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**CHAPTER 17**  
**THE UNIVERSITY OF GUAM REVENUE BOND ACT OF 1966**

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**§ 17101. The University of Guam Revenue Bond Act of 1966 Designated.**

This Chapter may be cited as *The University of Guam Revenue Bond Act of 1966*.

**SOURCE:** § 11850 GC.

**NOTE:** The name College of Guam was changed to University of Guam by authority of P.L. 9-233:13.

**§ 17102. Definitions.**

The following terms wherever used or referred to in this Chapter or in any indenture entered into pursuant hereto, shall have the following

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meanings, respectively, unless a different meaning appears from the context:

(a) *Governor* means the Governor of Guam.

(b) *Director of Administration* means the head of the Department of Administration, within the Executive Branch of the government of Guam.

(c) *Territory* means the Territory of Guam.

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

(e) *Board* means the Board of Regents of the University of Guam. *Board* also means the Governor, the Director of Administration or any other officer or agency of the Territory whenever any action which this Chapter or any indenture requires or permits the Board to take can, under the Organic Act or any provision of this Code or any other statute of the Territory, be taken for or on behalf or in lieu of the Board by the Governor, the Director of Administration or such other officer or agency.

(f) *University* means the University of Guam maintained under the authority of this Code.

(g) The term *project* means any one or more capital projects of the University, including, without limitation classroom buildings, administration buildings, dormitories or other housing facilities, vehicle parking facilities or any other auxiliary or supplementary facilities, owned or operated or authorized to be acquired, constructed, furnished, equipped and operated for use by the University, students, faculty members or other employees, or a combination of such facilities, which may include facilities already completed and facilities authorized for future completion, designated by the Board as a project in providing for the issuance of bonds.

(h) The term *bonds* or *revenue bonds* means the written evidence of any obligation issued by the Board with the approval of the Governor, payment of which is secured by a pledge of revenues or any part of revenues as provided in this Chapter, in order to obtain funds with which to carry out the purposes of this Chapter, irrespective of the form of such obligations.

(i) The term *revenues* means and includes any and all tuition, fees, rates, rentals and other charges received or receivable in connection with, and any and all other income and receipts of whatever kind of character,

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derived by the Board from the operation of the University or from the operation of or arising from a project.

(j) The *holder of bonds* or *bondholder* or any similar terms shall mean any person who shall be the bearer of any outstanding bond or bond registered to bearer or not registered or the registered owner of any such outstanding bond or bond which shall at the time be registered other than to bearer.

(k) The term *indenture* means an agreement entered into and approved or adopted by a majority of all of the members of the Board, with the approval of the Governor, pursuant to which bonds are issued, regardless of whether such agreement is expressed in the form of a resolution of the Board or by other instrument.

(l) The term *person* includes any individual, firm, corporation, association, copartnership, trust, business trust or receiver or trustee or conservator for any thereof, but does not include the United States or the Territory or any public corporation, political subdivision, city, county or district or any agency or instrumentality of the United States or of the Territory.

(m) (1) The present tense includes the past and future tenses; and the future, the present.

(2) The masculine gender includes the feminine and neuter.

(3) The singular number includes the plural, and the plural the singular.

(4) *Shall* is mandatory and *may* is permissive.

**SOURCE:** GC § 11850.1. Subsection (g) repealed and reenacted by P.L. 24-275:3. Subsection (i) repealed and reenacted by P.L. 24-275:4.

**NOTE:** Director of Finance and the Department of Finance were changed to *Director of Administration* and *Department of Administration* by authority of P.L. 9-239.

Throughout this Chapter, reference is made to the College Auxiliary Services Fund created in § 11841, Chapter 10 of Title XII of the Government Code. Chapter 10, however, was repealed in its entirety with a new Chapter 10 added pursuant to P.L. 13-194 wherein § 16124 GCA (former § 11847 GC) established a new fund designated the *University of Guam Fund*.

