## I MINA' TRENTAI TRES NA LIHESLATURAN GUÅHAN 2015 (FIRST) Regular Session

Bill No. (65 \_\_ -33 (COR)

Introduced by:

Dennis G. Rodriguez, Jr. Tina Rose Muna-Barnes

Frank B. Aguon, Jr.

Rory J. Respicio

Thomas A. Morrison

V. Anthony Ada

Brant McCreadie

AN ACT TO AMEND § 11311.1 OF TITLE 7 AND ENACT A NEW CHAPTER 16 TO TITLE 21, BOTH OF GUAM CODE ANNOTATED RELATIVE TO **ESTABLISHING** EXPEDITED ADMINISTRATIVE PROCESS TO IDENTIFY LAND TAKINGS BY AGENCIES, ADDRESS CLAIMS, AND DETERMINE APPROPRIATE SETTLEMENTS RELATIVE TO PROPERTY EXPROPRIATED FOR PUBLIC PURPOSES BY THE GOVERNMENT OF GUAM WITHOUT JUST COMPENSATION; AND, TO AMEND SUBSECTION (a) OF § 2101, AND ADD A NEW ARTICLE 5 TO CHAPTER 4, DIVISION 1, BOTH OF TITLE 7, GUAM CODE ANNOTATED, RELATIVE TO PROVIDING FOR THE CREATION OF A JUDICIAL LAND DIVISION COURT TO EXPEDITIOUSLY REVIEW AND AFFIRM,  $\mathbf{IF}$ APPROPRIATE, THE **SETTLEMENT** BETWEEN THE GOVERNMENT **AND** LANDOWNER.

## BE IT ENACTED BY THE PEOPLE OF GUAM:

- Section 1. Short Title. This Act shall be cited as the "Government Land"
- 3 Takings Compensation Act of 2015."

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- 4 Section 2. Legislative Findings and Intent. I Liheslaturan Guåhan finds
- 5 that the manner and method of taking land for public easements must be in

accordance with the Organic Act of Guam and the laws of Guam. However, when establishing easements, government agencies and instrumentalities have placed utility infrastructure on private property without the proper exercise of eminent domain or negotiated transfer. These encroachments have placed an unfair burden upon citizens seeking redress, and only those who can afford attorney's fees and professional surveying services have the capacity to confirm that these encroachments have violated the law.

It is the intent of *I Liheslaturan Guåhan* to place the burden of proof on the government entity alleged to have established the easement or placed the utility infrastructure on the private property in question. If it is found that government encroachment is proven, claimants should be allowed just compensation from the time of the encroachment determination. Market value should be calculated from time of the taking pro-rated to the value at the time period, and claimant *shall* be entitled to receive interest on the fair market amount due accruing from time of taking. *I Liheslaturan Guåhan* recognizes that each land taking case is different, and the intent of the mandate provided by this act *shall* preclude a broad class action without landowner consent, thereby assuring there is individual consideration of the unique parcels affected unless otherwise deemed appropriate by the Court.

It is therefore the intent of *I Liheslaturan Guåhan* to establish an expedited judicial process within the courts to address such matters and make determinations as to claims and determine adequate compensation.

**Section 3**. Section 11311.1 of Article 3 of Chapter 11, Title 7, Guam Code Annotated, is *amended*, to read:

"§ 11311.1. Inverse Condemnation. (a) (1) Any person whose land was expropriated for public purposes by the government of Guam between August 1, 1950, and July 1, 1994, and who has not been compensated by the

government of Guam for such taking, may institute an action for inverse condemnation. In any taking by the government of Guam after July 1, 1994, in which the government fails to follow the eminent domain provisions of Title 21, Guam Code Annotated, the person whose land is taken *shall* have five (5) four (4) years from the time of such taking to institute an action for inverse condemnation pursuant to 21 GCA Chapter 16. It is further provided, that for any taking from July 1, 1994 to the date of enactment of this Chapter, the owner whose land was taken *shall* continue to have five (5) years to institute an action for inverse condemnation, commencing henceforth from the date of enactment, or by December 31, 2021, whichever is later.

- (2) For purposes of this Section, only the current owner of the land subject to the claim may seek compensation dating back to the time of the taking. An action *shall* lie for the taking of a person's fee or for lesser compensable interest in the property which has been expropriated by the government of Guam without according the person due process. In any action for inverse condemnation in which an award is made to a person for a taking, the court *shall* also award interest and reasonable attorney's fees and costs.
- (b) (1) The lands taken pursuant to inverse condemnation by the government *shall not* be deemed to be subject to a class action *unless* the members knowingly and explicitly elect to be so included in the class, and the court finds that for the consenting members of the prospective class and their respective properties, that the reasons for class certification fully satisfy the commonality, typicality, adequacy, and all other prerequisites of Guam Rules of Civil Procedure, Rule 23.

