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CH. 68 HOSPITAL FACILITIES FINANCE ACT

CHAPTER 68
HOSPITAL FACILITIES FINANCE ACT

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§ 68101. Short Title.

This Chapter shall be known as the *Guam Economic Development Authority Hospital Facilities Finance Act*.

SOURCE: GC §53608, as added by P.L. 12-69.

§ 68102. Definitions.

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As used or referred to in this Chapter, the following words and terms shall have the following meanings, unless the context clearly indicates otherwise:

(a) *Board* means the Board of Directors of the Guam Economic Development Authority.

(b) *Bonds or notes* means the revenue bonds or bond anticipation notes, respectively, authorized to be issued by the Corporation under this Chapter.

(c) *Corporation* means the Guam Economic Development Authority, created by P.L. 8-80, Eighth Guam Legislature.

(d) *Costs* as applied to any hospital facilities means the costs of construction or acquisition; the cost of acquisition of property, including rights in land and other property, both real and personal and improved and unimproved; the cost of demolishing, removing or relocating any buildings or structures on land so acquired, including the cost of acquiring any land to which such buildings or structures may be moved or relocated; the cost of all machinery, fixed and movable equipment and furnishings; financing charges, interest prior to and during construction and, if deemed advisable by the Board, for a period not exceeding two (2) years after the estimated date of completion of construction, the cost of engineering and architectural surveys, plans and specifications; the cost of consulting and legal services and other expenses necessary or incident to determining the feasibility or practicability of constructing or acquiring such hospital facilities; the cost of administrative and other expenses necessary or incident to the construction or acquisition of such hospital facilities, the cost of any service fees to the Corporation; and the financing of the construction or acquisition thereof, including reasonable provision for working capital and a reserve for debt service; and the cost of reimbursing any governmental agency or any lessee of any hospital facilities any amounts expended for items that would have been proper costs of such hospital facilities within the meaning of this definition had such expenditure been made directly by the Board; it shall also mean the cost of refunding any indebtedness incurred for any purpose for which bonds or notes may be issued pursuant to this Chapter.

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(e) *Hospital facilities* means any one or more buildings, structures, additions, extensions, improvements or other facilities, which may, if the Board so decides, be built to the specifications of the lessee, whether or not located on the same site or sites, machinery, equipment, furnishings or other real or personal property suitable for health care or medical care; and includes, without limitation, general hospitals, chronic diseases, maternity, mental, tuberculosis and other specialized hospitals; facilities for intensive care and self-care; clinics and out-patient facilities; clinical, pathological and other laboratories; hospital research facilities; laundries; residences and training facilities for nurses, interns, physicians and other staff members; food preparation and food service facilities; administration buildings, central service and other administrative facilities; communication computer and other electronic facilities, fire fighting facilities, pharmaceutical and recreational facilities; storage space, x-ray, laser, radiotherapy and other apparatus and equipment; dispensaries; utilities; vehicular parking lots and garages; office facilities for hospital staff members and physicians; and such other health and hospital facilities customarily under the jurisdiction of or provided by hospitals, or any combination of the foregoing, with all necessary, convenient or related interests in land machinery, apparatus, appliances, equipment, furnishings, appurtenances, site preparation, landscaping and physical amenities; hospital facilities shall not include any property used or to be used for sectarian instruction or study or as a place for devotional activities or religious worship.

(f) *Indenture* means a resolution adopted or an agreement entered into and approved or adopted by a majority of all members of the Board and the Governor, and by the Legislature by resolution, providing for the issuance of bonds or notes.

(g) *Nonprofit agency* means any nonprofit corporation existing or hereafter created and empowered to acquire, by lease or otherwise, operate and maintain hospital facilities.

(h) *Organic Act* means the Organic Act of Guam as amended and in effect on the effective date of this Chapter.

