June 1, 1992

The Honorable Joe T. San Agustin  
Speaker  
Twenty First Guam Legislature  
155 Hesler St.  
Agana, Guam 96910

Dear Mr. Speaker:

Enclosed herewith is Substitute Bill No. 723 which I have signed into law as Public Law 21-110 but with certain line item vetoes and reductions.

In Section 7 I have reduced in half the amounts appropriated for travel by the Guam Future Farmers of America. The government should not provide more than one-half of travel expenses for groups leaving island for travel or attending conventions. I have ordered the Departments of Education and Parks and Recreation to implement this policy during the next school year. Further, with respect to the appropriation made in Paragraph (a) the Attorney General has advised that funds for this appropriation cannot be released until the conclusion of the fiscal year and only if any available balance exists from which to draw funds.

In order to meet the obligation of the government I have let stand Section 8 but in accordance with the Attorney General’s advice no funds will be made available for this purpose until the end of Fiscal Year 1992.

In Sections 9 through 13 the Legislature has appropriated from fiscal year 1993 revenues. I urge caution for further appropriations from fiscal year 1993. The operating budget has not yet been entertained. In addition several capital projects need funding. We also want to implement the CAHAT program next year to provide housing opportunities in our community. Let us work together to make decisions based on all our revenues and needs during the coming fiscal year.

In keeping with my policy for reducing expenditures for off-island travel I have reduced the appropriation made in Section 15. In accordance with the Attorney General’s advice no funds will be made available for this purpose until the end of Fiscal Year 1992.

I have line item vetoed the appropriation made in Section 16. I urge the legislature to fund this program for school year 1992-3 from fiscal year 1993 funds.
The Honorable Joe T. San Agustin
June 1, 1992
Page Two

I have line item vetoed the appropriation made in Section 17. The Director of Education has informed me that funds for travel by one teacher were identified.

I have line item vetoed the appropriation made in Section 18. The Director of Education has informed me that funds for travel by these students were identified and that they have already made the trip to Tokyo, Japan.

With respect to Section 21 the President of the University of Guam has advised me that funds for the Summer Master's in Nursing Program have been advanced to start the program. At the end of the fiscal year, if funds are available, the University will be reimbursed for its advance.

Finally, I extend my appreciation to you and your colleagues for passing this measure which has as its primary purpose the refunding of the government's highway bonds in order to make more funds available for construction and repair of our roads. This measure will long serve to benefit the people living and driving in this Territory. We are in the process of marketing the bonds and expect do so this month.

Cordially,

JOSEPH F. ADA
Governor

210816
TWENTY-FIRST GUAM LEGISLATURE
1992 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 723 (COR), "AN ACT TO REPEAL AND REENACT §1504 OF TITLE 5 OF THE GUAM CODE ANNOTATED REGARDING THE ISSUANCE OF LIMITED OBLIGATION HIGHWAY BONDS OF THE GOVERNMENT OF GUAM FOR FUNDING AND CAPITAL IMPROVEMENT HIGHWAY PROJECT PURPOSES; TO PROVIDE FOR ENVIRONMENTAL HEALTH SPECIALIST SUPERVISOR AT GUAM ENVIRONMENTAL PROTECTION AGENCY (GEPA) AND APPROPRIATE TWO HUNDRED TWENTY THOUSAND EIGHT HUNDRED TWENTY-TWO DOLLARS ($220,822) FOR RETROACTIVE PAYMENTS TO ELEVEN (11) GEPA EMPLOYEES AND FORTY-FOUR THOUSAND FOUR HUNDRED FORTY-ONE DOLLARS ($44,441) TO PAY RETROACTIVE PAYMENTS TO THREE FORMER GEPA EMPLOYEES; AND TO APPROPRIATE EIGHTEEN THOUSAND FIVE HUNDRED EIGHT DOLLARS ($18,580) AND FOURTEEN THOUSAND NINE HUNDRED FIFTY EIGHT DOLLARS ($14,958) TO THE GUAM FUTURE FARMERS OF AMERICA ASSOCIATION FOR FFA WASHINGTON LEADERSHIP CONFERENCE AND NATIONAL FFA CONVENTION; TO APPROPRIATE NINETY THOUSAND DOLLARS ($90,000) TO CONVERT THE TENNIS COURT IN LIGUAN TERRACE TO A BASKETBALL COURT; TO APPROPRIATE ONE HUNDRED TWENTY THOUSAND DOLLARS ($120,000) FOR REPAIRS AND IMPROVEMENTS FOR THE SANTA RITA COMMUNITY SENIOR CITIZENS CENTER; TO APPROPRIATE FIFTEEN THOUSAND DOLLARS ($15,000) FOR THE IMPROVEMENTS IN THE YIGO AND AGAFA GUMAS BASKETBALL COURTS; TO APPROPRIATE THIRTY FIVE THOUSAND DOLLARS ($35,000) FOR LIGHTING AND OTHER IMPROVEMENTS FOR THE YIGO BASEBALL FIELD; TO APPROPRIATE THREE HUNDRED FIFTY THOUSAND DOLLARS ($350,000) FOR THE INSTALLATION OF LIGHTS IN THE LIGUAN TERRACE BASEBALL FIELD; TO APPROPRIATE FIFTY THOUSAND
Dollars ($50,000) for hosting the 51st Council meeting of the Asian Pacific Parliamentarians' Union (APPU) from June 1 to 3, 1992; to appropriate two hundred thirty thousand dollars ($230,000) to the Department of Parks and Recreation to replenish the Off-Island Sports Travel Fund; to appropriate sixty thousand dollars ($60,000) to the University of Guam College of Agriculture and Life Sciences Family Community Leadership Program for the purpose of funding the operation of the program and its project; to appropriate twelve thousand six hundred dollars ($12,600) to the Department of Education to fund the expenses of two (2) Math educators to join the Citizen Ambassador Program for a two-week tour in Russia from June 5-19, 1992; to appropriate seven thousand five hundred dollars ($7,500) to the Department of Education for the purpose of funding the educational trip for the hearing impaired students to Tokyo, Japan; to appropriate ten thousand dollars ($10,000) to the Twenty-first Guam Legislature for the purpose of hosting the 1992 Annual Legislative Senior Citizens' Month reception for the senior citizens of Guam; and amending subsection (a) of Section 6 of P.L. 19-45 relative to Doc Sanchez Scholarship Recipients meeting University of Guam published standards and enabling them to take fall, spring, and summer courses; to appropriate one hundred seventy seven thousand dollars ($177,000) to the University of Guam for the Summer Master's in Nursing Program for Fiscal Year 1992; to appropriate one thousand two hundred dollars ($1,200) to the Guam Energy Office to send one high school student to the U.S. Department of Energy High School Supercomputer Honors Program June 13-27, 1992; and to authorize the Government of Guam Retirement Fund to expend two hundred twelve thousand four hundred dollars ($212,400) from Section 17 of P.L. 20-220 for the purposes of
SECTION 1 P.L. 20-218 FOR THE COST OF LIVING ALLOWANCE FOR RETIREES OR SURVIVORS, " was on the 15th day of May, 1992, duly and regularly passed.

