

I Mina'trentai Sais Na Liheslaturan Guåhan
BILL STATUS

| BILL NO. | SPONSOR | TITLE | DATE INTRODUCED | DATE REFERRED | CMTE REFERRED | PUBLIC HEARING DATE | DATE COMMITTEE REPORT FILED | FISCAL NOTES | NOTES |
|-------------|--------------------|---|----------------------|---------------|---------------|---------------------|-----------------------------|--------------|-----------|
| 229-36 (LS) | Therese M. Terlaje | AN ACT TO AMEND CHAPTER 6, TITLE 18, GUAM ADMINISTRATIVE RULES AND REGULATIONS AS TRANSMITTED TO I LIHESLATURAN GUÅHAN BY THE CHAMORRO LAND TRUST COMMISSION, ATTACHED HERETO AS EXHIBIT A. | 12/6/21 5:32 p.m. | | | | | | Exhibit A |

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2021 (FIRST) Regular Session

Bill No. 229-36 (LS)

Introduced by:

Therese M. Terlaje *Tmt*

**AN ACT TO AMEND CHAPTER 6, TITLE 18, GUAM
ADMINISTRATIVE RULES AND REGULATIONS AS
TRANSMITTED TO *I LIHESLATURAN GUÅHAN* BY
THE CHAMORRO LAND TRUST COMMISSION,
ATTACHED HERETO AS EXHIBIT A.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. I Liheslaturan Guåhan finds that on September 29, 2017, the United States of America filed a case against the Chamorro Land Trust Commission in United States of America v. Government of Guam, Chamorro Land Trust Commission, and Administrative Director of the Chamorro Land Trust, CV 17-00113 (D. Guam) (Lawsuit), alleging, among other things, violations of the U.S. Fair Housing Act.

I Liheslaturan Guåhan further finds that the Office of the Attorney General and the Governor's representatives on behalf of the Government of Guam, Attorney Michael Phillips, and Chairperson Pika Fejeran on behalf of the CLTC, the Office of the Attorney General on behalf of the CLTC Director, and the United States entered into settlement conferences to attempt to resolve the lawsuit amicably and without further litigation. At the conclusion of a settlement conference on November 14, 2019, a settlement term sheet was agreed to in principle by the counsel for the parties and subject to approval by the respective parties. On December 26,

1 2019, the CLTC adopted Resolution 2019-08 which found “the settlement terms in
2 the Agreement to be favorable for the Chamorro Land Trust Program and its
3 beneficiaries, as it preserves the program intact and would not materially affect
4 existing leaseholders.” Chamorro Land Trust Commission, Kumision Inangokkon
5 Tano’ CHamoru, Resolution No. 2019-08 (2019). In addition, “the Commission
6 found that the proposed modifications or amendments to the Chamorro Land Trust
7 Act and the Rules and Regulations of the Chamorro Land Trust Commission would
8 more clearly demonstrate that the Chamorro Land Trust (CLT) program is a land
9 restoration program meant to rectify the unjust taking of Chamorro homelands by
10 the United States federal government between 1898 and 1968, and would expand
11 the program’s eligible beneficiaries to include individuals and their descendants who
12 owned land or who ranched, farmed, or otherwise occupied the lands that were
13 taken.” Id.

14 On May 29, 2020, after further settlement negotiations, the Settlement
15 Agreement between the United States of America and Government of Guam,
16 Chamorro Land Trust Commission & Administrative Director of the Chamorro Land
17 Trust Commission, regarding U.S. v. Gov’t of Guam, et al., CV 17-00113 (D. Guam)
18 (Settlement Agreement), was signed by the Chamorro Land Trust Commission and
19 I Maga'hågan Guåhan. I Liheslaturan Guåhan further finds that the Settlement
20 Agreement resolves the allegations contained in the lawsuit, and in it the
21 Government of Guam does not admit liability and denies that the Chamorro Land
22 Trust Act violates the Fair Housing Act. Section C of the Settlement Agreement
23 outlines the legislative and administrative changes to the Chamorro Land Trust Act
24 and/or the rules and regulations of the CLTC.

25 *I Liheslaturan* further finds that the 35th Guam Legislature passed Bill 419-35
26 (COR), now P.L. 35-112, to approve the settlement terms in CV 17-00113 (D.
27 Guam). Section 4 of P.L. 35-112 states that “The Senator Paul J. Bordallo Rules

1 and Regulations for the Chamorro Land Trust Commission enacted pursuant to 21
2 GCA Chapter 75 are hereby enacted as rules and regulations applicable to 21 GCA
3 Chapter 75A, except where inconsistent. The Chamorro Land Trust Commission
4 shall modify said rules and regulations as well as any sub-regulatory rules, policies,
5 practices, or guidance as necessary to be consistent with 21 GCA Chapter 75A, as
6 enacted by this Act.”