1	(2) This Subsection shall be interpreted with deference to the
2	circumstance that there is 1) no common issue of law or fact on behalf of all
3	landowners subject to inverse condemnations due to the unique nature of
4	each parcel of land, and, 2) the damages are not typical to each and every
5	landowner and must be calculated on a separate basis."
6	Section 4. A new Chapter 16 is hereby added to Division 1 of Title 21,
7	Guam Code Annotated, to read:
8	" <u>Chapter 16</u>
9	Claims for Government Land Taking and Condemnation Actions
10	§ 16101. Policy. (a) All agencies, departments, authorities and
11	instrumentalities of the government of Guam (collectively, "the agency"), shall
12	determine whether or not any land in its inventory, possession, or which is being
13	utilized by it for public purposes, has been properly acquired from a private
14	landowner by due process, and that just compensation has been provided and
15	accepted.
16	(b) An agency shall initiate and complete the process, at its sole expense, of
17	identifying which lands, if any, were acquired through inverse condemnation and
18	from whom, and for which no administrative or judicial proceeding was conducted
19	whereby due process and just compensation was accorded the landowner, as of the
20	date of enactment of this Chapter.
21	(c) (1) The agency shall provide written notice to the landowner, or heir of
22	interest, whose land was expropriated by the government of Guam, and for which
23	the landowner has not been compensated by the government of Guam.
24	(2) The agency shall also be required to publish in a newspaper of

general circulation, the name of the landowner of record as recorded with the

- Department of Land Management, location, recorded lot description, and size of area taken through inverse condemnation.
- 3 (c) The landowner *shall* be notified, in writing, of the right to file an action
- 4 for inverse condemnation and just compensation by the government pursuant to
- 5 <u>this Chapter.</u>

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6 § 16102. Filing a Claim. Any person whose land was expropriated by the government of Guam who has not been compensated by the government of Guam 7 for such taking may file a claim for inverse condemnation with the agency that 8 expropriated such land. In any taking by the government of Guam after July 1, 9 1994, in which the government failed to follow the eminent domain provisions of 10 21 GCA, a claim may be filed for inverse condemnation within five (5) years from 11 the date of enactment of this Chapter to institute an action for inverse 12 condemnation, commencing from the date of enactment, or by December 31, 2021, 13 whichever is later. Such claim shall precede the filing of any action pursuant to 14 §11311.1 of 7 GCA. All claims shall include documentation that the claimant has 15 real interest in the property. 16

## § 16103. Administrative Adjudication by Agency.

- (a) Upon receipt of a claim, the head of any agency to which a claim was filed *shall* have one hundred eighty (180) days to act, and *shall* make a written finding as to whether or not a taking has occurred due to a public benefit requirement for utilization of the land initiated or caused by the agency.
- (b) The agency head shall transmit the written finding to the agency's governing board, if any, and who shall then provide a copy to *I Maga'lahen Guåhan* and the Speaker of *I Liheslaturan Guåhan*. If the written finding concludes that the claim is valid, the agency has ninety (90) days to determine just compensation based on the fair market value of the property at the time of the

- 1 taking. If, however, the written finding concludes the claim is not valid, the
- 2 agency must provide written notice to the claimant. Such notice shall advise the
- 3 claimant of the right to file an action for inverse condemnation and just
- 4 compensation by the government pursuant to § 11311.1 of Article 3 of Chapter 11,
- 5 Title 7 GCA.
- 6 (c) Cost of Investigation, Confirmation, and Appraisal. The agency alleged
- 7 to have taken land without just compensation pursuant to this Chapter *shall* pay for
- 8 the cost of investigating and confirming a claim, and appraising the subject
- 9 property. In the event that a claim is determined to be frivolous and/or fraudulent,
- the claimant shall be held liable for any amounts expended to investigate or
- confirm the claim, and appraise the subject property.
- (d) The Department of Land Management shall provide assistance to any
- 13 agency requesting information in the investigation of a claim, or in the
- 14 determination of whether or not any land in its possession, or which is being
- 15 utilized by it for public purposes, has been properly acquired from a private
- landowner through the conduct of a negotiated settlement or judicial process.
- (e) All information obtained through the research and investigation of the
- status of lands taken *shall* be deemed public information, and *shall* be made readily
- 19 <u>available to the landowner and the general public.</u>
- 20 <u>(f) This Chapter shall not be applicable to claims that have been</u>
- 21 <u>extinguished by negotiated settlement or judicial process.</u>
- 22 (g) This Chapter shall not be applicable to any land that has been the subject
- of a voluntary subdivision pursuant to 21 GCA, Chapter 62 Subdivision Law,
- 24 and whereby a government of Guam agency had not initiated nor was a party to the
- 25 action, except to the extent of ensuring compliance with applicable law, rule or
- regulation relative to the subdivision of property.

