

*I Mina'trentai Siette Na Lihelaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
<b>184-37 (COR)</b>	Committee on Rules by request of <i>I Maga'hågan Guåhan</i> , the Governor of Guam, in accordance with the Organic Act of Guam.	AN ACT TO AUTHORIZE THE GUAM ANCESTRAL LANDS COMMISSION TO SELL OR LEASE LOTS 2453, 2453-1, 2454, 2455, 2457, AND 2457-1 IN THE MUNICIPALITY OF <i>BARRIGADA</i> TO THE GOVERNMENT OF GUAM AT FAIR MARKET VALUE FOR USE AS THE SITE OF A NEW MEDICAL COMPLEX.	10/11/23 11:27 a.m.	10/11/23	Committee on Health, Land, Justice, and Culture	Request: 10/11/23  10/23/23	11/1/23 9:00 a.m.	1/11/24 11:04 a.m.  As amended by the Committee on Health, Land, Justice, and Culture	Addendum 1/18/24  Motion to append Bill No. 121-36 (COR) Vote Record to Committee Report 1/24/24

# I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN

## 2021 (FIRST) Regular Session

### VOTING RECORD

<b>Bill No. 121-36 (COR)</b> As amended by the Committee on General Government Operations, Appropriations, and Housing; and substituted on the Floor; and further amended by the Committee on General Government Operations, Appropriation, and Housing; and amended in the Committee of the Whole.	Speaker Antonio R. Unpingco Legislative Session Hall Guam Congress Building October 4, 2021					
NAME	Aye	Nay	Not Voting/ Abstained	Out During Roll Call	Absent	Excused
Senator V. Anthony Ada	✓					
Senator Frank Blas Jr.	✓					
Senator Joanne Brown	✓					
Senator Christopher M. Dueñas	✓					
Senator James C. Moylan	✓					
Vice Speaker Tina Rose Muña Barnes					✓	✓
Senator Telen Cruz Nelson	✓					
Senator Sabina Flores Perez	✓					
Senator Clynton E. Ridgell	✓					
Senator Joe S. San Agustin	✓					
Senator Amanda L. Shelton	✓					
Senator Telo T. Taitague	✓					
Senator Jose "Pedro" Terlaje	✓					
Speaker Therese M. Terlaje	✓					
Senator Mary Camacho Torres					✓	✓

**TOTAL**

**13**

**0**

**2**

**2**

Aye

Nay

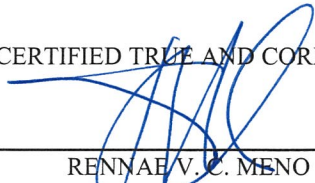
Not  
Voting/  
Abstained

Out  
During  
Roll Call

Absent

Excused

CERTIFIED TRUE AND CORRECT:



RENNAE V. C. MENO  
Clerk of the Legislature

I = Pass

**I MINA 'TRENTAI SAIS NA LIHESLATURAN GUÅHAN**  
**2021 (FIRST) Regular Session**

**Bill No. 121-36 (COR)**

As amended by the Committee on General Government Operations,  
Appropriations and Housing; substituted on the Floor;  
further amended by the Committee on General Government Operations,  
Appropriations and Housing; and amended in the Committee of the Whole.

\*

Introduced by:

Joe S. San Agustin  
Tina Rose Muña Barnes  
V. Anthony Ada  
Frank Blas Jr.  
Joanne Brown  
Christopher M. Dueñas  
James C. Moylan  
Telena Cruz Nelson  
Sabina Flores Perez  
Clynton E. Ridgell  
Amanda L. Shelton  
Telo T. Taitague  
Jose “Pedo” Terlaje  
Therese M. Terlaje  
Mary Camacho Torres