### **§ 17103. Powers of Board.**

The Board, for the purposes of this Chapter, has power and is hereby authorized, in addition to and amplification of all other powers conferred

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upon the Board by this Code or by any statute of the Territory or of the United States:

(a) To acquire, subject to the laws of the Territory, by grant, purchase, gift, devise or lease or by the exercise of the right of eminent domain in accordance with the provisions and subject to the limitations of 21 GCA Chapter 15, and to hold and use any real or personal property necessary or convenient or useful for the carrying on of any of its powers pursuant to the provisions of this Chapter.

(b) To construct or to have constructed for it and to operate and control any project.

(c) To fix tuition, rates, rents or other charges of the University or for the use of any project or for services rendered in connection therewith, and to alter, change or modify the same at its pleasure, subject to any contractual obligation which may be entered into by the board with respect to the fixing of such tuition, rates, rents or charges.

(d) To enter into covenants to increase rates or charges from time to time as may be necessary pursuant to any such contract or agreement with the holders of any bonds of the Board.

(e) At any time and from time to time, with the approval of the Governor, to issue revenue bonds in order to raise funds for the purpose of establishing any project or of acquiring lands for any project, or of acquiring, constructing, improving, equipping or furnishing any project, or of refinancing any project, or for any combination of such purposes, which bonds may be secured as hereinafter provided.

(f) To adopt such rules and regulations as may be necessary to enable the Board to exercise the powers and to perform the duties conferred or imposed upon the Board by this Chapter.

(g) Nothing contained in this Section or elsewhere in this Chapter shall be construed directly or by implication to be in anywise in derogation of or in limitation of powers conferred upon or existing in the Board by virtue of any provisions of the Organic Act or statutes of the Territory or any other provisions of this Code.

**SOURCE:** GC § 11850.2. Subsection (c) repealed and reenacted by P.L. 24-275:5.

**§ 17104. Validity of Authorization and Issuance of Revenue Bonds.**

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The validity of the authorization and issuance of any bonds by the Board, with the approval of the Governor, is not dependent on nor affected in any way by:

(a) Proceedings taken by or for or in lieu of the Board for the acquisition, construction or completion of any project or any part thereof.

(b) Any contracts made by or for in lieu of the Board in connection with the acquisition, construction or completion of any project.

(c) The failure to complete any project for which bonds are authorized to be issued.

SOURCE: GC § 11850.3.

**§ 17105. Territory Not Liable for Bonds; Board Only Liable as Provided by Indenture.**

The Board, with the approval of the Governor, shall issue revenue bonds in its name and as its obligation, but no bond issued or sold pursuant to this Chapter shall be or become a lien, charge or liability against the Territory or the Governor or against the Board or against the property or funds of the Board or the Territory or the Governor, except to the extent of the pledge of revenues or part of revenues of the project, as may be provided by the indenture pursuant to which revenue bonds are issued and every such bond issued by the Board shall contain a recital on the face thereof, stating that neither the payment of the principal nor any part thereof, nor any interest thereon, constitutes a debt, liability or obligation of the Territory.

SOURCE: GC § 11850.4.

**§ 17106. Board to Determine Issuance.**

The Board, with the approval of the Governor, shall determine the time, form and manner of the issuance of bonds.

SOURCE: GC § 11850.5.

**§ 17107. Guam Not Liable for Bonds; Board Only Liable as Provided by Indenture.**

The Board, with the approval of *I Maga'lahaen Guåhan*, may enter into indenture providing for the aggregate principal amount, provided that such aggregate amount authorized by this Act shall not exceed Twenty-five Million Dollars (\$25,000,000), date or dates, maturities, interest rates, denominations, form, registration, transfer and interchange of any bonds

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and coupons issued pursuant to this Chapter, and the terms and conditions on which the same shall be executed, issued, secured, sold, paid, redeemed, funded and refunded. Reference on the face of the bonds to such indenture by its date of adoption, or the apparent date on the face thereof, is sufficient to incorporate all of the provisions thereof, and of this Chapter into the body of the bonds and their appurtenant coupons. Each taker and subsequent holder of the attached to or detached from the bonds, has recourse to all of the provisions of the indenture and of this Chapter and is bound thereby.

