



Office of the Governor of Guam

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Felix P. Camacho
Governor

Michael W. Cruz, M.D.
Lieutenant Governor

2008 JUN -9 9:54

05 JUN 2008

Honorable Judith T. Won Pat, Ed.D
Speaker
I Mina' Bente Nuebi Na Liheslaturan Guåhan
155 Hesler Place
Hagåtña, Guam 96910

29-08-0428
Office of the Speaker
Judith T. Won Pat, Ed. D.
Date
Time
Received by

Dear Speaker Won Pat:

Please find attached Bill No. 291(EC), AN ACT TO AMEND PUBLIC LAW 29-69, RELATIVE TO THE FINANCING OF EDUCATIONAL FACILITIES; TO AUTHORIZING THE FUNDING OF STREETLIGHTS, HEALING HEARTS CRISIS CENTER PROGRAMS AND SERVICES, CRIME LAB EQUIPMENT, AND LEASE PAYMENTS TO THE A.B. WON PAT INTERNATIONAL AIRPORT AUTHORITY; AND TO GUARANTEE A TEN MILLION DOLLAR (\$10,000,000) LOAN BY GUAM POWER AUTHORITY, which I have signed into law on May 30, 2008 as Public Law No. 29-82.

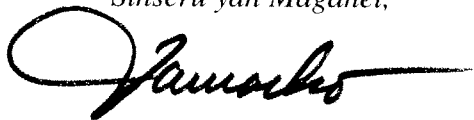
I want to thank I Mina Bente Nuebi Na Liheslaturan Guåhan for expeditiously passing Bill 291. The provisions contained in 29-82 resolve several critical issues. One of the more pressing matters is the streetlight arrearage and we have already issued the request for proposal for the loan authorized in the law to pay the streetlight arrearage.

The legislation also authorized supplemental funding for the payment of streetlights to address the fiscal year 2008 shortfall. Every year, the government collects around \$3.2 Million from vehicle registration fees. The Guam Power Authority bills the government \$5 Million annually for the operations of existing streetlights funded by these sources. In order to address this annual shortfall, we recommended that a provision be codified authorizing the Governor to cover these potential shortfalls from the General Fund whenever the Streetlight Fund comes up short in a given fiscal year. Without a permanent solution to cover the potential annual shortfall, the government could conceivably end up owing GPA another \$10 Million within 5 years. We must avoid the need to revisit the license renewal fee increase by providing a mechanism that will guarantee streetlight payments year in and year out.

Honorable Judith T. Won Pat, Ed.D
Speaker
I Mina' Bente Nuebi Na Liheslaturan Guåhan
Page 2

I have attached proposed language for your consideration and urge *I Mina Bente Nuebi Na Liheslaturan Guåhan* to consider codifying the authorization by the Fiscal Year 2009.

Sinseru yan Magåhet,

A handwritten signature in black ink, appearing to read 'Felix P. Camacho', with a large, stylized initial 'F' and a long horizontal flourish extending to the right.

FELIX P. CAMACHO
I Maga'låhen Guåhan
Governor of Guam

cc: All Senators

1 **Authorization to pay from the General Fund to the Guam Power Authority for**
2 **payment for operation of public street lights. Subsection (f) is hereby added to**
3 **Section 7161 of 16 G.C.A. to read as follows:** “In the event the Street Light Fund is
4 insufficient to pay for the operations of public street lights in a given fiscal year, *I*
5 *Maga’lahen Guahan* is authorized to cover such shortfall and pay to the Guam Power
6 Authority from the General Fund for the continued operations of public street lights.”
7 Such sums as are necessary for this purpose are hereby appropriated from the General
8 Fund, provided such payments do not exceed Two Million Dollars in any given fiscal
9 year.

I MINA'BENTE NUEBI NA LIHESLATURAN GUÅHAN
2008 (SECOND) Regular Session


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

This is to certify that **Bill No. 291 (EC), "AN ACT TO AMEND PUBLIC LAW 29-69, RELATIVE TO THE FINANCING OF EDUCATIONAL FACILITIES; TO AUTHORIZING THE FUNDING OF STREETLIGHTS, HEALING HEARTS CRISIS CENTER PROGRAMS AND SERVICES, CRIME LAB EQUIPMENT, AND LEASE PAYMENTS TO THE A. B. WON PAT INTERNATIONAL AIR PORT AUTHORITY; AND TO GUARANTEE A TEN MILLION DOLLAR (\$10,000,000) LOAN BY GUAM POWER AUTHORITY,"** was on the 29th day of May, 2008, duly and regularly passed.