**AN ACT TO ADD A NEW CHAPTER 83 TO DIVISION 2,  
TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO  
THE DESIGN, BUILD, FINANCE, LEASE, TRANSFER  
AND MAINTENANCE OF THE GUAM TWENTY-FIRST  
(21<sup>ST</sup>) CENTURY HEALTHCARE CENTER; AND TO BE  
KNOWN AS “THE GUAM TWENTY-FIRST (21<sup>ST</sup>)  
CENTURY HEALTHCARE CENTER ACT OF 2021.”**

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

2 **Section 1.** A new Chapter 83 is hereby *added* to Title 12, Guam Code

3 Annotated, to read as follows:

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

“CHAPTER 83  
THE GUAM TWENTY-FIRST (21<sup>ST</sup>) CENTURY  
HEALTHCARE CENTER ACT OF 2021

- § 83101. Legislative Findings and Policy.
- § 83102. Definitions.
- § 83103. Authorization to Enter into Long-Term Leases.
- § 83104. Hospital Project Supervision, Reuse Study, and Appropriation.
- § 83105. Identification of Projects and Procurement.
- § 83106. Responsibility of Contractor/Developer.
- § 83107. Contractual Safeguards.
- § 83108. Assignments.
- § 83109. Pledge or Reservation of Revenues.
- § 83110. Use of Tax-Exempt Bond, Taxable Bond, and Other Financing Instruments for Financing.
- § 83111. Hospital IT and Building Management System.
- § 83112. Utilities and Routine Maintenance and Repair.
- § 83113. Maintenance Fund.
- § 83114. Rules and Regulations.
- § 83115. Financial Plan Required.

§ 83101. **Legislative Findings and Policy.**

*I Liheslaturan Guåhan* finds that the Guam Memorial Hospital Authority (GMHA), the Department of Public Health and Social Services (DPHSS), and the Guam Behavioral Health and Wellness Center (GBHWC) are in dire need of new facilities. The healthcare facilities’ structures have been used for more than five (5) decades and are showing stages of structural failure due to the age of said facilities. The structures of the healthcare facilities are also not meeting modern building codes, which creates a liability to the staff, patients, and visitors of the facilities.

1           The need for new facilities is in demand as the U.S. Department of the Interior,  
2 Office of Insular Affairs, has funded an assessment for the U.S. Army Corps of  
3 Engineers (USACE) to investigate the failing structure and the long and short-term  
4 needs of the hospital. The failing structure is being used to continue operation, and  
5 addressing structural and environmental issues is outlined in the USACE reports.  
6 GMHA needs a new facility as it endangers the accreditation status of the hospital  
7 based on standards and guidelines promulgated by United States Centers for  
8 Medicare and Medicaid Services (CMS) and applicable codes. *I Liheslaturan*  
9 *Guåhan* finds that the current infrastructure of the GMHA facility is in an overall  
10 state of failure due to its age of more than fifty (50) years, environmental exposure,  
11 lack of financial resources to support the pre-planned capital infrastructure  
12 replacements, and lack of the facilities design adherence to current building codes.  
13 According to USACE, the replacement of all GMHA facilities is required to ensure  
14 renewed compliance with hospital accreditation standards and to protect the life,  
15 health, and safety of staff, patients, and visitors.

16           *I Liheslaturan Guåhan* finds that the DPHSS has not been occupying its main  
17 building in Mangilao due to an electrical fire caused by aged electrical wires within  
18 the building. DPHSS services have been relocated to various commercial rentals and  
19 Government of Guam buildings in order to provide services to the people of Guam.  
20 The Mangilao facility of DPHSS has been deemed unsafe by the Chief of the Guam  
21 Fire Department as their investigation shows that multiple electrical wiring issues  
22 are present due to the age of the structure as it was built in 1973.

23           *I Liheslaturan Guåhan* finds that DPHSS should have a central facility for the  
24 people of Guam to have better access to public health and social services. The  
25 Mangilao facility of DPHSS is deemed dangerous and hazardous, and rehabilitation  
26 is not possible. It is necessary for DPHSS to ensure that services are available for

1 the people of Guam which they have been providing, with services scattered in  
2 different locations on the island.