JOE T. SAN AGUSTIN
Speaker

Attested:

PILAR C. LUJAN
Senator and Legislative Secretary

This Act was received by the Governor this 20th day of May, 1992, at 3:00 o'clock P.M.

Anne T. San Tor
Assistant Staff Officer
Governor’s Office

APPROVED:

JOSEPH F. ADA
Governor of Guam

Date: 6-01-92

Public Law No. 21-110
AN ACT TO REPEAL AND REENACT §1504 OF TITLE 5 OF THE GUAM CODE ANNOTATED REGARDING THE ISSUANCE OF LIMITED OBLIGATION HIGHWAY BONDS OF THE GOVERNMENT OF GUAM FOR FUNDING AND CAPITAL IMPROVEMENT HIGHWAY PROJECT PURPOSES; TO PROVIDE FOR ENVIRONMENTAL HEALTH SPECIALIST SUPERVISOR AT GUAM ENVIRONMENTAL PROTECTION AGENCY (GEPA) AND APPROPRIATE TWO HUNDRED TWENTY THOUSAND EIGHT HUNDRED TWENTY-TWO DOLLARS ($220,822) FOR RETROACTIVE
PAYMENTS TO ELEVEN (11) GEPA EMPLOYEES AND FORTY-FOUR THOUSAND FOUR HUNDRED FORTY-ONE DOLLARS ($44,441) TO PAY RETROACTIVE PAYMENTS TO THREE FORMER GEPA EMPLOYEES; AND TO APPROPRIATE EIGHTEEN THOUSAND FIVE HUNDRED EIGHTY DOLLARS ($18,580) AND FOURTEEN THOUSAND NINE HUNDRED FIFTY EIGHT DOLLARS ($14,958) TO THE GUAM FUTURE FARMERS OF AMERICA ASSOCIATION FOR FFA WASHINGTON LEADERSHIP CONFERENCE AND NATIONAL FFA CONVENTION; TO APPROPRIATE NINETY THOUSAND DOLLARS ($90,000) TO CONVERT THE TENNIS COURT IN LIGUAN TERRACE TO A BASKETBALL COURT; TO APPROPRIATE ONE HUNDRED TWENTY THOUSAND DOLLARS ($120,000) FOR REPAIRS AND IMPROVEMENTS FOR THE SANTA RITA COMMUNITY SENIOR CITIZENS CENTER; TO APPROPRIATE FIFTEEN THOUSAND DOLLARS ($15,000) FOR THE IMPROVEMENTS IN THE YIGO AND AGAFA GUMAS BASKETBALL COURTS; TO APPROPRIATE THIRTY FIVE THOUSAND DOLLARS ($35,000) FOR LIGHTING AND OTHER IMPROVEMENTS FOR THE YIGO BASEBALL FIELD; TO APPROPRIATE THREE HUNDRED FIFTY THOUSAND DOLLARS ($350,000) FOR THE INSTALLATION OF LIGHTS IN THE LIGUAN TERRACE BASEBALL FIELD; TO APPROPRIATE FIFTY THOUSAND DOLLARS ($50,000) FOR HOSTING THE 51ST COUNCIL MEETING OF THE ASIAN PACIFIC PARLIAMENTARIANS' UNION (APPU) FROM JUNE 1 TO 3, 1992; TO APPROPRIATE TWO HUNDRED THIRTY THOUSAND DOLLARS ($230,000) TO THE DEPARTMENT OF PARKS AND RECREATION TO REPLENISH THE OFF-ISLAND SPORTS TRAVEL FUND; TO APPROPRIATE SIXTY THOUSAND DOLLARS ($60,000) TO THE UNIVERSITY OF GUAM COLLEGE OF AGRICULTURE AND LIFE SCIENCES FAMILY COMMUNITY LEADERSHIP PROGRAM FOR THE PURPOSE OF FUNDING THE OPERATION OF THE PROGRAM AND ITS PROJECT; TO APPROPRIATE TWELVE THOUSAND SIX HUNDRED DOLLARS ($12,600) TO THE DEPARTMENT OF EDUCATION TO FUND THE EXPENSES OF TWO (2) MATH EDUCATORS TO JOIN THE CITIZEN AMBASSADOR PROGRAM FOR A TWO-WEEK TOUR IN RUSSIA FROM JUNE 5-19, 1992; TO APPROPRIATE SEVEN THOUSAND FIVE HUNDRED DOLLARS ($7,500) TO THE DEPARTMENT OF EDUCATION FOR THE PURPOSE OF FUNDING THE EDUCATIONAL TRIP FOR THE HEARING IMPAIRED STUDENTS TO TOKYO, JAPAN; TO APPROPRIATE TEN THOUSAND DOLLARS ($10,000) TO THE TWENTY-FIRST GUAM LEGISLATURE FOR THE PURPOSE OF HOSTING THE 1992 ANNUAL LEGISLATIVE SENIOR CITIZENS' MONTH RECEPTION FOR THE
SENIOR CITIZENS OF GUAM; AND AMENDING SUBSECTION (a) OF SECTION 6 OF P.L. 19-45 RELATIVE TO DOC SANCHEZ SCHOLARSHIP RECIPIENTS MEETING UNIVERSITY OF GUAM PUBLISHED STANDARDS AND ENABLING THEM TO TAKE FALL, SPRING, AND SUMMER COURSES; TO APPROPRIATE ONE HUNDRED SEVENTY SEVEN THOUSAND DOLLARS ($177,000) TO THE UNIVERSITY OF GUAM FOR THE SUMMER MASTER’S IN NURSING PROGRAM FOR FISCAL YEAR 1992; TO APPROPRIATE ONE THOUSAND TWO HUNDRED DOLLARS ($1,200) TO THE GUAM ENERGY OFFICE TO SEND ONE HIGH SCHOOL STUDENT TO THE U.S. DEPARTMENT OF ENERGY HIGH SCHOOL SUPERCOMPUTER HONORS PROGRAM JUNE 13-27, 1992; AND TO AUTHORIZE THE GOVERNMENT OF GUAM RETIREMENT FUND TO EXPEND TWO HUNDRED TWELVE THOUSAND FOUR HUNDRED DOLLARS ($212,400) FROM SECTION 17 OF P.L. 20-220 FOR THE PURPOSES OF SECTION 1 P.L. 20-218 FOR THE COST OF LIVING ALLOWANCE FOR RETIREES OR SURVIVORS.

BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

Section 1. § 1504 of Title 5 of the Guam Code Annotated is repealed and reenacted to read:

"§ 1504. Limited Obligation Highway Refunding Bonds.

(a) Authorization of Issuance of Limited Obligation Highway Bonds. The Governor of Guam is authorized to issue new bonds of the government of Guam in an aggregate principal amount not to exceed Sixty Eight Million Five Hundred Thousand Dollars ($68,500,000) for the purposes of refunding all or a portion of the Government of Guam Limited Obligation Highway Bonds, 1985 Series A, implementing the Capital Improvement Highway Projects enumerated in Subsection (j) of this Section, and paying expenses incurred in connection with the issuance of such new bonds; provided, however, that the issuance of the new bonds shall not cause a violation of the debt limitation provisions of 48 USC 1423a."
(b) Terms and Conditions Determined by Indenture. The terms and conditions of the bonds shall be as determined by the Governor by the execution of an indenture securing the bonds upon or prior to the issuance of the bonds. The indenture shall contain such terms and conditions as are consistent with this Section.

(c) Valid and Binding Obligation. To the extent that the debt limitation provisions of 48 USC 1423a are not violated, any bonds authorized by this Section shall constitute the valid and legally binding limited obligations of the government of Guam payable solely from and secured by a pledge of the revenues pledged pursuant to Subsection (d) of this Section. The validity of any such bonds shall not be affected by the validity or regularity of any proceedings for the implementation of Capital Highway Improvement Projects funded by the new bonds or the bonds being refunded or by the application of any escrow created to pay debt service on the bonds being refunded.

(d) Pledge of Revenues; Not a General Obligation. All or any part of the revenues from the taxes levied pursuant to Article 4 of Chapter 26 of Title 11 of the Guam Code Annotated and from the license fees and penalties imposed pursuant to §§ 7146, 7159, 7170, 7171, 3102, 7173 and 11101 of Title 16 of the Guam Code Annotated may be pledged to secure the repayment of any bonds issued under this Section and to pay costs incurred in the issuance or administration of the bonds. Any pledge made to secure the bonds shall be valid and binding from the time the pledge is made. The revenues pledged and thereafter received by the government of Guam or by any trustee, depository or custodian shall be deposited in a separate account and shall be immediately subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid
and binding against all parties having claims of any kind in tort, contract or otherwise against the government of Guam or such trustee, depository or custodian, irrespective of whether the parties have notice thereof. The indenture or agreement by which such pledge is created need not be recorded. All such taxes, fees and penalties, to the extent so pledged, are hereby continuously appropriated for such purpose. The bonds shall not be, and shall state on their face that they are not, general obligations of the government of Guam.

(e) Waiver of Immunity. Notwithstanding any substantive or procedural provision of Chapter 6 of Title 5 of the Guam Code Annotated the government of Guam waives immunity from any suit or action in contract on the bonds, but does not waive sovereign immunity as to the personal liability of elected officials and employees of the government of Guam.

(f) Form of Bonds; Covenants; Appointment of Fiduciaries. The technical form and language of the bonds, including provisions for execution, exchange, transfer, registration, paying agency, lost or mutilated bonds, negotiability, cancellation and other terms or conditions not inconsistent with this Section, including covenants relating to the maintenance of revenues, shall be as specified in the indenture approved by the Governor, authorizing the issuance of the bonds. The indenture may appoint one or more trustees or other fiduciaries authorized to receive and hold in trust the proceeds of the bonds and revenues relating thereto, to protect the rights of bondholders and to perform such other duties as may be specified in the indenture. The Governor is also authorized to execute, on behalf of the government of Guam, any appropriate agreements, certificates or other instruments relating to the bonds, the sale of the bonds and payment of the bonds being refunded.
(g) Authorization for Credit Enhancement. The Governor is authorized to enter into such contracts or agreements with such banks, insurance companies or other financial institutions as he determines are necessary or desirable to improve the security and marketability of the bonds issued under this Section. Such contracts or agreements may contain an obligation to reimburse, with interest, any such banks, insurance companies or other financial institutions for advances used to pay principal or interest on the bonds. Any such reimbursement obligation shall be payable solely from, and may be secured by a pledge of, the revenues described in Subsection (d) of this Section.

(h) Use of Proceeds from the Sale of the Bonds. Proceeds from the sale of the bonds shall be used solely to refund all or a portion of the government of Guam Limited Obligation Highway Bonds, 1985 Series A, to implement the Capital Improvement Highway Projects enumerated in Subsection (j) of this Section, and to pay expenses relating to the authorization, sale and issuance of the bonds and the payment of the bonds being refunded, including, without limitation, printing costs, costs of reproducing documents, bond insurance premiums, underwriting, legal and accounting fees and charges, fees paid to banks or other financial institutions providing credit enhancement, costs of credit ratings, fees and charges for execution, transportation and safekeeping of bonds, escrow agent fees and other costs, charges and fees in connection with the issuance, sale and delivery of the bonds and the payment of the bonds being refunded.

(i) No Personal Liability except for failure to perform ministerial duty. No employee or elected official of the government of Guam shall be individually or personally liable for the payment of any amounts due on any bonds issued under this Section, or for any other liability arising in connection with the
bonds; provided, however, that nothing in this Section shall relieve any employee or elected official from the performance of any ministerial duty required by law.

(j) The proceeds shall be expended for the following highway capital improvement projects:

<table>
<thead>
<tr>
<th>Project</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Reconstruction of Route 1 from Polaris Point Intersection to Route 2A (Commissary Junction near Naval Station)</td>
<td>$6.0 Million</td>
</tr>
<tr>
<td>2. Reconstruction of Route 2A from Commissary Junction to Namo River in Agat</td>
<td>$4.0 Million</td>
</tr>
<tr>
<td>3. Design and Reconstruction of three (3) lane highway including sidewalks on Route 30 (Camp Watkins Road) from its intersection with Route 1 (Marine Drive) to Guam Memorial Hospital including Farenholt Avenue and land acquisition required for the project</td>
<td>$10.0 Million</td>
</tr>
<tr>
<td>4. Design and Construction of Harmon Access Road including Land Acquisition (Road from Harmon Strip connecting to Route 16 at the Harmon Loop Intersection)</td>
<td>$3.0 Million</td>
</tr>
<tr>
<td>5. Land Acquisition for the Agat-Umatac Project and for unacquired land on Route 1, land acquisition of unacquired Route 6 property, land acquisition Macheche Road, Bello Road, and Alegeta St.</td>
<td>$4.0 Million</td>
</tr>
<tr>
<td>6. Resurfacing of approximately 5 miles of Route 4 through Merizo including spot repair, minor drainage improvements and safety treatments as needed</td>
<td>$3.0 Million</td>
</tr>
<tr>
<td>7. Design and construction of San Ramon Hill roadway network encompassing Route 7, Senator Gibson Road, and Esperanza Street, including installation of underground drainage with sidewalks, spot repair as necessary, widening, and installation of anti-skid wearing course</td>
<td>$2.0 Million</td>
</tr>
</tbody>
</table>
8. A sidewalk 6 feet in width on the South side of San Vitores Road from John F. Kennedy High School to the traffic circle $0.5 Million

9. Planning, design and initial construction of bike/jogging paths islandwide. $1.0 Million

GRAND TOTAL $33.5 Million

All segments of the road system listed above shall be designed to include an adjacent paved path for pedestrians, bikes and joggers and a paved shoulder to allow for emergency stops by motor vehicles. When limited by space, the design may include a paved shoulder for combined use by pedestrians, bikes and joggers and for emergency stops by motor vehicles.