Judith T. Won Pat, Ed. D.
Speaker

Attested:



Tina Rose Muña Barnes
Senator and Secretary of the Legislature

This Act was received by *I Maga'lahaen Guåhan* this _____ day of _____, 2008, at _____ o'clock _____.M.

Assistant Staff Officer
Maga'lahi's Office

APPROVED:



FELIX P. CAMACHO
I Maga'lahaen Guåhan

Date: 30 MAY 2008

Public Law No. 29-82

I MINA'BENTE NUEBI NA LIHESLATURAN GUÅHAN
2008 (SECOND) Regular Session

Bill No. 291 (EC)

As amended on the Floor.

Introduced by:

v. c. pangelinan
J. T. Won Pat, Ed.D.
Dr. David L.G. Shimizu
Tina Rose Muña Barnes
Frank F. Blas, Jr.
Edward J.B. Calvo
B. J.F. Cruz
James V. Espaldon
Mark Forbes
Judith Paulette Guthertz, DPA
Frank T. Ishizaki
J. A. Lujan
A. B. Palacios, Sr.
R. J. Respicio
Ray Tenorio

AN ACT TO *AMEND* PUBLIC LAW 29-69, RELATIVE TO THE FINANCING OF EDUCATIONAL FACILITIES; TO AUTHORIZING THE FUNDING OF STREETLIGHTS, HEALING HEARTS CRISIS CENTER PROGRAMS AND SERVICES, CRIME LAB EQUIPMENT, AND LEASE PAYMENTS TO THE A. B. WON PAT INTERNATIONAL AIR PORT AUTHORITY; AND TO GUARANTEE A TEN MILLION DOLLAR (\$10,000,000) LOAN BY GUAM POWER AUTHORITY.

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

2 **Section 1.** Section 6 of Public Law 29-69 is hereby *amended* to read:

3 **“Section 6. Disbursement of Proceeds.** The Guam Educational
4 Foundation *shall* allocate and disburse the net proceeds received pursuant to

1 this Act, after payment of financing costs and deposits into required
2 reserves, according to the following priorities:

3 1st Priority - Up to One Million Two Hundred Eighty-seven Thousand
4 Dollars (\$1,287,000) to fund the off-site infrastructure for *Liguan* and
5 *Adacao* Elementary Schools, *Astumbo* Middle School, and *Okkodo* High
6 School including, *but not limited to*, water, sewer, power, street lights,
7 telephone, cable, intersection designs, and access roads.

8 2nd Priority - Three Million Seven Hundred Seventy-eight Thousand,
9 Seven Hundred Sixty-three Dollars (\$3,778,763) to fund the collateral
10 equipment for the new schools.

11 3rd Priority - To fund the design, procurement and installation of
12 athletic field lights at the *Okkodo* High School location.

13 4th Priority - Any unused funds *shall* go towards payment of the
14 bond.”

15 **Section 2.** Section 8 of Public Law 29-69 is hereby *amended* to read:

16 “**Section 8.** Financing instruments, as amended by this Act, *shall*
17 have a final maturity date *not later than* ten (10) years after their date of
18 issuance, and bear interest at such rate and *shall* be sold for such price *or*
19 prices as *shall* result in a yield to the holders of such instruments *not*
20 *exceeding* seven and one-half percent (7.5%) per annum.”