7 *I Liheslaturan Guåhan* further finds that on November 15, 2021, the
8 Chamorro Land Trust Commission transmitted its proposed amendments to the
9 “Senator Paul Bordallo Rules and Regulations for Chamorro Land Trust
10 Commission”, Chapter 6, Title 18, Guam Administrative Rules & Regulations. The
11 stated purpose of these Rules and Regulations set forth the necessary procedures
12 with respect to lease applications; to set out detail standards of eligibility; to provide
13 for methods of inspection and review as well as a system of notice of hearing prior
14 to lease revocation; and, generally, to provide for certain requirements necessary to
15 meet the goals and objectives of the beneficiary homelands.

16 It is the intent of *I Liheslaturan Guåhan* to adopt the amended rules and
17 regulations to assure CLTC compliance with P.L. 35-112 and the settlement
18 agreement between the United States of America and Government of Guam,
19 Chamorro Land Trust Commission & Administrative Director of the Chamorro Land
20 Trust Commission.

21 **Section 2.** Notwithstanding any other provision of law, *I Liheslaturan*
22 *Guåhan* does hereby adopt the proposed amendments to the Senator Paul Bordallo
23 Rules and Regulations for Chamorro Land Trust Commission, originally adopted by
24 Public Law 23-38, amended by Public Law 24-318, and codified as Chapter 6, Title
25 18, Guam Administrative Rules and Regulations, as transmitted to *I Liheslaturan*
26 *Guåhan* by the Chamorro Land Trust Commission, attached hereto as EXHIBIT A.

EXHIBIT A

SENATOR PAUL BORDALLO RULES
AND REGULATIONS FOR CHAMORRO
LAND TRUST COMMISSION

TITLE 18 GUAM ADMINISTRATIVE
RULES AND REGULATIONS

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CHAPTER 6

**SENATOR PAUL BORDALLO RULES AND
REGULATIONS FOR CHAMORRO LAND
TRUST COMMISSION**

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995), pursuant to the authority granted by 21 GCA §§ 75103 and 75107.

2021 NOTE: Pursuant to P.L. 35-112:4, these rules and regulations “are hereby enacted as rules and regulations applicable to 21 GCA Chapter 75A, except where inconsistent.” § 6101. Authority and Purpose.

§ 6102. The Commission.

§ 6103. The Management.

§ 6104. Definitions.

§ 6105. Application for Leases: Forms.

§ 6106. Application for Leases: Qualification of applicants.

§ 6107. Application for Leases: Application processing.

§ 6108. Application for Leases: Residential tract applications.

§ 6109. Application for Leases: Agricultural tract applications.

§ 6110. Application for Leases: Village and island-wide waiting lists.

§ 6111. Application for Leases: Contract for award; priority.

§ 6112. Application for Leases: Transfer of application rights.

§ 6113. Application for Leases: Posting lessee awards.

§ 6114. Application for Leases: Applicant current information.

§ 6115. Leases to ~~Native Chamorros~~ Eligible Beneficiaries: Residential tract leases; awards..

§ 6116. Leases to ~~Native Chamorros~~ Eligible Beneficiaries: Awards; when, order. Agricultural tract leases.

§ 6117. Leases to ~~Native Chamorros~~ Eligible Beneficiaries: Award of lease; lessee’s performance.

§ 6118. Leases to ~~Native Chamorros~~ Eligible Beneficiaries: Awards to occupants of homelands; when.

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- § 6119. Leases to ~~Native Chamorros~~Eligible Beneficiaries:
Agricultural tract leases.
- § 6120. Leases to ~~Native Chamorros~~Eligible Beneficiaries:
Residence permitted on agricultural lot.
- § 6121. Leases to ~~Native Chamorros~~Eligible Beneficiaries:
Livestock and crops.
- § 6122. Leases to ~~Native Chamorros~~Eligible Beneficiaries:
Lease cancellation.
- § 6123. Leases to ~~Native Chamorros~~Eligible Beneficiaries:
Commercial leases.
- [Reserved]
- § 6124. Conditions in Leases: Additional conditions
generally.
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activities.
- § 6126. Conditions in Leases: Building requirements.
- § 6127. Conditions in Leases: Contracts covering leased
lands.
- § 6128. Conditions in Leases: Transfer of leases.
- § 6129. Conditions in Leases: Occupancy and other
requirements.
- § 6130. Conditions in Leases: Sublease prohibited.
- § 6131. Loans and Funds. [Reserved.]
- § 6132. Successors to Lessees: Designation of successors.
- § 6133. Successors to Lessees: Reversion to the commission.
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- § 6136. Successors to Lessees: Payments
- § 6137. Successors to Lessees: Cancellation and surrender.
- § 6138. Community Pastures: Location of community
pastures.
- § 6139. Community Pastures: Records.
- § 6140. Community Pastures: Responsibilities.

§ 6101. Authority and Purpose.

(a) Authority. Pursuant to the mandate of Public Law 12226, now codified as Chapter 75 of Title 21, Guam Code Annotated, these rules and regulations are promulgated as authorized by §75103 of Title 21, Guam Code Annotated, to govern the

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implementation and administration of ~~Chamorro~~beneficiary homeland programs.

