

SEVENTEENTH GUAM LEGISLATURE
1984 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 742, " AN ACT TO REPEAL AND REENACT SECTIONS 4 AND 5 OF P.L. 15-53 AND THEREBY ADD SECTIONS 6123 AND 6124 TO THE GOVERNMENT CODE RELATIVE TO AUTHORIZING THE GOVERNOR TO CREATE A DEBT OR DEBTS OF THIRTY-FIVE -MILLION DOLLARS (\$35,000,000) FOR CAPITAL IMPROVEMENT HIGHWAY PROJECTS AND FOR OTHER PURPOSES," was on the 1st day of December 1984, duly and regularly passed.

CARL T. C. GUTIERREZ
Speaker

Attested:

ELIZABETH P. ARRIOLA
Senator and Legislative Secretary

This Act was received by the Governor this 4th day of December 1984, at 3:30 o'clock P.m.

Assistant Staff Officer
Governor's Office

APPROVED:

RICARDO J. BORDALLO
Governor of Guam

Date: December 12, 1984, 3:57 PM

Public Law No. 17-79

SEVENTEENTH GUAM LEGISLATURE
1984 (SECOND) Regular Session

Bill No. 742
Substitute

Introduced by:

J. T. San Agustin
F. R. Santos
J. F. Quan

E. T. Charfauros
M. K. Hartsoek
J. P. Aguon
E. P. Arriola
F. J. Gutierrez
C. T. C. Gutierrez
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T. S. Nelson
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J. F. Ada

AN ACT TO REPEAL AND REENACT SECTIONS 4 AND 5 OF P.L. 15-53 AND THEREBY ADD SECTIONS 6123 AND 6124 TO THE GOVERNMENT CODE RELATIVE TO AUTHORIZING THE GOVERNOR TO CREATE A DEBT OR DEBTS OF THIRTY-FIVE MILLION DOLLARS (\$35,000,000) FOR CAPITAL IMPROVEMENT HIGHWAY PROJECTS AND FOR OTHER PURPOSES.

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

2 Section 1. Section 4 of P.L. 15-53 is repealed and reenacted to read:

3 "§4. Section 6123 is added to the Government Code to read:

4 '§6123. (a) The Governor of Guam is authorized to create a
5 debt or debts of the government of Guam in aggregate principal
6 amount not to exceed Thirty-Five Million Dollars (\$35,000,000) for
7 the purpose of implementing capital improvement highway projects;
8 provided, however that the terms and conditions of the debt or
9 debts shall be approved by the Legislature by Resolution. The
10 sentence contained in Section 53552 (c) of the Government Code
11 (12 GCA §2103(k)) stating: 'The failure of the Legislature to
12 adopt a resolution rejecting the terms and conditions of the
13 issuance of the bonds within forty-five (45) calendar days of the

1 date of its submission to the Legislative Secretary shall be
2 concurrence to the issuance of the bonds', shall not apply to the
3 provisions of this Section and Section 6124 of the Government
4 Code.

5 (b) Such debt or debts may be created by a loan or other
6 agreement executed by the Governor containing such terms as are
7 consistent with this Section and Section 6124 of the Government
8 Code or may be created by the issuance of bonds in one or more
9 series sold at such times, in such manner and upon such terms as
10 are consistent with this Section and Section 6124 of the
11 Government Code.

12 (c) Any bonds authorized by this Section shall be issued
13 pursuant to an indenture executed by the Governor on behalf of
14 the Government of Guam, which indenture shall specify the forms,
15 amounts, maturity dates, interest rates, interest payment dates,
16 denominations, places of payment, registration provisions, rights
17 of exchange, redemption dates and default provisions for such
18 bonds and shall otherwise provide for the use of proceeds of such
19 bonds and the security for such bonds, including the pledge
20 authorized by Section 6124 of the Government Code, in a manner
21 not inconsistent with this Section and Section 6124 of the
22 Government Code.