(i) *Public agency* means any entity established by the laws of Guam, whose governing and policy determining body is appointed by the Governor or Legislature of the territory of Guam, and whose

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functions or purposes include the provision or operation of hospital facilities for the people of Guam; it also means any municipality, other political subdivision or agency or instrumentality of the territory of Guam.

(j) *Territory* means the territory of Guam.

SOURCE: GC §53608.01, as added by P.L. 12-69.

§ 68103. Additional Powers of the Board.

In addition to all powers heretofore or hereafter conferred upon it by law, the Board shall have the power and is hereby authorized:

(a) To incur indebtedness, and to issue bonds or notes therefor, as provided in this Chapter, in order to finance and refinance, acquire, construct, equip, provide, operate, own, repair, maintain, extend, improve, rehabilitate, renovate and furnish any hospital facilities, and to issue revenue bonds and revenue refunding bonds for such purposes.

(b) To pledge or assign any money, rents, charges, fees or other revenues and any proceeds derived by the Corporation from sales of property, insurance, condemnation awards or other sources.

(c) To pledge or assign the revenues and receipts from any hospital facilities and any agreement of lease or the rent and income received thereunder.

(d) To fix, revise, charge and collect or cause to be fixed, revised, charged and collected rents, fees and charges for the use of, or services rendered by, any hospital facilities financed pursuant to this Chapter.

(e) To employ fiscal consultants, consulting engineers, architects, attorneys, hospital consultants, appraisers and such other consultants and employees as may be required in their judgment and to fix and pay their compensation, from funds available therefor.

(f) To conduct studies and surveys respecting the need for hospital facilities and their location, financing and construction.

(g) To apply to, accept, receive and agree to and comply with the terms and conditions governing grants, loans, advances, contributions, interest subsidies and other aid with respect to hospital facilities from federal and territorial agencies or

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instrumentalities and to accept, receive and agree to and comply with the terms and conditions governing payments under any health insurance program.

SOURCE: GC §53608.02, as added by P.L. 12-69.

§ 68104. Criteria and Requirements.

In undertaking any hospital facilities pursuant to this Chapter the Board shall be guided by and shall observe the following criteria and requirements; provided that the determination of the Board as to its compliance with such criteria and requirements shall be final and conclusive:

(1) There is a need for the hospital facilities in the area in which the hospital facilities are to be located;

(2) No hospital facilities shall be leased to any public or nonprofit agency unless the financial feasibility of the financing is supported by a feasibility study prepared by a professional hospital consultant, which may be an independent firm or certified public accountants, having a favorable national repute for skill and experience in such work;

(3) Adequate provision shall be made for the payment of the principal of and the interest on the bonds and any necessary reserves therefor and for the operation, repair and maintenance of the hospital facilities at the expense of the lessee; and

(4) The public facilities, including utilities, and public services necessary for the hospital facilities will be made available.

SOURCE: GC §53608.03, as added by P.L. 12-69.

§ 68105. Additional Powers of Public Agencies.

For the purposes of this Chapter, public agencies are authorized and empowered to enter into contracts and agreements, including agreements of lease, with the Board to facilitate the financing, acquiring, constructing, equipping, providing, operating and maintaining of hospital facilities and pursuant to any such agreement of lease to operate, repair and maintain any hospital facilities to pay the cost thereof and the rent from any funds available for such purposes.

SOURCE: GC §53608.04, as added by P.L. 12-69.

§ 68106. Procedural Requirements.

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In addition to hospital facilities initiated by the Board, any public or nonprofit agency may submit to the Board, and the Board may consider a proposal using such forms and following such instructions as may be prescribed by the Board for financing hospital facilities. Such proposal shall set forth the type and location of the hospital facilities and may include other information and data available to the public or nonprofit agency respecting the hospital facilities and the extent to which such hospital facilities conform to the criteria and requirements set forth in this Chapter. The Board may request the proposed lessee to provide additional information and data respecting the hospital facilities. The Board is authorized to make or cause to be made such investigations, surveys, studies, reports and reviews as in its judgment are necessary and desirable to determine the feasibility and desirability of the hospital facilities, the extent to which the hospital facilities will contribute to the health and welfare of the area in which they will be located, the powers, experience, background, financial condition, record of service and capability of the management of the proposed lessee, the extent to which the hospital facilities otherwise conform to the criteria and requirements of this Chapter, and such other factors as may be deemed relevant or convenient in carrying out the purposes of this Chapter.

