



JOSEPH F. ADA
Governor

FRANK F. BLAS
Lieutenant Governor

DEPARTMENT OF

REVENUE & TAXATION

GOVERNMENT OF GUAM

JOAQUIN G. BLAZ, Director • V.M. CONCEPCION, Deputy Director

OCT 05 1993

MEMORANDUM

To: The Governor

From: Director, Department of Revenue and Taxation

Subject: 1992 Aggregate Valuation of Taxable Real Property
as Certified by the Board of Equalization

This memorandum is to advise you that on October 31, 1992, the Board of Equalization certified the Territory's taxable real property valuations as follows:

**APPRAISED VALUE
LAND**

\$1,744,689,304.63

**APPRAISED VALUE
IMPROVEMENTS**

\$2,322,699,969.59

The 1992 aggregate valuation of all taxable real property is approximately **\$4,067,389,274.22**.

The Department of Revenue and Taxation forecasts gross property tax valuations to exceed \$7.0 Billion Dollars upon completion of the on-going Triennial Reappraisal Project in mid-1994.



JOAQUIN G. BLAZ

ATTACHMENT #9

378 CHALAN SAN ANTONIO TAMUNING, GUAM 96911

~~375 West Marine Drive Agaña, Guam 96910 • Tel. (671) 477-5101 • Fax. (671) 472-2043~~



DEPARTMENT OF

REVENUE & TAXATION

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MEMORANDUM

JUL 26 1994

To: Governor of Guam

From: Director of Revenue and Taxation

Subject: Response to Items 6 and 10 per Facsimile Message from Carl Taitano

Transmitted herewith is the information in response to Items No. 6 and 10 of Senator Carl T. C. Gutierrez's letter:

1. Income Tax Refund Status as of July 1994:


Projected Refunds for 1993	\$55,000,000.00
Refunds Paid As of 7/7/94	<u>16,323,282.00</u>
Outstanding Refunds for 1993	39,676,718.00
Outstanding Prior Years	<u>15,299,088.00*</u>
Total Outstanding Refunds	\$54,975,806.00

*NOTE: \$11 Million currently under examination review.

- Copy of summary sheet for the 1993 Tax Roll as certified by the Board of Equalization. The most recent total aggregate appraised value of all taxable properties on Guam is approximately \$4,255,669,653.00.
- Explanation for the raise in total appraised values and corresponding tax base.
- The current authorized amount of debt ceiling within the limitation of the Organic Act of Guam is ten percent (10%) of the aggregate appraised value of all taxable properties on Guam.

1993 Aggregate Value: \$4,255,669,653.00

10% Debt Limitation: \$ 425,566,965.30



VICENTE M. CONCEPCION
Acting Director

Attachments

10/27/93 19:09:55

Department of Revenue & Taxation
Real Property Tax System
Statistical and Revenue Analysis-2

PAGE 4

Mun_Code Municipality_Desc

Mun_Code	Municipality_Desc	Land_appr Bidg_appr	Land_assess Bidg_assess	Land_tax Bidg_tax	Land_exm Bidg_exm	Total_tax
04	Yona Suburban	111,876,310.55	39,156,708.71	195,784.14	1,258.69	380,175.76
TOTAL	TOTAL	52,683,310.60	18,439,165.71	184,391.62	15,681.13	
TOTAL	TOTAL	1,725,812,307.15	604,034,307.02	3,020,193.95	33,173.72	11,874,701.16
TOTAL	TOTAL	2,529,857,345.83	885,450,070.99	8,854,507.23	386,654.91	

04 Yona Suburban
Totals for Municipality 04 - Yona Suburban

FINAL TOTALS
TOTAL COUNT 46,095
TOTAL

*** END OF REPORT ***

CERTIFICATION OF THE 1993 REAL PROPERTY TAX ASSESSMENT ROLL PURSUANT TO SECTION 24518, CHAPTER 24, TITLE 11 OF THE GUAM CODE ANNOTATED. (Subject to escaped assessments to include pending updates, of which are not subject to penalties and cost, to be incorporated in the 1993 Real Property Tax Assessment Roll as warranted).

[Signature]
TOMAS J. MENDIOLA, Secretary
Board of Equalization

[Signature]
Date 10/29/93

**GOVERNMENT OF GUAM
DEPARTMENT OF REVENUE AND TAXATION
REAL PROPERTY TAX DIVISION**

***AN OVERVIEW ON THE INCREASE OF REAL PROPERTY TAX ASSESSMENTS
SINCE THE 1987 TRIENNIAL REAPPRAISAL***

Section 24306, Chapter 24, Title 11 of the Government Code Annotated requires the Department of Revenue and Taxation, Government of Guam to reascertain the values of all taxable real property in Guam every three years beginning in 1978. The Department, by contract with certified real estate appraisers, completed two Triennial Reappraisals: one in 1978 and the other in 1987.

As a result of the 1987 Triennial Reappraisal, the aggregate real property tax assessments increased by \$2.6 million dollars, a fifty-four percent (54%) increase over 1986 tax assessments. The increase in the 1987 tax base was attributed directly to the 1987 Triennial Reappraisal. The updated values derived from this reappraisal were based on market transactions of properties bought and sold between 1978 and 1987. These updated (fair market) values were applied to properties in inventory as well as to properties that were included onto the tax roll. To date, the Department of Revenue and Taxation continues to use the valuation and tax assessment system developed from the 1987 Triennial Reappraisal Project.

The real property tax base has steadily grown since the 1987 base year. The increases in both appraised values and corresponding tax assessments are attributed primarily to an increase in the number of taxable improvements added onto the annual tax rolls. Since 1987, the island has experienced tremendous growth and development in terms of the number of single-family dwellings, multi-unit dwellings, apartments, condominiums, shopping malls and commercial centers that have since been constructed. Many large tracts of raw land have also been subdivided adding to the number of parcels being assessed for taxes.

