

I Mina'Trentai Dos Na Liheslaturan Guahan
Bill Log Sheet

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES
207-32 (COR)	T.C. Ada R.J. Respicio	AN ACT TO ADD §8241.1 OF TITLE 12 OF THE GUAM CODE ANNOTATED AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM.	10/11/2013 4:39 p.m.	10/14/13	Committee on Public Safety, Infrastructure, & Maritime Transportation			Fiscal Note Request 10/14/13



COMMITTEE ON RULES

I Mina'trentai Dos na Liheslaturan Guåhan • The 32nd Guam Legislature
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MAJORITY LEADER

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VICE CHAIRPERSON
ASSISTANT MAJORITY LEADER

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Member

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Dennis G. Rodriguez, Jr.
Member

Vice-Speaker
Benjamin J.F. Cruz
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Legislative Secretary
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Senator
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Senator
Michael F.Q. San Nicolas
Member

Senator
V. Anthony Ada
Member
MINORITY LEADER

Senator
Aline Yamashita
Member

October 14, 2013

VIA E-MAIL
john.rios@bbmr.guam.gov

John A. Rios
Director
Bureau of Budget & Management Research
P.O. Box 2950
Hagåtña, Guam 96910

RE: Request for Fiscal Notes– Bill Nos. 204-32 (COR) through 208-32 (COR)

Hafa Adai Mr. Rios:

Transmitted herewith is a listing of *I Mina'trentai Dos na Liheslaturan Guåhan's* most recently introduced bills. Pursuant to 2 GCA §9103, I respectfully request the preparation of fiscal notes for the referenced bills.

Si Yu'os ma'åse' for your attention to this matter.

Very Truly Yours,

Senator Rory J. Respicio
Chairperson, Committee on Rules

Attachments (1)

Cc: Clerk of the Legislature

2013 OCT 14 PM 4:43

Bill Nos.	Sponsor	Title
204-32 (COR)	Michael T. Limitiaco, Aline A. Yamashita, Ph.D., Tommy Morrison, Chris M. Duenas, V. Anthony Ada	AN ACT TO AMEND §§7105-7108 OF 17 GCA, RELATIVE TO THE AUTHORIZATION OF COMMERCIAL ADVERTISING LEASES; TO AUTHORIZE THE DEPARTMENT OF PUBLIC WORKS TO ESTABLISH A COMMERCIAL ADVERTISING SPACE PROGRAM ON SCHOOL BUSES; AND, TO ESTABLISH THE DPW BUS MAINTENANCE FUND.
205-32 (COR)	Dennis G. Rodriguez, Jr. Brant T. McCreadie R. J. Respicio	AN ACT TO PROMOTE ECONOMIC DEVELOPMENT BY AUTHORIZING THE ISSUANCE OF TAX CREDITS TO ENTITIES WHO ASSIST WITH THE DEVELOPMENT OF GUAM'S AGRICULTURAL AND "GUAM PRODUCT SEAL" PRODUCTS EXPORT INITIATIVE THROUGH CONTRIBUTIONS TO OFFSET SHIPPING COSTS, BY ADDING A NEW ARTICLE 6 TO CHAPTER 77, DIVISION 2 OF TITLE 12, GUAM CODE ANNOTATED.
206-32 (COR)	B. J.F. Cruz	AN ACT TO AMEND SUBSECTION (C) OF §26603, OF ARTICLE 6, CHAPTER 26, OF TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING TAX PARITY BETWEEN CIGARETTES AND CHEWING TOBACCO.
207-32 (COR)	T.C. Ada R.J. Respicio	AN ACT TO ADD §8241.1 OF TITLE 12 OF THE GUAM CODE ANNOTATED AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM.
208-32 (COR)	T. R. Muña Barnes	AN ACT TO ADD § 51112 OF CHAPTER 51, TITLE 18 GUAM CODE ANNOTATED RELATIVE TO PROVIDING AN ADDITIONAL SOURCE OF FUNDING TO THE GUAM HOUSING CORPORATION'S HOUSING TRUST FUND BY AUTHORIZING THE TRANSFER TO THE SAME OF INTEREST ON SECURITY DEPOSITS ARISING FROM LANDLORD TENANT RENTAL AGREEMENTS.



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MEMORANDUM

To: **Rennae Meno**
Clerk of the Legislature

Attorney Therese M. Terlaje
Legislative Legal Counsel

From: **Senator Rory J. Respicio**
Majority Leader & Rules Chair

Subject: **Referral of Bill No. 207-32(COR)**

As the Chairperson of the Committee on Rules, I am forwarding my referral of **Bill No. 207-32(COR)**.

Please ensure that the subject bill is referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Dos na Liheslaturan Guåhan*.

Should you have any questions, please feel free to contact our office at 472-7679.

Si Yu'os Ma'åse!

Attachment

I MINA TRENTAI DOS LIHESLATURAN GUÁHAN
2013 (First) Regular Session

Bill No. 207-32(COR)

Introduced by:

T.C. Ada 
R.J. Respicio 

**AN ACT TO ADD §8241.1 OF TITLE 12 OF THE GUAM
CODE ANNOTATED AND TO APPROVE THE TERMS
AND CONDITIONS OF GUAM POWER AUTHORITY
REVENUE BONDS TO FINANCE CAPITAL
IMPROVEMENTS TO THE ISLAND-WIDE POWER
SYSTEM.**

2013 OCT 11 PM 4:39 

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

2 **Section 1. Addition of §8241.1 to Title 12 of the Guam Code Annotated.** A
3 new §8241.1 is added to Title 12 of the Guam Code Annotated to read as follows:

4 **“§8241.1. Authorization for Interim Financing.**

5 a) Authorization for Interim Financing. The Authority is authorized to issue and sell
6 short-term revenue bonds (the “Interim Bonds”) using a direct sale of such bonds
7 to a bank or financial institution licensed to do business in Guam or the United
8 States selected pursuant to a competitive procurement process conducted by
9 GEDA on behalf of the Authority; *provided* that such Interim Bonds shall be
10 issued in a single issue as senior revenue bonds in accordance with the
11 Authority’s existing senior revenue bond indenture.

