


I Mina'trentai Siete Na Lihelaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
334-37 (LS)	Therese M. Terlaje	AN ACT TO ADD A NEW §75A.126 TO ARTICLE 1, CHAPTER 75A, TITLE 21, GUAM CODE ANNOTATED RELATIVE TO REMOVING LEGAL CLOUDS ON THE EXISTING LEASES ISSUED BY THE CHAMORU LAND TRUST COMMISSION.	8/7/24 11:01 a.m.						

I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN
2024(SECOND) Regular Session

Bill No. 334-37 (LS)

Introduced by:

Therese M. Terlaje 

**AN ACT TO ADD A NEW §75A.126 TO ARTICLE 1,
CHAPTER 75A, TITLE 21, GUAM CODE ANNOTATED
RELATIVE TO REMOVING LEGAL CLOUDS ON THE
EXISTING LEASES ISSUED BY THE CHAMORU LAND
TRUST COMMISSION.**

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

2 **Section 1. Legislative Findings and Intent.** This bill was introduced at the
3 recommendation of the Attorney General of Guam. *I Liheslaturan Guåhan* hereby
4 finds that the opportunity for persons eligible to receive land leases and other
5 benefits from the CHamoru Land Trust Commission are stymied by practices of
6 former Commissions and their staff that have created legal clouds over nearly all
7 existing Commission leases. These legal clouds inhibit the opportunity for lessees to
8 obtain financing to build or rebuild farms and residences.

9 Where a lessee is otherwise in compliance with the terms and conditions of
10 their lease *I Liheslatruan Guåhan* desires that the Commission remove any legal
11 clouds or other issues by issuing existing tenants new leases for a term that matches
12 the remaining term of their existing lease. The intent is that the new lease removes
13 any potential risk that a lessee that has been on the land for many years and otherwise
14 has fully complied with these obligations may have their lease terminated because
15 of a legal defect that occurred at the time the lease was initially issued.

1 *I Liheslaturan Guåhan* has also determined that the Commission and its
2 lessees shall have five years to remedy these legal issues that arose at the time of
3 lease issuance. The Commission has an important role to fill in providing new
4 housing and agricultural opportunities for eligible beneficiaries. The sooner the
5 Commission can remediate its past legal issues the more productive and efficient it
6 can be in providing new leases. The Commission shall use the lease review provided
7 for in this legislation to verify that its tenants are otherwise complying with their
8 obligations under law. While the Commission is removing as many legal clouds for
9 existing lessees as possible *I Liheslaturan Guåhan* seeks to have the Commission
10 continue to undertake new leases with new eligible beneficiaries.

11 **Section 2.** A new Section 75A.126 is hereby added to Article 1, Chapter 75A,
12 Title 21, Guam Code Annotated to read:

13 **“75A.126. Review and Remediation of Existing Leases.**

14 (a) The Commission is directed to review each Lease it has entered into
15 prior to the effective date of this section with an eligible beneficiary
16 and identify whether the issuance of the lease occurred contrary to
17 any law or regulation of the Commission. The Commission shall
18 also determine whether the current lessee is in compliance with the
19 terms of their lease, including complying with Sections 75A108 and
20 109 of this Article. The Commission shall serve the Lessee with a
21 notice of the Commission’s determination under this subsection (a)
22 at the Lessee’s address of record on file with the Commission.

23 (b) If the Commission makes a finding that:

24 (1) the Lease was issued in a manner contrary to the regulations of
25 the Commission; and

1 (2) the Lessee is otherwise in full compliance with the terms of their
2 lease, the law and the Commission’s regulations, the
3 Commission shall issues the Lessee a new Lease for a term to
4 equal the terms of the Lessee’s existing lease. Any other
5 provisions of a new lease shall be substantially the same as the
6 terms of any prior lease. For purpose of this Section “full
7 compliance” means that the Lessee has complied with all other
8 legal obligations to obtain and maintain their lease except for
9 compliance with laws or regulations regarding the initial
10 issuance of the Lease.

11 (c) If the Commission makes a finding that:

12 (1) the Lease was issued in a manner contrary to the regulations of
13 the Commission; and

14 (2) the Lessee is otherwise not in full compliance with the terms of
15 their lease, the law or the Commission’s regulations, the
16 Commission shall issue the Lessee a Notice to Remediate. The
17 Notice to Remediate shall identify the lessee’s noncompliance
18 with the terms of their lese and shall direct the Lessee to come
19 into compliance within one year. Any Notice to Remediate shall
20 be appealable in accordance with the Commission’s regulations.
21 If the Lessee comes into compliance with the Notice to
22 Remediate the Commission shall seek to terminate any leasehold
23 claims the lessee may have, in accordance with the
24 Commission’s regulations.

25 (d) The Commission shall complete the requirements of subsection (a)
26 no later than December 31,2027.

1 (e) The Commission shall complete the requirements of subsections (b)
2 and (c) not later than December 31, 2029.

3 (f) Where the Commission makes a finding that a Lessee should be
4 issued a new lease pursuant to subsection (b) of this section, but the
5 Lessee has not executed a new lease by December 31, 2029 the
6 Commission shall seek to terminate any leasehold claims the lessee
7 may have, in accordance with the Commission's regulations.

8 (g) When the Commission executes a new lease pursuant to subsection
9 (b) of this Section the Commission may execute such additional
10 documents as may be necessary to reaffirm any loans or loan
11 guarantees that the lessee may have previously entered into with the
12 consent of the Commission.

13 (h) Where the Commission has determined that land subject to a
14 Commission lease is unregistered, the Commission shall move to
15 register the land pursuant to Title 21, Chapter 29. Upon registration
16 if the lessee is otherwise in full compliance with the terms of the
17 lease, law and the Commission's regulations, the Commission shall
18 issue the lessee a new lease pursuant to subsection (b) of this section.
19 Where the lessee is not in full compliance with the terms of the lease,
20 the law or the Commission's regulation the Commission shall issue
21 a Notice to Remediate pursuant to subsection (c) of this Section.

22 (i) The Commission shall use its best efforts to issue new leases to
23 Eligible Beneficiaries who have not received a Commission lease
24 concurrent with its duties under this Section. Where the Commission
25 offers a lease to an eligible beneficiary who declines in writing the
26 lease offer, the eligible beneficiary shall retain their priority for

1 additional leases. If the Commission has offered an eligible
2 beneficiary three leases and the eligible beneficiary declines each
3 opportunity to lease, the eligible beneficiary shall be deemed to have
4 terminated their rights to any benefits provided by the Commission.”

5 **Section 3. No Waiver of Criminal Liability.** Issuance of a new lease
6 pursuant to this section does not constitute a waiver of any criminal liability
7 associated with the issuance of an original lease.

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