



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

JUN 04 1998

Refer to
Legislative Secretary


The Honorable Antonio R. Unpingco
Speaker
Mina'Bente Kuáttro na Liheslaturan Guåhan
Twenty-Fourth Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Hagåtña, Guam 96910

Dear Speaker Unpingco:


Enclosed please find Bill No. 607 (COR), "AN ACT TO AUTHORIZE THE RESTORATION OF THE OLD LEGISLATIVE BUILDING, THE RESTORATION OF THE MANUEL F.L. GUERRERO ADMINISTRATION BUILDING, AND THE PURCHASE OF PERMANENT OFFICE SPACE FOR THE REDUCED NUMBER OF SENATORS IN *I MINA'BENTE SINGKO NA LIHESLATURAN GUAHAN AND BEYOND*", which I have signed into law today as Public Law No. 24-219.

This legislation allows I Liheslaturan Guåhan to borrow money to provide for its accommodations. The stated intent in the legislation is that the accommodations paid for from this authorization would be less expensive to the taxpayers than that currently in use.

Very truly yours,



Carl T. C. Gutierrez
I Maga'lahaen Guåhan
Governor of Guam

00859

OFFICE OF THE LEGISLATIVE SECRETARY
ACKNOWLEDGMENT RECEIPT
Received By: 
Time: 4:55pm
Date: 6-5-98

Attachment: copy attached for signed bill
original attached for vetoed bill

cc: The Honorable Joanne M. S. Brown
Legislative Secretary

Office of the Speaker
ANTONIO R. UNPINGCO
Date: 6-5-98
Time: 3:00pm
Rec'd by: 
Print Name: P. Roberto

MINA' BENTE KUATTRO NA LIHESLATURAN GUAHAN
1998 (SECOND) Regular Session


CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA' LAHEN GUAHAN

This is to certify that Bill No. 607 (COR), "AN ACT TO AUTHORIZE THE RESTORATION OF THE OLD LEGISLATIVE BUILDING, THE RESTORATION OF THE MANUEL F.L. GUERRERO ADMINISTRATION BUILDING AND THE PURCHASE OF PERMANENT OFFICE SPACE FOR THE REDUCED NUMBER OF SENATORS IN I MINA' BENTE SINGKO NA LIHESLATURAN GUAHAN AND BEYOND," was on the 22nd day of May, 1998, duly and regularly passed.



ANTONIO R. UNPINGCO
Speaker

Attested:



JOANNE M.S. BROWN
Senator and Legislative Secretary

This Act was received by *I Maga'lahen Guahan* this 27th day of May, 1998,
at 4:55 o'clock P.M.



Assistant Staff Officer
Maga'lahi's Office

APPROVED:



CARL T. C. GUTIERREZ
I Maga'lahen Guahan

Date: 6-4-98

Public Law No. 24-219

**MINA' BENTE KUATTRO NA LIHESLATURAN GUAHAN
1998 (SECOND) Regular Session**

Bill No. 607 (COR)

As amended on the Floor.

Introduced by:

Mark Forbes
C. A. Leon Guerrero
J. M.S. Brown
A. C. Lamorena, V
T. C. Ada
F. B. Aguon, Jr.
A. C. Blaz
Felix P. Camacho
Francisco P. Camacho
M. C. Charfauros
E. J. Cruz
W. B.S.M. Flores
L. F. Kasperbauer
L. A. Leon Guerrero
V. C. Pangelinan
J. C. Salas
A. L.G. Santos
F. E. Santos
A. R. Unpingco
J. Won Pat-Borja

**AN ACT TO AUTHORIZE THE RESTORATION OF
THE OLD LEGISLATIVE BUILDING, THE
RESTORATION OF THE MANUEL F.L. GUERRERO
ADMINISTRATION BUILDING AND THE PURCHASE
OF PERMANENT OFFICE SPACE FOR THE REDUCED
NUMBER OF SENATORS IN *I MINA' BENTE SINGKO
NA LIHESLATURAN GUAHAN* AND BEYOND.**