3 *I Liheslaturan Guåhan* finds that with the growing population of the island of  
4 Guam, the GBHWC needs to expand their facilities as their services evolve to meet  
5 the needs of our community. The main facility of GBHWC has outgrown its main  
6 building as the staff and patient populations have increased. The growing population  
7 of our island has caused the GBHWC to actively operate its services, but with the  
8 lack of facilities within their main building, various GBHWC services are scattered  
9 throughout the island; and it is deemed necessary for the Government of Guam to  
10 provide behavioral health and wellness services to our people as social issues are  
11 present within our community.

12 Furthermore, *I Liheslaturan Guåhan* finds that the pandemic has reinforced  
13 the need for better healthcare facilities, such as the Guam Memorial Hospital  
14 Authority facilities, the Department of Public Health and Social Services main  
15 building, and the Guam Behavioral Health and Wellness Center facilities. *I*  
16 *Maga'hågan Guåhan* stated that she intends to allocate Three Hundred Million  
17 Dollars (\$300,000,000) from the American Rescue Plan to construct a new hospital  
18 facility. The U.S. Army Corps of Engineers has stated that the replacement of the  
19 GMHA facility would cost an estimated Seven Hundred Forty-three Million Dollars  
20 (\$743,000,000), including Twenty-one Million Dollars (\$21,000,000) for  
21 rehabilitation of the current facility to receive accreditation. The American Rescue  
22 Plan also allows for Earned Income Tax Credits to be reimbursed to Guam at an  
23 estimated Sixty Million Dollars (\$60,000,000) annually, of which an estimate of no  
24 more than Thirty-five Million Dollars (\$35,000,000) would be allocated for the  
25 payments of the lease-back agreement annually.

26 It is the intent of *I Liheslaturan Guåhan* to provide the people of Guam with  
27 state-of-the-art healthcare facilities which will be designed to include all healthcare

1 agencies within the Guam Twenty-First Century Healthcare Center. The creation of  
2 the Guam Twenty-First Century Healthcare Center is to ensure that all healthcare  
3 agencies have proper facilities that follow accreditation standards, guidelines  
4 promulgated by the Centers for Medicare and Medicaid Services, and applicable  
5 codes. It will also allow for Guam to become the regional healthcare hub of  
6 Micronesia as it will open up opportunities for medical training and tourism, to and  
7 from, other Pacific islands, while increasing medical professional services and  
8 capacity within the entire region.

9 In an effort to overcome financing hurdles, and to provide for the healthcare  
10 needs of the people of Guam, *I Liheslaturan Guåhan* desires to authorize the  
11 Government of Guam to enter into a contract for the design, build, finance, lease,  
12 transfer and long-term capital maintenance of the Guam Twenty-First Century  
13 Healthcare Center with private sector contractors who can provide long-term  
14 financing.

15 To facilitate the financing, design, construction, and maintenance of the Guam  
16 Twenty-First Century Healthcare Center envisioned by this Act, the Government of  
17 Guam will be authorized to execute a lease agreement of existing property under its  
18 inventory for up to forty (40) years on which the Guam Twenty-First Century  
19 Healthcare Center will be constructed, and the forty (40) year term shall begin  
20 immediately after the design, permitting, and construction phase has been  
21 completed.

22 The lease of the Government of Guam property will be to the  
23 contractor/developer, who will design and construct the Guam Twenty-First Century  
24 Healthcare Center and provide funding for the design and construction through  
25 appropriations received from the reimbursement of the Earned Income Tax Credit  
26 for Fiscal Year 2022 and prospective appropriations from the General Fund annually  
27 thereafter. Upon completion of the construction, the facilities will be leased back to

1 the Government of Guam for a period not to exceed the initial ground lease to the  
2 Guam Economic Development Authority and/or the contractor/developer over  
3 which time the Government of Guam will amortize, as lease payments to the Guam  
4 Economic Development Authority and/or the contractor/developer, the cost of the  
5 financing, design, construction, and related expenses of the Guam Twenty-First  
6 Century Healthcare Center.

