I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2010 (SECOND) Regular Session

FILE COPY

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

This is to certify that **Substitute Bill No. 195-30 (COR), "AN ACT TO *REPEAL* AND *REENACT* §51821 OF ARTICLE 8, CHAPTER 51 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO THE USE OF PROCEEDS OF SALE OF BONDS",** was on the 16th day of August, 2010, duly and regularly passed.

Judith T. Won Pat, Ed. D.
Speaker

Attested:

Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahen Guåhan* this 17th day of Aug., 2010, at 4:40 o'clock P.M.

Assistant Staff Officer
Maga'lahi's Office

APPROVED:

FELIX P. CAMACHO
I Maga'lahen Guåhan

Date: _____

Public Law No. _____

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

Bill No. 195-30 (COR)
As substituted by the Committee on Economic Development, Health & Human Services, and Judiciary, and amended on the Floor.

Introduced by: v. c. pangelinan
F. B. Aguon, Jr.
T. C. Ada
V. Anthony Ada
F. F. Blas, Jr.
E. J.B. Calvo
B. J.F. Cruz
J. V. Espaldon
Judith P. Guthertz, DPA
T. R. Muña Barnes
Adolpho B. Palacios, Sr.
R. J. Respicio
Telo Taitague
Ray Tenorio
Judith T. Won Pat, Ed.D.

AN ACT TO *REPEAL* AND *REENACT* §51821 OF ARTICLE 8, CHAPTER 51 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO THE USE OF PROCEEDS OF SALE OF BONDS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the Two Hundred Two Million Four Hundred Twenty-Five Thousand Dollars ($202,425,000) Limited-Obligation (Section 30) Bonds, Series 2009A proceeds for financing a new landfill as authorized in Public Law 30-1, and amended by Public

Law 30-7, are no longer needed for this purpose due to alternative financing of One Hundred Four Million Dollars ($104,000,000) combination loan and grant approved by the United States Department of Agriculture (USDA) as part of the American Recovery and Reinvestment Act (ARRA).

I Liheslaturan Guåhan further finds that, at a minimum, Ten Million Dollars ($10,000,000) was removed or has been encumbered from the General and Special Funds in Fiscal Years 2004 through 2009 for Consent Decree projects, including engineering services, technical specialist consultants, project management, and environmental consultants and studies. *I Liheslaturan Guåhan* seeks to make permanent the reimbursement of said funds used for the Ordot Dump Consent Decree and make these funds available to pay prior or current year income tax refunds.

I Liheslaturan Guåhan further finds that one hundred thirty-four thousand (134,000) square meters of land (Lot No. 3434, GAFAO) which is being used for the Ordot Dump *has not* been condemned or purchased by the government of Guam. The Ordot Dump is on track to be closed in 2012 and *I Liheslaturan Guåhan* desires that any and all land transactions related to Lot No. 3434, GAFAO be settled prior to 2012.

Section 2. §51821 of Article 8, Chapter 51 of Title 10, Guam Code Annotated, is hereby *repealed* and *reenacted* to read as follows:

"**§51821. Payments Which May be Made Out of Proceeds of Sale of Bonds.** The proceeds of sale of any bonds *shall* be expended in order of priority for the following purposes:

(a) *up to* Twenty Million Dollars ($20,000,000), but *not less than* Ten Million Dollars ($10,000,000) for reimbursement of any expenses, including, but *not* limited to, engineering, inspection, legal, consultants' *or* paying agents' fees relating *or* incidental to:

(1) the acquisition, construction *or* improvement of the system *or* any part thereof;

(2) the authorization, issue *or* sale of bonds; *or*

(3) professional technical services to prepare the technical specifications for a bid invitation for a Finance, Build, Operate, and Lease Back (FBOL) to meet the requirements for USEPA compliant municipal solid waste services on Guam, and for the evaluation of bids which have been submitted, and to provide its findings and recommendation to *I Maga'lahi* (the Governor) and *I Liheslatura* (the Legislature) within one hundred eighty (180) days from enactment of the Act;

(b) *up to* Three Million Dollars ($3,000,000) for compensation for the acquisition of private property used for the *Ordot* Landfill by an instrumentality or agency of the government of Guam. An appraisal of the private property used for the *Ordot* Landfill must be obtained prior to acquisition thereof;

(c) for payment of any costs *or* expenses of the acquisition, construction *or* improvement of the system *or* any part thereof (including any closed landfill *or* dump) *or* any costs *or* expenses incidental thereto, including payment to the United States *or* any other public body for the portion to be borne by the government of the cost of any work done by the United States *or* such public body for *or* jointly *or* in conjunction with the Department;

(d) for payment to any non-government of Guam entity or personnel of any costs *or* expenses relating to the authorization, issuance *or* sale of bonds;

(e) for deposit in any one (1) *or* more reserve funds *or* accounts in lieu of insurance *or* in any working capital fund *or* account *or* contingency fund *or* account relating to the system;

(f) for payment of interest on bonds during the projected period of acquisition, construction *or* improvement of the system *or* any part thereof for the acquisition, construction *or* improvement of which such bonds have been issued and for a period *not to exceed* three (3) years thereafter;

(g) for deposit in any reserve *or* sinking fund; *or*

(h) for the payment of any prior bonds *or* other obligations of the government issued for solid waste management purposes."

Section 3. The portion of any bond proceeds used for projects of any autonomous agency or instrumentality of the government of Guam *shall be* repaid by said autonomous agency or instrumentality. The repayment obligation of the autonomous agency or instrumentality *shall be* calculated by dividing the autonomous agency or instrumentality borrowed principal by the total bond proceeds and multiplying by required annual debt service payments.

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