SOURCE: GC §53608.05, as added by P.L. 12-69.

§ 68107. Operation of Hospital Facilities; Agreements of Lease; Conveyance of Hospital Facilities to Lessee.

All hospital facilities shall be operated to serve and benefit the general public and there shall be no discrimination against any person based on race, creed, color or national origin.

The Board may lease any hospital facilities to a public or nonprofit agency for operation and maintenance in such manner as shall effectuate the purposes of this Chapter, under an agreement of lease in form and substance not inconsistent herewith. Any such agreement of lease may include provisions that:

(1) The lessee shall, at its own expense, operate, repair and maintain the hospital facilities leased thereunder;

(2) The rent payable under the lease shall in the aggregate be not less than an amount sufficient to pay all of the interest, principal and any redemption premium on the bonds or notes issued by the Board to pay the cost of the hospital facilities leased thereunder;

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(3) The lessee shall pay all other costs incurred by the Board in connection with the providing of the hospital facilities leased, except such costs as may be paid out of the proceeds of bonds or notes or otherwise, including, but without limitation, any service charges to the Corporation, insurance costs, the cost of administering the indenture authorizing and securing such bonds or notes and the fees and expenses of trustees, paying agents, attorneys, consultants and others;

(4) The lease shall terminate not earlier than on the date on which all such bonds and all other obligations incurred by the Board in connection with the hospital facilities leased thereunder shall be paid in full or adequate funds for such payment shall be deposited in trust; and

(5) The lessee's obligation to pay rent shall not be subject to cancellation, termination or abatement by the lessee until the bonds have been paid or sufficient funds have been made available for such payment.

All obligations payable by a public agency under an agreement of lease, including the obligation to pay rent and to pay the costs of operating, repairing and maintaining hospital facilities, shall be payable solely from the revenues of the hospital facilities being leased and shall not be payable from or charged upon any funds of the public agency other than the revenues pledged to such payment.

When the principal of and interest on bonds of the Corporation issued to finance the cost of a particular hospital facility, including any refunding bonds issued to refund and refinance such bonds, have been fully paid and retired, or when adequate provision has been made to fully pay and retire the same, and all other conditions of the indenture authorizing and securing the same have been satisfied and the lien of such indenture has been released in accordance with the provisions thereof, the Corporation shall promptly do such things and execute such deeds and conveyances as are necessary and required to convey title to such project or projects to such participating hospital facility free and clear of all liens and encumbrances, all to the extent that title to such project or projects shall not, at the time then be vested in such participating hospital facility.

SOURCE: GC §53608.06, as added by P.L. 12-69.

§ 68108. Construction Contracts.

Contracts for the construction of any project, or any part thereof, may be awarded by the Board in such manner as in its judgment will best promote free and open competition, including advertisement for competitive bids in a newspaper of general circulation in Guam provided, however, that if the Board shall determine that the purposes of this Chapter will thereby be more effectively served, the Board in its discretion may award contracts for the construction of any project, or any part thereof, upon a negotiated basis as determined by the Board. The Board shall prescribe such bid security requirements and other procedures in connection with the award of such contracts as in its judgment shall protect the public interest. The Board may by written contract engage the services of the lessee or prospective lessee of any project in the construction of such project and may provide in such contract that the lessee or prospective lessee may act as an agent of, or an independent contractor for, the Board for the performance of the functions described therein, subject to such conditions and requirements, consistent with the provisions of this Chapter as shall be prescribed in such contract, including such functions as the acquisition of the site and other real property for such project, the preparation of plans, specifications and contract documents, the award of construction and other contracts upon a competitive or negotiated basis, the construction of such project, or any part thereof, directly by such lessee or prospective lessee, the inspection and supervision of construction, the employment of engineers, architects, builders and other contractors and the provision of money to pay the cost thereof pending reimbursement by the Board. Any such contract may provide that the Board may, out of proceeds of bonds, make advances to or reimburse the lessee or prospective lessee for its costs incurred in the performance of such functions and shall set forth the supporting documents required to be submitted to the Board and the reviews, examinations and audits that shall be required in connection therewith to assure compliance with the provisions of this Chapter and such contract.