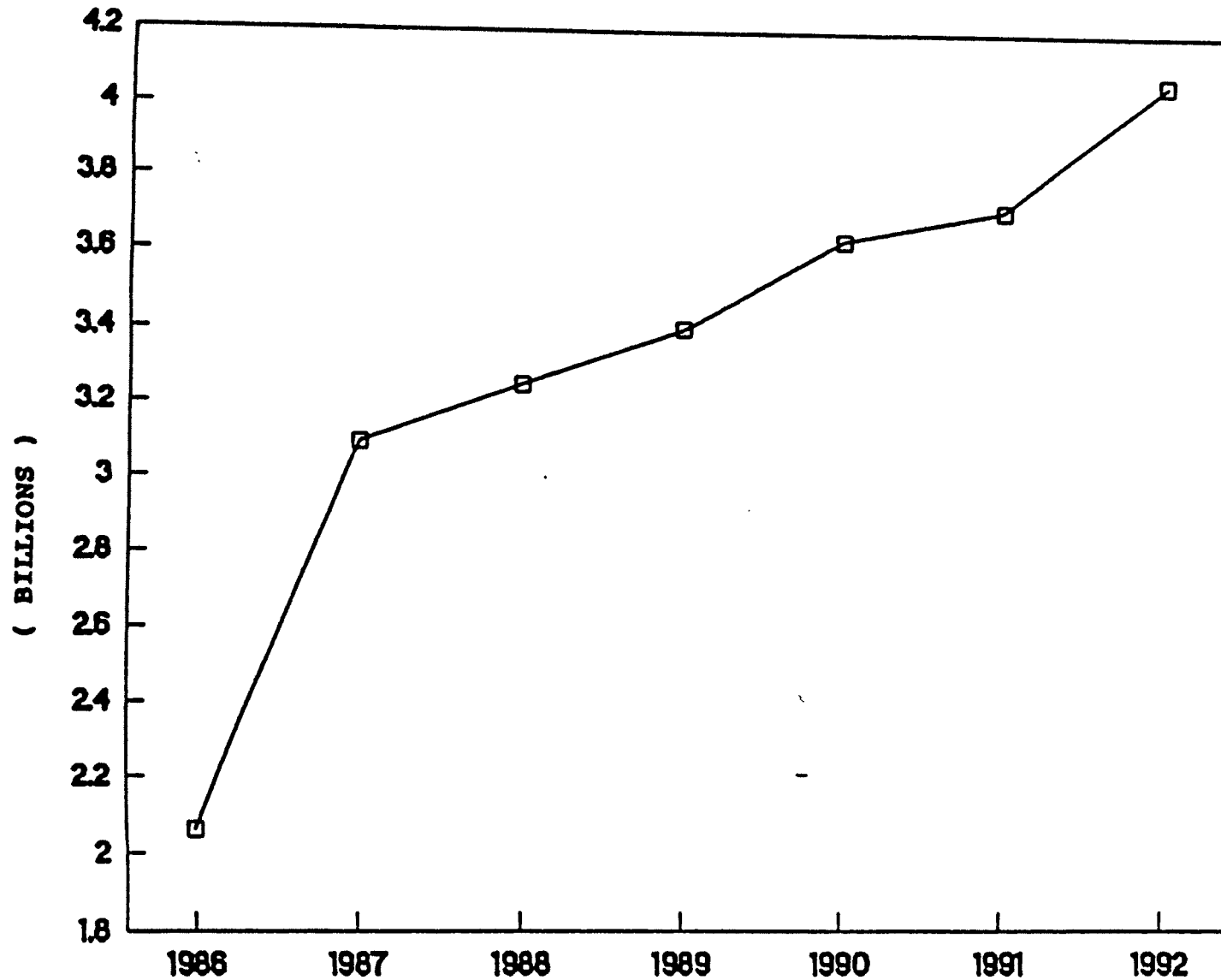
The following tables and graphs illustrate the significant increase in aggregate appraised values and corresponding tax assessments since FY 1987. Approximate figures are shown to highlight the current (1993) tax roll.

**COMPARISON OF THE AGGREGATE PROPERTY TAX VALUATIONS
AND CORRESPONDING TAX ASSESSMENTS
OVER THE FY 1987 BASE YEAR**

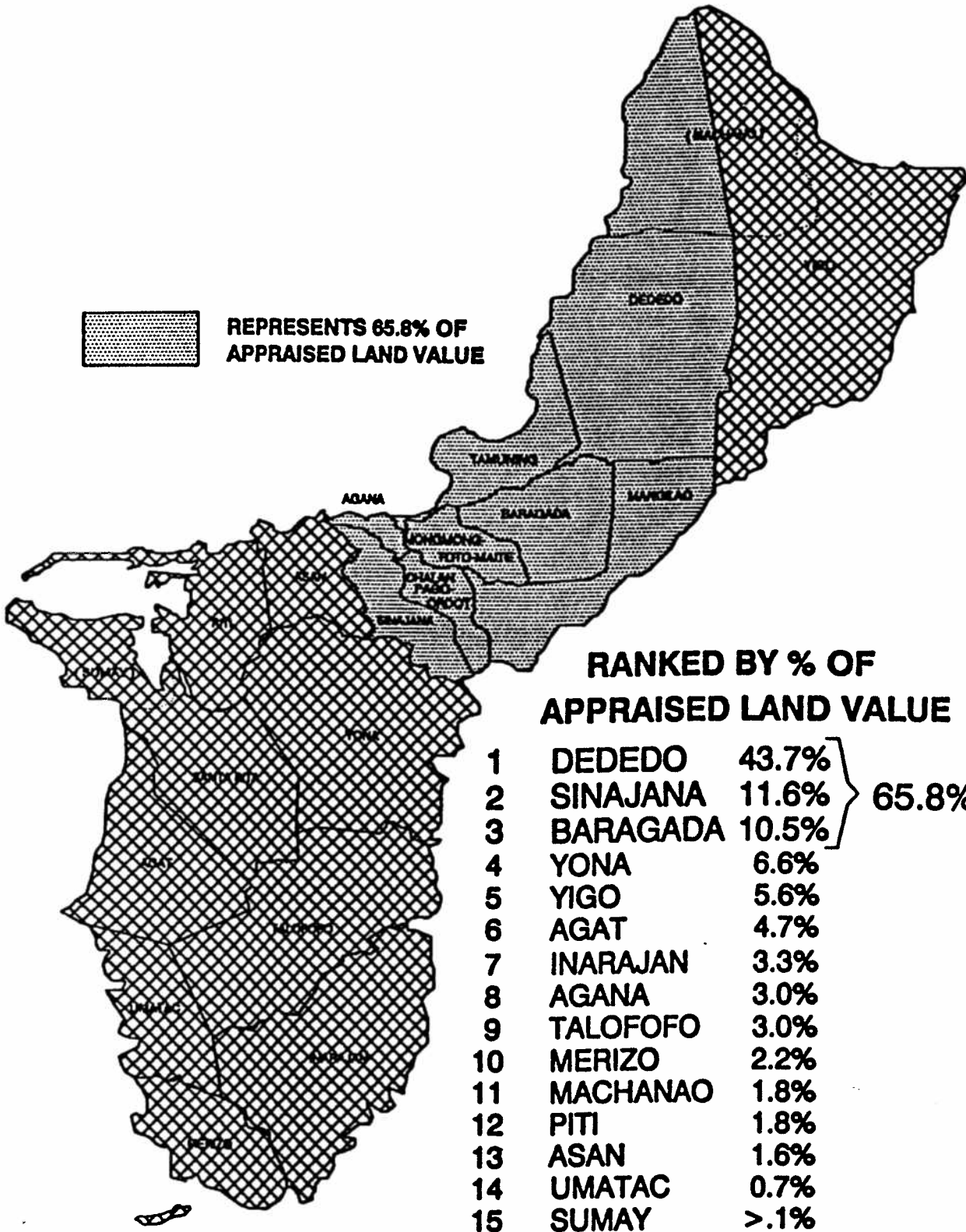
YEAR	AGGREGATE TAX VALUATION *	TAX ASSESSMENT
1993	\$ 4.256 billion	\$ 11.8 million
1992	4.067 billion	10.7 million
1991	3.712 billion	9.6 million
1990	3.631 billion	9.3 million
1989	3.400 billion	8.5 million
1988	3.246 billion	8.2 million
1987	3.093 billion	7.5 million
1986	2.061 billion	4.8 million

