




I MINA'TRENTAI DOS NA LIHESLATURAN GUÅHAN
2013 (First) Regular Session

Bill No. 157-32 (COR)

Introduced by:

T.C. Ada 
R.J. Respicio 
B.J. Cruz 

**AN ACT TO ADD A NEW §5404 TO 5 GCA CHAPTER 5
RELATIVE TO THE PROCEEDS DERIVED FROM THE
DISPOSAL OF EXCESS OR SURPLUS SUPPLIES AND
EQUIPMENT.**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds that
3 autonomous Government of Guam agencies and public corporations procure
4 nonexpendable supplies and equipment using revenues generated from rates and tariffs
5 charged to their customers/ratepayers. When these supplies and equipment have a
6 remaining useful life but are no longer required by the using agency or public corporation
7 in possession of the supplies they are deemed to be excess supplies, or if the supplies
8 become obsolete or have completed their useful life cycle, they are deemed to be surplus
9 supplies. *I Liheslaturan Guåhan* further finds that an objective of the Government of
10 Guam supply management program is to obtain a fair return of value upon disposal of
11 surplus or excess supplies.

12 *I Liheslaturan Guåhan* further finds that net proceeds from the disposition of
13 excess or surplus supplies and equipment are credited to the General Fund. It is the intent
14 of *I Liheslaturan Guåhan* to credit the net proceeds from the disposal of excess and
15 surplus supplies and equipment owned by autonomous agencies and public corporations
16 to the owning autonomous agencies and public corporations for the purpose of procuring
17 replacement supplies and equipment.

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19 **Section 2.** A new §5404 is added to 5 GCA Chapter 5 to read as follows:

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1 “§ 5404. Disposal of Excess Supplies and Equipment by an Autonomous Agency
2 or Public Corporation.

3 (a) Notwithstanding the provisions of §5403 (Allocation of Proceeds from Sale or
4 Disposal of Surplus Supplies), when excess or surplus supplies and equipment, purchased
5 with funds generated from rates, tariffs, or sources that are derived from the customers of
6 the autonomous agency or public corporation, and not from the General Fund, are
7 disposed of, the proceeds from the sale, lease or disposal shall be allocated back to the
8 owning autonomous agency or public corporation.

9 (b) Said proceeds shall be used solely for the purchase of replacement equipment
10 or other capital improvement requirements needed to support the operations of the
11 autonomous agency or public corporation.

12 (c) Autonomous Agencies and Public Corporations affected by this chapter
13 include: the A.B. Won Pat Guam International Airport Authority, the Guam Housing
14 Corporation, the Guam Housing and Urban Renewal Authority, the Guam Regional
15 Transit Authority, the Guam Power Authority, the Guam Visitor’s Bureau, the Port
16 Authority of Guam, the Public Defender Corporation, the Public Utilities Commission,
17 the Guam Waterworks Authority, and the Guam Economic Development Authority.”
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19 **Section 3. Effective Date.** This Act shall become effective upon enactment.
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21 **Section 4. Severability.** *If* any of the provisions of this law or its application to
22 any person or circumstance is found to be invalid or contrary to law, such invalidity shall
23 *not* affect other provisions or applications of this law which can be given effect without
24 the invalid provisions or application, and to this end the provisions of this law are
25 severable.
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