SOURCE: GC §53608.07, as added by P.L. 12-69.

§ 68109. Credit of Territory Not Pledged.

Bonds or notes issued under the provisions of this Chapter shall not be deemed to constitute a debt, liability or obligation of the Territory or of any political subdivision thereof or a pledge of the faith and credit of

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the Territory or of any such political subdivision, but shall be payable solely from the revenues and other funds provided therefor. Each bond or note issued under this Chapter shall contain on the face thereof a statement to the effect that the Board shall not be obligated to pay the same nor the interest thereon except from the revenues and other funds pledged therefor and that neither the faith and credit nor the taxing power of the Territory or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such bond or note.

Expenses incurred by the Board in carrying out the provisions of this Chapter may be made payable from funds provided pursuant to, or made available for use under this Chapter and no liability shall be incurred by the Board hereunder beyond the extent to which moneys shall have been so provided.

SOURCE: GC §53608.08, as added by P.L. 12-69.

§ 68110. Bonds and Notes.

The Board is hereby authorized to provide for the issuance, at one time or from time to time, of bonds or notes in anticipation of the issuance of bonds, useful or necessary in carrying out and effectuating the purposes provided in the indenture authorizing the issuance of such bonds. The principal of and the interest on such bonds or notes shall be payable solely from funds provided under this Chapter for such payment. Any such notes may be made payable from the proceeds of bonds or renewal notes or, in the event bond or renewal note proceeds are not available, such notes may be paid from any available revenues or other funds provided therefor. The bonds or notes of each issue shall be dated and may be made redeemable before maturity at the option of the Board at such price or prices and upon such terms and conditions as may be determined by the Board. Any such bonds or notes shall bear interest at such rate or rates as may be determined by the Board. Notes shall mature at such time or times not exceeding five (5) years from their date or dates and bonds shall mature at such time or times not exceeding forty (40) years from their date or dates, as may be determined by the Board. The Board shall further determine the form and manner of execution of the bonds or notes, including any interest coupons to be attached thereto, and shall fix the denomination or denominations and the place or places of payment of principal and interest, which shall be a Federal Reserve member trustee bank within or without the Territory. In case any officer whose signature or a facsimile of whose signature shall appear on any

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bonds or notes or coupons attached thereto shall cease to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The Board may also provide for the authentication of the bonds or notes by a trustee or fiscal agent. The bonds or notes may be issued in coupon or in registered form, or both as the Board may determine, and provision may be made for the registration of any coupon bonds or notes as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds or notes of any bonds or notes registered as to both principal and interest; and for the interchange of registered and coupon bonds or notes.

Such bonds or notes may be sold in such manner, either at public or private sale, and for such price as the Board shall determine to be for the best interests of the Corporation and effectuate best the purposes of this Chapter, except that the discount of any bonds so sold shall not exceed five percent (5%) without the written consent of the Governor.

The proceeds of any bonds or notes shall be used solely for the purposes for which issued and shall be disbursed in such manner and under such restrictions, if any, as the Board may provide in the indenture authorizing and securing the issuance of such bonds or notes.

Prior to the preparation of definitive bonds, the Board may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The Board may also provide for the replacement of any bonds or notes which shall become mutilated or shall be destroyed or lost.