(b) Purpose. These rules and regulations set forth the necessary procedures with respect to lease applications;

(1) to set out in detail the standards of eligibility;

(2) to provide for methods of inspection and review, as well as a system of notice and hearing prior to lease revocation; and,

(3) generally, to provide for certain requirements necessary to meet the goals and objectives of the ~~Chamorro~~beneficiary homeland programs.

Legislative Amendment.

(c) Pursuant to the mandate of Public Law 35-112, Section 4, the CHamoru Land Trust Commission has modified these rules and regulations to be consistent with 21 GCA Chapter 75A as enacted by the same Public Law.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as §§ 1.1 and 1.2 of Exhibit A, renumbered and designations added pursuant to 1 GCA § 1606.

§ 6102. The Commission.

(a) Mission of Trustees. The commission members, as trustees, shall:

(1) act exclusively in the interest of beneficiaries under the Act;

(2) hold and protect the trust property for beneficiaries under the Act;

(3) maintain and uphold their fiduciary responsibilities to the beneficiaries, and exercise such care and skill as a person of ordinary prudence would exercise in dealing with one's own property in the management of ~~Chamorro homelands~~CHamoru Land Trust Property; and,

(4) adhere to the terms of the trust as set forth in the Act.

(b) Offices. The commission offices are located at Buildings 903, 905, and 907, Tiyan Barrigada, Guam or whatever successor office it might relocate to in the future.

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(c) Mailing address. P.O. Box 2950, Agana, Guam 96910

(d) Contact numbers. Telephone: (671) 475-4251-8, Fax:
(671) 477-8082

(e) Hours. The offices of the commission shall be open from 8:00a.m. to 5:00p.m., Monday through Friday, and provide for flexible hours as determined by the Commission for the convenience of the public.

(f) Personnel. All personnel on the commission's staff are under the direction of and are responsible to the director. The director, subject to law and civil service rules, shall select and discharge personnel for the commission's staff. The commission shall be informed of all changes in staff personnel.

(g) Absence, disability of director. Whenever the director is absent or disabled from performing the duties of his office, the deputy shall assume the duties of the director.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as §§ 2.1 to 2.7 of Exhibit A, renumbered and designations added pursuant to 1 GCA § 1606.

§ 6103. The Management.

(a) Director to sign for commission. All orders and other action of the commission shall be authenticated or signed by the director. The director shall approve and sign all vouchers and assignment of funds to be received under tract leases. After approval of the commission, the director shall sign all licenses, leases, loan contracts, personnel actions, procurement and purchase forms, contracts with other governmental agencies and commission resolutions. The Chairperson of the Commission shall countersign on behalf of the Commission where approval of the Commission is required.

(b) Director responsible for administration. The director shall have full charge of and responsibility for the administration and execution of all actions approved by the commission and in effectuating commission policy.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as §§ 3.1 and 3.2 of Exhibit A, renumbered and designations added pursuant to 1 GCA § 1606.

§ 6104. Definitions.

As used in these rules and regulations:

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(a) *Administrative Adjudication Law* means Chapter 9 of Title 5, Guam Code Annotated.

(b) *Agricultural Tract* means ~~Chamorro homelands~~CHamoru Land Trust Property with an area of not less than one quarter (0.25) acre, nor more than twenty (20) acres.

(1) *Subsistence Agriculture* means the production of crops for home consumption on an agricultural tract with an area of not less than one quarter (0.25) acre, nor more than one half (0.50) acre.

(2) *Commercial Agriculture* means the production of crops for commercial sale on an agricultural tract with an area of not less than one half (0.50) acre.

(c) *Agricultural use* means the use of ~~Chamorro homelands~~CHamoru Land Trust Property and improvements for farming purposes.

(d) ~~Chamorro homelands~~CHamoru Land Trust Property means all lands given the status of ~~Chamorro homelands~~CHamoru Land Trust Property under the provisions of § 75105 of Title 21, Guam Code Annotated.

(e) *Chamorro Land Trust Act* or *the act* means the policy for management and disposition of ~~Chamorro homelands~~CHamoru Land Trust Property and related programs found in Chapter 75 of Title 21, Guam Code Annotated or any part thereof.

(f) *Commission* means the ~~Chamorro~~CHamoru Land Trust Commission established by § 75102 of Title 21, Guam Code Annotated.

(g) *Director* means the Administrative Director of the ~~Chamorro~~CHamoru Land Trust Commission established by § 75102 of Title 21, Guam Code Annotated.