**SOURCE:** GC§ 11850.6. Repealed and reenacted by P.L. 24-275:6.

**§ 17108. Covenants and Agreements That May Be Contained in Indenture.**

An indenture pursuant to which bonds are issued may, with the approval of the Governor, include any and all such covenants and agreements on the part of the Board, the Territory, the Governor, the Director of Administration or any other officer or agency of the Territory as the Board deems necessary or advisable for the better security of the bonds issued thereunder, including, without limiting the generality of the foregoing, any one or more of the following provisions:

(a) A provision that payments of principal and interest of bonds shall be secured by all or by part of revenues.

(b) A provision requiring the Director of Administration to pay or cause to be paid, punctually, the principal of all such bonds and the interest thereon on the date or dates, or at the place or places, and in the manner mentioned in such bonds and in the coupons appertaining thereto in accordance with such indenture.

(c) A provision requiring the Board to operate the project continuously, to the extent practicable under conditions as they may, from time to time, exist, in an efficient and economical manner.

(d) A provision requiring the Board to make all necessary repairs, renewals and replacements to any project, and to keep the project, at all times, in good repair, working order and condition.

(e) A provision requiring the Board to preserve and protect the security of the bonds and the rights of the holders thereof and to warrant and defend such rights.

(f) A provision requiring the Board to pay and discharge or cause to be paid and discharge all lawful claims for labor, materials and supplies or

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other charges which if unpaid, might become a lien or charge upon the revenues or any part thereof, of any project acquired, constructed or completed from the proceeds of sale of bonds, or upon any physical properties, or which might impair the security of the bonds.

(g) A provision which limits, restricts or prohibits any right, power or privileges of the Board to mortgage or otherwise encumber, sell, lease or dispose of any improvements constructed from the proceeds of sale of bonds or to enter into any lease or agreement which impairs or impedes the operation of a project, or any part thereof, necessary to secure adequate revenues or which otherwise impairs or impedes the rights of the holders of bonds with respect to such revenues.

(h) A provision requiring the Board to fix, prescribe and collect rates, rentals or other charges in connection with the services and facilities furnished from the project acquired, constructed or purchased from part or all of the proceeds of the bonds, sufficient to pay the principal of and interest on the bonds as they become due and payable, together with such additional sums as may be required for any fund created by this Chapter, for the further security of such bonds or as a depreciation charge or other charges in connection with such projects.

(i) A provision that no project acquired, constructed or completed from the proceeds of sale of bonds issued under the provisions of this Chapter shall be used without charge therefor and that no facilities of any such project shall be furnished free of charge to any person, except to the extent permitted by the indenture.

(j) A provision requiring the Board and the Director of Administration to hold or cause to be held in trust the revenues or any part of revenues pledged to the payment of such bonds and the interest thereon, or to any reserve or other fund created by this Chapter or by the indenture relating to such bonds for the further protection of such bonds, and to apply such revenues or any part of revenues or cause them to be applied only as provided in the indenture and to invest all or any part of such revenues pending such application in such securities and subject to such limitations as are specified in the indenture.

(k) A provision defining the power of the Board and the Director of Administration in applying the proceeds of the sale of any issue of bonds for the acquiring, constructing or completing of any project or any part thereof.



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(l) A provision permitting the Board to issue additional bonds or one or more additional series of bonds, equally secured with bonds theretofore issued under the indenture, for the purpose of acquiring, constructing or completing, improving or extending any project or any part thereof; and a provision limiting the power of the Board to issue any additional bonds so secured or any other additional bonds for such purpose.