7 The contractor/developer will also be responsible for the capital maintenance  
8 and repair of the Guam Twenty-First Century Healthcare Center constructed under  
9 this Act, whose costs shall be paid by the Government of Guam as provided for  
10 under this Act. At the expiration of the lease-back period, the Government of Guam  
11 real property and the Guam Twenty-First Century Healthcare Center constructed on  
12 the Government of Guam real property will revert to the Government of Guam with  
13 no further obligations to the Guam Economic Development Authority and/or the  
14 contractor/developer.

15 **§ 83102. Definitions.**

16 For the purposes of this Chapter and unless otherwise specified, the following  
17 words and phrases are defined to mean:

18 (a) *Act* means Chapter 83 of Title 12, Guam Code Annotated, which  
19 shall be known as the “Guam Twenty-First Century Healthcare Center Act of  
20 2021.”

21 (b) *Contract* shall mean the design, construction, financing,  
22 maintenance, and transfer contract entered into by and between the  
23 Government of Guam and the contractor/developer following negotiations on  
24 the response to the Request for Proposal.

25 (c) *Contractor/developer* shall mean the authorized entity which  
26 shall be the signatory on the contract and shall be fully responsible for  
27 carrying out the design, build, finance, transfer, and maintenance of projects



1 that make up the Guam Twenty-First Century Healthcare Center that is  
2 deemed appropriate by GEDA. The contractor/developer may cooperate with  
3 another entity or entities in any manner the contractor/developer deems  
4 appropriate to provide for the financing, design, and build of the Guam  
5 Twenty-First Century Healthcare Center envisioned by this Chapter.

6 (d) *Guam Twenty-First Century Healthcare Center Committee* shall  
7 be chaired by the Administrator or Deputy Administrator of the Guam  
8 Economic Development Authority, and include the administrators and  
9 directors of all healthcare agencies, the Director or Deputy Director of the  
10 Department of Public Works, the Director or Deputy Director of the  
11 Department of Land Management, the Director or Deputy Director of the  
12 Bureau of Statistics and Planning, the Director or Deputy Director of the  
13 Bureau of Budget and Management Research, and the Director or Deputy  
14 Director of the Department of Administration.

15 (e) *Healthcare agencies* shall mean the Guam Memorial Hospital  
16 Authority (GMHA), the Department of Public Health and Social Services  
17 (DPHSS), and the Guam Behavioral Health and Wellness Center (GBHWC).

18 (f) *Guam Twenty-First Century Healthcare Center* as used in this  
19 Act shall mean the Guam Memorial Hospital Authority, the Department of  
20 Public Health and Social Services, and the Guam Behavioral Health and  
21 Wellness Center located as a whole, on one (1) property, or separately, if  
22 feasible.

23 (g) *Healthcare facilities* shall mean the facilities of the Guam  
24 Memorial Hospital Authority, the Department of Public Health and Social  
25 Services, and the Guam Behavioral Health and Wellness Center.

26 (h) *Leases* shall mean leases from the Government of Guam or by  
27 and through one or more of the healthcare agencies to the contractor/developer

1 and/or the Guam Economic Development Authority entered into at the time  
2 of the contract for the property.

3 (i) *Lease-back* shall mean the lease from the Guam Economic  
4 Development Authority and/or the contractor/developer to the Government of  
5 Guam or by and through one or more of the healthcare agencies of the newly  
6 constructed Guam Twenty-First Century Healthcare Center.

7 (j) *Property* shall mean any property on which the Guam Twenty-  
8 First Century Healthcare Center is located.