Section 2. Local Sale of Bonds. The Governor of Guam shall undertake his best efforts to cause a portion of any bonds issued pursuant to §1504 of Title 5 of the Guam Code Annotated to be offered for sale in Guam, as well as in other jurisdictions, if and to the extent that such offer and any sales resulting from such offer do not increase the cost to the government of Guam of issuing and repaying such bonds.

Section 3. The Legislature hereby finds and declares as follows:

(a) § 1504 of Title 5 of the Guam Code Annotated provides that the Governor is authorized to issue bonds of the government of Guam in aggregate principal amount not to exceed Sixty Eight Million Five Hundred Thousand Dollars ($68,500,000) for the purposes of refunding all or a portion of the government of Guam Limited Obligation Highway Bonds, 1985 Series A, previously issued, implementing Capital Improvement Highway Projects as enumerated in Subsection
(j) of Section 1 of this Act, and paying expenses incurred in connection with the issuance of such bonds.

(b) § 1504 of Title 5 of the Guam Code Annotated provides that the terms and conditions of the bonds shall be approved by the Legislature by statute.

(c) § 2103(k) of Title 12 Guam Code Annotated provides that agencies and instrumentalities of the government of Guam shall issue bonds and other obligations only by means of and through the agency of the Guam Economic Development Authority.

(d) The Board of Directors of the Guam Economic Development Authority has adopted a resolution approving the sale of bonds of the Government of Guam for the purposes of refunding all or a portion of the government of Guam Limited Obligation Highway Bonds, 1985 Series A, previously issued, implementing Capital Improvement Highway Projects, and paying expenses incurred in connection with the issuance of such bonds.

(e) § 2103(k) of Title 12 Guam Code Annotated provides that the Guam Economic Development Authority shall not sell any bond without the approval of the Legislature of the terms and conditions of the issuance of the bonds.

(f) A proposed form of Indenture relating to government of Guam Limited Obligation Highway Bonds pursuant to which the bonds are proposed to be issued and secured has been presented to this Legislature.

Section 4. This Legislature, pursuant to § 1504 of Title 5 of the Guam Code Annotated, and pursuant to Title 12 Guam Code Annotated § 2103(k), approves the issuance by the government of Guam of Limited Obligation Highway Bonds in principal amount not to exceed Sixty Eight Million Five Hundred Thousand Dollars ($68,500,000), with a final maturity not exceeding twenty (20) years and bearing
interest at rates not exceeding ten percent (10%) per annum pursuant to the
Indenture in substantially the same form as presented to this Legislature.

Section 5. (a) Subsections (c), (d) and (e) of § 19576 of the Government
Code enacted in Section 10 of Public Law No. 18-33 are repealed.

(b) § 26503 of Title 11 of the Guam Code Annotated is repealed and
reenacted to read:

"§ 26503. Mass Transit Automotive Surcharge. (a) Levy. There is
hereby levied a Mass Transit Automotive Surcharge of Four Cents ($0.04) per gallon
on all liquid fuel taxed pursuant to Subsection (a) of § 26403 of this Title. This Mass
Transit Automotive Surcharge shall be in addition to the liquid fuel tax levied
pursuant to Subsection (a) of § 26403 of this Title.

(b) The proceeds of the Mass Transit Automotive Surcharge levied
pursuant to Subsection (a) of this Section, as and to the extent released from the
pledge of such proceeds pursuant to Subsection (d) of § 1504 of Title 5 of the Guam
Code Annotated, are to be placed in a separate fund hereby created and known as
the Public Transit Fund to be administered by the Department of Administration.
For purposes of such pledge and release, the proceeds of the Mass Transit
Automotive Surcharge shall be deemed to be the last revenues used pursuant to
such pledge and the first revenues released from such pledge.

(c) All revenues in the Public Transit Fund shall be used for the
operation of the Guam Mass Transit Authority as appropriated for such purpose by
the Legislature, within sixty (60) days after the last day of the month in which the
revenues are released from such pledge. All revenue from fares generated by the
Guam Mass Transit Authority shall also be placed in the Public Transit Fund."
Section 6. No Side Agreements. Except as authorized by Section 1 of this Act, there shall be no separate or side agreement or agreements between the government of Guam and any party or consultant involved in the issuance of the bonds authorized in this Act that have not been approved by the Legislature, and any such separate or side agreement or agreements not so approved shall be void.

Section 7. (a) Eighteen Thousand Five Hundred Eighty Dollars ($18,580)

are appropriated from any available remaining balance of the appropriation made to the government of Guam from the General Fund for FY 1992 to the Guam Future Farmers of America to fund eight (8) students and two (2) advisors to travel to the FFA 1992 Washington Leadership Conference July 27 through August 1, 1992.

(b) Fourteen Thousand Nine Hundred Fifty-eight Dollars ($14,958) are appropriated from Fiscal year 1993 revenues of the General Fund to the Guam Future Farmers of America to fund eight (8) students and three (3) advisors to travel to the 65th National FFA Convention from November 12 to 14, 1992.

Section 8. (a) Section 13 (n) of Chapter V (Miscellaneous Provisions) of Public law 21-42, as amended in Section 7 (b) of Public Law 21-59, is repealed and reenacted to read:

“(n) Section 7 of Public Law 20-218 as amended by Section 37 of Public Law 20-221 is further amended by adding the following positions after the line reading ‘Coastal Program Administrator’:

- Environmental Health Specialist I (GEPA) 34 40
- Environmental Health Specialist II (GEPA) 40 46
- Environmental Health Specialist III (GEPA) 46 52
- Environmental Health Specialist Supervisor (GEPA) 49 55
- Air and Land Administrator 60’
(b) Two Hundred Twenty Thousand Eight Hundred Twenty-two Dollars ($220,822) are appropriated from any available remaining balance of the appropriations to the government of Guam from the General Fund for Fiscal year 1992 to the Guam Environmental Protection Agency to pay retroactive payments to eleven (11) incumbent employees affected by Section 7 of Public Law 20-218, as amended, and as repealed and reenacted in Subsection (a) of this Section, as specified in Section 7 of Public Law 20-218.