(m) A provision requiring, specifying or limiting the kind, amount and character of insurance to be maintained by the Board on any project, or any part thereof, and the use and disposition of the proceeds of any such insurance thereafter collected.

(n) A provision specifying the events of default and the terms and conditions upon which any or all of the bonds of the Board then or thereafter issued may become or be declared due and payable prior to maturity, and the terms and conditions upon which such declaration and its consequences may be waived.

(o) A provision designating the rights, limitations, powers and duties arising upon breach by the Board of any of the covenants, conditions or obligations contained in the indenture.

(p) A provision prescribing a procedure by which the terms and conditions of the indenture may be subsequently amended or modified with the consent of the Board, subject to the approval of the Governor, and the vote or written assent of the holders of a specified principal amount or specified proportion of the bonds issued and outstanding, including provisions for meetings of bondholders and for the manner in which the consent of the bondholders may be given, and specifically stating the effect of such amendment or modification upon the rights of the holders of all of the bonds and interest coupons appertaining thereto, whether attached thereto or detached therefrom.

With respect to any provision relating to the modification or amendment of an indenture, the Board, with the approval of the Governor, may agree that bonds held by the Territory, the United States or any instrumentality of either thereof (including every municipal corporation, district, public corporation, board, agency or instrumentality of any kind or class) shall not be counted as outstanding bonds, or be entitled to vote or assent, but shall, nevertheless, be subject to any such modification or amendment.

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(q) A provision that the Governor, the Director of Administration and all other officers and agencies of the Territory shall (i) be bound by all of the covenants and agreements on the part of the Board set forth in such indentures, and (ii) 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 Administration or such other officer or agency.

(r) A provision or provisions relating to such other acts and matters as may be necessary or convenient or desirable in order better to secure the bonds or to make the bonds more marketable.

**SOURCE:** GC § 11850.7.

**§ 17109. Designation of Trustee Under the Indenture.**

The indenture pursuant to which the bonds are issued may designate a bank, trust company or other financial institution with trust powers to 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. The indenture may provide for the deposit with such trustee of all revenues securing the bonds, to be held in a separate fund or account in the University Revenue Fund created pursuant to this Chapter.

The money in such fund shall be disbursed only as provided in the indenture. The services of a bank, trust company or other financial institution with trust powers, licensed to do business on Guam, shall conform with the Guam Procurement Laws.

**SOURCE:** GC§ 11850.8. Repealed and reenacted by P.L. 24-275:7. Amended by P.L. 24-312:6.

**§ 17110. Duties and Powers of Trustee.**

The Board, with the approval of the Governor, shall prescribe the duties and powers of the trustee with respect to the issuance, authentication, sale and delivery of the bonds and the payment of principal and interest thereof, the redemption of the bonds, the registration and discharge from registration of the bonds, and the management of any sinking fund or other funds provided as security for the bonds.

**SOURCE:** GC § 11850.9.

**§ 17111. Board's Powers Concerning Issuance.**

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With the approval of the Governor, the Board may provide for one or several issues of bonds in series or may divide any issue into one or more divisions and fix different maturities or dates of such bonds, different rates of interest, or prescribe different terms and conditions for the bonds of the several series or divisions. It is not necessary that all bonds of the same authorized issue be of the same kind or character, have the same security, or be of the same interest rate, but the terms thereof shall in each case be provided for by the Board, with the approval of the Governor, at or prior to the issue thereof.

**SOURCE:** GC § 11850.10.

**§ 17112. Issuance of Coupon or Registered Bonds and Interchange of One for the Other.**

Bonds may be issued as coupon bonds or as registered bonds. With the approval of the Governor, the Board may provide for the interchange of coupon bonds for registered bonds and registered bonds for coupon bonds, and may provide that the bonds shall be registered as to principal only, or as to both principal and interest, or otherwise as the Board may determine.