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

2 **Section 1. Findings.** *I Liheslaturan Guahan* has been spending
3 inordinate amounts of money over the past several years on leases, for the
4 Session Hall, central offices, hearing rooms, miscellaneous space and office
5 space for each of the members. Although rents in some cases have dropped in
6 the past year due to a renegotiation of the primary lease, this still adds up to a
7 considerable annual expenditure, for which there is no permanent return.
8 The people of Guam have gained no equity as a result of these expenditures,
9 as the properties for which such payments have been made are not public
10 properties. *I Liheslaturan Guahan* ought to be in a public facility, rather than a
11 rented one. Meanwhile, the Old Session Hall, variously called the Congress
12 Building, lies in ruin in the heart of our capital, an eyesore and a disgrace.
13 This state of affairs has been necessary because of the misguided actions
14 undertaken by previous Bodies to build a new complex far more expensive
15 than could be afforded, to fund such building through direct appropriation
16 from the General Fund, of which only Six Hundred Twenty-four Thousand
17 Dollars (\$624,000.00) remain, and to render the Old Session Hall unusable in
18 the interim. A permanent solution must be found. Especially as it is possible
19 for *I Liheslaturan Guahan* to amortize the cost of renovating the Old Session
20 Hall and purchasing permanent office space for the Body, and in the course of
21 doing so, save money every year that is currently being bled off to rentals and
22 put this reduced annual payment into permanent structures that belong to the
23 people of Guam.

24 **Section 2.** *I Liheslaturan Guahan* is authorized to borrow funds, either
25 by direct loan from a lending institution licensed to do business in Guam, or

1 through a private placement bond enhanced by a local lending institution, for
2 the purpose of renovating, modifying and expanding as required the
3 structure known as the Old Session Hall or the Guam Congress Building
4 located in Hagåtña for use by *I Liheslaturan Guahan*, as well as the purchase,
5 refurbishment and renovation of a building or buildings located in the City of
6 Hagåtña for use by *I Liheslaturan Guahan*. Sums borrowed pursuant to this
7 authorization shall *not* exceed Seven Million Five Hundred Thousand Dollars
8 (\$7,500,000), nor shall annual debt service for such sums borrowed exceed in
9 any case ninety percent (90%) of the current annualized costs of rental or
10 leasing of space for *I Liheslaturan Guahan*, inclusive of all rentals exclusive of
11 individual senatorial office leases, as well as a sum equal to the cost of
12 providing office space for fifteen (15) senatorial offices on an annual basis
13 determined at a rate of Two Thousand Five Hundred Dollars (\$2,500.00) per
14 month. Prior to entering into any agreement to borrow funds, *I Liheslaturan*
15 *Guahan* must approve, by resolution, the execution of such agreement.
16 Should funds be available upon accomplishment of the purposes set forth
17 herein, any surplus may be used to assist in the renovation of the Manuel F. L.
18 Guerrero Administration Building, the roads surrounding the Old Session
19 Hall or Skinner Plaza.

PL
24-219

24th Guam Legislature
Committee on Rules, Government
Reform and Federal Affairs
Senator Mark Forbes, Chairman



MAY 18 1998

Speaker Antonio R. Unpingco
I Mina' Bente Kuattro Na Liheslaturan Guahan
155 Hesler Street
Hagåtña, Guam 96910

Dear Mr. Speaker:

The Committee on Rules, Government Reform and Federal Affairs, to which Bill No. 607 was referred, wishes to report its findings and recommendations **TO DO PASS BILL NO. 607**, "An act to authorize the restoration of the Old Legislative Building, the restoration of the Manuel F.L. Guerrero Administration Building and the purchase of permanent office space for the reduced number of senators in I Mina' Bente Singko (25th) Na Liheslaturan Guahan and beyond in lieu of continuous leasing, thus saving money."