9 **§ 83103. Authorization to Enter into Long-Term Leases.**

10 For the purpose of facilitating the financing, design, build and maintenance of  
11 the Guam Twenty-First Century Healthcare Center encompassed by this Act, the  
12 Government of Guam is authorized to lease property that will be used for the Guam  
13 Twenty-First Century Healthcare Center, as required, to the Guam Economic  
14 Development Authority and/or the contractor/developer sufficient Government of  
15 Guam real property; provided, that such property is in the inventory of the  
16 Government of Guam.

17 The Government of Guam is also authorized to lease-back the property from  
18 the Guam Economic Development Authority and/or the contractor/developer for a  
19 period mutually agreed upon between the Government of Guam and the Guam  
20 Economic Development Authority and/or the contractor/developer as may be  
21 reasonably necessary to amortize the lease-back period of no more than forty (40)  
22 years of the cost associated with the design, construction, and maintenance of the  
23 Guam Twenty-First Century Healthcare Center. In no event shall the end of such  
24 lease-back period be structured as an annually renewable lease with a provision for  
25 automatic renewals to the extent that pledged revenue under § 83109 of this Chapter  
26 is available. The lease-back shall not be construed as a debt under any applicable  
27 debt limitation under the Organic Act of Guam or Guam law.

1           **§ 83104. Hospital Project Supervision, Reuse Study, and**  
2 **Appropriation.**

3           (a) The Guam Twenty-First Century Healthcare Center project undertaken  
4 under the provisions of this Act shall be in accordance with the plans, specifications,  
5 standards and costs approved by GEDA and shall be under the supervision of GEDA.

6           (b) A detailed reuse study which compares the feasibility of either  
7 converting the existing GMH inpatient hospital to a Government of Guam facility  
8 or developing a new Government of Guam facility for the purposes of housing  
9 Government of Guam agencies that are currently renting commercial spaces shall  
10 also include financing options for the purpose of funding the reuse or development  
11 of the said Government of Guam facility by utilizing the savings from annual rent  
12 realized by the Government of Guam based on moving from commercial spaces to  
13 the redeveloped facility. Further, the reuse study shall include the estimated costs  
14 associated with the design, financing, renovation and/or new construction of the  
15 central government office complex separate and apart from the Guam Twenty-First  
16 Century Healthcare Center.

17           (c) GEDA may solicit the services for a Program Management Office,  
18 which shall include, but is not limited to, creating scopes of work, coordinating  
19 projects, performance targets, conducting periodic quality control reviews, assuring  
20 timely product generation and response, and managing the project to produce a  
21 quality product within the budget and schedule during the construction of the Guam  
22 Twenty-First Century Healthcare Center.

23           **§ 83105. Identification of Projects and Procurement.**

24           The Guam Economic Development Authority, in consultation with the  
25 administrators and directors of healthcare agencies on Guam, shall utilize the  
26 program study generated by each of the healthcare agencies and the report generated  
27 by the U.S. Department of the Interior funded assessment report by the U.S. Army

1 Corps of Engineers and the Guam Fire Department to identify and prioritize potential  
2 projects from such program studies and assessment reports to be completed. Upon  
3 receipt of the program study of each healthcare agency, the Guam Economic  
4 Development Authority, in consultation with the administrator or director of the  
5 respective healthcare agency, shall solicit Request for Proposals (RFP), in  
6 compliance with the Guam Procurement Law, for the design, build, finance, lease,  
7 transfer, and maintenance of the Guam Twenty-First Century Healthcare Center,  
8 according to the needs of all the healthcare agencies and consistent with this Chapter.  
9 The choice of the contractor/developer shall be made by the Guam Twenty-First  
10 Century Healthcare Center Committee. The Committee shall assess the prior  
11 performance of the contractor/developer on similar projects and shall be free to  
12 disqualify any contractor/developer that does not have a successful record of project  
13 completion on Guam or in any similar isolated locality.

14 The Committee shall also specifically consider the contractor/developer's  
15 ability and performance with regards to financing, development, and construction of  
16 healthcare facilities.