21 **Section 3.** A new Section 13 is hereby *added* to Public Law 29-69 to read
22 as follows:

23 “**Section 13. Authority to Borrow.** *I Maga’lahen Guahan*, on
24 behalf of the government of Guam, is authorized to borrow an amount not to
25 exceed Thirteen Million Eight Hundred Thousand Dollars (\$13,800,000) and to
26 execute a financial agreement with any bank or commercial lending institution
27 licensed on Guam, government of Guam autonomous agency or any other

1 instrumentality of the government of Guam. The terms of the loan *shall* include
2 the following:

3 (a) *I Maga'lahaen Guåhan shall* use the Thirteen Million Eight
4 Hundred Thousand Dollars (\$13,800,000) of such loan for the purpose
5 of paying delinquent streetlight arrearage (streetlight delinquency)
6 owed to the Guam Power Authority;

7 (b) prepaid charges *shall not* be levied by the bank *or* entity for
8 opening a line of credit;

9 (c) interest derived from the financial agreement *shall* be
10 exempt from taxation by the government of Guam;

11 (d) repayment of the loan *shall* commence on July 1, 2008 and
12 *shall* run for a period *not less than* four (4) years, all other terms of the
13 financial agreement *shall* be negotiated by *I Maga'lahaen Guåhan* in
14 the best interest of the People of Guam.

15 (e) the interest rate *shall* be negotiated between *I Maga'lahaen*
16 *Guåhan* and the lender, such interest rate *shall not exceed* seven
17 percent (7%) per annum and *shall* be computed on a three hundred
18 sixty-five (365) day calendar year upon the actual amount extended to
19 the government, and is to be paid monthly;

20 (f) there are hereby appropriated from the General Fund such
21 sums as will equal in each year the amount of money necessary for the
22 repayment of the principal, interest and other costs associated with the
23 financing.”

24 **Section 4. Authorization for Supplemental Funding of Streetlights.** A
25 new Section 14 is hereby *added* to Public Law 29-69 to read as follows:

26 “**Section 14. Authorization for Supplemental Funding for**
27 **Payment of Streetlights.** *I Maga'lahaen Guåhan* is hereby authorized to use up

1 to Two Million Dollars (\$2,000,000) from General Fund revenues collected in
2 Fiscal Year 2008 that are in excess of the General Fund revenues adopted in
3 P.L. 29-19, and from savings as a result of the “appropriation reserves” imposed
4 by the Bureau of Budget and Management Research on Executive Branch
5 entities, for the payment of FY 2008 Streetlight obligations.”

6 **Section 5. Authorization for Supplemental Funding for Healing Hearts**
7 **Crisis Center.** A new Section 15 is hereby *added* to Public Law 29-69 to read
8 as follows:

9 **“Section 15. Authorization.** *I Maga’lahen Guåhan* is hereby
10 authorized to use One Hundred Thousand Dollars (\$100,000) from General
11 Fund revenues collected in Fiscal Year 2008 that are in excess of the General
12 Fund revenues adopted in P.L. 29-19, and from savings as a result of the
13 “appropriation reserves” imposed by the Bureau of Budget and Management
14 Research on Executive Branch entities to the Department of Mental Health and
15 Substance Abuse for the purpose of supporting the programs and services of the
16 Healing Hearts Crisis Center.”

17 **Section 6. Authorization for Supplemental Funding for Guam Police**
18 **Department Rental Payment to the A. B. Won Pat International Airport**

19 **Authority.** *I Maga’lahen Guåhan* is hereby authorized to use up to Eight
20 Hundred Eighty Thousand Fifty Dollars (\$880,050.00) from General Fund
21 revenues collected in Fiscal Year 2008 that are in excess of the General Fund
22 revenues adopted in P.L. 29-19, and from savings as a result of the “appropriation
23 reserves” imposed by the Bureau of Budget and Management Research on
24 Executive Branch entities, to pay outstanding prior years and current fiscal year
25 rental owed to the A.B. Won Pat International Airport Authority for the *Tiyan*
26 property currently occupied by the Guam Police Department.

1 **Section 7. Authorization for Supplemental Funding for the Guam**
2 **Police Department’s Crime Lab.** *I Maga’lahen Guåhan* is hereby authorized to
3 use up to Three Hundred Forty Thousand Nine Hundred Forty-six Dollars
4 (\$340,946.00) from General Fund revenues collected in Fiscal Year 2008 that are
5 in excess of the General Fund revenues adopted in P.L. 29-19, and from savings as
6 a result of the “appropriation reserves” imposed by the Bureau of Budget and
7 Management Research on Executive Branch entities, for New Crime Lab
8 Equipment for the Guam Police Department.