The voting record is as follows:

TO PASS

7

NOT TO PASS

0

ABSTAIN

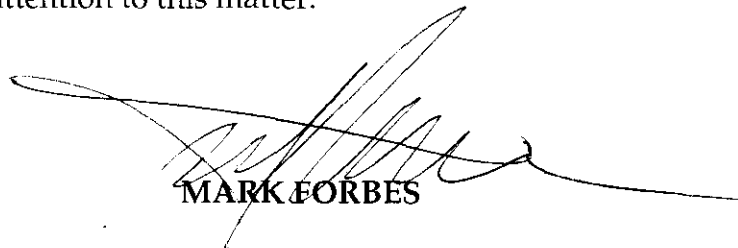
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TO PLACE IN INACTIVE FILE

0

Copies of the Committee Report and other pertinent documents are attached.

Thank you and si Yu'os ma'ase for your attention to this matter.


MARK FORBES

Attachments

24th Guam Legislature
Committee on Rules, Government
Reform and Federal Affairs
Senator Mark Forbes, Chairman



MAY 18 1998

MEMORANDUM

TO: Committee Members

FR: Chairman

SUBJECT: Committee Report- Bill No. 607 "An act to authorize the restoration of the Old Legislative Building, the restoration of the Manuel F.L. Guerrero Administration Building and the purchase of permanent office space for the reduced number of senators in I Mina' Bente Singko (25th) Na Liheslaturan Guahan and beyond in lieu of continuous leasing, thus saving money."

Transmitted herewith for your information and action is the report on Bill No. 607 from the Committee on Rules, Government Reform and Federal Affairs.

This memorandum is accompanied by the following:

1. Committee Voting Sheet
2. Committee Report
3. Bill No. 607
4. Public Hearing Sign-in Sheet
5. Fiscal Note/Fiscal Note Waiver
6. Notice of Public Hearing

Please take the appropriate action on the attached voting sheet. Your attention and cooperation in this matter is greatly appreciated.

Should you have any questions regarding the report or accompanying documents, please do not hesitate to contact me.

Thank you and si Yu'os ma'ase.

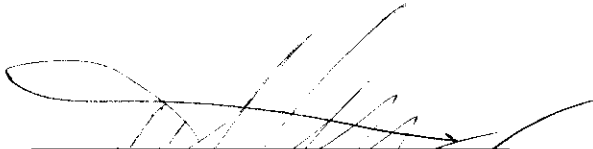

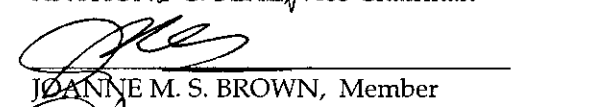
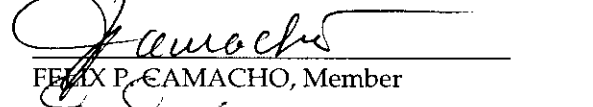
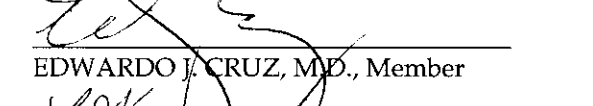


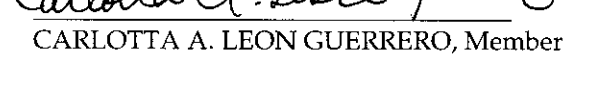
MARK FORBES

Attachments

Committee on Rules, Government Reform and Federal Affairs
I Mina' Bente Kuattro Na Liheslaturan Guahan

Voting Record

Bill No. 607 "An act to authorize the restoration of the Old Legislative Building, the restoration of the Manuel F.L. Guerrero Administration Building and the purchase of permanent office space for the reduced number of senators in I Mina' Bente Singko (25th) Na Liheslaturan Guahan and beyond in lieu of continuous leasing, thus saving money."