(c) Forty-four Thousand Four Hundred-one Dollars ($44,401) are appropriated from any available remaining balance of the appropriations to the government of Guam from the General Fund for Fiscal Year 1992 to the Guam Environmental Protection Agency to pay retroactive payments to three (3) former employees who are affected by Section 7 of Public Law 20-218, as amended, and as repealed and reenacted in Subsection (a) of this Section, as specified in Section 7 of Public Law 20-218.

Section 9. (a) Legislative Findings. It is the finding of the Legislature, that the tennis court in Liguan Terrace is not fully utilized for the purpose for which it was constructed. The Legislature further finds that the youth of Liguan Terrace have indicated that they would prefer a basketball court rather than a tennis court. This is an important consideration inasmuch as the principal goal of the government, in building these recreational facilities, is to provide the young people of our community with an outlet for healthy sports activity. The Legislature therefore finds that converting this tennis court to a basketball court would greatly increase the utilization of the facility and its effectiveness in meeting this important goal.
(b) Ninety Thousand Dollars ($90,000) are appropriated from the Fiscal Year 1993 revenues of the General Fund to the Department of Public Works for the purpose of converting the tennis court in Liguan Terrace to a basketball court.

Section 10. (a) Legislative findings. It is the finding of the Legislature that the Santa Rita Community and Senior Citizens Center is in need of repair, renovation, and expansion. These needed improvements had been previously addressed by the Legislature by providing appropriations through Public Laws 20-96, 20-124, and 20-158. The Legislature finds that because of delays by the Executive Branch in implementing these appropriations, it is now necessary to provide supplemental funding so that these improvements and repairs can be completed. The Legislature further finds that the Santa Rita Municipal Planning Council has, in fact, formally requested $120,000 in additional funding which the Department of Public Works has determined is necessary to complete the work on the Santa Rita Community and Senior Citizens Center.

(b) One Hundred Twenty Thousand Dollars ($120,000) are appropriated from the Fiscal Year 1993 revenues of the General Fund to the Department of Public Works for repairs and improvements for the Santa Rita Community and Senior Citizens Center.

Section 11. Fifteen Thousand Dollars ($15,000) are appropriated from the Fiscal Year 1993 revenues of the General Fund to the Department of Public Works for improvements in the Yigo and Agafa Gumas Basketball Courts.

Section 12. Thirty-Five Thousand Dollars ($35,000) are appropriated from the Fiscal Year 1993 revenues of the General Fund to the Department of Public Works for lighting and other improvements for the Yigo Baseball Field.
Section 13. Three Hundred Fifty Thousand Dollars ($350,000) are appropriated from the Fiscal Year 1993 revenues of the General Fund to the Department of Public Works for the installation of lights in the Liguan Terrace Baseball Field.

Section 14. The sum of Fifty Thousand Dollars ($50,000) is appropriated from the Tourist Attraction Fund to the Guam Legislature for expenses of hosting the 51st Council Meeting of the Asian Pacific Parliamentarians' Union from June 1 to June 3, 1992. All funds from this appropriation, not expended for the APPU 51st Council Meeting shall revert to the Tourist Attraction Fund. The Secretary General of the Guam Associate Group shall submit a final financial report to the Speaker on the costs incurred for the 51st Council Meeting no later than 30 days after the close of said council meeting.

Section 15. One Hundred Thousand Dollars ($100,000) are appropriated from any available balance of the appropriations made in FY 1992 from the General Fund to the Department of Parks and Recreation to replenish the Off-Island Sports Travel Fund.

Section 16. Sixty Thousand Dollars ($60,000) are reappropriated from any available balance of the appropriations made in FY 1992 from the General Fund to the University of Guam College of Agriculture and Life Sciences Family Community Leadership Program for the purpose of funding the operation of the program and its project.

Section 17. Twelve Thousand Six Hundred Dollars ($12,600) are appropriated from any available balance of the appropriations made in FY 1992 to the Department of Education to fund the expenses of two (2) math educators to join the Citizen Ambassador Program for a two week tour in Russia from June 5-19, 1992.
Section 18. Seven Thousand Five Hundred Dollars ($7,500) are appropriated from any available balance of the appropriations made in FY 1992 to from the General Fund to the Department of Education for the purpose of funding the educational trip for the hearing impaired students to Tokyo, Japan. The group will be composed of five (5) students from M. U. Lujan Elementary School and five (5) students from Agueda Johnston Middle School.

Section 19. Ten Thousand Dollars ($10,000) are appropriated from any available balance of the appropriations made in FY 1992 to from the General Fund to the Twenty-First Guam Legislature for the purpose of hosting the 1992 Legislature Reception for the Senior Citizens of Guam, as part of the annual activities during Senior Citizens’ Month.

Section 20. Subsection (a) of Section 6 of Public Law 19-45 is amended to read:

"Section 6. Responsibility of the Scholarship Recipient.

(a) The scholarship grantee shall enroll for an undergraduate or graduate degree in Public Administration within two (2) weeks after passing the required interview and competitive examinations developed and conducted jointly by the Department of Administration, Government of Guam, and the University of Guam. Failure to do so shall be automatic forfeiture of the scholarship.

Upon selection for participation in the Sanchez Scholarship Program, continuation of recipients in the program shall be based upon the academic standards of the University of Guam as specified in policies published in the official Undergraduate and
Based upon meeting the academic standards of the University of Guam as published in the official Undergraduate and Graduate Bulletin, Sanchez recipients may enroll in required degree courses during the Fall, Spring and Summer Semesters."

Section 21. (a) Legislative Intent. Through Public Law 20-137, a four year advanced Nursing Educational Program, referred to as the "Summer Master’s in Nursing Program", was established at the University of Guam. The program has been in existence for the past two years, having received its funding from the Guam Legislature. In order to continue the successful operation of the program for the first four years, P.L. 20-137 has authorized the appropriation of funds from the General Fund. This provision will continue the Summer Master’s Program which will eventually address the island’s nursing needs.

(b) Appropriation Measure. The sum of One Hundred Seventy Seven Thousand Dollars ($177,000) is appropriated from any available outstanding balance of FY 1992 appropriations from the General Fund to the University of Guam for the Summer Master’s in Nursing Program for Fiscal Year 1992.