9 **Section 8.** A new Section 16 is hereby *added* to Public Law 29-69 to read
10 as follows:

11 **“Section 16. (a) Legislative Findings.** *I Mina Bente Nuebi Na*
12 *Liheslaturan Guåhan* finds that the Guam Power Authority (GPA) has
13 through the Guam Economic Development and Commerce Authority
14 (GEDCA) put out an RFP for the purposes of securing a Ten Million Dollar
15 (\$10,000,000) loan to provide funds for various infrastructure and other
16 projects which would benefit and improve the power system. The use of
17 funds from the projected loan would be subject to the Public Utilities
18 Commission (PUC) final approval, and would include but not be limited to
19 projects such as the Harmon to Tumon, Harmon to Tanguisson, Tamuning to
20 Tumon, Agana to Tamuning underground projects, heavy equipment and
21 vehicles, and an Energy Management System. GEDCA has received
22 information from lenders responding to the GEDCA RFP which indicate that
23 these lenders would require the government to provide a guarantee for the
24 GPA loan. Guam Power Authority would remain responsible for payments
25 required under the proposed loan.

26 **(b) Loan Guarantee.** The government of Guam hereby guarantees
27 all payments due under the Ten Million Dollar (\$10,000,000) loan and

1 promissory note for a five (5) year term, to be executed by the Guam Power
2 Authority. This Guarantee is a general obligation of the government of
3 Guam, subject to the full faith and credit of the government of Guam.”

4 **Section 9. Severability.** *If* any of the provisions of this Act or the
5 application thereof to any person or circumstance is held invalid, such invalidity
6 shall *not* affect any other provision or application of this Act which can be given
7 effect without the invalid provision or application, and to this end the provisions of
8 this Act are severable.



Office of

The People

Mina' Bente Nuebi Na Liheslaturan Guåhan

Senator vicente (ben) c. pangelinan (D)

May 29, 2008

Minority Whip (D)

Member
Committee on
Tourism
Maritime, Military,
Veteran and Foreign
Affair

Member
Committee on
Judiciary,
National Resources,
Infrastructure and
Cultural Affairs

Member
Committee on Health
Human Services and
Homeland Security

Member
Committee on
Education, General
and Omnibus Affairs

The Honorable Judith T. Won Pat
Speaker
Mina Bente Nuebi Na Liheslaturan Guahan
155 Hesler Street
Hagatna, Guam 96910

Re: Waiver of Public Hearing for Bill 291 (EC)

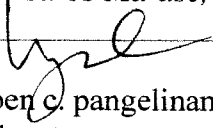
Hafa Adai Speaker Won Pat:

Pursuant to 2 GCA §2103, I hereby request that you certify emergency conditions exist requiring the waiver of the public hearing requirement for Bill 291 (EC), AN ACT TO AMEND SECTION 6 OF PUBLIC LAW 29-69.

This action is necessary as the bill is of great public concern impacting our public education system. The measure would facilitate the completion of Liguán and Adacao Elementary Schools; Astumbo Middle School; and Ukudu High School.

I look forward to your favorable consideration on this matter. Should you have any questions, please feel free to contact me.

Sj Yu'os Ma'ase,


ben c. pangelinan
Senator

cc: All Senators

Office of the Speaker
Judith T. Won Pat, Ed. D.
Date 5/29/08
Time 9:30
Received by [Signature]

324 W. Soledad Ave. Suite 101, Hagåtña, Guam 96910

Tel: (671) 473-(4BEN) 4236 - Fax: (671) 473-4238 - Email: senbenp@guam.net



**OFFICE OF THE SPEAKER
29th GUAM LEGISLATURE
JUDITH T. WON PAT, Ed.D**

May 29, 2008

To: *I Mina'Bente Nuebi Na Liheslaturan Guahan*

RE: Emergency Certification of Bill 291

After careful evaluation for a request to waive the requirements for a public hearing on bill 291;

Bill No. 291 (EC) - v.c. pangelinan / J.T. Won Pat, Ed.D. - An act to amend Section 6 of Public Law 29-69.

I certify, pursuant to 2 GCA §2103, that an emergency condition exists and that the requirements for a public hearing on bill 291 is accordingly waived.

Senseramente,

Judith T. Won Pat, Ed.D.
Speaker

cc: Senator vicente "ben" pangelinan
Clerk of the Legislature