Bonds or notes may be issued under the provisions of this Chapter without obtaining, except as otherwise expressly provided in this Chapter, the consent of any department, division, commission, board, body, bureau or agency of the Territory, and without any other proceedings or the happening of any conditions or things other than those proceedings, conditions or things which are specifically required by this Chapter and the provisions of the indenture authorizing and securing the issuance of, such bonds or notes.

SOURCE: GC §53608.09, as added by P.L. 12-69.

§ 68111. Covenants and Agreements That May be Contained in the Indenture.

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Bonds or notes may be issued in accordance with the provisions of this Chapter pursuant to an indenture approved or adopted by the Board and approved as well by the Governor and the Legislature by resolution. Such indenture, which may be secured by a trust agreement by and between the Board and a Federal Reserve member trustee bank, may include any and all covenants and agreements on the part of the Authority as are authorized by this Chapter or as the Board deems necessary or advisable for the better security of the bonds issued thereunder, including, without limiting the generality of the foregoing the power to pledge or assign all or any part of the revenues of the Board received pursuant to this Chapter, including, without limitation, fees, rents, charges, insurance proceeds, condemnation awards and any other revenues and funds received in connection with any hospital facilities, and may also mortgage any hospital facility, or part thereof, as additional security for any bonds issued under this Division. Such indenture may contain such provisions for protecting and enforcing the rights and remedies of the holders of any such bonds or notes as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the Board in relation to the purposes to which bond or note proceeds may be applied, the disposition or pledging of the revenues of the Board, the duties of the Board with respect to the acquisition, construction, maintenance, repair and operation of any hospital facilities, the fees, rents and charges to be fixed and collected in connection therewith, the terms and conditions for the issuance of additional bonds or notes, and the custody, safeguarding and application of all moneys. It shall be lawful for any Federal Reserve member trustee bank which may act as depository of the proceeds of bonds or notes, revenues or other money hereunder to furnish such indemnifying bonds or to pledge such securities as may be required by the Board. Any such indenture may set forth the rights and remedies of the holders of any bonds or notes and of the trustee, and may restrict the individual right of action by any such holders. Such indenture may also contain such other provisions as the Board may deem reasonable and proper for the security of the holders of any bonds or notes. Expenses incurred in carrying out the provisions of such indenture as well as any service charges to the Corporation may be treated as a part of the cost of any hospital facilities or paid from the revenues pledged or assigned to the payment of the principal of and the interest on bonds or notes or from any other funds available to the Board. In addition to the foregoing, the indenture may provide that the Governor

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and the Director of Revenue and Taxation and all other officers and agencies of the Territory shall be bound by all the covenants and agreements on the part of the Board set forth in such indenture and that such officers will also perform all such covenants and agreements which, under the Organic Act or any provision of this Code or any other statute of the Territory, can be taken for or on behalf or in lieu of the Board only by the Governor, the Director of Revenue and Taxation, or such other officer or agency.

SOURCE: GC §53608.10, as added by P.L. 12-69.

§ 68112. Revenues; Pledges of Revenues.

(a) The Board is hereby authorized to fix and to collect fees, rents and charges for the use of any hospital facilities, and any part or section thereof, and to contract with any public or nonprofit agency for the use thereof. The Board may require that the lessee or users of any hospital facilities or any part thereof shall operate, repair and maintain such facilities and shall bear the cost thereof and other costs of the Board including any appropriate service charges, in connection therewith, as may be provided in the agreement of lease or other contract with the Board, in addition to other obligations imposed under such agreement or contract.

(b) The fees, rents and charges shall be fixed so as to provide a fund sufficient, with such other funds as may be made available therefor, (i) to pay the costs of operating, repairing and maintaining the hospital facilities, to the extent that adequate provision for the payment of such costs has not otherwise been provided for, (ii) to pay the principal of and the interest on all the bonds as the same shall become due and payable, and (iii) to create and maintain any reserves provided for in the indenture authorizing and securing the issuance of such bonds; provided, however, that nothing herein shall prohibit the application of fees, rents and charges to the payment of debt service on the bonds prior to the payment of the costs of operating, repairing and maintaining the hospital facilities.