(h) ~~Native Chamorro~~ *Eligible beneficiary* means any person ~~who became a U.S. Citizen by virtue of the authority and enactment of the Organic Act of Guam or descendants of such person~~ regardless of race, color, or national origin:

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(1) whose land was acquired by the United States government between 1898 and 1968, or descendants of such person; or

(2) who either occupied, farmed, or ranched land for residential or agricultural purposes for at least one (1) year immediately prior to that land being acquired by the United States government between 1898 or 1968 or descendants of such person; except that if a person occupied, farmed, or ranched the land on or after December 8, 1941, and the land was acquired at any time after that date and up to 1950, the one-year tenure need not to have occurred immediately prior to acquisition by the United States government.

(i) *Residential Tract* means ~~Chamorro homelands~~ CHamoru Land Trust Property with an area of not less than ten thousand (10,000) square feet nor more than one (1) acre, or such other area which may be specified by zoning, subdivision, or environmental policies.

(j) *Residential use* means the use of ~~Chamorro homelands~~ CHamoru Land Trust Property and improvements for the purposes of the primary domicile of the applicant.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 4 of Exhibit A, renumbered pursuant to 1 GCA § 1606. Subsection (b) amended by P.L. 24-0318:3 (Dec. 28, 1998).

§ 6105. Application for Leases: Forms.

Forms. Beginning on November 1, 1995, subject to approval of the Rules and Regulations, applications for residential or agricultural leases shall be made on forms, consistent with the Act and these rules and regulations, provided by the commission and shall be made under oath. Falsification of a material fact for the purposes of making the applicant qualified on an application form shall be grounds for removal of the applicant's name from the waiting list, or cancellation of any lease awarded the applicant, and may subject the applicant to liability for perjury. The ~~Chamorro~~ CHamoru Land Trust Commission shall publish, at least three (3) times in a daily newspaper of general circulation, notice of the November 1, 1995, initial date for receiving applications.

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SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 5.1 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6106. Application for Leases: Qualification of applicants.

(a) Applicants for residential or agricultural tract leases shall provide the commission with documented proof that the applicant is:

- (1) at least eighteen (18) years of age; and
- (2) ~~a native Chamorro~~ An eligible beneficiary.

(b) The commission shall accept all completed applications for residential or agricultural tracts from ~~native Chamorros~~ eligible beneficiaries who are at least eighteen (18) years old.

(c) In addition to the qualifications required in subsection (a), a person applying for an agricultural lease may be required to comply with § 6121 before a lease award can be made.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 5.2 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6107. Application for Leases: Application processing.

(a) Applications shall be dated and signed by the applicant and by an authorized commission representative. The commission shall acknowledge in writing receipt of all properly completed applications. An incomplete application shall be returned to the applicant with instructions necessary to properly complete the application. Completed applications shall be time stamped, and if accepted, assigned a numerical designation, and filed in the order of receipt. Additions, corrections or deletions may be made only with the approval of the applicant and the director. A copy of the application shall be made available to the applicant. Except as otherwise provided in this chapter, a numerical designation shall not be reassigned to any other person. The applicant shall pay a one-time processing fee of \$50.00 to the commission within 30 days from application submittal.

(b) Within thirty days after the submission and filing of the completed application and all such other documents as the commission shall require of the applicants, and any investigation the commission shall require of the applicants, and any investigation the commission may conduct, the director shall

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make a determination as to whether the applicant qualifies as an applicant. Such determination shall be based upon the application form, birth, marriage, and death certificates, and any investigation the commission may conduct consistent with the Act and these rules and regulations. An applicant who disagrees with any action taken by the commission shall have thirty days from receipt of written notice of such action within which to petition the commission for appearance before the next regular meeting of the commission concerning the action taken on the application, at which time the Commission shall hear and review the application and it shall make an independent decision on the matter.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 5.3 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6108. Application for Leases: Residential tract applications.

Applications for residential tract leases shall be made for one lot only. One island-wide residential tract waiting list shall be maintained.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 5.4 of Exhibit A, renumbered and subsection designation omitted pursuant to 1 GCA § 1606.

**§ 6109. Application for Leases:
Agricultural tract applications.**

For application purposes, the commission shall establish and maintain an island-wide waiting list for designated agricultural tracts.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 5.5 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6110. Application for Leases: Village and island-wide waiting lists.

(a) Applicants will be placed on the respective island-wide residential and/or agricultural tract waiting list in the order specified in § 6107(a).

(b) In the event a new residential subdivision is opened, applicants on the island-wide waiting list shall be considered for award in accordance with § 6116.

(c) An applicant who is awarded a lot shall be able to decline lots in two different villages. After declining a third award, an applicant's name shall be removed from the waiting list.

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(d) On or before the 15th day of every month, a copy of the priority listing for the previous month as of the last day of the month shall be recorded at the Department of Land Management.
SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 5.6 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6111. Application for Leases: Contract for award; priority.

Applicants shall be considered for award in the order in which their completed applications were received by the commission; provided that awards shall first be made according to ranking in existing priority waiting lists in that order until those waiting lists are exhausted.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 5.7 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6112. Application for Leases: Transfer of application rights.