§ 16104. Land Claims Compensation Fund. There is hereby established a special fund to be known as the Land Claims Compensation Fund ("the Fund") to be maintained by the Department of Administration. The Fund shall be established and maintained in a bank account apart and separate from the General Fund or any other bank account(s) of the government of Guam, and shall not be co-mingled with, or a part of, the General Fund. The Fund shall be solely utilized to pay settlements, in whole or in part, to landowners who have had their property taken by the government of Guam for public purposes. I Maga'lahen Guåhan shall provide for in the annual Fiscal Year Executive Branch budget request, beginning Fiscal Year 2017, a request for an appropriation for a minimum Sum of Five Hundred Thousand Dollars (\$500,000.00), which shall be deposited in the Fund. The Department of Administration *shall* be authorized to assess a two percent (2%) account management service fee for the administration of the Land Claims Compensation Fund." 

Section 5. Subsection (a) of § 2101 of Chapter 2, Title 7, Guam Code Annotated, is hereby *amended*, to read:

"(a) The Courts of justice of Guam shall consist of the Supreme Court of Guam and the Superior Court of Guam. The Supreme Court of Guam shall be the highest Court of Guam and shall have supervisory, but not administrative authority over the Superior Court of Guam and all other local courts in Guam in accordance with rules and regulations promulgated by the Supreme Court Judicial Council. The Supreme Court may, by rules of court, create such divisions of the Supreme and Superior Courts as may be desirable, and may designate which of the divisions of the Superior Court are to be courts of record and which shall be courts not of record; provided, however, that four (4) five (5) such divisions of the Superior Court shall continue, one being the Traffic Division, not a court of record; one being the Small Claims Division, not a court of record; a third being the Family

- Division, a court of record; and the fourth being the Drug Court, a court of record;
- 2 and the fifth, being the Land Division, a court of Record. The Supreme Court of
- 3 Guam and the Superior Court of Guam, except for the Traffic and Small Claims
- 4 Divisions of the Superior Court, are courts of record."
- Section 6. A new Article 5 is hereby *added* to Chapter 4, Division 1, Title 7, Guam Code Annotated, to read:

7 "Article 5

8 <u>Land Court</u>

§ 4501. Creation of Land Division Court. There is hereby created for the territory of Guam a division of the Superior Court which shall be called the Land Division of the Superior Court, and is established for the purposes of judicial review and determination of civil actions or matters pertaining but not limited to, land taking by inverse condemnation or eminent domain by the government of Guam, real property boundary disputes, and land registration proceedings. This Division of the Superior Court shall be a court of record, having a seal, and the judge, clerk, hearing officers and referees thereof shall be personnel of the Superior Court.

§ 4502. Expedited Judicial Process for Claims for Government Land Taking and Condemnation. The Judiciary of Guam shall establish an expedited judicial process within the Superior Court of Guam to address claims for government land taking and condemnation actions, which shall be a court of record administered by a Superior Court Judge or Magistrate Judge ("Land Division judicial officer"). Such matters shall be filed as Government Takings Proceedings.

§ 4503. Purpose. The purpose of this expedited process is to provide a speedy and efficient legal process for government land takings and inverse condemnation cases that will assist the Superior Court judges in adjudicating such.

1	§ 4504. Functions and Duties of Land Division Judicial Officers. Th
2	Land Division judicial officer shall have the following duties in relation t
3	government land takings and inverse condemnation matters only:
4	(a) To take testimony and receive evidence for the record;
5	(b) To hear and decide motions and matters, unless the same are appeale
6	by any party, including but not limited to the following matters:
7	(1) Orders to show cause for contempt;
8	(2) Motions of joinder;
9	(3) Motions to amend pleadings or to dismiss;
10	(4) Pretrial settlement conferences;
11	(5) Motions to withdraw;
12	(6) Mediation to compel discovery;
13	(7) To conduct informal office conferences with the parties to discuss an
14	resolve problems or questions about any matters relating to claims of
15	government land takings or inverse condemnation;
16	(8) To refer appropriate cases to mediation; and
17	(9) To adjudicate the claim.
18	(c) Subpoena powers. A Land Division judicial officer or the clerk of
19	court may issue subpoenas and subpoenas duces tecum at the request of any part
20	in accordance with the provisions of § 7201, et seq., of Title 6, Guam Cod
21	Annotated.
22	§ 4505. Decisions Final Unless Timely Appealed. All decisions of the
23	Land Division judicial officer shall be final unless, within thirty (30) days of the
24	filing of the decision adjudicating the claim, the claimant or the government
25	notifies the judicial officer of the intent to appeal the decision to the Suprem
26	Court of Guam.

- § 4506. Rule of Construction. This Article *shall* be construed liberally to fully effectuate its purposes and intent.
- § 4507. Severability. *If* any provision of this Article or its application to
  any person or circumstance is found to be invalid or contrary to law, such
  invalidity *shall not* affect other provisions or applications of this Article that can be
  given effect without the invalid provisions or application, and to this end the
  provisions of this Article are severable."

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