* Aggregate valuations of taxable properties as certified by the Board of Equalization.
[Section 24518, Chapter 24, Title 11 GCA]

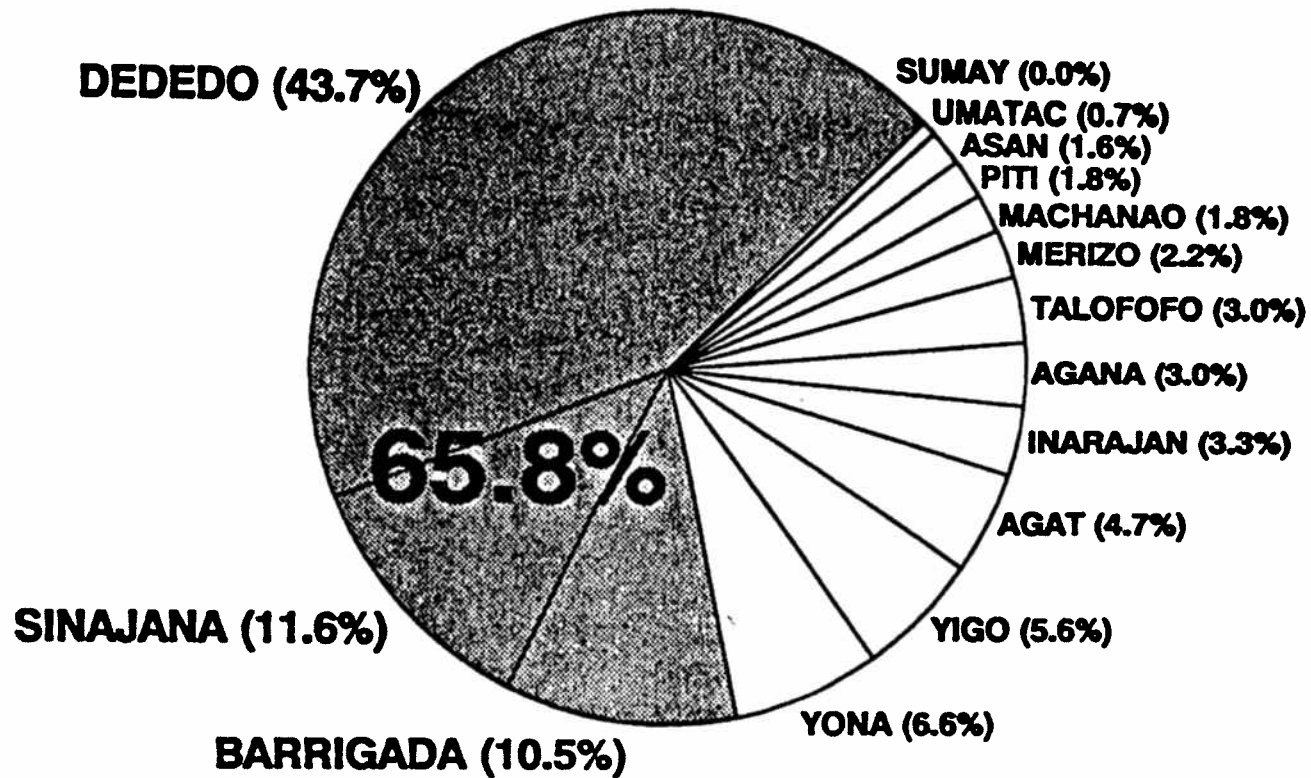
COMPARISON OF AGGREGATE TAX VALUATIONS OVER FY 1987 BASE YEAR