17 The selection of a contractor/developer shall be based upon the proposal that  
18 delivers the lowest cost value for Guam in meeting the objectives of all healthcare  
19 agencies.

20 **§ 83106. Responsibility of Contractor/Developer.**

21 The contract shall require that the contractor/developer be responsible for all  
22 costs, expenses, and fees of any kind or nature associated with the design, civil  
23 improvements, on-site and off-site infrastructure, construction, permits, and  
24 financing associated with the completion of the Guam Twenty-First Century  
25 Healthcare Center to the extent provided by GEDA in consultation with the Guam  
26 Twenty-First Century Healthcare Center Committee in the Request for Proposals.

1 The lease may, for its purposes, provide that its term shall be extended for a period  
2 not to exceed ten (10) years beyond the original term of the lease-back.

3 **§ 83107. Contractual Safeguards.**

4 The contractor/developer shall build the Guam Twenty-First Century  
5 Healthcare Center in accordance with the Guam Building Code under Chapter 67 of  
6 Title 21, Guam Code Annotated, and any other applicable requirements. The  
7 construction contract shall contain contractual obligations typically found in  
8 Government of Guam construction contracts, including, but not limited to:

- 9 (a) warranties;
- 10 (b) liquidated damages;
- 11 (c) performance and payments bonds;
- 12 (d) indemnity;
- 13 (e) insurance;
- 14 (f) standard specifications;
- 15 (g) technical specifications;
- 16 (h) progress schedule;
- 17 (i) maintenance;
- 18 (j) compliance with Guam labor regulations;
- 19 (k) compliance with Guam prevailing wage rates for employment of  
20 temporary alien workers (H2) on Guam;
- 21 (l) compliance with Public Law 28-98: restriction against  
22 contractors employing convicted sex offenders to work at Government of  
23 Guam venues; and
- 24 (m) the 2017 Guam Tropical Energy Code.

25 The contract must be approved as to form and legality by the Attorney General  
26 of Guam.

27 **§ 83108. Assignments.**

1 To facilitate the purpose of this Act and provide security for the holders of  
2 any financing instruments issued pursuant to this Act, the contractor/developer may  
3 assign, without the need of the consent of the Guam Economic Development  
4 Authority, the contract, the lease, and the lease-back to any underwriter, trustee, or  
5 other party as appropriate to facilitate the contractor/developer financing.

6 **§ 83109. Pledge or Reservation of Revenues.**

7 (a) Rental payments under the lease and the lease-back may be secured by  
8 a pledge or other reservation of revenues collected by the Government of Guam from  
9 the following:

10 (1) The sum of no more than Thirty-five Million Dollars  
11 (\$35,000,000) from the revenues received pursuant to 11 GCA Chapter 42,  
12 Earned Income Tax Credit, will be available for Fiscal Year 2022 only.

13 (2) The sum of no more than Thirty-five Million Dollars  
14 (\$35,000,000) from the General Fund shall be appropriated annually  
15 thereafter.

16 (3) The Governor of Guam may use federal funds that is made  
17 available to the Government of Guam by the United States federal government  
18 for such purposes.

19 (4) The use of other financing options is authorized for the purposes  
20 of this Act, including, but not limited to, loans, grants, bond financing, and  
21 other alternate funding or financing options, subject to legislative approval.

22 Any amounts reserved or pledged as provided in this Section shall be subject  
23 to annual appropriation for the purpose of making lease-back payments. The  
24 revenues pledged or reserved and thereafter received by the Government of Guam  
25 or by any trustee, depository or custodian shall be deposited in a separate account  
26 and shall be immediately subject to such reservation or the lien of such pledge  
27 without any physical delivery thereof or further action, and such reservation or the

1 lien of such pledge shall be valid and binding against all parties having claims of any  
2 kind in tort, contract or otherwise against the Government of Guam or such trustee,  
3 depository or custodian, irrespective of whether the parties have notice thereof. The  
4 instrument by which such pledge or reservation is created need be recorded.