23 (d) Any debt or debts authorized by this Section shall
24 constitute the valid and legally binding limited obligation of the
25 Government of Guam payable from and secured by a pledge of the
26 revenues described in Section 6124 of the Government Code."

27 Section 2. Section 5 of P.L. 15-53 is repealed and reenacted to read:

28 "\$5. Section 6124 is added to the Government Code to read:

29 '\$6124. All or any part of the revenues from the taxes
30 levied pursuant to subchapter D of Chapter VI of Title XX of the
31 Government Code and from the license fees and penalties imposed
32 pursuant to Sections 23339, 23353, 23361, 23362, 23364, 23365
33 and 23500 of the Government Code may be pledged to secure the
34 repayment of any debt or debts created under Section 6123 of the

1 Government Code. Any pledge made to secure bonds shall be
2 subject to approval by the Legislature by resolution pursuant to
3 §6123 of the Government Code and shall be valid and binding from
4 the time the pledge is made. The revenues pledged and
5 thereafter received by the government or any trustee or
6 custodian shall be deposited in a separate account and shall be
7 immediately subject to the lien of such pledge without any
8 physical delivery thereof or further act, and the lien of any such
9 pledge shall be valid and binding as against all parties having
10 claims of any kind in tort, contract or otherwise against the
11 government, such trustee or custodian, irrespective of whether
12 the parties have notice thereof. The indenture by which such
13 pledge is created need not be recorded. All such taxes, fees and
14 penalties, to the extent so pledged, are hereby continuously
15 appropriated for such purpose. All capital improvement highway
16 projects to be funded from the provisions of 6123 and 6124 of the
17 Government Code must be reviewed and approved by the
18 Governor prior to their implementation."

19 Section 3. Section 6125 is added to the Government Code to read:

20 "§6125. The Capital improvement highway projects to be funded
21 from the implementation of Sections 6123 and 6124 of the Government
22 Code are:

23 85-01 Reconstruction of Route 8, Phase I

24 85-02 Reconstruction of Route 1 (from Y-Sengsong Road to
25 Gayinero Road)

26 85-04 Interchange on Route 1 in Agana

27 85-05 Reconstruction of Route 2 (from Agat to Umatac)

28 85-07 Reconstruction of Route 1 (from Route 4 (Agana) to Route
29 11 intersection (Piti)).

30 85-08 Reconstruction of Route 1 (from Route 11 (Piti) to Route
31 2A intersection (Agat))."

32 85-09 Extension of Chalan Kanton Tutujan in Sinajana to Route 7
33 (Agana Heights).

1 Section 4. Section 6126 is added to the Government Code to read:

2 "§6126. No contract or subcontract may be awarded to any
3 contractor providing services on the capital improvement projects
4 funded from the implementation of Sections 6123 and 6124 of the
5 Government Code unless Seventy-five percent (75%) of the persons
6 employed by the contractor to work on such projects are residents of
7 the Territory of Guam."

8 Section 5. 12 GCA Section 7210 (a) is amended to read:

9 "Section 7210. Interest on Bonds. (a) Bonds shall bear
10 interest at the rate of not to exceed nine and one half percent (9½%)
11 per annum payable annually or semi-annually or in part annually and
12 in part semi-annually except that the first coupon on any bond may be
13 payable twelve (12) months or any number of months less than twelve
14 (12) after the date of such bonds."

15 Section 6. The available balance of the One Hundred and Fifteen
16 Thousand Dollars (\$115,000) from Section 1 of Public Law 15-37 is
17 reappropriated to the Public Utility Agency of Guam for the construction
18 and upgrading of various water wells, waterlines, and booster pump
19 stations.

20 Section 7. The available balance of the appropriation of One Hundred
21 and Fifty Thousand Dollars (\$150,000) from Section 1 of Public Law 15-43 is
22 reappropriated to the Public Utility Agency of Guam for the construction
23 and upgrading of various waterwells, waterlines, and booster pump
24 stations.