Section 22. One Thousand Two Hundred Dollars ($1,200) is appropriated from the General Fund to the Guam Energy Office to send one high school student with a mathematics and Science background and some computer literacy and who is a U.S. citizen to attend the U.S. Department of Energy High School Supercomputer Honors Program between June 13-27, 1992 at the Lawrence Livermore National Laboratory in Livermore, California.
Section 23. The Government of Guam Retirement Fund is authorized to expend Two Hundred Twelve Thousand Four Hundred Dollars ($212,400) from the supplemental appropriation made in Section 17 of Public Law 20-220 for the purposes set out in Section 1 of Public Law 20-218 for the cost of living allowance for government of Guam retirees or their survivors.
May 8, 1992

Honorable Speaker Joe T. San Agustin
Speaker, Twenty-First Guam Legislature
155 Hesler St.
Agana, Guam 96910

Dear Mr. Speaker:

The Committee on Ways & Means wishes to report out its findings on BILL NO. 723 "AN ACT TO REPEAL AND REENACT SECTION 1504 OF TITLE 5 OF THE GUAM CODE ANNOTATED REGARDING THE ISSUANCE OF LIMITED OBLIGATION HIGHWAY BONDS OF THE GOVERNMENT OF GUAM FOR REFUNDING AND CAPITAL IMPROVEMENT HIGHWAY PROJECT PURPOSES." to the full Legislature with the recommendation to do Pass as Substituted by the Committee on Ways and Means.

The Committee Voting Record is as follows:

TO PASS: 12
NOT TO PASS: 1
ABSTENTIONS: 0
INACTIVE FILE: 0

Copies of the Committee Report and all pertinent documents are attached for your information.

Sincerely,

CARL T. C. GUTIERREZ
Chairman, Committee on Ways & Means
AN ACT TO REPEAL AND REENACT SECTION 1504 OF TITLE 5 OF THE GUAM CODE ANNOTATED REGARDING THE ISSUANCE OF LIMITED OBLIGATION HIGHWAY BONDS OF THE GOVERNMENT OF GUAM FOR REFUNDING AND CAPITAL IMPROVEMENT HIGHWAY PROJECT PURPOSES.

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COMMITTEE ON WAYS AND MEANS
COMMITTEE REPORT ON

BILL NO. 723

AN ACT TO REPEAL AND REENACT SECTION 150
TITLE 5 OF THE GUAM CODE ANNOTATED REGARDING
THE ISSUANCE OF LIMITED OBLIGATION HIGHWAY
BONDS OF THE GOVERNMENT OF GUAM
REFUNDING AND CAPITAL IMPROVEMENT HIGHWAY
PROJECT PURPOSES.

PURPOSE AND ESSENTIAL ELEMENTS

Bill No. 723 was transmitted to the Legislature at the request of the Governor for introduction by the Committee on Rules. Bill 723 authorizes the issuance of limited obligation highway bonds not to exceed $60,000,000 for the purpose of refunding all or a portion of the Government's existing limited obligation highway bonds, 1985 series A, implementing ten improvement highway projects enumerated in subsection (j) of Guam Code Annotated Section 1504 which is contained in Section 1 of the bill, and paying expenses incurred in connection with the issuance of new bonds. The reason for issuing the new bonds is to take advantage of the low interest rates currently in the market and to realize a saving of $1,400,000 which then can be used for other highway purposes.

PUBLIC HEARING

The Committee on Ways and Means conducted a public hearing on Wednesday, March 25, 1992 at 9:00 a.m. in the Legislative Public Room to gather testimony on Bill No. 723. Present at the hearing, being joined by Senators M.Z. Bordallo, E.P. ArriquideReidy, J.G. Bamba, A.C. Blaz, and H.D. Dierking.
TESTIMONY

The following persons testified in favor of Bill 723: Director Charles D. Crisostomo of the Guam Economic Development Authority (GEDA). He indicated that the bill was designed to refund the money of the 1985 bond issue and issue new bonds for purposes of executing new highway projects. He indicated that GEDA, along with the Governor's office, circulated requests for proposals to underwriters and banking institutions to provide services on the bonds. They indicated that he was in compliance with P.L. 19-12. Mr. Crisostomo further described the selection process and indicated that GEDA selected a combination of institutions comprised of Morgan Stanley, Prager, McCarthy and Lewis, and Saybrook Capital. Also approved by the GEDA board of directors was the retention of the law firm of Orrick, Herrington and Sutcliff to provide bond counsel services to the Authority. At the regularly scheduled meeting of January 8, 1992, the GEDA board of directors adopted Resolution No. 92-01 approving the refunding of 1985 Highway Bonds and the issuance of new proceeds for purposes of funding additional highway projects. The written testimony of the Administrator of GEDA, Charles P. Crisostomo, is attached.

Next, testifying in favor of Bill 723 was Director Benigno M. Palomo, Director of the Department of Public Works. He indicated that he was strongly in favor of the bill and was there to answer whatever questions the committee may have.

Next, testifying in favor of Bill 723 was Mr. Carl Taitano, Special Assistant to the Governor for Finance. He read a short statement indicating the Governor had requested the introduction of Bill 723 and supports its passage. The stated reason for the bill is to improve the territorial highway system by taking advantage of the low interest rates now present in the public finance markets. He indicated that all questions would be answered by the underwriters of the bond, Phil Kassin from Morgan Stanley, Jon Schotz from Saybrook Capital and Mark Reston from Prager, McCarthy and Lewis and bond counsel to the territory, Stan Dirks.
Senator Gutierrez then questioned Mr. Taitano regarding the highway bonds asking whether $30 Million was needed for the six projects listed to be done. Senator Gutierrez inquired whether $30 Million is the maximum that could be realized from the refinancing of these bonds. Mr. Taitano indicated that the gross revenues would run approximately $14 Million from the territorial highway fund, which is local funding. Mr. Taitano indicated that the $30 Million would not all be drawn down immediately but would be drawn down incrementally. During that period of time, interest earnings would be accumulating which could be used for other projects, by appropriation. Senator Gutierrez inquired whether the real reason for refinancing these bonds at the present time was the low interest rate and Mr. Taitano replied that it was. Senator Gutierrez also indicated that the previous $35 Million in highway bonds was only partially used. Mr. Taitano indicated that there were $9 Million left in the construction funds of the 1985 highway bond issue, and that $6 Million were recently appropriated, leaving $2 1/2 Million left to do a project in Agana Heights. He indicated that approximately $1/2 Million remain earning interest. Senator Gutierrez inquired concerning the status of the Agana Heights work which was not completed even though seven years had gone by.

Director Palomo responded that a second appropriation needed to be made and that an architectural and engineering study is now in progress. Director Palomo indicated that it was their intention to finish the project at the amount already available but that if more land acquisition is needed, that the price would then go up. Director Palomo indicated that the money that was requested includes land acquisition, as well as architectural and engineering work and construction itself. Director Palomo indicated two designs are already completed: Commissary Junction and Polaris Point is completed and Route 1, 2A up to the Namo River.

