

EDDIE BAZA CALVO
Governor



RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

June 18, 2012

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Unu Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

31-12-1027
Office of the Speaker
Judith T. Won Pat, Ed. D.
Date 6/19/12
Time 4:37 PM
Received by [Signature]

Dear Madame Speaker:

Transmitted herewith is Bill No. 463-31 (COR) " AN ACT TO ADOPT THE GUAM HOUSING CORPORATION ADMINISTRATIVE RULES AND REGULATIONS FOR THE IMPLEMENTATION OF THE FIRST-TIME HOMEOWNER ASSISTANCE PROGRAM", which I signed into law on June 15, 2012 as **Public Law 31-227**.

Senseramente,


RAY TENORIO
I Maga'låhen Guåhan para pa'go
Acting Governor of Guam

2012 JUN 19 PM 5:04

Attachment: copy of Bill

1627

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

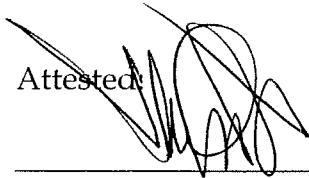
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that **Bill No. 463-31 (COR), "AN ACT TO ADOPT THE GUAM HOUSING CORPORATION ADMINISTRATIVE RULES AND REGULATIONS FOR THE IMPLEMENTATION OF THE FIRST-TIME HOMEOWNER ASSISTANCE PROGRAM"**, was on the 4th day of June, 2012, duly and regularly passed.



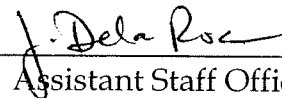
Judith T. Won Pat, Ed.D.
Speaker

Attested:



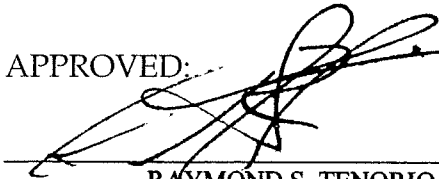
Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahaen Guåhan* this 7th day of June, 2012, at
1:10 o'clock P.M.



Assistant Staff Officer
Maga'lahi's Office

APPROVED:



RAYMOND S. TENORIO
Acting Governor of Guam

Date: JUN 15 2012

Public Law No. 31-227

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

Bill No. 463-31 (COR)

As amended on the Floor.

Introduced by:

T. R Muña Barnes
Judith T. Won Pat, Ed.D.
T. C. Ada
V. Anthony Ada
F. F. Blas, Jr.
B. J.F. Cruz
Chris M. Dueñas
Judith P. Guthertz, DPA
Sam Mabini, Ph.D.
Adolpho B. Palacios, Sr.
V. C. Pangelinan
Dennis G. Rodriguez, Jr.
R. J. Respicio
M. Silva Taijeron
Aline A.Yamashita, Ph.D.

**AN ACT TO ADOPT THE GUAM HOUSING
CORPORATION ADMINISTRATIVE RULES AND
REGULATIONS FOR THE IMPLEMENTATION OF
THE FIRST-TIME HOMEOWNER ASSISTANCE
PROGRAM.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Pursuant to §4705 (e) of Chapter 4, Title 12, Guam Code Annotated, the Guam Housing Corporation Administrative Rules and Regulations for the implementation of the First-Time Homeowner Assistance Program are hereby adopted.

“First-Time Homeowner Assistance Program

Article 1. General Provisions.

Article 2. Definitions.

Article 3. First-Time Homeowner Assistance Program.

Article 4. Application for Assistance.

Article 5. Administration.

Article 6. Funding.

Article 1

General Provisions

§ 101. **Authority.** The Rules and Regulations are hereby implemented pursuant to §4705(e) of Article 7, Chapter 4, Title 12 of the Guam Code Annotated.

§ 102. **Scope.** The Guam Housing Corporation *shall* establish and publish rules and regulations necessary to implement the First-Time Homeowner Assistance Program as enacted by Public Law 31-166.