**SOURCE:** GC § 11850.11.

**§ 17113. Interest on Bonds.**

Bonds shall bear interest at a rate of not to exceed eight percent (8%) per annum, payable annually or semi-annually, or in part annually and in part semi-annually.

**SOURCE:** GC § 11850.12. Amended by P.L. 24-275:8.

**§ 17114. Call or Redemption of Bonds Prior to Fixed Maturity Date.**

Bonds may be callable upon such terms, conditions, and upon such notice as the Board, with the approval of the Governor, may determine, and upon the payment of such premium as may be fixed by the Board, with the approval of the Governor, in the proceedings for the issuance of the bonds. No bond is subject to call or redemption prior to its fixed maturity date unless the right to exercise such call is expressly stated on the face of the bond.

**SOURCE:** GC § 11850.13.

**§ 17115. Place of Payment.**

The Board, with the approval of the Governor, may provide for the payment of the principal and interest of bonds at any place in the Territory

or in the United States and in specified coin or currency of the United States.

SOURCE: GC § 11850.14.

**§ 17116. Execution and Authentication of Bonds.**

The Board, with the approval of the Governor, may provide for the execution and authentication of bonds by the manual, lithographed or printed facsimile signature of any one or more officers of the Board and by additional authentication by endorsement by the manual signature or a signature stamp of the Director of Administration as trustee. If any officer whose signature, countersignature or endorsement appears upon the bonds or coupons ceases to be an officer before the delivery of the bonds or coupons, his signature, countersignature or endorsement is nevertheless valid and of the same force and effect as if he had remained in office until the delivery of the bonds and coupons.

SOURCE: GC § 11850.15.

**§ 17117. Dates and Maturities of Bonds.**

Bonds shall bear dates prescribed by the Board, with the approval of the Governor. Bonds may be serial bonds or sinking fund bonds with such maturities as the Board, with the approval of the Governor, may determine. No bond, by its terms, shall mature in more than fifty (50) years from its own date and, in the event any authorized issue is divided into two (2) or more series or divisions, the maximum maturity date herein authorized shall be calculated from the date on the face of each bond separately, irrespective of the fact that different dates may be prescribed for the bonds of each separate series or division of any authorized issue.

SOURCE: GC § 11850.16.

**§ 17118. Preparation of Bonds.**

The Board shall cause to be prepared the requisite number of suitable bonds of the denominations and in accordance with the specifications contained in the indenture.

SOURCE: GC § 11850.17. Repealed and reenacted by P.L. 24-275:9.

**§ 17119. Sale of Bonds.**

Bonds authorized to be issued under this Chapter shall be sold for cash, in accordance with the provisions of a resolution authorizing such sale adopted by the Board. Such resolution may provide that the bonds shall be

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sold at either public or private sale, may fix terms and conditions for the sale or other disposition of the bonds and may provide that the bonds shall be sold at less than their par or face value, *except* that no bonds shall be sold at a price below the par or par value thereof which will result in a sale price yielding to the purchaser an average of more than eight percent (8%) per annum, payable semi-annually.

**SOURCE:** GC § 11850.18. Repealed and reenacted by P.L. 24-275:10.

**§ 17120. Security and Redemption of Bonds.**

The Board may provide for the security of bonds. The Board may use and expend all or any part of any funds or proceeds of any property owned by it (including any moneys in the University Auxiliary Services Fund whether received by gift, appropriation or otherwise, if not restricted as to the use of such funds or proceeds or property by the terms of any gift or trust or provision of law, for the redemption of bonds issued pursuant to the provisions of this Chapter and the payment of interest due thereon. None of the provisions of said [§ 11841] shall be construed as a restriction as to the use of funds for any purpose of this Chapter.

**SOURCE:** GC § 11850.19.

**NOTE:** See Note to § 17102 relative to the *Auxiliary Services Fund*..

**§ 17121. Payments Which May be Made Out of the Proceeds of Sale of Bonds.**

All costs and expenses incident to the issuance and sale of bonds may be paid out of the proceeds of the sale of the bonds. Interest on bonds may be paid out of the proceeds of the sale of the bonds during the actual construction of any project for the acquisition, construction or completion of which the bonds have been issued, and for a period of not to exceed two (2) years thereafter as provided for in the indenture.