APPRAISED LAND VALUE BY MUNICIPALITY

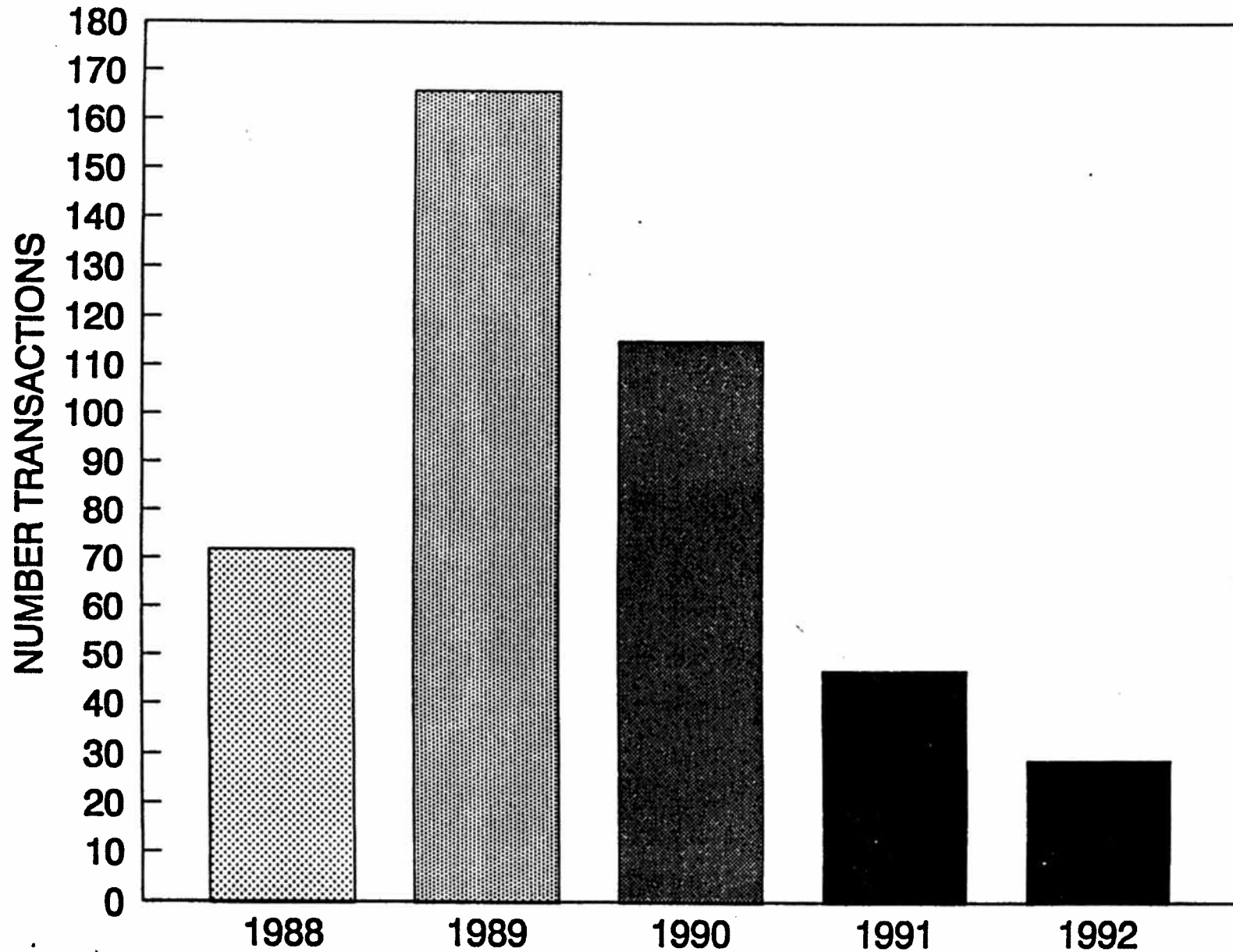


APPRAISED LAND VALUE BY MUNICIPALITY



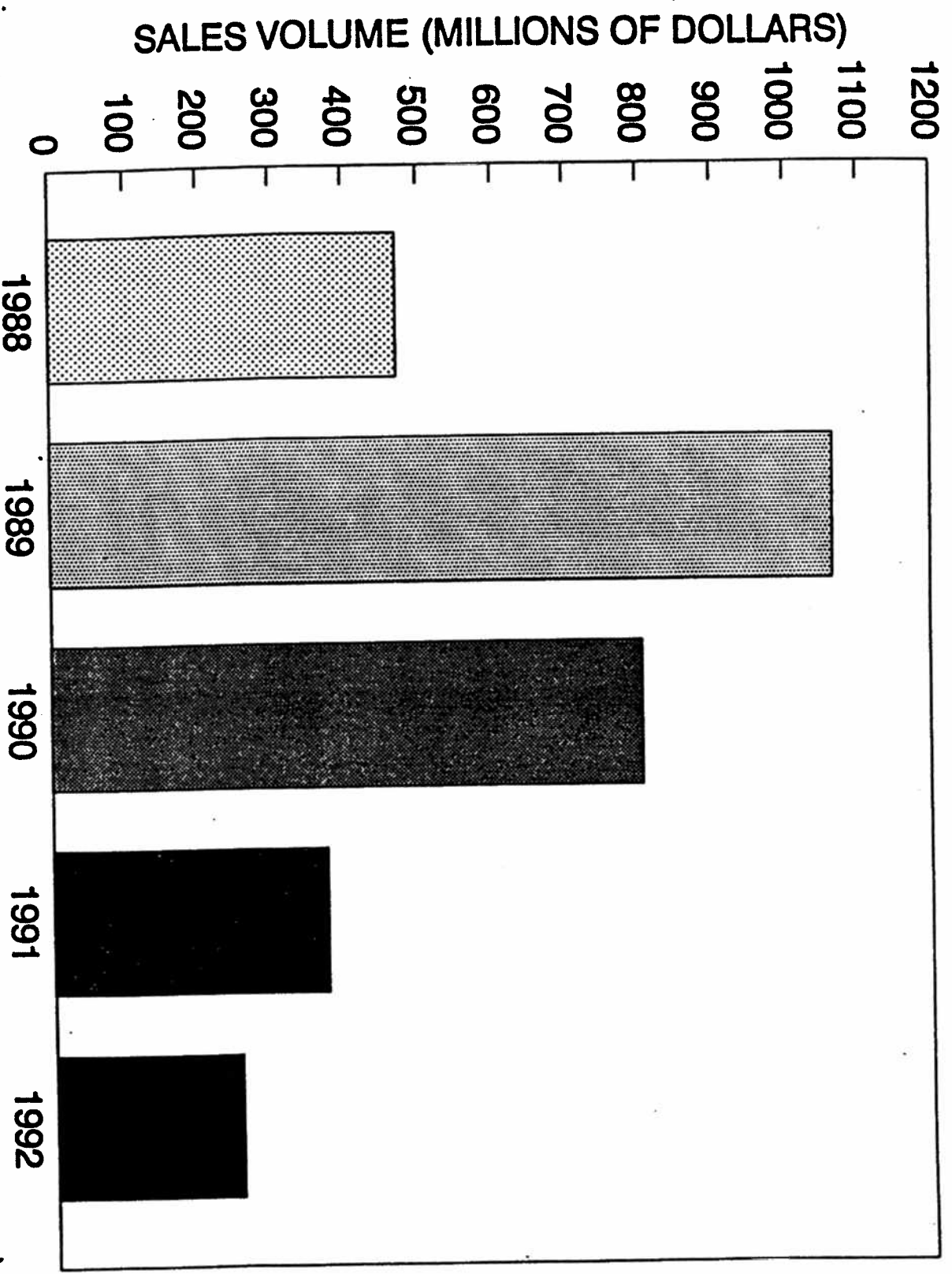
SUMMARY OF GUAM REAL ESTATE TRANSACTIONS