(a) An applicant may designate a relative qualified under the Act to include husband and wife, children, widows or widowers of the brothers and sister, or nieces and nephews to succeed to the applicant's application rights upon the death of the applicant. Upon the death of an applicant who dies without designating a successor, the application rights may be succeeded by the qualified relative as provided in (1) and (2) in this section upon application therefor. In the absence of such a designation, the commission may

(1) Designate, in its absolute discretion, a successor from among the applicants for succession to the application rights of the deceased applicant in the order named in this paragraph (a); or

(2) Allow an unqualified spouse to designate a qualified child to succeed to the deceased applicant's application rights.

Requests for succession to application rights shall be made to the commission in writing not later than 180 days after the death of the applicant; otherwise, the application will be cancelled and the applicant's name removed from the waiting list.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 5.8 of Exhibit A, renumbered pursuant to 1 GCA § 1606

§ 6113. Application for Leases: Posting lessee awards.

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The commission shall post, in every municipal mayor's office and once in a publication of general circulation, the names, file numbers, and dates of application of all who receive lease awards within two weeks after awards are made. They shall remain posted for a period of sixty (60) days.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 5.9 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

**§ 6114. Application for Leases:
Applicant current information.**

(a) An applicant for awards must notify the commission, in writing, of any change in address or other information contained in the application within fifteen calendar days of such change. Whenever the commission initiates action for awards, all applicants whose application information is not current will be given ninety (90) days written notice to update the information. Written notice shall either be served personally upon the applicant or be sent to the applicant by registered mail addressed to his mailing address, as indicated on the applications. If notice is not personally served, it shall also be published once in a daily newspaper of general circulation in Guam within three days of the date the notice is mailed out. If the applicant does not furnish the information necessary to facilitate the award within 90 days of notice, the commission shall remove the applicant from the award list and the applicant must re-apply as a new applicant.

(b) The applicant may appeal the commission's decision to remove his name from any award list as provided by the Administrative Adjudication Law.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 5.10 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

2021 NOTE: Reference to "territory" removed pursuant to 1 GCA § 420.

**§ 6115. Leases to ~~Native Chamorros~~ Eligible Beneficiaries:
Residential tract leases; awards.**

(a) Whenever residential tracts are available, the commission shall award residential tract leases to applicants who, in the opinion of the commission, are qualified to perform the conditions of such leases. The commission's opinion as to the applicant's qualification shall be based on criteria specified in the Act.

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(b) The lessee shall occupy and commence to use the tract as his home within one year after the lease is made.

(c) Lot size for a residential tract lease to be awarded shall be not less than 10,000 square feet with public sewer connection available nor less than one-half (1/2) acre with no public sewer connection available, but in neither case shall be more than one (1) acre; or lot size for a residential tract lease shall be specified by zoning, subdivision, environmental, or administrative policies, but in no circumstance may the area exceed one (1) acre. **SOURCE:** Added by P.L. 23-038:2 (Sept. 14, 1995) as § 6.1 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6116. Leases to ~~Native~~ Chamorros Eligible Beneficiaries; Awards; when, order.

(a) Whenever homeland lots are available, the commission shall award leases to applicants who meet the qualification requirements specified herein and contained in the Act.

(b) The commission shall award lots on a first-come firstserved basis at the discretion of the applicant.

(c) In addition to (a) and (b) above, the commission shall prioritize awards for residential tracts to applicants in the following descending order:

(1) Those who do not own land anywhere;

(2) Those who own one (1) acre or less anywhere;

(3) Those who own more than one (1) acre anywhere.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 6.2 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6117. Leases to ~~Native~~ Chamorros Eligible Beneficiaries; Award of lease; lessee's performance.

(a) The commission shall, whenever tracts are available, enter into such a lease with any applicant who, in the opinion of the commission, is qualified to perform the conditions of such lease.

(b) In determining whether an applicant is qualified to occupy, commence construction, or use a residence, any of the following shall be sufficient proof for the commission to find compliance:

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- (1) Approved loan or financing for the construction of a residence, or a conditional letter of intent or the equivalent;
- (2) Contract between the applicant and a construction company for the construction of a residential dwelling;
- (3) Equivalent evidence of the applicant's intent and ability to construct a residential dwelling; or
- (4) Equivalent evidence of the applicant's intent and ability to fulfill pre-existing requirements entered into between other parties with respect to the residential dwelling the applicant wishes to occupy.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 6.3 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6118. Leases to ~~Native Chamorros~~ Eligible Beneficiaries: Awards to occupants of homelands; when.

(a) Notwithstanding the provisions of §§ 6108 to 6114, , the commission shall not serve eviction notices to individuals who presently reside and have continuously resided on ~~Chamorro homelands~~ CHamoru Land Trust Property prior to July 12, 1995, and who qualify under the Act.

(b) Persons presently holding land use permits and who qualify under § 6106 will hereby maintain their home or farms, adhering to all other requirements of the Act and these rules and regulations.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 6.4 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6119. Leases to ~~Native Chamorros~~ Eligible Beneficiaries: Agricultural tract leases.

