

I MINA'BENTE NEUBI NA LIHESLATURAN GUÅHAN
2007 (FIRST) Regular Session

Resolution No. 4 (EC)

As amended by the Author.

Introduced by:

v. c. pangelinan
Frank F. Blas, Jr.
Edward J.B. Calvo
James V. Espaldon
Mark Forbes
Judith Paulette Guthertz
Frank T. Ishizaki
J. A. Lujan
Tina Rose Muña Barnes
A. B. Palacios, Sr.
R. J. Respicio
David L.G. Shimizu
Ray Tenorio
A. R. Unpingco
J. T. Won Pat

Relative to authorizing *I Maga'lahaen Guåhan* to arrange a line of credit for an additional Four Million Dollars (\$4,000,000) pursuant to §22413 of 5 G.C.A. Division 2, Chapter 22, Article 4, to make available a total of Ten Million Dollars (\$10,000,000) for partial payments to the COLA class pursuant to Superior Court of Guam Case No. SP 0206-93.

1 **BE IT RESOLVED BY I MINA'BENTE NEUBI NA LIHESLATURAN**
2 **GUÅHAN:**

3 **WHEREAS**, on November 21, 2006, in *Rios, et al. v. Camacho, et al.*,
4 Superior Court of Guam Case No. SP 0206-93, a final judgment was issued
5 ordering the government of Guam to pay One Hundred Twenty-three Million
6 Five Hundred Eighty Thousand Two Hundred Thirty-one Dollars
7 (\$123,580,231) to the Cost of Living Allowance retiree class; and

8 **WHEREAS**, P.L. 28-151 authorized *I Maga'lahaen Guåhan* to facilitate
9 initial payment pursuant to the judgment; and

10 **WHEREAS**, Executive Order 2006-30 was enacted on November 28,
11 2006, thereby creating an agreement with a consortium of lending and
12 investment institutions for the purpose of paying the Cost of Living
13 Allowance award in accordance with P.L. 28-151 and the court judgment; and

14 **WHEREAS**, despite assurances that Twenty-three Million Dollars
15 (\$23,000,000) would be paid towards the COLA judgment, not one of the four
16 thousand seven hundred eighty-seven (4,787) member retiree class has
17 received any payment; and

18 **WHEREAS**, Bill No. 23, a measure recently transmitted to *I Liheslaturan*
19 *Guåhan* seeking approval of the agreement between the said consortium and
20 the government of Guam, is subject to the outcome of *Limtiaco v. Camacho*,
21 U.S. Supreme Court Case No. 06-116, pending before the United States
22 Supreme Court; and

1 **WHEREAS**, without further delay, the government of Guam desires to
2 fulfill its obligation to pay the COLA judgment by all possible means; and

3 **WHEREAS**, *I Maga'lahaen Guåhan* is authorized pursuant to §22413 of 5
4 G.C.A. Division 2, Chapter 22, Article 4 to arrange a line of credit for Six
5 Million Dollars (\$6,000,000) and up to Ten Million Dollars (\$10,000,000),
6 provided that any amount exceeding Six Million Dollars (\$6,000,000) must be
7 approved by a resolution passed by *I Liheslaturan Guåhan*; and

8 **WHEREAS**, this Resolution intends to authorize *I Maga'lahi* to make an
9 initial payment in an amount up to Ten Million Dollars (\$10,000,000) by
10 pledging §30 funds due the government; and

11 **WHEREAS**, the Ten Million Dollars (\$10,000,000) authorized hereby
12 will pay in full the one thousand ninety-two (1,092) award recipients whose
13 COLA awards are between One Dollar (\$1) and Ten Thousand Dollars
14 (\$10,000) with a single payment and will pay the remaining three thousand six
15 hundred ninety-five (3,695) award recipients One Thousand Two Hundred
16 Eighty-eight Dollars and Seventy Cents (\$1,288.70) towards their respective
17 awards; and

18 **WHEREAS**, the COLA judgment is a part of the government's deficit
19 and partial pay downs of such deficit on an annual basis from any current
20 year revenues, including §30 funds, would not be considered a debt in
21 accordance with *In re: Request of Governor Felix P. Camacho Relative to the*
22 *Interpretation and Application of Section 11 of the Organic Act of Guam*, 2003 WL
23 21697180 (Guam July 23, 2003) and *Barrett-Anderson v. Crisostomo, et al.*,

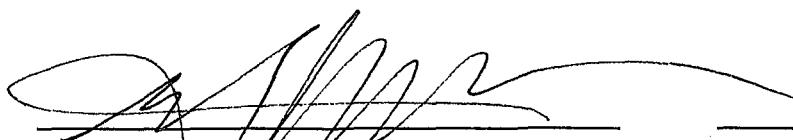
1 Superior Court of Guam Civil Case No. CV0651-89 (November 21, 1989), and
2 therefore, would *not* implicate the government's debt ceiling; now, therefore,
3 be it

4 **RESOLVED**, that *I Mina'Bente Nuebi Na Liheslaturan Guåhan* does
5 hereby, on behalf of the people of Guam, authorize *I Maga'lahen Guåhan* to
6 arrange an additional Four Million Dollars (\$4,000,000) line of credit in excess
7 of the Six Million Dollars (\$6,000,000) authorized by §22413 of 5 G.C.A.
8 Division 2, Chapter 22, Article 4 for a total of Ten Million Dollars (\$10,000,000)
9 for the purpose of making an initial and partial payment to the COLA class;
10 and be it further

11 **RESOLVED**, that *I Mina'Bente Nuebi Na Liheslaturan Guåhan* does
12 hereby, on behalf of the people of Guam, recognize that this is a partial
13 payment as a sign of good faith on the part of the government, and *I Maga'lahi*
14 and *I Liheslatura* will continue to pursue all other available means, including
15 the consortium loan, to fully pay the retirees the award less the Ten Million
16 Dollars (\$10,000,000) or any other amount paid out hereunder; and be it
17 further


18 **RESOLVED**, that the Speaker certify, and the Secretary of the
19 Legislature attest to, the adoption hereof, and that copies of the same be
20 thereafter transmitted to the Honorable Felix P. Camacho, *I Maga'lahen*
21 *Guåhan*.

DULY AND REGULARLY ADOPTED BY I MINA'BENTE NUEBI NA LIHESLATURAN GUÁHAN ON THE 19TH DAY OF MARCH 2007.



MARK FORBES

Speaker



RAY TENORIO

**Senator and
Secretary of the Legislature**