EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor Of Guam

JUL 14 2017

GL#34-17-730
Speaker Benjamin J.F. Cruz

JUL 14 2017
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Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuåttro Na Liheslaturan Guåhan
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

Dear Mr. Speaker:

Transmitted herewith is Bill No. 72-34 (COR), **"AN ACT TO *ADD* A NEW § 22437 TO ARTICLE 4, CHAPTER 22, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THAT EXECUTIVE BRANCH AGENCIES OF THE GOVERNMENT OF GUAM AMORTIZE PAYMENTS OF MUNICIPAL LEASES INTO EQUAL MONTHLY INSTALLMENTS THROUGHOUT THE FISCAL YEAR, EXCEPT WHEN SUCH AMORTIZATION SCHEDULE WOULD CAUSE A VIOLATION OF AN INDENTURE SUCH THAT IT WOULD NEGATIVELY IMPACT THE CREDIT RATING OF THE GOVERNMENT OF GUAM,"** which was signed into law on July 13, 2017, as **Public Law 34-25.**

Senseramente,

EDDIE BAZA CALVO

I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN
2017 (FIRST) Regular Session

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

This is to certify that **Bill No. 72-34 (COR), "AN ACT TO *ADD* A NEW § 22437 TO ARTICLE 4, CHAPTER 22, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THAT EXECUTIVE BRANCH AGENCIES OF THE GOVERNMENT OF GUAM AMORTIZE PAYMENTS OF MUNICIPAL LEASES INTO EQUAL MONTHLY INSTALLMENTS THROUGHOUT THE FISCAL YEAR, EXCEPT WHEN SUCH AMORTIZATION SCHEDULE WOULD CAUSE A VIOLATION OF AN INDENTURE SUCH THAT IT WOULD NEGATIVELY IMPACT THE CREDIT RATING OF THE GOVERNMENT OF GUAM,"** was on the 30th day of June 2017, duly and regularly passed.

Benjamin J.F. Cruz
Speaker

Attested:

Régine Biscoe Lee
Legislative Secretary

This Act was received by *I Maga'låhen Guåhan* this 03 day of July, 2017, at 2:10 o'clock P .M.

Assistant Staff Officer
Maga'låhi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'låhen Guåhan

Date: JUL 13 2017

Public Law No. 34-25

I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN
2017 (FIRST) Regular Session

Bill No. 72-34 (COR)

Introduced by: Michael F.Q. San Nicolas
Thomas C. Ada
FRANK B. AGUON, JR.
William M. Castro
B. J.F. Cruz
James V. Espaldon
Fernando Barcinas Esteves
Régine Biscoe Lee
Tommy Morrison
Louise B. Muña
Telena Cruz Nelson
Dennis G. Rodriguez, Jr.
Joe S. San Agustin
Therese M. Terlaje
Mary Camacho Torres

AN ACT TO *ADD* A *NEW* § 22437 TO ARTICLE 4, CHAPTER 22, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO REQUIRING THAT EXECUTIVE BRANCH AGENCIES OF THE GOVERNMENT OF GUAM AMORTIZE PAYMENTS OF MUNICIPAL LEASES INTO EQUAL MONTHLY INSTALLMENTS THROUGHOUT THE FISCAL YEAR, EXCEPT WHEN SUCH AMORTIZATION SCHEDULE WOULD CAUSE A VIOLATION OF AN INDENTURE SUCH THAT IT WOULD NEGATIVELY IMPACT THE CREDIT RATING OF THE GOVERNMENT OF GUAM.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the timing of municipal lease payments can vary depending upon the terms set by the government of Guam.

I Liheslaturan Guåhan further finds that spreading the cost of such lease payments into twelve (12) monthly payments over the course of the fiscal year could provide greater regularity in the cash-flow for the government of Guam.

It is, therefore, the intent of *I Liheslaturan Guåhan* to improve the cash-flow of the government of Guam by adding a new § 22437 to Article 4, Chapter 22, Title 5, Guam Code Annotated, requiring that executive branch agencies of the government of Guam amortize payments of municipal leases into equal monthly installments throughout the fiscal year, except when such amortization schedule would cause a violation of an indenture such that it would negatively impact the credit rating of the government of Guam.

Section 2. A new § 22437 is hereby *added* to Article 4, Chapter 22, Title 5, Guam Code Annotated, to read:

"**§ 22437. Timing of Municipal Lease Payments.**

For the budget act period of Fiscal Year 2018, and for each subsequent budget act period thereafter, executive branch agencies of the government of Guam *shall* amortize payments for each municipal lease into equal monthly installments throughout the fiscal year; provided, that any such amortization schedule for its respective municipal lease does not contravene the provisions of any indenture such that it would cause default or any other negative impact to the credit rating of the government of Guam."