(a) Whenever agricultural tracts are available, the commission shall award agricultural tract leases to applicants who, in the opinion of the commission, are qualified to perform the conditions of such leases. The commission's opinion as to the applicant's qualification shall be based on criteria specified in the Act.

(b) The lessee shall occupy and commence to use the tract to cultivate as his farm, within one year after the lease is made.

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(c) The lessee shall plant and maintain not less than five, ten, fifteen, and twenty trees per acre of land leased during the first, second, third, and fourth years, respectively, after the date of the lease. Such trees shall be of types approved, and provided free of charge, by the Department of Agriculture and at locations specified by the Department of Agriculture's agent. Such planting and maintenance shall be by or under the immediate control and direction of the lessee.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 6.5 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

**§ 6120. Leases to ~~Native Chamorros~~Eligible Beneficiaries:
Residence permitted on agricultural lot.**

(a) Residences shall be permitted upon agricultural tracts. Only one residence will be permitted per lessee on ~~Chamorro homelands~~CHamoru Land Trust Property, subject to the following conditions:

- (1) The lessee has actively cultivated or developed at least two-thirds of the agricultural tract at all times;
- (2) Approval by the commission; and
- (3) Conformance to all Guam zoning and building requirements.

(b) A lessee possessing a residential tract lease may construct a residence on the lessee's agricultural tract; provided that, the lessee complies with all other conditions imposed by this section, § 6126, and:

- (1) Lessee makes prior arrangements to surrender or transfer the residential tract lease upon the completion of construction of the residence on the lessee's agricultural tract. Should it be feasible, the lessee may relocate the present house;
- (2) Lessee must be financially able to assume the cost of relocation or construction of the new residence plus any related expenses necessary to maintain the agricultural tract. The commission may assist the lessee under § 6131; and
- (3) In the event the lessee surrenders the residential tract lease, the net proceeds thereof shall be first credited to

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any loan granted by the commission for the construction of a home on the agricultural tract.

(c) The commission shall not be liable for expenses incurred by the lessee for amenities brought to the tract. The commission shall not provide nor be required to provide such amenities, except as it may determine in the planned development of its lands.

(d) Upon cancellation, surrender, or transfer of the agricultural tract, the lessee shall relinquish the entire leasehold interest including the residence.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 6.6 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

2021 NOTE: Reference to “territorial” replaced with “Guam” pursuant to 1 GCA § 420.

**§ 6121. Leases to ~~Native Chamorros~~ Eligible Beneficiaries:
Livestock and crops.**

(a) Lessees may raise animals intended for consumption on their agricultural leasehold to supply immediate family needs.

(b) Lessees may raise animals on a commercial basis on their agricultural leasehold only after the following conditions are met:

(1) Submission of a plan for commercial production of animals which shall include, but not be limited to, projections for production, methods of production, sanitation control measures, and proximity to surrounding residences;

(2) Approval by the commission;

(3) Conformance to all Guam zoning and health laws and rules; and

(4) The operation is restricted to confined feeding and not for open grazing.

(c) Agricultural tract lessees may raise crops for fodder to be used only for animals on the lot. A portion of the lot may be utilized to raise vegetables or fruit crops for consumption by the lessee’s immediate family.

(d) Lessees may grow crops on a commercial basis on their agricultural leasehold only after the following conditions are met:

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- (1) any wetland on the lease property is *not* drained, filled or otherwise destroyed;
- (2) lessees follow Rules and Regulations governing agricultural chemicals established by the Guam Environmental Protection Agency;
- (3) submission of a plan for commercial crop production which shall include, but not be limited to, projections for production and methods of production;
- (4) approval by the Commission; *and*
- (5) conformance to all Guam zoning and health laws and rules.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 6.7 of Exhibit A, renumbered pursuant to 1 GCA § 1606. Subsection (d) added by P.L. 240318:4 (Dec. 28, 1998).

2021 NOTE: Reference to “territorial” replaced with “Guam” pursuant to 1 GCA § 420.

**§ 6122. Leases to ~~Native Chamorros~~ Eligible Beneficiaries:
Lease cancellation.**

(a) The commission may cancel a lease to a ~~native Chamorro~~ an eligible beneficiary, as specified by § 75110 of the Act and the Administrative Adjudication Law, for the following reasons:

- (1) Violation by the lessee of a condition enumerated in the ~~Chamorro~~ CHamoru Land Trust Act;
- (2) Violation of a condition enumerated in the lease agreement;
- (3) Violation of a condition enumerated in these rules and regulations; or
- (4) Intentional falsification of material information by the lessee on application for financial assistance submitted to the commission.

(b) No lease shall be cancelled without first affording the lessee the right to a hearing as prescribed in the Administrative Adjudication Law.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 6.8 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

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§ 6123. Leases to ~~Native Chamorros~~Eligible Beneficiaries:
Commercial leases. [Reserved]

No commercial leases shall be entered into by the ~~Chamorro~~CHamoru Land Trust Commission until Rules and Regulations covering the same have been adopted pursuant to the Administrative Adjudication Law.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 6.9 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

2021 NOTE: The bracketed notation “Reserved” was part of Exhibit A attached to P.L. 23-038. This notation was not added by the Compiler.

