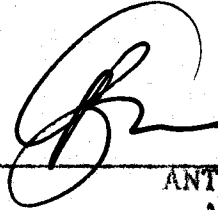


FIFTEENTH GUAM LEGISLATURE
1979 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 310, "An Act to create a new Section 6120 to Title VII, Chapter II of the Government Code of Guam to authorize the Governor of Guam to negotiate a line of credit with any registered bank on Guam that acts as a depository of government monies and for other purposes", was on the 14th day of June 1979, duly and regularly passed.



ANTONIO R. UNPINGCO
Acting Speaker

ATTESTED:



ANTONIO M. PALOMO
Acting Legislative Secretary

This Act was received by the Governor this 24th day of
June 1979, at 4:45 o'clock P.M.



SHERRA L. FRANCISCO
Assistant Staff Officer
Governor's Office

APPROVED:



PAUL M. CALVO
Governor of Guam

DATED: JULY 7, 1979

PL 15-53

FIFTEENTH GUAM LEGISLATURE
1979 (FIRST) Regular Session

Bill No. 310
(As Substituted by
the Committee on
Ways and Means)

Introduced by

A. C. Lamorena III
A. R. Unpingco
F. F. Blas
K. B. Aguon
C. C. Bamba
E. T. Charfauros
T. C. Crisostomo
E. R. Duenas
E. M. Espaldon
C. A. Kasperbauer
A. M. Palomo
B. M. Palomo
P. F. Perez, Jr.
J. F. Quan
F. J. Quitugua
J. T. San Agustin
F. R. Santos
R. Q. Sudo
R. F. Taitano
T. V. C. Tanaka
J. H. Underwood

AN ACT TO CREATE A NEW SECTION 6120 TO TITLE
VII, CHAPTER II OF THE GOVERNMENT CODE OF GUAM
TO AUTHORIZE THE GOVERNOR OF GUAM TO NEGOTIATE
A LINE OF CREDIT WITH ANY REGISTERED BANK ON
GUAM THAT ACTS AS A DEPOSITORY OF GOVERNMENT
MONIES AND FOR OTHER PURPOSES.

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

2 Section 1. A new Section 6120 is hereby added to Title VII,
3 Chapter II of the Government Code of Guam to read as follows:

4 "Section 6120. The Governor, on behalf of the govern-
5 ment of Guam, is authorized to arrange a line of credit
6 not to exceed Three Million Dollars (\$3,000,000) with any
7 bank or commercial lending institutions licensed on Guam.
8 The terms of the line of credit shall include the following:

9 (a) The line of credit shall be used by the
10 Governor in cases where a cash shortage is eminent and
11 a strong likelihood exists that the shortage could
12 hamper governmental operations.

1 (b) Prepaid charges shall not be levied by the
2 bank or trust department for opening the line of credit.

3 (c) The interest rate shall be subject to negotia-
4 tion between the Governor and the bank. In no case,
5 however, shall the interest rate exceed nine percentum
6 (9%) per annum. Such interest rate shall be computed
7 on a monthly average and based on the actual amounts
8 extended to the government.

9 (d) Interest derived from the line of credit shall
10 be exempt from taxation by the government of Guam.

11 (e) All terms of the line of credit agreement not
12 specifically defined in the foregoing shall be nego-
13 tiated by the Governor in the best interest of the
14 people of Guam.

15 (f) Any amount borrowed shall be repaid within
16 one (1) year. Funds necessary for such repayment of
17 interest and principal are appropriated from the General
18 Fund. In no case shall any amount borrowed be re-
19 financed permitting repayment more than one (1) year
20 after the loan is made. If any amount borrowed cannot
21 be repaid within one (1) year, the provisions of this
22 section shall be suspended until all amounts borrowed
23 under the line of credit are repaid."

24 Section 2. (a) The sum of Five Hundred Thousand Dollars
25 (\$500,000) is appropriated from the General Fund for the purpose
26 of paying a portion of the purchase price of the Medical Center
27 of the Marianas.

1 (b) The Governor, on behalf of the government of Guam, is
2 authorized to borrow from any commercial lending institution the
3 sum of Five Hundred Thousand Dollars (\$500,000) upon such terms
4 and conditions as are in the best interest of the people of Guam,
5 but in no event shall this interest exceed nine percentum (9%)
6 per annum. Interest earned by the lending institution shall be
7 exempt from taxation by the government of Guam. The proceeds
8 of the loan shall be used to pay the portion owed by the govern-
9 ment of Guam for the purchase price of the Medical Center of the
10 Marianas. Such funds as are necessary are appropriated from the
11 General Fund for repayment of the loan authorized by this section.

12 Section 3. Section 1, paragraph (4) of P. L. 14-91 is
13 hereby repealed.

14 Section 4. The Governor of Guam is hereby authorized to
15 borrow not to exceed Thirty Million Dollars (\$30,000,000) for the
16 purpose of implementing Capital Improvement Highway and/or Mass
17 Transit Projects provided, however, that the terms and conditions
18 of the loan shall be approved by the Legislature.

19 Section 5. Except such sums as are necessary to pay for
20 the adequate maintenance and upkeep of the streets, roads and
21 highways in the territory, all revenues deposited in the Terri-
22 torial Highway Fund for the purpose of implementing Capital
23 Improvement Highway and/or Mass Transit Projects may be used to
24 guarantee the repayments of the loan agreement made under Section
25 4 of this Act. All Capital Improvement Highway and/or Mass
26 Transit Projects to be funded from the provisions of this Act
27 must be reviewed pursuant to P. L. 11-82 and approved by the
28 Governor prior to their implementation.

1 Section 6. The Director of the Department of Public Works
2 is required to submit to the Legislature, at least once each
3 fiscal year, a status report of the highway and or mass transit
4 projects approved under the provisions of Sections 4 and 5 of this
5 Act. This status report shall include:

- 6 (A) Project Description
- 7 (B) Project Location
- 8 (C) Project Costs
- 9 (D) Sources of Funding
- 10 (E) Status of the Project

11 Section 7. The Department of Administration, Department
12 of Public Works and the Bureau of Budget and Management Research
13 are hereby directed to initiate whatever steps are necessary
14 to implement the intent and provisions of Sections 4, 5, 6 and
15 7 of this Act.

DATE

6-12-19

15TH GUAM LEGISLATURE

VOTING RECORD

BILL/RESOLUTION NO.

310, amended

MAIN SPONSOR
NOT
VOTING

ACL III

SENATOR	AYE	NAY	MAIN SPONSOR NOT VOTING	ABSENT
AGUON, Katherine B.	out			
BAMBA, Cecilia C.	✓			
BLAS, Frank F.	✓			
CHARFAUROS, Edward T.	X		✓	
CRISOSTOMO, Thomas C.	✓			
DUENAS, Edward R.	✓			
ESPALDON, Ernesto M.	✓			
KASPERBAUER, Carmen A.	✓			
LAMORENA, Alberto C., III	✓			
PALOMO, Antonio M.	✓			
PALOMO, Benigno M.	✓			
PEREZ, Peter, Jr.	✓			
QUAN, John F.	X			
QUITUGUA, Franklin J.	✓			
SAN AGUSTIN, Joe T.	✓			
SANTOS, Francisco R.	✓			
SUDO, Ramon Q.	✓			
TAITANO, Richard F.	✓			
TANAKA, Thomas V. C.		✓		
UNDERWOOD, James H.	✓			
UNPINGCO, Antonio R.	✓			

TOTAL

18 2 0 1