**SOURCE:** GC § 11850.20.

**§ 17122. Pledge of Revenues.**

The Board, with the approval of *I Maga'lahaen Guahan* may provide that the bonds and the interest thereon and the costs incurred in the issuance or administration thereof shall be secured by all or any part of the revenues. 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 or on behalf of the University or by any trustee shall be deposited in a separate fund or 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 University or such trustee, irrespective of whether the parties have notice thereof. The indenture by which such pledge is created need *not* be recorded. All such revenues, to the extent so pledged, are hereby continuously appropriated for such purpose.

SOURCE: GC § 11850.21. Repealed and reenacted by P.L. 24-275:11.

**§ 17123. Temporary or Interim Bonds, Certificates or Receipts.**

Pending the actual issuance or delivery of bonds, the Board, with the approval of the Governor, may issue temporary or interim bonds, certificates or receipts of any denomination whatsoever, and with or without coupons, to be exchanged for definitive bonds when ready for delivery.

SOURCE: GC § 11850.22.

**§ 17124. Replacement of Lost, Destroyed or Mutilated Bonds or Coupons.**

The Board, with the approval of the Governor, may provide for the replacement of lost, destroyed or mutilated bonds or coupons.

SOURCE: GC § 11850.23.

**§ 17125. 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 § 1423a of the Organic Act [48 U.S.C.].

SOURCE: GC § 11850.24.

**§ 17126. Bonds as Legal Investments and as Security for Performance of Any Act.**

Notwithstanding any other provision of law, all bonds sold and delivered pursuant to the provisions of this Chapter are legal investments for all trust funds and for the funds of all banks, both commercial and savings, and may be deposited as security for the performance of any act whenever any evidence of indebtedness of the Territory may be so deposited, and may also be used as security for the deposit of public moneys in banks in the Territory.

SOURCE: GC § 11850.25.

**§ 17127. Refunding Bonds.**

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The Board, with the approval of the Governor, may provide for the issuance, sale or exchange of refunding bonds for the purpose of redeeming or retiring any bonds issued under the provisions of this Chapter. All provisions of this Chapter, applicable to the issuance of bonds are applicable to the funding or refunding bonds and to the issuance, sale or exchange thereof.

SOURCE: GC § 11850.26.

**§ 17128. Principal Amount in Which Funding or Refunding Bonds May be Issued.**

Funding or refunding bonds may be issued in a principal amount sufficient to provide funds for the payment of all bonds to be funded or refunded thereby, and in addition for the payment of all expenses incident to the calling, retiring or paying of such outstanding bonds, and the issuance of such refunding or refunding bonds. These expenses include the difference in amount between the par value of the funding or refunding bonds and any amount less than par for which the funding or refunding bonds are sold. Any amount necessary to be made available for the payment of interest upon such funding or refunding bonds from the date of sale thereof to the date of payment of the bonds to be funded or refunded or to the date upon which the bonds to be funded or refunded will be paid pursuant to the call thereof or agreement with the holders thereof, and the premium, if any, necessary to be paid in order to call or retire the outstanding bonds and the interest accruing thereon to the date of the call of retirement.

SOURCE: GC § 11850.27.

**§ 17129. Bonds Negotiable Except When Registered.**

All bonds issued under the provisions of this Chapter are negotiable instruments, except when registered in the name of a registered owner.

SOURCE: GC § 11850.28.