§ 6124. Conditions in Leases: Additional conditions generally.

In addition to the conditions in leases set forth in the ~~Chamorro~~CHamoru Land Trust Act, and in the lease document, all lessees shall be subject to the restrictions set forth in this section.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 7.1 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6125. Conditions in Leases: Industrial or commercial activities.

No industrial or commercial activities shall be allowed on ~~Chamorro homelands~~CHamoru Land Trust Property leaseholds, except those which are authorized for license by the Act.

(2) No leasehold or portion thereof shall be used for commercial activities of such a nature as to constitute a nuisance.

(3) Commercial activities shall not include selling of agricultural products raised upon the premises.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 7.2 of Exhibit A, renumbered and designation added pursuant to 1 GCA § 1606. **§ 6126.**

Conditions in Leases: Building requirements.

(a) No building structure or improvement may be constructed on the premises without written approval from the commission. Such an approval shall be considered only after submission of a plan as to design, materials, and probable value and use of the structure to be built on the leasehold. Such building structures or improvements must meet building and zoning codes and other ordinances and regulations of Guam.

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(b) The commission shall provide assistance to the lessee in understanding the building code requirements which would render the proposed building or other improvement suitable for approval.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 7.3 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

2021 NOTE: Reference to “the territory” replaced with “Guam” pursuant to 1 GCA § 420.

§ 6127. Conditions in Leases: Contracts covering leased lands.

No lessee may, without written approval from the commission, enter into any contract, joint venture, agreement or other arrangement of any sort with a third person on lands covered by lessee’s lease for the cultivation of crops or the raising of livestock.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 7.4 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6128. Conditions in Leases: Transfer of leases.

Requests for transfers will be considered for approval only if the lessee has held such lease for a period of at least seven years, unless the commission, in its considered opinion, finds that an emergency exists which makes transfer imperative. A lessee may transfer the leasehold to any individual who qualifies under the Act, and is at least eighteen (18) years old. The transferee must immediately occupy the residential tract or use or cultivate the agricultural tract. Failure to occupy or use such tract within sixty (60) days from date of transfer shall constitute grounds for cancellation of such lease. A transferee may own an interest in ~~non-Chamorro homelands~~ CHamoru Land Trust property real property, regardless of degree of ownership.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 7.5 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6129. Conditions in Leases: Occupancy and other requirements.

(a) The time period by which a lessee is required to occupy a residential lot or to commence to use or to cultivate an agricultural lot shall be stipulated in the lease.

(b) Except as otherwise provided in the lease, the commission may require a lessee of an agricultural lot to have under

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development, cultivation, or use at least two-thirds of the usable acreage at all times.

(c) Lessees shall be responsible for maintaining their premises secure from fire, theft, and vandalism and shall comply with the requirements of their lease at all times.

(d) A lessee who does not have a house on the lot shall provide the commission with a current mailing address and such other information as the commission may require.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 7.6 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6130. Conditions in Leases: Sublease prohibited.

The lessee shall not sublet his interest in the tract or improvements thereon. Violation of this provision shall constitute grounds for cancellation of such lease.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 7.7 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6131. Loans and Funds. [Reserved]

Since a source of funding for loans has not been identified, no loans shall be made by the Chamorro Land Trust Commission until Rules and Regulations covering the same have been adopted pursuant to the Administrative Adjudication Law.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 8.1 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

2021 NOTE: The bracketed notation “Reserved” was part of Exhibit A attached to P.L. 23-038. This notation was not added by the Compiler. **§ 6132.**

Successors to Lessees: Designation of successors.

(a) A lessee shall, upon execution of the lease, designate the person in whom lessee directs the interest in the tract to vest upon death. Such person must be qualified to succeed to ~~Chamorro homelands~~ CHamoru Land Trust property as provided by the Act, the revisions of Bill No. 419-35, and these rules. A lessee may elect to provide for the surrender of the lot upon death and may select a recipient for the proceeds from the surrender. A lessee’s designation under this section may be changed at any time by the lessee.

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(2) Such designation shall be made as specified in the Act with the right in the lessee to change the beneficiary at any time, if filed with and approved by the commission.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 9.1 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6133. Successors to Lessees: Reversion to the commission.

Where a lessee dies having failed to designate a successor, the commission may select a successor as provided in the Act. Otherwise, the lease shall be cancelled. The land subject to the lease shall resume its status as unleased ~~Chamorro homelands~~Chamoru Land Trust property, and the commission shall be authorized to lease said land to ~~a native Chamorroan~~eligible beneficiary as provided in the Act.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 9.2 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6134. Successors to Lessees: Notice to successors.