(c) All pledges of fees, rents, charges and other revenues under the provisions of this Chapter shall be valid and binding from the time when such pledges are made. All such revenues so pledged and thereafter received by the Board shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Board,

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irrespective of whether such parties have notice thereof. The indenture by which a pledge is created or any lease need not be filed or recorded except in the records of the Board.

SOURCE: GC §53608.11, as added by P.L. 12-69.

§ 68113. Federal Reserve Member Bank as Trustee for Board and Holders of Bonds.

(a) A Federal Reserve member bank shall act as trustee for the Board and the holders of bonds issued hereunder, and the Board may authorize the trustee to act on behalf of the holders of the bonds, or any stated percentage thereof, and to exercise and prosecute on behalf of the holders of the bonds such rights and remedies as may be available to the holders.

(b) The indenture shall provide for the deposit of all revenues with the trustee and for the holding thereof by the trustee and for the transfer to such trustee of such portions of revenues as are provided as security for the bonds and for the holding thereof by such trustee. All money so held shall be disbursed only as provided in this Chapter and in the indenture.

SOURCE: GC §53608.12, as added by P.L. 12-69.

§ 68114. Trust Funds.

Notwithstanding any other provisions of law to the contrary, all moneys received pursuant to the authority of this Chapter, including, without limitation, fees, rents, charges, insurance proceeds, condemnation awards and any other revenues and funds received in connection with any hospital facilities, shall be deemed to be trust funds to be held and applied solely as provided in this Chapter. The indenture authorizing and securing the issuance of any bonds or notes may provide that any of such moneys may be temporarily invested pending the disbursement thereof in such securities and subject to such limitations as are specified in the indenture, and shall provide that the Federal Reserve member bank with which such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes of this Chapter, subject to such regulations as this Chapter and the indenture may provide.

SOURCE: GC §53608.13, as added by P.L. 12-69.

§ 68115. Remedies.

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Any holder of bonds or notes issued under the provisions of this Chapter or any coupons appertaining thereto, and the trustee under any indenture authorizing the issuance of such bonds or notes, except to the extent the rights herein given may be restricted by such indenture, may, either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the Territory or granted hereunder or under such indenture or under any other contract executed by the Board pursuant to this Chapter, and may enforce and compel the performance of all duties required by this Chapter or by such indenture to be performed by the Board or by any officer thereof.

SOURCE: GC §53608.14, as added by P.L. 12-69.

§ 68116. Negotiable Instruments.

Notwithstanding any of the foregoing provisions of this Chapter or any recitals in any bonds or notes issued under the provisions of this Chapter, all such bonds or notes and interest coupons appertaining thereto shall be and are hereby made negotiable instruments under the laws of this Territory, subject to any applicable provisions for registration.

SOURCE: GC §53608.15, as added by P.L. 12-69.

§ 68117. Bonds or Notes Eligible for Investment.

Bonds or notes issued under the provisions of this Chapter are hereby made securities in which all public officers and public bodies of the Territory and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds or notes are hereby made securities which may properly and legally be deposited with and received by any territory or municipal officer or any agency or political subdivision of the Territory for any purpose for which the deposit of bonds, notes or obligations of the Territory is now or may hereafter be authorized by law.

SOURCE: GC §53608.16, as added by P.L. 12-69.

§ 68118. Refunding Bonds or Notes.

The Board is hereby authorized to provide pursuant to an indenture for the issuance of refunding bonds or notes for the purpose of refunding any bonds, notes or other forms of indebtedness then outstanding which

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shall have been issued by a nonprofit or public agency for any purpose for which bonds or notes may be issued pursuant to this Chapter, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, notes or other forms of indebtedness and, if deemed advisable by the Board, for any corporate purpose of the Board, including, without limitation:

(1) Constructing improvements, additions, extensions or enlargements of the hospital facilities in connection with which the bonds, notes or other forms of indebtedness to be refunded shall have been issued; and

(2) Paying all or any part of the cost of any additional hospital facilities.

