I*
2 *Maga'lahañ Guåhañ* in the best interests of the government, such interest
3 rate *shall not exceed* eight percent (8%) and *shall* be computed on a three
4 hundred sixty-five (365) day calendar year upon the actual amount extended
5 to the government; (7) prepaid charges *shall not* be levied by the bank or
6 entity for opening a loan *or* line of credit; (8) interest derived from the
7 financial agreement *shall* be *exempt* from taxation by the government of
8 Guam; (9) the debt service on the loan *shall* be paid from the solid waste
9 tipping fees; and (10) the lender may require that an amount *not* exceeding
10 the monthly debt service be paid from the solid waste tipping fees into a
11 trust account to satisfy debt service payment as a condition of the loan.”

12 **Section 2. §1512.1(c) of Title 5, Guam Code Annotated, (as enacted by**
13 **Section 16 of P.L. 29-113) is hereby *amended* to read:**

14 “(c) **Valid and Binding.** The bonds authorized by this Section *shall*
15 constitute the valid and binding general obligations of the government of
16 Guam. The government of Guam pledges its full faith and credit and its
17 Section 30 revenues for the punctual payment of both principal of and
18 interest on the bonds and covenants that there *shall* be collected annually in
19 the same manner and at the same time as government revenue for other
20 purposes is collected, such sum as is required to pay the principal of and
21 interest on the bonds. There are hereby appropriated from the General Fund
22 such sums as may be necessary in each year to equal the amount of money
23 necessary to pay the principal and interest on such bonds. The certificate *or*
24 indenture *shall* require interest only payments for Fiscal Years 2009 and
25 2010 and *shall not* require bond principal payments until after such Fiscal
26 Years. All officers charged by law with any duty in the collection of the
27 revenues of the government from which debt service on the bonds will be

1 payable *shall* do every lawful thing necessary to collect such sum. The
2 validity of any such bonds *shall not* be affected by the validity *or* regularity
3 of any proceedings for the payment of the General Fund expenses paid *or* to
4 be paid with the proceeds of the bonds.”

December 11, 2008

To: Judith T. Won Pat, Ed.D.
Speaker

RE: Request for Emergency Certification of Bill 402 (EC)


I am requesting that Bill 402 (EC) be declared an emergency for the purpose of waiving the public hearing requirements.

Bill No. 402 (EC), at the request of *I Maga'lahen Guåhan*, would authorize the government of Guam to secure Twenty Million Dollars (\$20,000,000) to finance costs of the new landfill.

An emergency condition exist involving danger to the public welfare of the people. To ensure that the timelines for meeting this is met, I am requesting that you declare this bill an emergency for the purposes of waiving the requirements of a public hearing.

I look forward to your approval of my request and the swift passage of this legislation.

Si Yu'os Ma'ase'


Rory J. Respicio
Majority Leader

2008 (SECOND) Regular Session

I, Judith T. Won Pat, Speaker of *I Mina'Bente Nuebi Na Liheslaturan Guåhan*, hereby certify, in conformance with Title 2 Guam Code Annotated §2103, *Public Hearings Mandatory*, as amended, that an emergency condition exists involving danger to the public welfare of the people and therefore waive the statutory requirements for a public hearing on Bill Number 402(EC), "AN ACT TO *AMEND* 5 GCA § 1512.2, RELATIVE TO THE AUTHORIZATION TO ENTER INTO LOAN FOR LANDFILL COSTS;" which was introduced on this date, December 11, 2008, and therefore waive the statutory requirements for a public hearing on Bill Number 402(EC).

Date: December 11, 2008



JUDITH T. WON PAT, Ed. D.
Speaker