TOTAL NUMBER OF TRANSACTIONS OVER \$1 MILLION



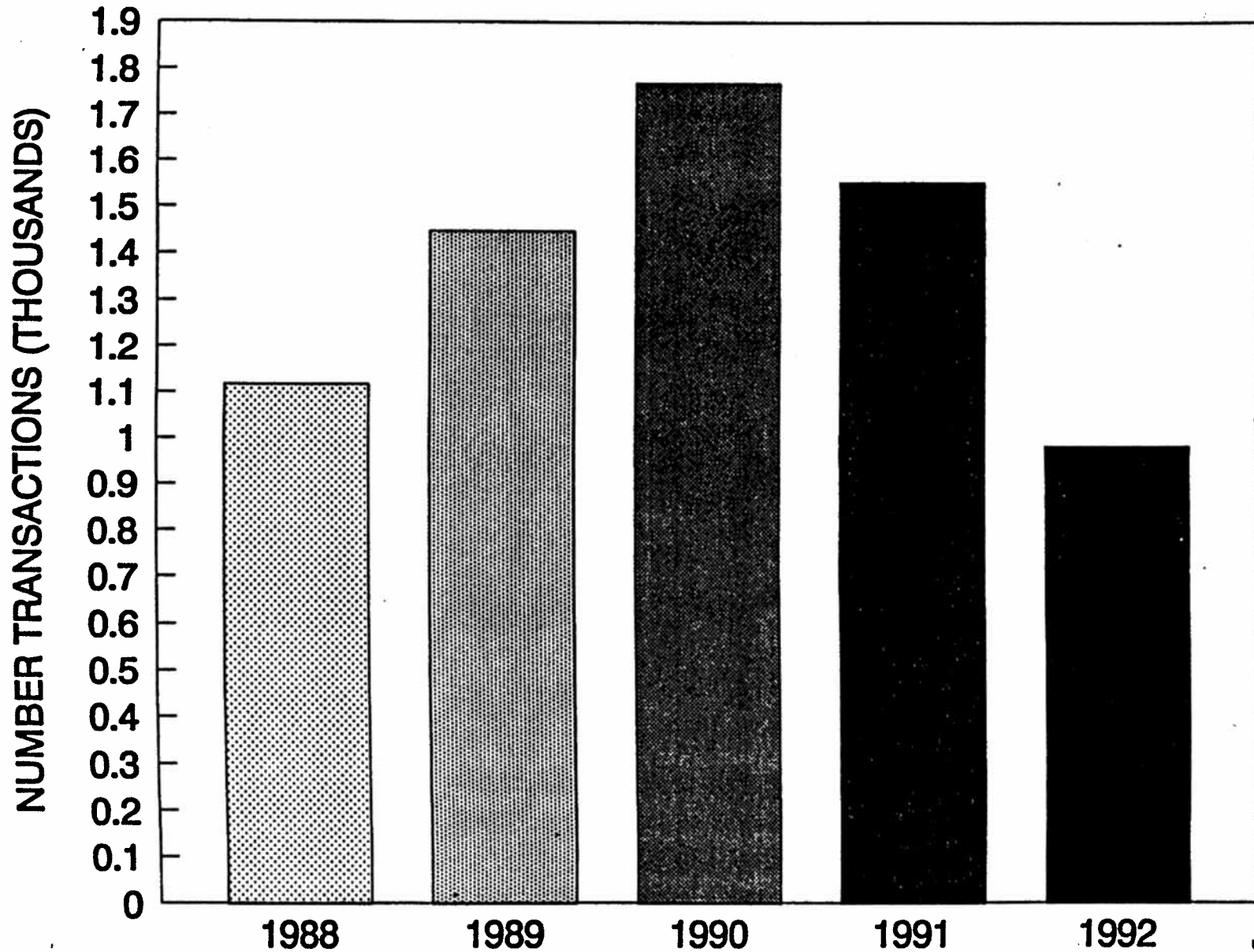
SUMMARY OF GUAM REAL ESTATE TRANSACTIONS

TOTAL SALES VOLUME OF TRANSACTIONS



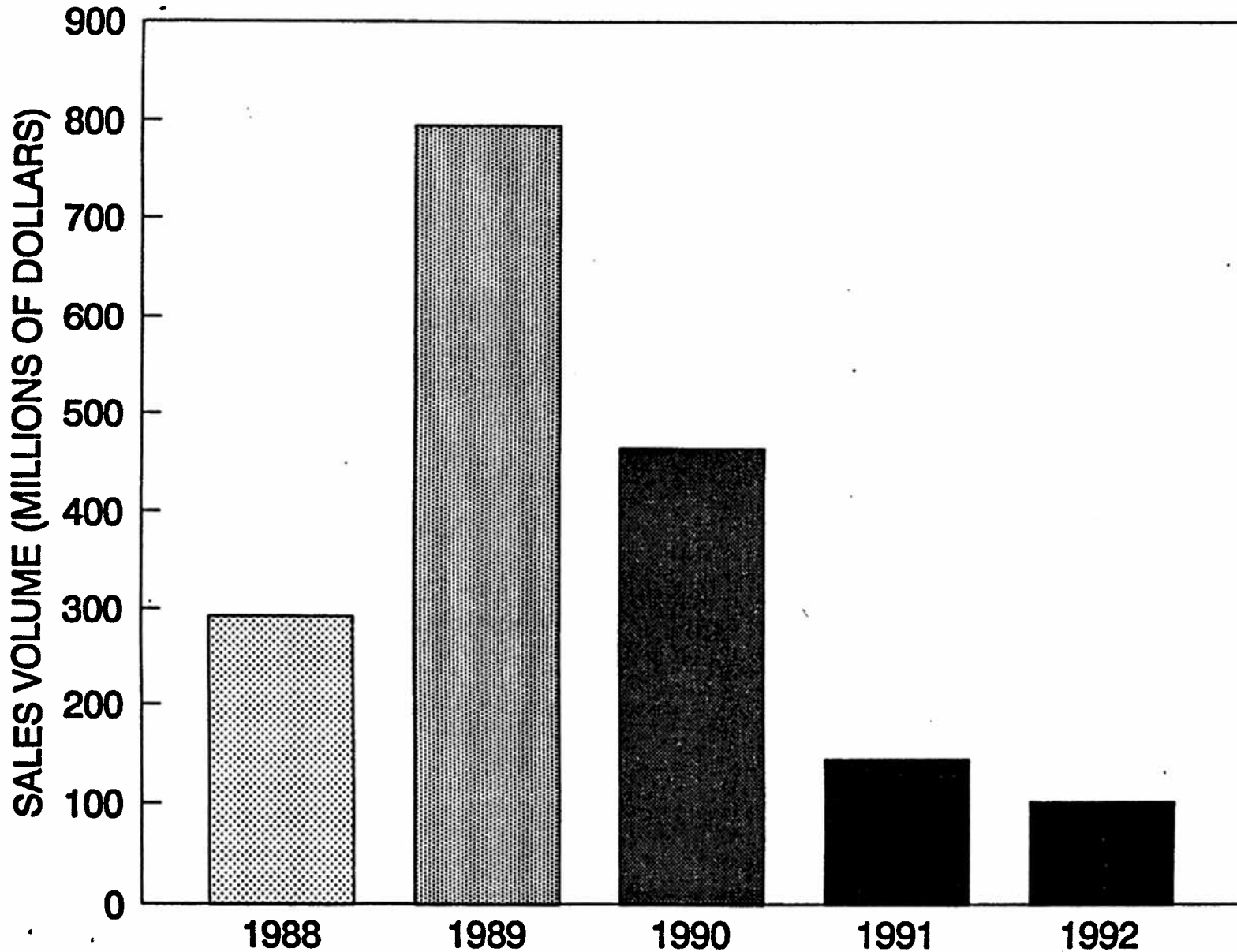
SUMMARY OF GUAM REAL ESTATE TRANSACTIONS