The issuance of such bonds or notes, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the Board in respect of the same shall be governed by the provisions of this Chapter which relate to the issuance of bonds or notes, insofar as such provisions may be appropriate therefor.

Refunding bonds or notes may be sold or exchanged for such outstanding bonds, notes or other forms of indebtedness and, if sold, the proceeds thereof may be applied, in addition to any other authorized purposes, to the purchase, redemption or payment of such outstanding bonds, notes or other forms of indebtedness. Pending the application of the proceeds of any such refunding bonds or notes, with any other available funds, to the payment of the principal, accrued interest and any redemption premium on the bonds, notes or other forms of indebtedness being refunded, and, if so provided or permitted in the indenture securing and authorizing the issuance of such bonds or notes, to the payment of any interest on such refunding bonds, notes or other forms of indebtedness and any expenses in connection with such refunding, such proceeds may be invested in such securities and subject to such limitations as are specified in the indenture.

SOURCE: GC §53608.17, as added by P.L. 12-69.

§ 68119. Officers Not Liable.

No member or officer of the Board shall be subject to any personal liability or accountability by reason of his execution of any bonds or notes or the issuance thereof.

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SOURCE: GC §53608.18, as added by P.L. 12-69.

§ 68120. Tax Exemptions.

Bonds issued pursuant to the provisions of this Chapter and the interest or income therefrom are exempt from taxation in accordance with the provisions of the last sentence of § 11 of the Organic Act.

The exercise of the powers granted by this Chapter will be in all respects for the benefit of the people of the Territory and will promote their health and welfare, and the Board shall not be required to pay tax or assessment on any property owned by the Board under the provisions of this Chapter or upon the income therefrom.

SOURCE: GC §53608.19, as added by P.L. 12-69.

§ 68121. Conflict of Interest.

If any member, officer or employee of the Board shall be interested either directly or indirectly, or shall be an officer or employee of or have an ownership interest in any firm or corporation interested directly or indirectly in any contract with the Board, such interest shall be disclosed to the Board and shall be set forth in the minutes of the Board, and the member, officer or employee having such interest therein shall not participate on behalf of the Board in the authorization of any such contract.

SOURCE: GC §53608.20, as added by P.L. 12-69.

§ 68122. Additional Method.

The foregoing sections of this Chapter shall be deemed to provide an additional and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws, and shall not be regarded as in derogation of any powers now existing; provided, however, that the issuance of bonds or notes under the provisions of this Chapter need not comply with the requirements of any other law applicable to the issuance of bonds or notes.

SOURCE: GC §53608.21, as added by P.L. 12-69.

§ 68123. Liberal Construction.

This Chapter, being necessary for the health and welfare of the people of the Territory, shall be liberally construed to effect the purposes thereof.

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SOURCE: GC §53608.22, as added by P.L. 12-69.

§ 68124. Inconsistent Laws Inapplicable.

Insofar as the provisions of this Chapter are inconsistent with the provisions of any general or special laws, or parts thereof, the provisions of this Chapter shall be controlling.

SOURCE: GC §53608.23, as added by P.L. 12-69.

§ 68125. Publication of Notice of Adoption of Resolution; Statute of Limitations on Actions Involving Bonds.

Within fifteen (15) days of the adoption of a resolution by the Board constituting an indenture providing for the issuance of bonds under this Chapter, the Board shall publish notice of adoption of the resolution, stating the aggregate principal amount of bonds proposed to be issued, once in a newspaper of general circulation in Guam. No action attacking, questioning or affecting in any way the validity of any bonds issued under such a resolution, or seeking to enjoin the issuance of such bonds, may be commenced by any person more than sixty (60) days after the date of publication of the notice of adoption of such resolution.

SOURCE: GC §53608.24, as added by P.L. 12-69.
