

*I Mina'trentai Ocho Na Liheslaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
147-38 (COR)	Sabrina Salas Matanane Jesse A. Lujan Eulogio Shawn Gumataotao Joe S. San Agustin Vincent A. V. Borja Tina Rose Muña Barnes William A. Parkinson Frank F. Blas, Jr. Christopher M. Dueñas	AN ACT TO AUTHORIZE AN INTERAGENCY LOAN FROM THE CHAMORRO LAND TRUST COMMISSION TO THE GUAM MEMORIAL HOSPITAL AUTHORITY IN THE AMOUNT OF NINE MILLION DOLLARS (\$9,000,000) FOR URGENT FACILITY AND SUPPLY NEEDS, AND TO ESTABLISH THE TERMS AND CONDITIONS OF SUCH LOAN.	5/23/25 3:05 p.m.						

***I MINA'TRENTAI OCHO NA LIHESLATURAN GUAHAN***  
**2025 (FIRST) Regular Session**

**Bill No. 147-38 (COR)**

Introduced by:

Sabrina Salas Matanane *Smart*  
Jesse A. Lujan *JL*  
Eulogio Shawn Gumataotao *ESG*  
Joe S. San Agustin *JS*  
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**AN ACT TO AUTHORIZE AN INTERAGENCY LOAN FROM THE CHAMORRO LAND TRUST COMMISSION TO THE GUAM MEMORIAL HOSPITAL AUTHORITY IN THE AMOUNT OF NINE MILLION DOLLARS (\$9,000,000) FOR URGENT FACILITY AND SUPPLY NEEDS, AND TO ESTABLISH THE TERMS AND CONDITIONS OF SUCH LOAN.**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that the Guam Memorial Hospital Authority (GMHA) is currently facing urgent  
4 facility and supply needs that require immediate financial resources to ensure the  
5 continued delivery of quality healthcare services to the people of Guam.

6 *I Liheslaturan Guåhan* further finds that while the Chamorro Land Trust  
7 Commission (CLTC) has available fund balances that could be temporarily utilized  
8 to address this healthcare emergency, these funds are vital to the mission of the

1 CLTC in serving its beneficiaries and must be returned with appropriate interest to  
2 ensure the CLTC's long-term financial stability.

3 *I Liheslaturan Guåhan* recognizes that structuring this financial assistance as  
4 an interagency loan rather than a transfer of funds acknowledges the importance of  
5 the CLTC's mission and ensures that the funds will be replenished to continue  
6 serving the needs of CLTC beneficiaries.

7 *I Liheslaturan Guåhan* acknowledges that 21 GCA §75107 restricts the use  
8 of CLTC funds for specific purposes related to the administration of Chamorro  
9 homelands. The critical healthcare emergency at GMHA necessitates a temporary  
10 deviation from these restrictions to address an urgent public health need. This Act  
11 therefore includes a specific notwithstanding clause to temporarily authorize this  
12 interagency loan while ensuring full repayment with interest to protect the long-term  
13 financial integrity of the CLTC and its mission.

14 It is the intent of *I Liheslaturan Guåhan* to provide an immediate solution to  
15 the urgent healthcare needs at GMHA while respecting the financial integrity of the  
16 CLTC through a structured loan agreement that provides for full repayment with  
17 interest and includes robust mechanisms to ensure the CLTC funds are ultimately  
18 returned to fulfill their statutory purpose.

19 **Section 2. Authorization of Interagency Loan.**

20 (a) Notwithstanding any other provision of law, including 21 GCA  
21 §75107, the Chamorro Land Trust Commission is hereby authorized to loan  
22 Nine Million Dollars (\$9,000,000) from its fund balance to the Guam  
23 Memorial Hospital Authority for the purpose of addressing urgent facility and  
24 supply needs at the hospital, subject to the terms and conditions established in  
25 this Act.

26 (b) This loan shall be considered an interagency loan and not a debt of  
27 the government of Guam.

1           **Section 3. Loan Terms and Conditions.**

2           (a) The Guam Economic Development Authority (GEDA) shall  
3 structure and administer the loan authorized in Section 2 of this Act according  
4 to the following terms and conditions:

5                   (1) the loan shall be disbursed in a single payment to the Guam  
6 Memorial Hospital Authority upon execution of the loan agreement;

7                   (2) interest shall begin to accrue ninety (90) days after the loan  
8 is disbursed;

9                   (3) the interest rate shall be a variable rate equal to the prime rate  
10 as published in the Wall Street Journal on the date of loan disbursement,  
11 with such rate to be adjusted annually on the anniversary date of the  
12 loan disbursement;

13                   (4) interest shall be compounded daily but shall not be required  
14 to be paid until loan maturity or upon early payment;

15                   (5) the initial term of the loan shall be one (1) year from the date  
16 of disbursement;

17                   (6) the loan may be rolled over for additional one-year terms,  
18 provided that:

19                           (i) each rollover shall require approval by *I Liheslaturan*  
20 *Guåhan*;

21                           (ii) no more than five (5) rollovers shall be authorized; and

22                           (iii) a rollover fee of one-half percent (0.5%) of the  
23 outstanding loan balance shall be assessed for each rollover and  
24 added to the principal amount of the loan;

25                   (7) the loan shall be repaid from:

1 (i) any fund infusion to the Chamorro Land Trust  
2 Commission equal to the amount of the loan proceeds and  
3 interest accrued; or

4 (ii) any new funds received by the Chamorro Land Trust  
5 Commission that may be used to satisfy loan repayment.

