



EDDIE BAZA CALVO  
Governor

RAY TENORIO  
Lieutenant Governor

*Office of the Governor of Guam*

JUL 05 2013

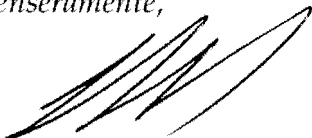
Honorable Judith T. Won Pat, Ed.D.  
Speaker  
*I Mina'trentai Dos Na Liheslaturan Guåhan*  
155 Hesler Street  
Hagåtña, Guam 96910

32-13-563  
Office of the Speaker  
Judith T. Won Pat, Ed. D.  
Date 7/8/13  
Time 4:32  
Received by [Signature]

Dear Madame Speaker:

Transmitted herewith is Bill No.132-32 (LS) "AN ACT TO ADD A NEW SUBSECTION 10 AND A NEW SUBSECTION 11 TO §80109(S) OF DIVISION 4, CHAPTER 80 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO EXPANDING THE BORROWING ABILITY OF THE GUAM MEMORIAL HOSPITAL AUTHORITY BY PLEDGING COMPACT IMPACT FUNDS AS A REPAYMENT SOURCE FOR THE ADDITIONAL AVAILABLE BALANCE; AND TO PROHIBIT NET PAY BY THE GUAM MEMORIAL HOSPITAL AUTHORITY" which I signed into law on July 1, 2013 as Public Law 32-043.

*Senseramente,*

  
EDDIE BAZA CALVO  
*I Maga'lahaen Guåhan*  
Governor of Guam

2013 JUL -8 PM 5:00 [Signature]

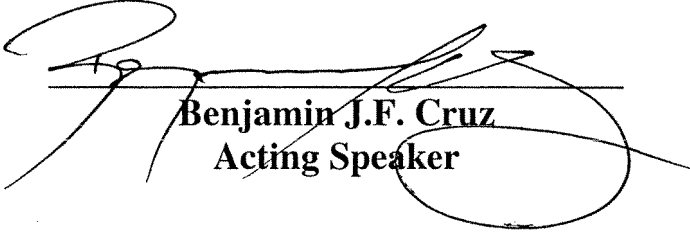
Attachment: copy of Bill




*I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN*  
2013 (FIRST) Regular Session

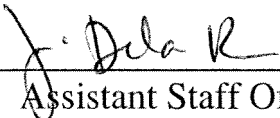
**CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN**


This is to certify that **Substitute Bill No. 132-32 (LS)**, "AN ACT TO ADD A NEW SUBSECTION 10 AND A NEW SUBSECTION 11 TO §80109(S) OF DIVISION 4, CHAPTER 80 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO EXPANDING THE BORROWING ABILITY OF THE GUAM MEMORIAL HOSPITAL AUTHORITY BY PLEDGING COMPACT IMPACT FUNDS AS A REPAYMENT SOURCE FOR THE ADDITIONAL AVAILABLE BALANCE; AND TO PROHIBIT NET PAY BY THE GUAM MEMORIAL HOSPITAL AUTHORITY", was on the 24<sup>th</sup> day of June, 2013, duly and regularly passed.

  
Benjamin J.F. Cruz  
Acting Speaker

Attested:  
  
Thomas C. Ada  
Acting Legislative Secretary

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This Act was received by *I Maga'lahaen Guåhan* this 26<sup>th</sup> day of June, 2013, at 3:00 o'clock P.M.

  
Assistant Staff Officer  
*Maga'lahaen's Office*

APPROVED:  
  
EDWARD J.B. CALVO  
*I Maga'lahaen Guåhan*

Date: JUL 01 2013

Public Law No. 32-043

*I MINA'TRENTAI DOS NA LIHESLATURAN GUAHAN*  
**2013 (FIRST) Regular Session**

**Bill No 132-32 (LS)**

As substituted by the Committee on Health & Human Services,  
Health Insurance Reform, Economic Development,  
and Senior Citizens; and amended on the Floor.

Introduced by:

Dennis G. Rodriguez, Jr.  
Aline A. Yamashita, Ph.D.  
V. Anthony Ada  
R. J. Respicio  
T. C. Ada  
Frank B. Aguon, Jr.  
B. J.F. Cruz  
Chris M. Dueñas  
Michael T. Lintiacó  
Brant T. McCreadie  
Tommy Morrison  
T. R. Muña Barnes  
Vicente (ben) C. Pangelinan  
Judith T. Won Pat, Ed.D.