Senator Gutierrez indicated that as far as the Camp Watkins project, that the residents of Camp Watkins do not want a five lane road in that area but want a three lane road. Director Palomo indicated that the money requested was for a three lane road even though a plan does exist
for a five lane. From Farenholt Avenue to the hospital only requires three lanes under the master plan even though the other portion of the road shows a five lane master plan. A representative from the department of Public Works indicated that the five lane master plan was done for businesses not for the residences but that the three lane to the hospital was for emergencies to the hospital. Director Palomo indicated that he did not object to making all of Camp Watkins Road a three lane road rather than a five lane road. Upon questioning, Director Palomo indicated that the $10 Million in item No. 3 of Section 1 of Bill 723 for design and reconstruction of Route 30 which is Camp Watkins Road would indeed include a five lane construction up to Farenholt Drive and three lane beyond that to the hospital.

After further discussions it was established by the Department of Public Works that approximately $67 Million would cover a three lane project only, leaving about $3 Million for other projects which could be financed through the refinancing of the highway bonds.

Senator Gutierrez then inquired concerning item 5 in Section 1 of the bill, land acquisition for the Agat-Umatac project. Director Palomo indicated that some rights of entry had been acquired for the project and some land owners have allowed the department to work on their land pending land acquisition. Mr. Francis Taitano indicated that there was a shortfall of $1 Million for land acquisition of Phase I, and that the estimates for Phase II is $3 Million. Upon being questioned by Senator Gutierrez it was established that Phase I required only approximately $2 Million for land acquisition, whereas Phase II requires more land acquisition and is estimated higher.

Mr. Francis Taitano brought up the fact of needing funding in item 5 for Route 6 by Adelup and that the money for that project is covered under the words "and other projects islandwide" rather than being spelled out specifically. Senator Gutierrez asked for an itemized listing of the other projects which were not listed specifically in the bill but which would be included under the bond issuance levels requested.
Director Palomo indicated that all the money for the Agat-Un Phase II had been received. He indicated that from Lalahita Park down to Umatac that the Federal Government was paying for the resurfacing without widening the road. After the Umatac bridge to the top of the hill has already been resurfaced. The rest of the money would take through the work through the village of Merizo.

Senator Gutierrez inquired how much the project would be for resurfacing the bottom of San Ramon Hill up to the Friary. Director Palomo indicated that $1 Million would be needed to resurface the section from O'Brien Drive to Senator Gibson Road and include culverts. These projects are not in existence yet for this particular project. Senator Bamba questioned the panel concerning how the projects were prioritized and how many total projects were considered. Director Palomo indicated they were just looking at areas that needed it most. He also indicated that Route 3, Route 16 and Route 15 are in need of repairs. These three roads are not included in this bond bill. Director Palomo also indicated that to $14 Million, or maybe less, will be given to Guam for highway projects and could be used for the other projects. He indicated $2 Million has already been set aside for Route 3. This road may have to be widened in which case $2 Million left in the bill would not be available. Senator Bamba inquired what was the balance on the original issue and Mr. Carl Taitano reported that it was about $28.325 Million.

Senator Reidy then inquired of Director Palomo how much money was put into the contract for the highway and it was established at about $600,000 was put into it. Senator Reidy asked if there would be another hearing on the master plan and was informed that there would be, although not specifically on the Camp Watkins area. Senator Reidy indicated he thought public hearings on these well-traveled roads would be desirable.

Senator Gutierrez also inquired whether coordination was being done between the various government agencies so that roads, once they are placed, do not have to be dug up again in order to put in other utility lines. Director Palomo responded that coordination was taking place. Director Palomo indicated that sometimes there is a gap in this coordination.
was also mentioned by Senator Gutierrez that a consortium of businesses on Camp Watkins Road had put together about $4.3 Million, he thought, for infrastructure improvements and this includes sewer and water but not roads. Chuck Crisostomo pointed out that PUAG had the authority to charge impact fees for this area but that money for roads was not contemplated. However in future, roads should be part of impact fees charged to developers.

Chairman Gutierrez asked if any more funding could be had from the refinancing and Mr. Taitano informed the chairman that the interest earned on money not yet drawn down should provide extra funding for other projects so long as they were used for road projects, which he feels is required by law. He pointed out that the original highway bonds were $27.82 Million however, to date, $37 Million has been appropriated from that fund and this balance is interest earnings. Chairman Gutierrez then asked whether the interest paid would then equal the interest earned and Mr. Taitano pointed out that one could add more to the construction projects with the debt service payments remaining the same. Mr. Taitano explained that the balance of the issue goes first to pay the debt service, then operations and maintenance for the territorial highway, then to the surplus fund which is a part of the highway fund and can only be spent for highway projects. Once the funds paid for all the expenses of the bond and what ever is left over is free and clear for whatever government purpose, essentially. The reserves of the bond are 120% which would be 20% of $5.9 Million. In this particular case, the bond money could be released monthly and Mr. Taitano indicated that the surplus account would be released monthly and would not have to wait for one year for release as was done in the previous bond issue.

Next to testify in favor of the bonds was Mr. Philip Kassin, representing Morgan Stanley one of the firms which was chosen as underwriters for this bond issue by GEDA. He offered oral testimony. He indicated that the low interest rates would make it attractive for the territory to take advantage of the refinancing at this time. He cited Indiana, Oregon, Connecticut, New Jersey, Texas and New York are considering similar refinancing for their highway and toll bonds. Mr. Kassin pointed out that previous bonds were at 9 1/4% and that at this
point in time it would be 6.80% today for a savings of more than 2 1/2'. He compared the new bond issue to refinancing of home mortgages. I indicated that $28.325 Million of the old bonds are outstanding. I indicated that over the life of the bond issue approximately $4.1 Million would be saved, coming out to about $315,000 a year for the life of the issue for savings. He indicates that the rule of thumb to embark in the refinancing in the bond market is 5% of the present value savings. Here I points out that there is close to 10% savings. He points out that the old debt service on the outstanding bonds are approximately $3.8 Million on an annual basis but when the new bonds are issued, plus adding on about $30 Million of new projects, the new debt service would be $5.9 Million on an annual basis. Mr. Taitano pointed out that there is a claim for the Guam Mass Transit Authority also in the bond issue.

Mr. Dave Santos, consultant to the Committee on Ways and Means responded with the observation that the bonds would only be as good as the expected revenues. Mr. Santos also inquired what would happen if more funding was needed for operations and management than could cover the projects and Mr. Taitano responded that he would have to make adjustments in that case. Mr. Santos inquired who did the territorial forecast for the highway bonds and Mr. Taitano responded that the amounts were being verified by Deloitte and Touche and after that would go to the rating agencies. Mr. Santos also inquired whether there was a designated trustee yet and Mr. Taitano responded that requests for proposals had been let out but and there had been quite a few responses but no selection had been made yet.