5           **§ 83110. Use of Tax-Exempt Bond, Taxable Bond, and Other**  
6           **Financing Instruments for Financing.**

7           (a) To minimize the financing cost to the Government of Guam, financing  
8 utilized by the contractor/developer to fund the design, construction, and  
9 maintenance of the Guam Twenty-First Century Healthcare Center shall be through  
10 tax-exempt obligations, taxable bond obligation, or other financial instruments;  
11 provided, such financing is available at interest rates determined by the Guam  
12 Economic Development Authority to be reasonable and competitive. The Guam  
13 Economic Development Authority shall be the issuer of any financial instruments or  
14 obligations, unless the Guam Economic Development Authority waives its right to  
15 serve as the issuer of financial instruments or obligations. Alternatively, the  
16 contractor/developer may use an alternative method of financing, including, but not  
17 limited to, a short-term debt, mortgage, loan, federally guaranteed loan or loan by  
18 an instrumentality of the United States of America if such financing will better serve  
19 the needs of the people of Guam. Such alternative financing shall be approved by *I*  
20 *Liheslaturan Guåhan*. The purpose for the requirements of this Section is to assure  
21 that the Government of Guam pays the lowest possible interest rate so that the cost  
22 of the Government of Guam’s financing of the design and construction of the Guam  
23 Twenty-First Century Healthcare Center, amortized through the lease-back  
24 payments from the Government of Guam to the Guam Economic Development  
25 Authority and/or the contractor/developer, will be lower than regular commercial  
26 rates.

1           (b) *I Liheslaturan Guåhan*, pursuant to § 50103(k) of Chapter 50, Title 12,  
2 Guam Code Annotated, hereby authorizes the Guam Economic Development  
3 Authority to issue one or more additional series of tax-exempt and/or taxable  
4 obligations (in any case, the “bonds”) for the purposes of financing the Guam  
5 Twenty-First Century Healthcare Center in an aggregate principal amount not to  
6 exceed Six Hundred Million Dollars (\$600,000,000) for the following purposes: (1)  
7 to finance the design, construction, and/or maintenance of the Guam Twenty-First  
8 Century Healthcare Center; (2) to fund a deposit to a debt service reserve fund; (3)  
9 to fund capitalized interest with respect to the bonds; and (4) to pay expenses relating  
10 to the authorization, sale and issuance of the bonds, including without limitation,  
11 printing costs, costs of reproducing documents, credit enhancement fees,  
12 underwriting, legal, feasibility, financial advisory and accounting fees and charges,  
13 fees paid to banks or other financial institutions providing credit enhancement, costs  
14 of credit ratings and other costs, charges and fees in connection with the issuance,  
15 sale and delivery of the bonds, subject to the following additional conditions:

16           (A) The terms and conditions of the bonds shall be as determined by  
17 the Guam Economic Development Authority by the execution of a certificate,  
18 trust agreement or indenture authorizing the issuance of the bonds; provided,  
19 however, that such terms and conditions shall be consistent with this Section,  
20 that the bonds shall have a final maturity not to exceed forty (40) years; and  
21 an interest rate not to exceed seven percent (7%).

22           (B) No bonds authorized by this Section shall be sold until the Board  
23 of Directors of Guam Economic Development Authority has approved the  
24 sale by resolution, as provided in Chapter 50 of Title 12, Guam Code  
25 Annotated.

26           (C) The issuance of bonds pursuant to this Section shall not be  
27 subject to the approval of the voters of Guam.



1 (c) The Guam Economic Development Authority and the Government of  
2 Guam shall undertake their respective best efforts to prioritize application of the  
3 portion of the net proceeds of the bonds allocated towards the design, construction,  
4 and/or maintenance of the Guam Twenty-First Century Healthcare Center first  
5 towards the construction of the new GMHA hospital facility, if and to the extent  
6 that such prioritization is practical, does not impact the marketing of the bonds and  
7 does not increase the costs to the Guam Economic Development Authority and/or  
8 the Government of Guam of issuing and repaying such bonds.