12 b) Purpose of Interim Bonds. The proceeds of the Interim Bonds shall be used solely
13 for the following purposes:

- 14 1. Paying the costs of constructing System improvements to bring the Authority
15 into compliance with recently enacted United States Environmental Protection
16 Agency (USEPA) regulations;
- 17 2. Paying the costs of providing general improvements to the Authority’s power
18 generation, transmission, distribution, SCADA and Information Technology
19 systems;
- 20 3. Paying the costs of implementing the Authority’s Cyber Security Plan,
- 21 4. Funding the required reserves under the senior bond indenture; and,

1 5. Paying the costs of issuance of the Interim Bonds.

2 c) Interim Bond Terms and Conditions. The Interim Bonds shall have:

3 1. An aggregate principal amount not to exceed Thirty-Five Million Dollars
4 (\$35,000,000);

5 2. A final maturity not later than five years from the date of issuance of the
6 Interim Bonds;

7 3. Principal payments due no sooner than two years after the date of issuance of
8 the Interim Bonds;

9 4. Prepayment options by the Authority without penalty starting no later than
10 two years after the date of issuance of the Interim Bonds;

11 5. A fixed interest rate, a variable interest rate, or an initial fixed rate period
12 followed by a variable rate, *provided* that any fixed rate, whether for an initial
13 fixed rate period or for the full term of the bonds, shall not exceed four
14 percent (4.0%) per annum, and any variable rate shall not exceed twelve
15 percent (12.0%) per annum, notwithstanding §8214 of Title 12 of the Guam
16 Code Annotated; and,

17 6. A covenant that the Authority shall not issue long term senior revenue bonds
18 for any purpose other than refinancing the Interim Bonds so long as the
19 Interim Bonds remain outstanding.

20 d) Pursuant to §50103(k) of Title 12 of the Guam Code Annotated, *I Liheslaturan*
21 *Guåhan* hereby approves the terms and conditions of Interim Bonds issued in
22 accordance with this Section.”

23
24 **Section 2. Approval of the Terms and Conditions of Guam Power Authority**
25 **Long Term Revenue Bonds.**

26 *I Liheslaturan Guåhan*, pursuant to §50103(k) of Title 12 of the Guam Code
27 Annotated, hereby approves the terms and conditions of the issuance and sale of revenue
28 bonds by GPA, in one or more series or issues, as senior revenue bonds in accordance
29 with its existing senior revenue bond indenture, for the purpose of refinancing all Interim
30 Bonds issued pursuant to §8241.1 of Title 12 of the Guam Code Annotated and to
31 continue the Authority’s investment in the island wide power system involving

1 generation, transmission, and distribution assets to improve reliability, efficiency and
2 power service and to comply with environmental regulations (the “Long Term Bonds”);
3 *provided* that the Long Term Bonds shall have a principal amount not to exceed One
4 Hundred Million Dollars (\$100,000,000), shall have a final maturity not later than 2050,
5 shall accrue interest at rates that shall not exceed the limitation of 9% set forth in
6 §8214(a) of Title 12 of the Guam Code Annotated, and shall be sold for such price or
7 prices as shall result in a net yield to the bondholders not exceeding the rate specified by
8 said §8214(a).

9 The issuance of any and all such Long Term Bonds shall be further subject to the
10 following requirements, limitations, terms and conditions:

- 11 a) Such bonds shall be issued and sold pursuant to GPA’s existing senior bond
12 indenture (including any amendments in accordance with its terms to provide
13 for the issuance of the bonds described herein) and in compliance with the
14 provisions of Article 2 of Chapter 8 of Title 12 of the Guam Code Annotated,
15 including approval by the CCU and by *I Maga’lahen Guåhan* as provided
16 therein;
- 17 b) The sale of the bonds shall be approved by the Board of Directors of GEDA
18 as provided by §50103(k) of Chapter 50 of Title 12 of the Guam Code
19 Annotated and the terms and conditions of the issuance of the bonds shall be
20 approved by the GPUC as provided by Chapter 12 of Title 12 of the Guam
21 Code Annotated; and,
- 22 c) The proceeds of the bonds shall be applied as a first priority to pay or provide
23 for the payment of all outstanding Interim Bonds issued pursuant to §8241.1
24 of Title 12 of the Guam Code Annotated and thereafter shall be applied to pay
25 the costs of issuance of the bonds, to pay the cost of any credit enhancement
26 of the bonds, to provide for required reserves, and, subject to approval by the
27 GPUC in accordance with §12004 Article 2 Chapter 12 of Title 12 of the
28 Guam Code Annotated, to pay the costs of the projects described above,
29 including the projects authorized to be financed by the Interim Bonds.

30

1 **Section 3. Severability.** *If* any provision of this law or its application to any person
2 or circumstance is found to be invalid or contrary to law, such invalidity *shall not* affect
3 other provisions or applications of this law which can be given effect without the invalid
4 provisions or application, and to this end the provisions of this law are severable.