**AN ACT TO ADD A NEW SUBSECTION 10 AND A NEW  
SUBSECTION 11 TO §80109(s) OF DIVISION 4,  
CHAPTER 80 OF TITLE 10, GUAM CODE  
ANNOTATED, RELATIVE TO EXPANDING THE  
BORROWING ABILITY OF THE GUAM MEMORIAL  
HOSPITAL AUTHORITY BY PLEDGING COMPACT  
IMPACT FUNDS AS A REPAYMENT SOURCE FOR  
THE ADDITIONAL AVAILABLE BALANCE; AND TO  
PROHIBIT NET PAY BY THE GUAM MEMORIAL  
HOSPITAL AUTHORITY.**

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

2           **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that the Guam Memorial Hospital Authority is seriously underfunded, resulting in  
4 consistent, chronic shortages in all operational areas that jeopardize the ability of  
5 the Guam Memorial Hospital to adequately fulfill its mission.

6           The full scope and negative impact of the Guam Memorial Hospital  
7 Authority's outstanding debts, in excess of Twenty-three Million Dollars  
8 (\$23,000,000), came to light during the Joint Status Hearing conducted by the  
9 Committee on Health & Human Services and the Committee on Appropriations,  
10 Public Debt, Legal Affairs, Retirement, Public Parks, Recreation, Historic  
11 Preservation and Land on April 18, 2012. *I Liheslaturan Guåhan* further finds that  
12 in 2012, the federally approved discount provider for medical supplies intercepted  
13 approximately Five Hundred Thousand Dollars (\$500,000) (taken from Medicare  
14 reimbursements through the U.S. Treasury), for non-payment of GMHA's debt. In  
15 March 2013, GMHA, through the efforts of Governor Edward Calvo, paid Five  
16 Million Dollars (\$5,000,000) of its outstanding obligations using Compact-Impact  
17 funds, thus reducing its obligation to approximately Eighteen Million Dollars  
18 (\$18,000,000) as of March 31, 2013. The retirement of GMHA's debt is essential  
19 to its ability to focus on patient care and its preventive programs. The provision of  
20 medical care should be the core of the Hospital's mission, not the burden placed on  
21 operations by its debt. For the past seven months in Fiscal Year 2013, GMHA has  
22 accumulated approximately over half a million dollars in interest charges from  
23 vendors. This added burden further exacerbates GMHA's financial condition.

24           *I Liheslaturan Guåhan* further finds that Public Law 30-200, as amended by  
25 Public Law 30-235, authorized the GMHA to enter into a line of credit, revolving  
26 fund, or direct loan not to exceed Twenty-five Million Dollars (\$25,000,000).  
27 However, only Twelve Million Dollars (\$12,000,000) has been borrowed to date. *I*

1 *Liheslaturan Guåhan* further finds that Governor Edward Calvo has committed to  
2 pledge Two Million Dollars (\$2,000,000) annually from Compact Impact funds to  
3 the Guam Memorial Authority specifically to use as a repayment source for this  
4 purpose.

5 It is the intent of *I Liheslaturan Guåhan* to allow the financing of GMHA's  
6 debt using *I Maga'lahaen Guåhan's* pledge of Compact Impact funds as the  
7 repayment source for the additional Thirteen Million Dollars (\$13,000,000)  
8 balance or any available balance of the Twenty-five Million Dollars (\$25,000,000)  
9 borrowing authority, pursuant to Public Law 30-200, whichever is greater.

10 **Section 2.** A new Subsection (10), in conformance with Public Law 30-  
11 235, and a Subsection (11) are hereby *added* to § 80109(s) of Chapter 80, Division  
12 4 of Title 10, Guam Code Annotated, to read as follows:

13 “(10) This Guarantee is a general obligation of the government of  
14 Guam, subject to the full faith and credit of the government of Guam. The  
15 Guarantor consents to any and all extension of time and waiver or  
16 modification of obligations guaranteed hereunder.

17 (11) *I Maga'lahaen Guåhan*, the Governor of Guam, at his discretion  
18 and with his consent, may pledge Compact Impact Funds received from the  
19 Department of Interior as a source of funding to secure the balance of the  
20 Twenty-five Million Dollar line of credit, revolving loan fund, and/or a  
21 direct loan authorized in this Act to be used for the reduction of the Guam  
22 Memorial Hospital Authority's vendor payables.”

23 **Section 3. Net Pay Not Permitted.** Notwithstanding any other provisions  
24 of law, rule, or regulation, no certifying officer, administrator, or employee of the  
25 Guam Memorial Hospital Authority shall authorize the issuance of net pay at the  
26 authority. For the purpose of this Section, “net pay” *shall* mean the remaining  
27 amount after deductions from the gross salary, where net means ultimate and an

1 amount is issued to an employee without the full payment of all payroll deductions  
2 due to each employee at the Authority. The issuance of net pay by any certifying  
3 officer, administrator, or employee of the Guam Memorial Hospital Authority *shall*  
4 be grounds for termination.