TOTAL NUMBER OF TRANSACTIONS



SUMMARY OF GUAM REAL ESTATE TRANSACTIONS

TOTAL SALES VOLUME OF TRANSACTIONS OVER \$1 MILLION



**LAND AND BUILDING APPRAISED VALUES
BY MUNICIPALITY
FY 1993**

<u>MUNICIPALITY</u>	<u>LAND APPRAISED VALUES</u>	<u>BUILDING APPRAISED VALUES</u>
Agana	52,546,052.90	106,413,624.13
Agat	82,215,960.32	129,277,680.12
Asan	27,700,764.42	23,559,663.86
Barrigada	186,966,916.64	238,901,816.07
Dededo	750,621,755.27	1,259,820,416.75
Inarajan	56,834,310.49	15,873,249.42
Machanao	30,552,963.47	44,549,144.09
Merizo	37,657,347.52	18,875,359.90
Piti	31,167,314.69	47,357,233.20
Sinajana	198,009,761.35	247,685,792.72
Sumay	133,410.00	0.00
Talofofu	65,330,188.46	21,607,875.00
Umatac	11,054,609.34	4,083,404.00
Yigo	97,777,041.18	101,407,471.73
Yona	<u>116,120,908.58</u>	<u>63,287,238.60</u>
TOTAL	<u>1,744,689,304.63</u>	<u>2,322,699,969.59</u>

**LAND AND BUILDING ASSESSED VALUES
BY MUNICIPALITY
FY 1993**

<u>MUNICIPALITY</u>	<u>LAND ASSESSED VALUES</u>	<u>BUILDING ASSESSED VALUES</u>
Agana	18,360,378.73	37,244,768.45
Agat	28,771,925.20	45,193,678.29
Asan	9,695,267.57	8,245.882.35
Barrigada	65,495,117.55	83,610,988.56
Dededo	262,712,263.83	440,361,487.72
Inarajan	19,892,008.84	5,555,637.31
Machanao	10,693,537.45	15,553,004.93
Merizo	13,180,071.68	6,606,375.97
Piti	10,908,560.17	16,575,031.63
Sinajana	69,207,044.53	86,559,918.10
Sumay	46,693.50	0.00
Talofofu	22,865,565.97	7,562,756.25
Umatac	3,869,113.27	1,429,191.40
Yigo	34,221,964.74	35,556,376.02
Yona	<u>40,642,318.25</u>	<u>22,150,533.51</u>
TOTAL	<u>610,561,831.28</u>	<u>812,185,630.49</u>

**LAND AND BUILDING TAX ASSESSMENTS
BY MUNICIPALITY
FY 1993**

MUNICIPALITY	LAND TAX	BUILDING TAX
Agana	91,801.89	372,447.68
Agat	143,859.63	451,936.78
Asan	48,476.34	82,458.82
Barrigada	327,475.55	836,109.89
Dededo	1,313,561.32	4,403,614.88
Inarajan	99,460.04	55,556.37
Machanao	53,467.69	155,530.05
Merizo	65,900.36	66,063.76
Piti	54,542.80	165,750.32
Sinajana	346,035.22	865,599.18
Sumay	233.47	0.00
Talofofo	114,327.83	75,627.56
Umatac	19,345.57	14,291.91
Yigo	171,109.82	355,563.76
Yona	<u>203,211.59</u>	<u>221,505.34</u>
TOTAL	<u>3,052,809.16</u>	<u>8,122,056.30</u>

ORRICK, HERRINGTON
& SUTCLIFFE

July 18, 1994

Direct Dial

(415) 773-5733

Carl W. Taitano
Governor's Office
Territory of Guam
P.O. Box 2950
Adelup Complex
Agana, Guam 96910

Re: Question Concerning 1993 General Obligation Bond Legislation

Dear Carl:

This letter is in response to your question about whether or not the provision relating to Northern High School in the legislation authorizing the 1993 general obligation bonds would affect or be affected by or need to be amended in connection with the proposed legislation for temporary borrowings. Section 7 of P.L. 22-19 reads as follows:

In the event the debt capacity of the government of Guam as limited under Section 11 of the Organic Act of Guam shall increase by no less than \$86,000,000, the following amendments to §22430 of Title 5, Guam Code Annotated, set out in Section 2 of this Act, will automatically go into effect:

(1) In subparagraph (a) of said section, the aggregate principal amount of the general obligation bonds described therein shall be increased from \$175,000,000 to \$261,000,000.

(2) In subparagraph (m) of said section, a new item (8) shall be inserted to read as follows:

"(8) Northern High School \$76,000,000."

This language does not require that the first additional \$86,000,000 of additional debt capacity be applied to the high school, or indeed that bonds be issued for such purpose at all, but simply increases the total amount the Governor is authorized to issue and adds an additional purpose to the existing list of permitted uses of bond proceeds. Therefore, this provision should not affect the ability to incur indebtedness under the legislation now proposed. If such indebtedness is incurred, the ability to issue bonds for Northern High School will of course be affected to the extent that \$86,000,000 of remaining debt capacity is not available. Whether the Legislature wishes to address this in the proposed

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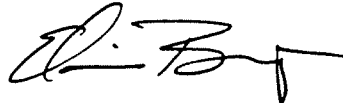
ATTACHMENT #10

Carl W. Taitano
July 18, 1994
Page 2

legislation is a policy decision, but would only be necessary if the desired result would be to give priority to the high school.

Please do not hesitate to call us if you would like to discuss this further.

Very truly yours,



Elaine R. Bayus

ERB/lcl

cc: Stanley J. Dirks

ORRICK, HERRINGTON
& SUTCLIFFE

Direct Dial

(415) 773-5733

July 14, 1994

Carl W. Taitano
Governor's Office
Territory of Guam
P.O. Box 2950
Adelup Complex
Agana, Guam 96910

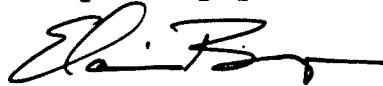
Re: Government of Guam Limited Obligation
Infrastructure Improvement Bonds, 1989
Series A

Dear Carl:

Confirming our telephone conversation of yesterday, under the provisions of the Indenture dated November 15, 1989, relating to these Bonds (specifically Sections 5.02 and 5.07), revenues remaining after all applications required by the Indenture are deposited in the Surplus Fund. Amounts in the Surplus Fund not required to pay principal of and interest on the Bonds are to be paid to the Government for deposit in the Tourist Attraction Fund, free and clear of the lien of the Indenture. The Indenture contains no restrictions on the use by the Government of amounts in the Tourist Attraction Fund.

Please do not hesitate to call if any further questions arise with respect to this matter.