9 **§ 83111. Hospital IT and Building Management System.**

10 (a) For the purpose of extending the useful life of the Guam Twenty-First  
11 Century Healthcare Center, GEDA may include, in the specifications for the new  
12 facilities, the requirement for a medical information management system, an  
13 electronic medical records system, and a building management system. These  
14 systems identified must be done in consultation with the healthcare agencies and  
15 comply with federal mandates related to medical records, and foster compliance with  
16 requirements of the Centers for Medicare and Medicaid Services and of the  
17 accrediting organizations.

18 (b) GEDA, in consultation with the healthcare agencies, shall determine  
19 the specifications for such systems based on comprehensive, state-of-the-art  
20 technology generally accepted within the United States healthcare industry in  
21 connection with the development of new healthcare facilities.

22 (c) In order to ensure immediate response to system downtimes or failure,  
23 GEDA shall include in the specifications the requirement that the provider of these  
24 systems have a local Guam office and service technicians stationed on Guam.

25 **§ 83112. Utilities and Routine Maintenance and Repair.**

26 The contractor/developer shall be responsible for the connection and  
27 payment of all utilities, including without limitation, power, water, sewer,

1 telephone, cable, and all maintenance and repair and exterior groundskeeping and  
2 landscaping and upkeep of the Guam Twenty-First Century Healthcare Center.

3 **§ 83113. Maintenance Fund.**

4 The contract with the contractor/developer, and the lease-back, shall provide  
5 that all capital maintenance and repair of the Guam Twenty-First Century  
6 Healthcare Center facilities be performed by the contractor/developer. The  
7 contractor/developer shall provide sufficient funding for a separate maintenance  
8 fund for this purpose; sufficient funds for this purpose shall be defined as the cost  
9 of capital maintenance and repair for the remaining period of the lease agreement  
10 with the Government of Guam after the completion of the Guam Twenty-First  
11 Century Healthcare Center. The maintenance fund shall be used exclusively for the  
12 purpose of capital maintenance and repair and shall be in an interest-bearing  
13 account segregated from other funds held in escrow.

14 **§ 83114. Rules and Regulations.**

15 The Guam Economic Development Authority, in consultation with the  
16 healthcare agencies, may promulgate rules and regulations pursuant to the  
17 Administrative Adjudication Law to implement the provisions of this Chapter.

18 **§ 83115. Financial Plan Required.**

19 GEDA shall prepare a financial plan in accordance with the following:

20 (a) At a minimum, the financial plan shall include a comprehensive  
21 report of the associated costs and sources of revenues required for the duration  
22 of the Guam Twenty-First Century Healthcare Center (Project). The financial  
23 plan should reflect the total Project cost and any phases that represent the  
24 Project development priorities. All anticipated Project revenues shall be  
25 matched and allocable to the anticipated Project costs and shall detail its  
26 impact on the overall debt ceiling.

1           (b)    The financial plan shall be submitted to *I Maga'hågan Guåhan*  
2           and transmitted to the Speaker of *I Liheslaturan Guåhan*. No solicitation of  
3           Request for Proposal or Invitation for Bid authorized to effectuate the  
4           requirements of this Act may be issued until the financial plan is delivered to  
5           the Speaker of *I Liheslaturan Guåhan*.”

6           **Section 2.   Effective Date.** This Act shall be effective upon enactment.

7           **Section 3.   Severability.** If any provision of this Act or its application to any  
8           person or circumstance is found to be invalid or contrary to law, such invalidity shall  
9           not affect other provisions or applications of this Act that can be given effect without  
10          the invalid provision or application, and to this end the provisions of this Act are  
11          severable.