25 Section 8. The sum of Two Million Dollars (\$2,000,000) appropriated
26 by Section 4 of Public Law 17-9 is reappropriated to the Public Utility
27 Agency of Guam for the construction of a 12 inch waterline from the Malojloj
28 one million gallon reservoir to Agfayan Bridge, Inarajan.

29 Section 9. The available balance of the Six Hundred Fifty Thousand
30 Dollars (\$650,000) appropriation from Section 3A and B of Public Law 17-51
31 is reappropriated to the Public Utility Agency of Guam for the construction
32 and upgrading of various waterwells, waterlines, and booster pump station.

1 Section 10. There is hereby authorized to be appropriated from
2 unappropriated and unencumbered funds of the Government of Guam General
3 Fund such sums as may be necessary to subsidize operating losses of the
4 Public Utility Agency of Guam for Fiscal Year 1984.

5 Notwithstanding any other existing law, such sums from the General
6 Fund as were necessary to have subsidized the operating losses of the
7 Public Utility Agency of Guam for Fiscal Years 1982 and 1983 are hereby
8 recognized as appropriated and authorized from the date of the allocation of
9 such funds.

10 Section 11. The sum of Two Hundred Fifty Thousand Dollars
11 (\$250,000) is appropriated to the Department of Agriculture from the fund
12 established by Article 5 of Chapter 2 of Title 12 GCA §2508.1 enacted in
13 P.L. 17-39, Section 7 for the purpose of assisting farmers for loss of crops
14 and seedlings during Typhoon Bill and Typhoon Agnes.

15 Section 12. Section 30511 of the Government Code of Guam is hereby
16 amended to read as follows:

17 "§30511. Amendment of charter; change of location. (a) A
18 territorial bank may apply to the Commissioner to amend its charter or
19 to change its location.

20 (b) An application for an amendment to the charter changing the
21 authorized capital or to acquire or abandon trust powers or to change
22 its location must be authorized by the vote of two-thirds (2/3) of the
23 outstanding voting stock voted at a meeting of the stockholders. Any
24 other application, excepting the par value (Stock Split) of the shares,
25 which is within the discretion of the Board of Directors, may be
26 authorized by the vote of the majority of the outstanding voting stock
27 voted at a meeting of the stockholders.

28 (c) Notice of the application shall be sent to such persons and
29 organizations as the Commissioner may require.

30 (d) The Commissioner shall approve an application:

31 (1) To change the name of the corporation if the proposed
32 name is not deceptive or misleading.

33 (2) To change the authorized capital unless such change
34 will inequitably affect the interest of any stockholder and the

1 bank does not have sufficient surplus and undivided profits to
2 pay dissenting shareholders the fair value of their shares
3 determined in accordance with §30604 and have remaining the
4 required minimum paid-in surplus.

5 An amendment increasing the total capital shall not become
6 effective until the Commissioner finds that the new capital has
7 been fully paid in cash. In other cases, the Commissioner shall
8 present the application to the Board.

9 (e) In making its determination the Board shall consider whether
10 the public convenience and advantage would be served by granting the
11 application and shall be guided by the standards prescribed for the
12 approval of an application for a charter, insofar as they are
13 reasonably applicable."

14 Section 13. Part XXVIII Subsection A of Section 5 of Public Law 17-70
15 is amended to read:

16 "PART XXVIII
17 DEPARTMENT OF MILITARY AFFAIRS"

	General	Other	Federal	
	Fund	Fund	Fund	Total
18				
19				
20	A. General Operations			
21	1. Personnel Services	\$124,262		\$124,262
22		(5.0FTE)		(5.0FTE)
23	2. For Operating Expenses	104,807		104,807
24	3. Capital Outlay	7,517		7,517
25	4. Miscellaneous			
26	a. Contingency Fund	4,000		4,000
27	b. Recruiting Incentives	1,200		1,200
28	c. Morale & Welfare Fund	1,800		1,800
29	TOTAL	\$243,586		\$243,586
30				
31	GRAND TOTAL PART XXVIII	\$243,586		\$243,586
32				