Senator Bamba inquired when the Deloitte and Touche work would be done as he would not want to act without this completed information. He was assured by Mr. Taitano that it would be forthcoming fairly quickly and that unless the revenues are sufficient that the government would not be able to go into the bond market, in any event, to issue these bonds.

Senator Bamba also inquired what the overall issuance costs of the bond would be and Mr. Kassin responded that it would be $1 Million including both the fees to the underwriters and the cost of issuance such as rating fees, Deloitte and Touche fees and so forth. Senator Bamba aske
if there was a need for credit enhancement and Mr. Kassin replied that they were looking into insurance for the bonds and a total insurance premium of approximately $868,000 was quoted. This is about 50% less than was bought in the 1985 bond issue. Mr. Santos then inquired whether the bond rating for Guam had improved over the past few years. Mr. Kassin replied that the insurance premium is lower, and he feels that the bond rating will be better. Senator Gutierrez inquired whether the bond would be sold locally and the underwriters indicated that they would be sold locally and according to how many shares they feel they can sell locally. Mr. Santos then asked that if the issuance of the bond were approved on May 1, would it take 60 days to issue the bond and Mr. Taitano responded that they are ready to package the documents and that the bonds would be sold within 30 days.

Mr. Dirks, from Orrick Herrington and Sutcliff indicated they would give the usual favorable legal opinion on the issuances of the bond.

Senator Gutierrez asked whether the interest rates were flattened out or still going down and Mr. Kassin responded that the lowest interest rates were in December and that there seems to be now a slight increase although he expects the interest rates to stay approximately the same for some time, approximately the next six months.

There being no further questioning from the members of the committee, the taking of oral testimony was concluded.

In addition, written testimony was submitted by Mr. Fred Carl Santos, General Manager of the Guam Mass Transit Authority, in favor of Section 5 of the Bill which creates a Public Transit Fund. He expects to use the funds to expand existing transit programs. His testimony is attached.

Mr. Mick Pexa, Regional Manager of Interpacific Investors Services, Inc., also submitted written testimony, which is attached. He confines his testimony to Section 2 of the bill and would like to market a minimum of $2 Million of the bonds locally. He indicates his company would like to join the underwriters to bring the issue to market.
COMMITTEE ACTION

After duly considering the testimony offered at the public hearing, Bill 723, a substitute bill was prepared by the committee with the following changes:

1. Item 3 of the bill in Section 1 (j) was changed to read as follows: “Design and Reconstruction of Three (3) lane highway with sidewalks on Route 30 (Camp Watkins Road) from its intersection with Route 1 (Marine Drive) to Guam Memorial Hospital including Farenholt Avenue and land acquisition required for the project ...$10.0 Million”.

2. The language in Item 5 in Section 1 (j) of the bill “and other projects islandwide” was removed and the following language was inserted:

   “land acquisition of unacquired Route 6 property, land acquisition Macheche Road, Bello Road, and Alegeta St. ……………………………………………………………. $4.0 Million”.

3. A new Item 7 was added to Section 1 (j) of the bill to read:

   “Design and construction of San Ramon Hill roadway network encompassing Route 7, Senator Gibson Road, and Esperanza Street, including installation of underground drainage with sidewalks, spot repair as necessary, widening and installation of anti-skid wearing course…………………………………………………………. $2.0 Million”.

4. A new Item 8 was added to Section 1 (j) of the bill to read:

   “a sidewalk 6 feet in width on the South side of San Vitores Road from John F. Kennedy High School to the traffic circle…………………………………………………………. $0.5 Million”.
5. A new Item 9 is added to Section 1 of the bill to read:

"Planning, design and initial construction of bike/jogging paths in central and northern Guam.............$1.0 Million".

6. A new Section 6 was added to the Bill to read:

"Section 6. No Side Agreements. Except as authorized by Section 1 of this Act, there shall be no separate or side agreement or agreements between the government of Guam and any party or consultant involved in the issuance of the bonds authorized in this Act that have not been approved by the Legislature, and any such separate or side agreement or agreements not so approved shall be void."

7. A new Section 7 was added to read:

"Section 7. (a) Eighteen Thousand Five Hundred Eighty Dollars ($18,580) are appropriated from any available remaining balance of the appropriation made to the Government of Guam from the General Fund for FY 1992 to the Guam Future Farmers of America to fund eight (8) students and two (2) advisors to travel to the FFA 1992 Washington Leadership Conference July 27 through August 1, 1992.

(b) Fourteen Thousand Nine Hundred fifty-eight Dollars ($14,958) are appropriated from Fiscal year 1993 revenues of the General Fund to the Guam Future Farmers of America to fund eight (8) students and three (3) advisors to travel to the 65th National FFA Convention from November 12 to 14, 1992."

8. A new Section 8 was added to read:
“Section 8.  (a) Section 13 (n) of Chapter V (Miscellaneous Provisions) of Public Law 21-42, as amended in Section 7 (b) of Public Law 21-59, is repealed and reenacted to read:

“(n) Section 7 of Public Law 20-218 as amended by Section 37 of Public Law 20-221 is further amended by adding the following positions after the line reading

‘Coastal Program Administrator 55 58’:

‘Environmental Health Specialist I (GEPA) 34 40
Environmental Health Specialist II (GEPA) 40 46
Environmental Health Specialist III (GEPA) 46 52
Environmental Health Specialist Supervisor (GEPA) 49 55
Air and Land Administrator 60’

(b) Two Hundred Twenty Thousand Eight Hundred Twenty-two Dollars ($220,822) are appropriated from any available remaining balance of the appropriations to the government of Guam from the General Fund for Fiscal year 1992 to the Guam Environmental Protection Agency to pay retroactive payments to eleven (11) incumbent employees affected by Section 7 of Public Law 20-218, as amended, and as repealed and reenacted in Subsection (a) of this Section, as specified in Section 7 of Public Law 20-218.

(c) Forty-four Thousand Four Hundred-one Dollars ($44,401) are appropriated from any available remaining balance in the General Fund of the appropriations to the government of Guam from the General Fund for Fiscal Year 1992 to the Guam Environmental Protection Agency to pay retroactive payments to three (3) former employees who are affected by Section 7 of Public Law 20-218, as amended, and as
repealed and reenacted in Subsection (a) of this Section, as specified in Section 7 of Public Law 20-218."

COMMITTEE RECOMMENDATION

The Committee on Ways and Means, after due consideration of the testimony offered in support of Bill 723 and incorporating the information requested and subsequently given by the department of Public Works, and after incorporating the actions taken as listed in the previous section, recommends that Bill 723 be reported out to the full Legislature to do pass, as substituted.