Very truly yours,



Elaine R. Bayus

ERB/lcl

August 17, 1994

Kimbley S.A. Lujan
Special Assistant
Guam Economic Development Authority
ITC Building
590 S. Marine Drive
Suite 911
Tamuning, Guam 96911

VIA FAX

Dear Kimbley:

Per your request and the request of the Twenty-Second Guam Legislature we are pleased to outline below various scenarios for the Government of Guam's General Obligation Bonds, which will be issued to fund the payment of income tax refunds due to local taxpayers. We have analyzed scenarios for bond issues of \$45 million, \$50 million and \$55 million.

Application of Proceeds

All three scenarios assume proceeds will be utilized to fund the payment of income tax refunds due to local taxpayers and to pay costs of issuance.

Debt Service Reserve Fund

Since the issue is a General Obligation Bond, there is no need for a debt service reserve (DSR) fund. Neither Standard & Poor's or investors require one and the use of one would be imprudent and costly. Utilizing a DSR would increase the size of the bond issue (and increase debt service) and would be subject to negative arbitrage.

Interest Rates (as of 1:00 pm New York time, August 17, 1994)

The interest rates would not vary if the \$45 million base case bond issue were increased to either \$50 million or \$55 million. The coupon rates used for all three scenarios are as follows:

<u>Maturity</u>	<u>Interest Rate</u>
1996	5.50%
1997	5.75%
1998	6.00%
1999	6.25%

Projected Debt Service Schedules

(Attached)

Projected Coverage Ratios

(Attached)

Cost of Issuance

Costs of issuance will include Bond Counsel, rating agency, trustee and printing fees. These estimated costs will range as follows:

	<u>Issue Size</u>	
	<u>\$45 million</u>	<u>\$50 million</u>
	\$150,000	\$202,000
		<u>\$55 million</u>
		\$254,000

Underwriters' Gross Spread

Based on market conditions as of today and the release of Standard & Poor's "BBB" rating the following are estimates of the underwriting spread:

	<u>\$45 million</u>	<u>\$50 million</u>	<u>\$55 million</u>
Management Fee	1.00	1.00	1.00
Average Weighted Takedown	4.83	4.82	4.81
Expenses	<u>2.00</u>	<u>1.95</u>	<u>1.90</u>
Total Estimated Gross Spread	\$7.83/\$1,000 bond =\$352,350	\$7.77/\$1,000 bond =\$388,500	\$7.71/\$1,000 bond =\$424,050

If you have any questions please feel free to call either of us.

Sincerely,

Philip Kassin
Principal
Morgan Stanley & Co. Incorporated

Timothy Rattigan
Vice President
Smith Barney Inc.

Government of Guam

*General Obligation Bonds, 1994 Series A
August 17, 1994*

Scenario 1 - \$45,000,000

	Principal	Coupon	Interest	Total Debt Service	Section 30 Surplus	Pro-Forma Debt Service Coverage
08/15/95			\$2,669,163	\$2,669,163	\$32,055,000	12.01 x
08/15/96	\$6,420,000	5.50%	2,669,163	9,089,163	29,054,000	3.20 x
08/15/97	12,615,000	5.75%	2,316,063	14,931,063	32,389,000	2.17 x
08/15/98	12,845,000	6.00%	1,590,700	14,435,700	33,313,000	2.31 x
08/15/99	13,120,000	6.25%	820,000	13,940,000	34,261,000	2.46 x
	\$45,000,000		\$10,065,088	\$55,065,088		

Scenario 2 - \$50,000,000

	Principal	Coupon	Interest	Total Debt Service	Section 30 Surplus	Pro-Forma Debt Service Coverage
08/15/96	\$7,365,000	5.50%	\$2,965,463	\$2,965,463	\$32,055,000	10.81 x
08/15/97	13,760,000	5.75%	2,965,463	10,330,463	29,054,000	2.81 x
08/15/98	14,200,000	6.00%	2,560,388	16,320,388	32,389,000	1.98 x
08/15/99	14,675,000	6.25%	1,769,188	15,969,188	33,313,000	2.09 x
	\$50,000,000		\$11,177,688	\$61,177,688		

Scenario 3 - \$55,000,000

	Principal	Coupon	Interest	Total Debt Service	Section 30 Surplus	Pro-Forma Debt Service Coverage
08/15/95			\$3,260,063	\$3,260,063	\$32,055,000	9.83 x
08/15/96	\$8,515,000	5.50%	3,260,063	11,775,063	29,054,000	2.47 x
08/15/97	14,975,000	5.75%	2,791,738	17,766,738	32,389,000	1.82 x
08/15/98	15,480,000	6.00%	1,930,675	17,410,675	33,313,000	1.91 x
08/15/99	16,030,000	6.25%	1,001,875	17,031,875	34,261,000	2.01 x
	\$55,000,000		\$12,244,413	\$67,244,413		

MUDGE ROSE GUTHRIE ALEXANDER & FERDON

333 SOUTH GRAND AVENUE
LOS ANGELES, CALIFORNIA 90071
(213) 613-1112

MEMORANDUM

FOR: Kimbley S.A. Lujan

August 17, 1994

FROM: Fred G. Yanney

RE: Comments Regarding Authorizing Legislation

You requested we review Bill No. 1098(LS) (the "Bill") currently being considered by the Twenty Second Guam Legislature and provide you with any comments.

We have only minor comments regarding the Bill. On line 7, page 5, "institution" should be plural. Again on line 21 of page 5, "institution" should be plural.

In Section .0104 on page 4, we understand the intent of this section is to confirm the ability of the Government to issue other indebtedness secured by the general obligation of the Government on a parity with the Bonds authorized by the Bill. If that is the intent, we would suggest that Section .0104 might read more clearly if the phrase "with the Bonds" be deleted on line 6, page 4.

If you have any questions regarding our comments, feel free to call me.

1 (b) **Terms and Conditions Determined by Certificate.**

2 The terms and conditions of the notes shall be as determined
3 by the Governor by the execution of a certificate
4 authorizing the issuance of the notes upon or prior to the
5 issuance of the notes. The certificate shall contain such
6 terms and conditions as are consistent with this Section.
7 The notes shall mature at such times not later than sixty
8 ~~(60) months~~ after the date of issuance thereof, and shall
9 bear interest at such rate or rates and be sold for such
10 price or prices as shall be determined by the Governor.

11 (c) **Valid and Binding General Obligation; Pledge of**
12 **Revenues.** Any notes authorized by this Section shall
13 constitute the valid and binding general obligations of the
14 government of Guam. The government of Guam pledges its full
15 faith and credit for the punctual payment of both principal
16 of and interest on the notes. There shall be collected
17 annually in the same manner and at the same time as
18 government revenue for other purposes is collected, such sum
19 as is required to pay the principal of and interest on the
20 notes. All officers charged by law with any duty in the
21 collection of the revenues of the government shall do every
22 lawful thing necessary to collect such sum.

