


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

2009 APR 2 PM 1:00 - De

Bill No. 361-30(corr)

Introduced by:

FRANK B. AGUON, JR. 

AN ACT RELATIVE TO THE APPROVAL OF THE TERMS
AND CONDITIONS OF THE ISSUANCE OF ONE (1) OR
MORE SERIES OF BONDS TO BE PURCHASED BY THE
UNITED STATES DEPARTMENT OF AGRICULTURE ON
BEHALF OF THE GOVERNMENT OF GUAM TO FINANCE
THE COSTS OF THE LANDFILL, THE CLOSURE OF THE
ORDOT DUMP, AND OTHER SYSTEM COSTS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent.

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I Liheslaturan Guåhan finds as follows: (1) that the government issued its Government of Guam Limited Obligation (Section 30) Bonds, Series 2009A (the "Section 30 Bonds") in the aggregate principal amount of \$202,425,000 for the purpose of providing the amounts necessary to pay the costs of the closure of the Ordot Dump and the construction of a new landfill, (2) that subsequent to the issuance of such bonds, the United States Department of Agriculture ("USDA") provided a "Letter of Conditions for the Layon Landfill Financing Including a \$88,536,000 Direct Loan and \$15,019,300 Grant," (3) that if and to the extent that the USDA loan and grant are accepted, the grant is made, and the loan is made by the issuance of new bonds for purchase by the USDA, a comparable portion of the proceeds of the Section 30 Bonds will be able to be released, subject to the approval of the United States District Court, from the requirement that they be used for the costs of closure of Ordot Dump and the construction of a new landfill, and (4) that such released Section 30

1 Bond proceeds will then be available for appropriation by *I Liheslaturan Guåhan*
2 for other purposes that are consistent with the terms and conditions of the
3 Section 30 Bonds, including the requirements relating to the exclusion of
4 interest on the bonds from gross income for federal income tax purposes.

5 **Section 2. Approval of Government of Guam USDA Solid Waste**
6 **Management System Bonds.**

7 *I Liheslaturan Guåhan*, pursuant to §50103 of Title 12, Guam Code
8 Annotated, and §51803 of Title 10, Guam Code Annotated, hereby approves the
9 issuance and sale by the government to the USDA of bonds issued pursuant to
10 Article 8, Chapter 51, Title 10, Guam Code Annotated (the "Act"), in one (1) or
11 more series or issues, with such terms and conditions as are offered by the
12 USDA, approved by *I Maga'lahaen Guåhan* and consistent with the provisions
13 contained within this Act; provided, that the terms and conditions of the bonds
14 and the indenture, certificate or other instrument pursuant to which the bonds
15 are to be issued shall have been approved by the Guam Public Utilities
16 Commission. The amount of bonds issued pursuant to this approval shall not
17 exceed the amount offered by the USDA to be purchased for the purposes of (1)
18 paying, or reimbursing the government for its prior payment of, the costs of the
19 closure of the Ordot Dump and the construction of the new landfill, (2) funding
20 any interest, reserves, contingency or other amounts required or approved by
21 the purchaser, and (3) paying costs of issuance of the bonds.

22 **Section 3. Government of Guam - USDA Bond/Grant Terms and**
23 **Conditions.**

24 The terms and conditions of the USDA Bond/Grant financing shall
25 be included as an attachment herein, as "Exhibit A", and shall be provided for
26 informational purposes.