	<u>TO PASS</u>	<u>NOT TO PASS</u>	<u>ABSTAIN</u>	<u>INACTIVE FILE</u>
 MARK FORBES, Chairman	✓			
 ANTHONY C. BLAZ, Vice-Chairman	✓			
 JOANNE M. S. BROWN, Member	✓			
 FELIX P. CAMACHO, Member	✓			
 EDUARDO J. CRUZ, M.D., Member	✓			
 LAWRENCE F. KASPERBAUER, Member	X			
 ALBERTO A. C. LAMORENA V., Member	✓			
 CARLOTTA A. LEON GUERRERO, Member	✓			
JOHN C. SALAS, Member				
MARK C. CHARFAUROS, Member				
FRANCIS E. SANTOS, Member				
ANTONIO R. UNPINGCO, Member				

I Mina' Bente Kuåttro Na Liheslaturan Guahan

**Committee On Rules,
Government Reform & Federal Affairs
Senator Mark Forbes, Chairman**

Committee Report

on

Bill No. 607

“An act to authorize the restoration of the Old Legislative Building, the restoration of the Manuel F.L. Guerrero Administration Building and the purchase of permanent office space for the reduced number of senators in I Mina' Bente Singko (25th) Na Liheslaturan Guahan and beyond in lieu of continuous leasing, thus saving money.”

I. OVERVIEW

The Committee on Rules, Government Reform and Federal Affairs held a public hearing on Thursday, May 14, 1998 in the Conference Room of Senator Mark Forbes, I Liheslaturan Guahan. Public Notice of the hearing was announced in the May 8th and May 14th, 1998 issues of the Pacific Daily News.

Senators in attendance were:

- Senator Mark Forbes, Chairman
- Senator Joanne Brown, Member
- Senator Edwardo Cruz, Member
- Senator Frank Aguon, Jr.
- Senator Francisco Camacho
- Senator Ben Pangelinan

Appearing before the Committee:

- Mr. Ben Gumataotao, private citizen

II. SUMMARY OF TESTIMONY AND DISCUSSION

Mr. Ben Gumataotao presented oral testimony **in favor** of Bill No. 607. Mr. Gumataotao stated that he was in favor of the bill's intent and agrees that this action would eventually save money for the people of Guam. Mr. Gumataotao cautioned the Committee against the high interest rates that accompany borrowing money from a lending institution.

The Chairman informed the Committee and senators present that the Legislative Capital Improvement Fund has a balance of \$624,000.00 (six hundred and twenty-four thousand dollars), despite previous appropriations to the Fund. The Chairman indicated that I Mina' Bente Kuattro Na Liheslaturan Guahan has not spent any of the money in the Fund. The Chairman detailed the physical condition of the Old Legislative Hall.

The Committee and senators present came to the unanimous conclusion that I Liheslaturan Guahan should be housed in a permanent location. Renovating the Old Legislative Building would be in the best interest of the public as it would save taxpayers money and would add to the public's assets. Sessions of I Liheslaturan Guahan would be held in the renovated building and session support offices should also be located there. This would require an expansion to accommodate, at the very least, the Protocol Office, the Clerk of the Legislature, the Legal Counsel, Archives and Reproduction. The senators agreed that the renovation of the Old Legislative Building should be affordable and the design of the building should be modest, yet dignified and fitting to house Guam's legislative branch of government. The senators also agreed that the upper limit of the expenditures of the renovations should not exceed the amount of money spent on leases for senatorial offices and the central office lease. The senators discussed the possibility of purchasing a building for permanent senatorial office spaces in Hagåtña or renovating the Manuel F.L. Guerrero Building for this purpose.

III. FINDINGS AND RECOMMENDATION

The Committee on Rules, Government Reform and Federal Affairs finds that the purpose of Bill No. 607 is renovate the Old Legislative Building and acquiring permanent senatorial office spaces.

Currently, I Mina' Bente Kuáttro Na Liheslaturan Guahan spends approximately \$60,000.00 annually on senatorial office leases and \$319,680.00 annually on the central office lease. In addition, most senators expend money on renovating their rented office spaces every two years. This money is spent improving leased buildings that do not belong to the government of Guam. These expenses to the taxpayer are enormous and more importantly, the public does not gain an asset on this money spent on leases. In the long term, the renovation of the Old Legislative building and permanent senatorial office spaces is in the interest of the public.