6 (b) For its services in structuring and administering this loan, the Guam  
7 Economic Development Authority shall receive a fee equal to one percent  
8 (1%) of the loan amount, to be paid from the loan proceeds at the time of  
9 disbursement, resulting in a net disbursement to GMHA of Eight Million Nine  
10 Hundred Ten Thousand Dollars (\$8,910,000).

11 (c) If the maximum number of rollovers is reached and the loan remains  
12 unpaid, the following shall occur:

13 (1) *I Liheslaturan Guåhan* may include in the next fiscal year's  
14 budget an appropriation sufficient to repay the outstanding loan  
15 balance, including all accrued interest and fees, subject to the actual  
16 appropriation process;

17 (2) the Guam Memorial Hospital Authority is authorized to  
18 allocate a portion of its annual budget appropriation toward repayment  
19 of the loan, provided that such allocation does not inhibit the essential  
20 operations of the hospital; and

21 (3) the Guam Memorial Hospital Authority is authorized to apply  
22 a portion of funds appropriated for capital improvements toward the  
23 repayment of this loan, to the extent that such application does not  
24 impair critical infrastructure needs of the hospital.

25 **Section 4. Loan Agreement.**

26 (a) The Chamorro Land Trust Commission, the Guam Memorial  
27 Hospital Authority, and the Guam Economic Development Authority shall

1 execute a loan agreement that incorporates the terms and conditions specified  
2 in Section 3 of this Act.

3 (b) The loan agreement shall be signed by the Chairperson of the  
4 Chamorro Land Trust Commission, the Administrator of the Guam Memorial  
5 Hospital Authority, and the Administrator of the Guam Economic  
6 Development Authority, and shall be approved by *I Maga'hågan Guåhan*.

7 (c) The loan agreement shall be reviewed by the Attorney General of  
8 Guam pursuant to 5 GCA §30103 prior to execution.

9 (d) A copy of the executed loan agreement shall be transmitted to the  
10 Speaker of *I Liheslaturan Guåhan* within five (5) working days of its  
11 execution.

## 12 **Section 5. Use of Loan Proceeds.**

13 (a) The Guam Memorial Hospital Authority shall use the loan proceeds  
14 solely for urgent facility and supply needs at the hospital.

15 (b) The Guam Memorial Hospital Authority shall submit to *I*  
16 *Liheslaturan Guåhan* an expenditure plan for the use of the loan proceeds,  
17 with the format and content of such plan to be determined by the Guam  
18 Memorial Hospital Authority.

19 (c) The Guam Memorial Hospital Authority shall submit quarterly  
20 reports to *I Liheslaturan Guåhan* and the Chamorro Land Trust Commission  
21 regarding the expenditure of loan proceeds until all proceeds have been  
22 expended, with the format and content of such reports to be determined by the  
23 Guam Memorial Hospital Authority.

## 24 **Section 6. Repayment Guarantee.**

25 (a) To ensure repayment of the loan to the Chamorro Land Trust  
26 Commission, the Guam Memorial Hospital Authority shall:

1 (1) include in its annual budget request a line item for the  
2 potential repayment of this loan;

3 (2) submit to *I Liheslaturan Guåhan* and the Chamorro Land  
4 Trust Commission a semi-annual report on its financial status and its  
5 plan for repayment of the loan, with the format and content of such  
6 report to be determined by the Guam Memorial Hospital Authority; and

7 (3) prioritize the repayment of this loan from any federal grants,  
8 reimbursements, or other non-appropriated funds received for hospital  
9 improvements or operations, to the extent permitted by federal law and  
10 grant conditions.

11 (b) If the Guam Memorial Hospital Authority fails to repay the loan  
12 according to the terms of the loan agreement, *I Liheslaturan Guåhan* may, in  
13 the next fiscal year's budget, appropriate funds sufficient to repay the  
14 outstanding loan balance, including all accrued interest and fees, to the  
15 Chamorro Land Trust Commission, subject to the actual appropriation  
16 process.

17 **Section 7. Severability.** If any provision of this Act or its application to any  
18 person or circumstance is found to be invalid or inorganic, such invalidity shall not  
19 affect other provisions or applications of this Act that can be given effect without  
20 the invalid provision or application, and to this end the provisions of this Act are  
21 severable.

22 **Section 8. Effective Date.** This Act shall become effective upon enactment.