**§ 17130. Board to Declare Purpose for Which Bonds Issued and Maximum Amount to be Issued.**

Before issuing any bond or bonds, the Board shall by resolution, approved by the Governor, declare the purpose for which the proceeds of the bonds proposed to be issued shall be expended and shall specify the maximum amount of bonds to be issued or sold for such purpose, and bonds shall not be issued or sold for such purpose in an amount exceeding such specified maximum except either (a) pursuant to a provision in an indenture

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pursuant to § 17108(e) of this Chapter, or (b) with the consent of bondholders, pursuant to amendment or modification of an indenture, as provided in § 17108(p) of this Chapter. Nothing in this Section contained shall be construed to prevent the Board, with the approval of the Governor, from amending any such resolution prior to the issuance of bonds authorized thereby to increase or decrease the maximum amount of bonds to be issued or sold. The issuance of bonds for one or more projects may be included in a single resolution of authorization.

SOURCE: GC § 11850.29.

**§ 17131. Board Has Full Charge of Completion of Projects.**

The Board has full charge of the acquisition, construction and completion of authorized projects approved by *I Maga'lahaen Guahan* and shall proceed with such work forthwith and may construct any project and acquire all property necessary therefor on such terms and conditions as the Board may deem advisable; provided, the construction and completion of the authorized projects shall be prioritized in the following order:

- (1) the College of Business and Public Administration Building;
- (2) the renovation and addition to the Student Center Building;
- (3) the renovation of the Fine Arts Theater Building;
- (4) the Executive and Administration Building; and
- (5) any other capital improvement projects approved by the Board of Regents.

When any part of the work is to be done or performed by any public body or by the United States, jointly, or in conjunction with the Board, the portion of the cost thereof to be borne by the government of Guam may be turned over to the United States or to any other public body to be expended by it in the acquisition, construction or completion of the project.

SOURCE: GC § 11850.30. Repealed and reenacted by P. 24-275:12.

**§ 17132. Title of Property to be in the University Subject to Trust Declared in Favor of Bondholders; Tax Exemption.**

Title to all property acquired by or for the Board and the revenues and income therefrom is in the University. The title to any moneys, revenues, sinking funds, reserve funds and other funds created by this Chapter, and the income thereof, pledged to the payment of the principal or interest of any bonds issued thereunder, is subject to trusts declared in favor of the



bondholders. All such property, and in the income therefrom, are exempt from all taxation by the government of Guam or by any political subdivision or public corporation thereof.

SOURCE: GC § 11850.31. Amended by P.L. 24-275:13.

**§ 17133. Powers of Board Over Project.**

At all times the operation, maintenance, control, repair, construction, reconstruction, alteration and improvement of any project are vested in the Governor and the Board, subject to such authorized leases as may be permitted by any indenture. The Board shall comply with all applicable zoning, building and health regulations of the Territory.

SOURCE: GC § 11850.32.

**§ 17134. Use or Other Funds for Project.**

The Board may use for the payment of the costs of acquisition, construction or completion of any project any funds made available to the Board by the Territory or any other funds provided from any source which are to be expended for the accomplishing of the purposes set forth in this Chapter, together with the proceeds of bonds issued and sold pursuant to this Chapter.

SOURCE: GC § 11850.33.

**§ 17135. Insurance Against Loss of Revenues.**

The Board may insure against loss of revenues from any cause whatsoever and the proceeds of any such insurance shall be used solely for the payment of bonds and the interest thereon.

SOURCE: GC § 11850.34.

**§ 17136. Insurance Against Public Liability and Property Damage and Matters Provided for in Indenture.**

The Board may insure against public liability or property damage. The Board may, with the approval of the Governor, provide in an indenture for the carrying of such insurance or any other insurance in such amount and of such character as it shall determine, and for the payment of the premiums thereon.

SOURCE: GC § 11850.35.

**§ 17137. Director of Administration to Prepare and Procure Printing and Engrossing.**

**[Repealed]**

SOURCE: GC § 11850.36. Repealed by P.L. 24-275:14.

**§ 17138. Rents, Charges and Fees for Use of Projects.**

**[Repealed]**

SOURCE: GC § 11850.37. Repealed by P.L. 24-275:14.