The Committee also finds that taking money from the General Fund for this purpose would not be appropriate as the government has and will have other more important needs for immediate money. For example, building schools and assuring that public services continue to be provided. Time is critical in regard to Bill No. 607, for the longer I Liheslaturan Guahan waits the more taxpayers' money is squandered.

Accordingly, the Committee on Rules, Government Reform and Federal Affairs, to which Bill No. 607 was referred does hereby submit its findings and recommendations to I Mina' Bente Kuáttro Na Liheslaturan Guahan **TO DO PASS BILL NO. 607** "An act to authorize the restoration of the Old Legislative Building, the restoration of the Manuel F.L. Guerrero Administration Building and the purchase of permanent office space for the reduced number of senators in I Mina' Bente Singko (25th) Na Liheslaturan Guahan and beyond in lieu of continuous leasing, thus saving money."

**FISCAL NOTE
BUREAU OF BUDGET AND MANAGEMENT RESEARCH**

Bill No. 607 (COR) Date Received 5/12/98
 Amendatory Bill YES NO Date Reviewed 5/18/98

Department/Agency Affected: I Liheslaturan Guahan

Department/Agency Head: Honorable Antonio R. Unpingco, Speaker

Total FY Appropriation to Date: \$12,950,000.00

Bill Title (Preamble): AN ACT TO AUTHORIZE THE RESTORATION OF THE OLD LEGISLATIVE BUILDING, THE RESTORATION OF THE MANUEL F.L. GUERRERO ADMINISTRATION BUILDING AND THE PURCHASE OF PERMANENT OFFICE SPACE FOR THE REDUCED NUMBER OF SENATORS IN I MINA BENTE SINGKO (25TH) NA LIHESLATURAN GUAHAN AND BEYOND IN LIEU OF CONTINUOUS LEASING, THUS SAVING MONEY.

Change in Law: None.

Bill's Impact on Present Program Funding:

Increase Decrease Reallocation No Change
 Bill is for: Operations Capital Improvement Other-

FINANCIAL/PROGRAM IMPACT

ESTIMATED SINGLE-YEAR FUND REQUIREMENTS (Per Bill)

PROGRAM CATEGORY	GENERAL FUND	OTHER	TOTAL
I Liheslaturan Guahan	1/		1/

ESTIMATED MULTI-YEAR FUND REQUIREMENTS (Per Bill)

FUND	1st	2nd	3rd	4th	5th	TOTAL
GENERAL FUND	1/					1/
OTHER						
TOTAL						

FUNDS ADEQUATE TO COVER INTENT OF THE BILL? YES/NO - IF NO, ADD'L AMT REQUIRED N/A
 AGENCY/PERSON/DATE CONTACTED: _____

ESTIMATED POTENTIAL MULTI YEAR REVENUES

FUND	1st	2nd	3rd	4th	5th	TOTAL
GENERAL FUND	N/A					N/A
OTHER						
TOTAL						

ANALYST William P. Taitingfong DATE 5/18/98
 DIRECTOR JOSEPH E. RIVERA DATE MAY 18 1998
 Acting Director

Footnotes: 1/ See attached comments.

Comments to Bill No. 607(COR)

The Bureau anticipates that Bill No. 607 will cause a fiscal impact to the General Fund of government of Guam should the I Liheslaturan Guahan be authorized to borrow funds, either by a direct loan from a lending institution or through a private placement bond enhanced by a local lending institution for the pupose of renovating, modifying and expanding as required the Guam Congress Building located in Hagatna for the use of the I Liheslaturan Guahan. The sums borrowed pursuant to this authorization shall not exceed \$7.5 million dollars, nor shall annual debt service for such sums borrowed exceed in any case 90% of the current annualized costs of rental or leasing space for the I Liheslaturan Guahan.

The Bureau is unable to conduct an adequate review of the impact of Bill No. 607 to the I Liheslaturan Guahan or to the General Fund of the government of Guam due to time constraints placed on the Bureau relative to meeting the scheduled hearing of Bill No. 607.