23 (d) **Appropriation from the General Fund.** There are
24 hereby appropriated from the General Fund such sums as will
25 equal in each year the amount of money necessary to pay the
26 principal of and interest on such notes. =

1 (e) **Additional Parity Obligations.** The government of
2 Guam, after appropriate enabling legislation, may issue
3 other general obligations of the government secured on a
4 parity with such notes by the general obligation of the
5 government.

6 (f) **Waiver of Immunity.** Notwithstanding any
7 substantive or procedural provision of Chapter 6 of Title 5,
8 Guam Code Annotated, the government of Guam waives immunity
9 from any suit or action in contract on the notes, but does
10 not waive sovereign immunity as to the personal liability of
11 elected officials and employees of the government of Guam.

12 (g) **Form of Notes; Covenants; Appointment of**
13 **Fiduciaries.** The technical form and language of the notes,
14 including provisions for execution, exchange, transfer,
15 registration, paying agency, lost or mutilated notes,
16 negotiability, cancellation and other terms or conditions
17 not inconsistent with this Section, shall be as specified in
18 the certificate executed by the Governor authorizing the
19 issuance of the notes. The certificate may appoint one or
20 more trustees or other fiduciaries authorized to receive and
21 hold in trust the proceeds of the notes and moneys relating
22 thereto, to protect the rights of noteholders and to perform
23 such other duties as may be specified in the certificate.
24 The Governor is also authorized to execute, on behalf of the
25 government of Guam, any appropriate agreements, certificates
26 or other instruments relating to the notes and the sale of
27 the notes.

1 (h) **Authorization for Credit Enhancement.** The
2 Governor is authorized to enter into such contracts or
3 agreements with such banks, insurance companies or other
4 financial institutions as he determines are necessary or
5 desirable to improve the security and marketability of the
6 notes issued under this Section. Such contracts or
7 agreements may contain an obligation to reimburse, with
8 interest, any such banks, insurance companies or other
9 financial institutions for advances used to pay principal of
10 or interest on the notes. Any such reimbursement obligation
11 shall be an obligation of the government of Guam of the same
12 character, and shall be payable from the same sources, as
13 authorized hereunder for the notes.

14 (i) **Use of Proceeds from the Sale of the Notes.**
15 Proceeds from the sale of the notes may be used for the
16 purpose for which the government of Guam is authorized to
17 use and expend moneys, as set forth in Subsection (a) of
18 this Section and for payment of expenses relating to the
19 authorization, sale and issuance of the notes, including,
20 without limitation, printing costs, costs of reproducing
21 documents, note insurance premiums, underwriting, legal and
22 accounting fees and charges, fees paid to banks or other
23 financial institutions providing credit enhancement, costs
24 of credit ratings, fees and charges for execution,
25 transportation and safekeeping of notes and other costs,
26 charges and fees in connection with the issuance, sale and
27 delivery of the notes.

1 (j) **No Personal Liability.** No employee or elected
2 official of the government of Guam shall be individually or
3 personally liable for the payment of any amounts due on any
4 notes issued under this Section, or for any other liability
5 arising in connection with the notes; provided, however,
6 that nothing in this Section shall relieve any employee or
7 elected official from the performance of any ministerial
8 duty required by law.

9 (k) **Selection of Participants.** In view of the urgency
10 for the issuance of notes pursuant to this Section at any
11 time such issuance may be necessary, the Governor is hereby
12 authorized to utilize such method as he deems appropriate
13 for the selection of all participants in connection with the
14 issuance and sale of the notes, including trustees, paying
15 agents, underwriters, counsel, any credit enhancement
16 provider and any other participants; and such selection
17 shall not be subject to any provision of any other law which
18 may require bidding, any other competitive process, or any
19 other procedure with respect to such selection.

20 (l) **Approval of GEDA.** §2103(k) of Title 12, Guam Code
21 Annotated, provides that agencies and instrumentalities of
22 the government of Guam shall issue obligations only by means
23 of and through the agency of the Guam Economic Development
24 Authority ("GEDA"), and that GEDA shall not sell any
25 obligation without the approval of the Legislature of the
26 terms and conditions of the issuance of the obligations. In
27 view of the urgency for the issuance of notes pursuant to

1 this Section at any time such issuance may be necessary,
2 notes issued hereunder are exempted from the requirement of
3 said §2103(k) that the Legislature further approve the terms
4 and conditions of the issuance of the obligations.

5 (m) **Permitted Investments.** The proceeds of notes
6 issued pursuant to this Section, and any revenues relating
7 to such notes, may be invested in, but only in, the types of
8 investments permitted by the certificate of the Governor
9 pursuant to which the notes are issued."

10 **Section 2. Local Sale of Notes.** The Governor of Guam
11 shall undertake his best efforts to cause a portion of any notes
12 issued pursuant to Section 22430 of Title 5 of the Guam Code
13 Annotated, to be offered for sale in Guam, as well as in other
14 jurisdictions, if and to the extent that such offer and any sales
15 resulting from such offer do not increase the cost to the
16 government of Guam of issuing and repaying such notes.

17 **Section 3. Use of Restricted Funds.** (a) During
18 fiscal year 1994, the Governor of Guam may expend the
19 unencumbered balances of the following funds:

20 (1) the Tourist Attraction Fund, and

21 (2) the Territorial Highway Fund.

22 (b) The funds shall be expended for any purpose for which
23 the government of Guam is authorized to use and expend moneys,
24 including but not limited to current expenses, capital
25 expenditures and the discharge of any obligation of indebtedness
26 of the government.

1 (c) The Director of Administration shall submit a report to
2 the Legislature showing how much money was expended from each
3 fund and for what purpose.

4 (d) There is appropriated from the General Fund such sums
5 as will equal the amount of money necessary to reimburse the
6 Funds any money expended therefrom. If reimbursement has not
7 been made by the end of Fiscal Year 1996 then the obligation to
8 reimburse the Funds is extinguished on September 30, 1996.

9 Section 4. 4 GCA §8137.1 is repealed. The effective
10 date of this Section is January 1, 1989.

11 Section 5. Section 5 of Public Law 22-112 is amended
12 to read:

13 **"Section 5. Effective Dates.** Section 2 of this Act
14 and subsections (a) and (b) of Section 3 of this Act shall take
15 effect on October 1, [~~1994~~] 1995. All other sections and
16 subsections of this Act shall take effect on enactment."

17 Section 6. The rules and regulations of the Guam
18 Police Department as set out in the document entitled,
19 "Government of Guam Proposed Fees Schedule, Guam Police
20 Department," attached hereto as Exhibit 1 and incorporated in
21 this Act by this reference are approved.

22 Section 7. The rules and regulations of the Department
23 of Agriculture as set out in the document entitled, "Government
24 of Guam Proposed Fees Schedule, Department of Agriculture,"
25 attached hereto as Exhibit 2 and incorporated in this Act by this
26 reference are approved. =