**§ 17139. Refunds.**

**[Repealed]**

SOURCE: GC § 11850.38. Repealed by P.L. 24-275:14.

**§ 17140. Limitations as to Competitive Projects.**

The Board, with the approval of the Governor, may include in an indenture such limitations as to competitive projects, both as to location and comparative rentals, as may be deemed necessary or desirable for the security of bonds issued pursuant to this Chapter.

SOURCE: GC § 11850.39.

**§ 17141. Right of Bondholders to Bring Action.**

Subject to any limitations that may be prescribed by the indenture, the holder of any bond issued pursuant to this Chapter, may, by mandamus or other appropriate proceeding, require and compel the performance of any of the duties imposed upon or assumed by the Board, *I Maga'lahan Guåhan*, the Director of Administration, or any other officer or agency of the government of Guam, or any employee of any thereof, in connection with the acquisition, construction, operation, maintenance, repair, reconstruction or insurance of any project or the collection, deposit, investment, application and disbursement of tuition, rents, rates, charges, fees and all other revenues derived from the operation of the University or the operation and use of any project or in connection with the deposit, investment and disbursement of the proceeds received from the sale of bonds issued pursuant to this Chapter. The enumeration of such rights and remedies does *not*, however, exclude the exercise or prosecution of any other rights or remedies available to the holders of bonds issued pursuant to this Chapter.

SOURCE: GC § 11850.40. Amended by P.L. 24-275:15.

**§ 17142. University Construction Fund.**

The indenture may create a fund designated as the University Construction Fund and may create one (1) or more accounts therein. The

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proceeds from the sale of the bonds issued under the indenture shall be deposited in such fund or in such account thereof as may be specified by the indenture, and shall account thereof as may be specified by the indenture and shall be expended for the purposes authorized by this Chapter, as provided in the indenture relating to such bonds.

**SOURCE:** GC § 11850.41. Repealed and reenacted by P.L. 24-275:16.

**§ 17143. University Revenue Fund.**

The indenture may provide for the creation of a fund to be designated as the University Revenue Fund and may create one (1) or more accounts therein. All revenues pledged to secure bonds shall be deposited as provided in the indenture authorizing the issuance of such bonds and shall be used for the purposes provided by this Chapter and by the indenture authorizing the issuance of such bonds.

**SOURCE:** GC § 11850.42. Repealed and reenacted by P.L. 24-275:17.

**§ 17144. University Dormitory Interest and Redemption Fund.**

**[Repealed]**

**SOURCE:** GC 11850.43. Repealed by P.L. 24-275:18.

**§ 17145. Reallocation and Use of Balance of Funds.**

**[Repealed]**

**SOURCE:** GC § 11850.44. Repealed by P.L. 24-275:18.

**§ 17146. Investment of Money in Funds.**

Monies in the University Construction Fund and the University Revenue Fund may be invested, subject only to such limitations as may be provided in the indenture providing for the issuance of the bonds. All interest or other investment earnings received pursuant to such investments shall be deposited to the credit of the fund or account from which such interest or other investment earnings are derived, unless otherwise provided in the indenture.

**SOURCE:** GC § 11850.45. Repealed and reenacted by P.L. 24-275:19.

**§ 17147. Use of Surplus Money in University Dormitory Construction Fund.**

**[Repealed]**

**SOURCE:** GC§ 11850.46. Repealed by P.L. 24-275:20.

**NOTE:** See Note to § 17102.

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**§ 17148. Appropriation of Money in Funds.**

All money in the funds created by or referred to in the provisions of this Chapter is hereby appropriated for expenditure in carrying out the purposes herein provided.

**SOURCE:** GC § 11850.47.

**§ 17149. Construction.**

This Chapter shall be liberally construed to carry out the objects and purposes and the declared policy of the Territory as in this Chapter set forth.

**SOURCE:** GC § 11850.48.

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