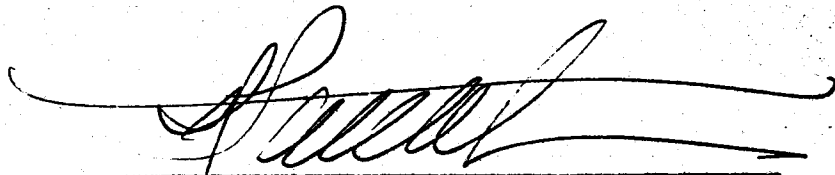


SIXTEENTH GUAM LEGISLATURE
1981 (FIRST) Regular Session

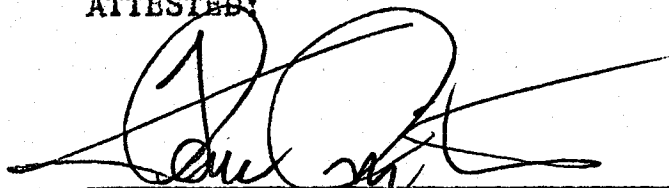
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 464, "An Act making supplemental appropriations and authorizing reappropriations to discharge past obligations to utilities," was on the 28th day of August 1981, duly and regularly passed.



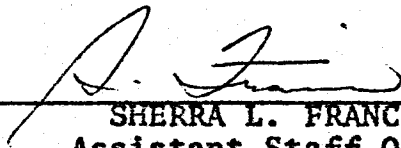
THOMAS V. C. TANAKA
Speaker

ATTESTED:



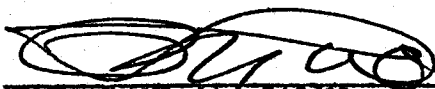
THOMAS C. CRISOSTOMO
Legislative Secretary

This Act was received by the Governor this 4th day of
September, 1981, at 9:30 o'clock A.M.



SHERRA L. FRANCISCO
Assistant Staff Officer
Governor's Staff

APPROVED:



PAUL M. CALVO
Governor of Guam

DATED: Sept 11, 1981 2:55 pm

P.L. 16-38

SIXTEENTH GUAM LEGISLATURE
1981 (FIRST) Regular Session

Bill No. 464
(As Substituted by
the Committee on
Ways and Means)

Introduced by:

Committee on Rules
at the request of the Governor

AN ACT MAKING SUPPLEMENTAL APPROPRIATIONS AND
AUTHORIZING REAPPROPRIATIONS TO DISCHARGE PAST
OBLIGATIONS TO UTILITIES.

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

2 Section 1. (a) Statement of Legislative Finding. Upon the
3 basis of public hearings, lengthy debate and the general awareness
4 that the members of the Legislature have of the facts that exist
5 relative to the financial condition of Guam Power Authority, the
6 Legislature finds:

7 (1) Guam Power Authority is on the verge of insolvency.
8 Without help in the form of a direct subsidy by the Legisla-
9 ture from the General Fund, Guam Power Authority cannot con-
10 tinue to meet its obligations to employees and creditors
11 on a timely basis.

12 (2) If Guam Power Authority is permitted by the Legisla-
13 ture to become insolvent, the health, safety and welfare of
14 every person in the territory will be imperiled. If the
15 lights go off, the people will be truly powerless; our
16 island's economy will be destroyed. Moreover, a cessation
17 of operations by Guam Power Authority would severely impair
18 the national defense capability that the United States
19 maintains on Guam.

1 (3) The Legislature has determined that the resolution
2 of the problems of Guam Power Authority lies in:

3 (1) Terminating the Joint Power Pool Agreement
4 which is grossly unbalanced in favor of the military.

5 (ii) Conveying the interest of the federal govern-
6 ment in the islandwide power system to the government
7 of the territory.

8 (iii) Renegotiating the federally guaranteed \$36
9 million loan Guam Power Authority has to reduce the
10 usurious interest rate that is now borne by the con-
11 sumers of Guam Power Authority.

12 (b) Requirement of response. No later than 30 days
13 from the date of this Act, the Board of Directors and the
14 Governor shall each submit to the Speaker of the Legislature
15 their written concurrence or disagreement with the con-
16 clusions stated by the Legislature in Section 1(a)(3) of
17 this Act. In either event, reasons, therefor, shall be
18 stated.

19 Section 2. One Million Eight Hundred Thousand Dollars
20 (\$1,800,000) is appropriated from the General Fund to the Guam
21 Power Authority for the purpose of discharging all unpaid obliga-
22 tions of the Department of Labor (\$3,300), the Commissioner's
23 Council (\$20,000), Guam Memorial Hospital Authority (\$210,600),
24 Government House (\$3,400), the Department of Public Safety
25 (\$17,300) and the Public Utility Agency of Guam (\$1,545,400) for
26 power purchased in fiscal year 1981 and in prior years. The
27 appropriations made in this Section shall be satisfied by the
28 transfer from any available lapsed, unencumbered or unexpended
29 appropriations made from the General Fund in Section 3 of Public
30 Law 15-142.

1 Section 3. (a) There is appropriated from the General Fund
2 to the Guam Power Authority Four Million Three Hundred Thousand
3 Dollars (\$4,300,000), provided, however, that this appropriation
4 shall not be disbursed from the General Fund until the Board of
5 Directors of Guam Power Authority shall have certified in writing
6 to the Speaker of the Legislature that all notices of termination
7 served upon employees of Guam Power Authority for reasons of
8 economy during the month of August 1981 have been rescinded.
9 Upon the filing of such a notice by the Board of Directors, the
10 Legislative Secretary shall acknowledge receipt of the notice and
11 the Board of Directors shall file the acknowledgement of receipt
12 with the Treasurer of Guam in order that the appropriation made
13 by this Section may be disbursed. Only funds paid into the
14 General Fund pursuant to Section 30 of the Organic Act of Guam
15 shall be used to satisfy the appropriation made in this Section.

16 (b) The sum appropriated by subsection (a) shall be
17 immediately available to Guam Power Authority to continue its
18 operations.

19 Section 4. Any department, agency, public corporation,
20 board or commission of the government which received appropria-
21 tions under Public Law 15-142 may expend any available funds for
22 the purposes of paying electric bills incurred during fiscal
23 year 1981 and any prior fiscal years.