

I Mina'trentai Siette 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
177-37 (COR)	Joe S. San Agustin Roy A. B. Quinata Dwayne T.D. San Nicolas William A. Parkinson	AN ACT TO AMEND § 75A112 (h) OF CHAPTER 75A, DIVISION 2, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE AGGREGATE AMOUNT ENSURED BY THE GUAM CHAMORRO LAND TRUST COMMISSION FOR THE BENEFICIARY LOAN GUARANTEE FUND.	9/29/23 9:51 a.m.						

I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN
2023 (FIRST) Regular Session

Bill No. 177-37 (COR)

Introduced by:

Joe S. San Agustin
Roy A. B. Quinata
Dwayne T. D. San Nicolas
William A. Parkinson

AN ACT TO *AMEND* § 75A112 (h) OF CHAPTER 75A, DIVISION 2, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO ESTABLISHING THE AGGREGATE AMOUNT ENSURED BY THE GUAM CHAMORRO LAND TRUST COMMISSION FOR THE BENEFICIARY LOAN GUARANTEE FUND.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the Chamorro Land Trust Commission (CLTC) is authorized to provide loan guarantees to lessees who qualify for home loans from lenders from local or federal governmental agencies or instrumentalities or private lending institutions.

I Liheslaturan Guåhan further finds that in discussions during a CLTC meeting, the Commission found that the current statute in Chapter 75A of Division 2, Title 21, does not clarify the amount for which the CLTC guarantee such loans to lessees who qualify for loans from the various institutions. Their discussion encompassed the undefined percentage for which their guarantees will cover on the amount of the loans. Additionally, the CLTC Home Loan Fund is inadequate to 'back' the Ten Million Four Hundred Thousand Dollars (\$10,400,000) in loans from lessees against the Four Hundred Thousand Dollars (\$400,000) that exists in the Fund as of Fiscal Year 2023.

1 *I Liheslaturan Guåhan* further finds that due to the aftermath of typhoon
2 Mawar, numerous families were left homeless, or with unlivable housing structures.
3 Despite these families receiving loans from the U.S. Small Business Administration
4 (SBA) to improve their housing conditions, due to the existing statute, CLTC is
5 unable to provide loan guarantees for these families to move forward with their
6 housing improvements.

7 Therefore, it is the intent of *I Liheslaturan Guåhan* to establish the aggregate
8 amount for which the CLTC may guarantee loans for lessees of the CLTC. In
9 addition, this amendment would allow CLTC to be able to have flexibility with their
10 limited resources to leverage them to fund the loan guarantees. This would allow
11 the families impacted by typhoon Mawar to begin creating a safe and healthy living
12 environment once again.

13 **Section 2.** § 75A112 (h) of Chapter 75A, Division 2, Title 21, Guam Code
14 Annotated, is hereby *amended* to read:

15 “(h) The Beneficiary Loan Guarantee Fund. The Commission is authorized
16 to create a Fund out of which loans made by governmental agencies or lending
17 institutions to those holding leases or licenses issued under § 75A107 of this Chapter
18 may be guaranteed for the aggregate amount of building costs only, up to Twenty-
19 five percent (25%) of the loan, for each lessee or licensee. This guarantee may be
20 for home or commercial loan purposes. The loan guarantees shall be subject to the
21 restrictions imposed by §§ 75A108 and 75A113 of this Act. The Commission’s
22 guarantee of repayment shall be adequate security for a loan under any Guam law
23 prescribing the nature, amount, or form of security, or requiring security upon which
24 loans may be made. This guarantee shall include, but not be limited to, loans secured
25 or obtained through the CIP and other programs of the Federal Home Loan Bank of
26 Seattle, United States Federal agencies and instrumentalities, or any other public or
27 private lending institution or program duly authorized to do business on Guam.”

1 **Section 3. Effective Date.** This Act shall be effective upon enactment.

2 **Section 4. Severability.** If any provision of this Act or its application to
3 any person or circumstance is found to be invalid, or contrary to law, such invalidity
4 *shall not* affect other provisions or applications of this Act that can be given effect
5 without the invalid provision or application, and to this end the provisions of this
6 Act are severable.