Upon the death of a lessee having no designated successor, the commission shall publish such fact by publishing a notice at least once in each of four successive weeks in a newspaper of general circulation. The notice shall state briefly that all persons claiming to be relatives of the lessees qualified to succeed to the lease shall present themselves at the commission with proof of their qualification, within four months from the first day of publication of the notice or be forever barred from succeeding to the lease. Those persons failing to present themselves within four months from the first day of publication of the notice shall be forever barred from succeeding to the lease in question. **SOURCE:** Added by P.L. 23-038:2 (Sept. 14, 1995) as § 9.3 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6135. Successors to Lessees: Appraisals.

(a) Upon the death of a lessee leaving no individual qualified to be a successor lessee, if the commission is unable to designate a successor, or upon the cancellation or the surrender of a lease, the commission shall appraise the value of all improvements of the tract or tracts.

(b) An appraisal made pursuant to this section shall be made by three appraisers, subject to the exception of lessee waiver

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described herein, one of whom shall be named by the commission, one by the previous lessee or the legal representative of the deceased lessee, as the case may be, and the third shall be selected by the two appraisers herein before mentioned. The previous lessee or the designated representative of the deceased lessee shall bear the cost of its named appraiser. The cost of the third appraiser shall be shared equally between the commission and the previous lessee or legal representative of the deceased lessee. The previous lessee or legal representative of the deceased lessee may waive the three-man appraisal in favor of the sole appraisal made by the commission, or a compromise sole appraisal made by the commission, or a compromise valuation made between the commission and lessee.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 9.4 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6136. Successors to Lessees: Payments.

(a) The commission shall pay to the legal representative, administrator or executor of the deceased lessee or to the previous lessee, as the case may be, the appraisal value less:

- (1) Any indebtedness to the commission;
- (2) Taxes;
- (3) Any other indebtedness, the payment of which has been assured by the commission;
- (4) Any costs incurred by the commission for upkeep and cleaning of the leased premises; and
- (5) For any crops or improvements the commission demands removed;

(b) Payments provided in subsection (a) shall be made out of the Chamorro home loan fund and shall be considered an advance therefrom, reimbursable out of payments by the transferee or new lessee to the tract involved.

(c) The commission may make the payment only after a new lessee is found and upon commencement of the new lease.

(d) Payments shall be made in equal annual increments over a period of five years, and shall bear interest at the rate of two and one-half percent (2½%) on the unpaid balance; provided, that where the commission has sufficient funds available and such

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payment does not unreasonably impair the ~~Chamorro~~Chamoru home loan fund, the commission may pay the entire amount or fraction thereof as it deems proper, but in no case less than twenty percent (20%) per year for five years.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 9.5 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6137. Successors to Lessees: Cancellation and surrender.

(a) Upon receipt of written notification of a lessee's intent to surrender, the commission shall process the same. The commission may forego acceptance of a surrender until a new lessee is found and it is determined by the commission that sufficient funds are available in the ~~Chamorro~~Chamoru home loan fund to meet the payments required. At all times until acceptance of surrender, the lessee shall remain responsible for the demised leasehold together with any improvements thereon, and shall remain liable for all taxes, assessments and charges of whatever kind and nature, on said tract and improvements thereon.

(b) Upon the cancellation or surrender of a residential tract, should it be determined by the commission that the residence constructed on the premises is in such disrepair that demolition of the structure is required, the lessee shall be allowed to sell said structure within ninety (90) days from the date of the cancellation or acceptance of surrender; provided that any proceeds be first used to satisfy any indebtedness to the commission, taxes, or any other indebtedness the payment of which has been assured by the commission, or any costs incurred by the commission for upkeep and cleaning of the leased premises. Sale of the structure shall not cause harm or affect in any way rights to the underlying property. Lessee shall repair and restore all damage to the Premises caused by removal of any alterations, additions, improvements or fixtures in the Premises. Lessee's obligations under this provision shall survive the expiration or termination of the Lease. If lessee fails to have structure removed, the commission may demolish the structure and the cost thereof shall be assessed the lessee.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 9.6 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6138. Community Pastures: Location of community pastures.

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The commission, when practicable and as authorized under the Act, shall maintain community pastures in such locations as it may determine.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 10.1 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6139. Community Pastures: Records.

A record of all stock in community pastures shall be kept by the commission.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 10.2 of Exhibit A, renumbered pursuant to 1 GCA § 1606.

§ 6140. Community Pastures: Responsibilities.

(a) The lessees shall be responsible for:

- (1) Permanently branding all animals with a registered brand of the lessee;
- (2) Removing and testing all animals and confirming district origin;
- (3) Removing sick, diseased or severely injured animals; and
- (4) Arranging for removal of animals at least forty-eight
(48) hours in advance of the move with the commission.

(b) The commission shall be responsible for managing and supervising the operation to ensure equal access and use of the pastures.

SOURCE: Added by P.L. 23-038:2 (Sept. 14, 1995) as § 10.3 of Exhibit A, renumbered pursuant to 1 GCA § 1606.