§ 103. **Communication.** Communication concerning the First-Time Homeowner Assistance Program may be made to:

President

Guam Housing Corporation

P.O. Box 3457

Hagåtña, Guam 96932

§ 104. **Computing Time.** The following rules apply in computing any period of time specified in these rules:

(a) exclude the day of the act, event, or default that begins the period;

(b) exclude intermediate Saturdays, Sundays and legal holidays when the period is *less than* eleven (11) days; and

1 (c) include the last day of the period *unless* it is a Saturday,
2 Sunday, legal holiday, or, if the act to be done is filing a paper in
3 court, a day on which the weather or other conditions make the court
4 clerk's office inaccessible.

5 **Article 2**

6 **Definitions**

7 **§ 201. Definitions.** The following words and phrases, when used
8 in these rules and regulations, *shall* have the meaning ascribed to them in
9 this Section.

10 (a) *Accredited* means as recognized by the Council for
11 Higher Education Administration (CHEA); for vocational schools, an
12 accrediting agency as recognized by the United States Department of
13 Education, such as the Accrediting Commission of Career Schools
14 and Colleges (ACCSC).

15 (b) *Applicant* means any individual or family who is
16 applying for first-time homeowner assistance under the First-Time
17 Homeowner Assistance Program Act (Public Law 31-166).

18 (c) *Assistance* means assistance under the First-Time
19 Homeowner Assistance Program Act (Public Law 31-166).

20 (d) *Commencement date* means, for the purchase of a home,
21 the date when the contract is signed between the buyer and the seller.
22 In the case of an applicant building a home, the date when the
23 construction contract for the home is signed by both parties.

24 (e) *Completed* means, in reference to a completion date for
25 an eligible transaction and in the case of an applicant purchasing a
26 home, the date the purchaser becomes entitled to possession of the

1 home under the contract and if the purchaser is to obtain a registered
2 title to the land on which the home is situated, the necessary steps to
3 obtain registration of the title have been taken in reference to an
4 applicant building a home, the building is ready for occupancy as
5 identified by the issuance of a certificate of occupancy by the Guam
6 Department of Public Works, or the execution of a contract for the
7 purchase of a home, whichever occurs first.

8 (f) *Comprehensive home building contract* means a contract
9 under which a builder undertakes to build a home on land, from the
10 inception of the building work to the point where the home is ready
11 for occupation; and if, for any reason, the work to be carried out
12 under such a contract is not completed, includes any further contract
13 under which the work is to be completed.

14 (g) *Construction cost* means the final and total amount paid,
15 or to be paid, by a homeowner for the construction of a home, and
16 *shall* include all monies paid for labor and material, contractor's fees,
17 fees of an architect and engineer, survey costs, utility hook-up costs,
18 broker's commissions and attorney fees.

19 (h) *Down payment* means the equity requirements of the
20 homeowner needed to initiate the mortgage for the purchase or
21 construction of a home. It *shall* include points and fees charged by
22 the financial institution.

23 (i) *Eligibility criteria* mean a natural person who is a United
24 States citizen, or a permanent resident alien, and who has been a
25 resident of Guam for a period of *not less than* five (5) years
26 immediately preceding the commencement date of the eligible

1 transaction for which the applicant is applying, and otherwise meet
2 the requirements of §4703(b) of Article 7, Chapter 4, Title 12 of the
3 Guam Code Annotated.

4 (j) *Eligible transaction* means a contract for the purchase of
5 a home in Guam the cost of which *shall not* exceed Two Hundred
6 Fifty Thousand Dollars (\$250,000), inclusive of any down payment
7 and closing cost. An eligible transaction *shall* also include a home
8 building contract made by the owner of land, or a person who will on
9 completion of the building contract and closing of the loan be the
10 owner of the land, to have a home built on that land, the contract price
11 of which *shall not* exceed Two Hundred Fifty Thousand Dollars
12 (\$250,000), inclusive of any down payment, the cost of the land and
13 closing cost.

14 (k) *Family* means two (2) or more persons related by blood,
15 adoption or marriage, living together as a household.

16 (l) *First-time homeowner* means any individual or family
17 who has *not* had any ownership interest in a home within the five (5)
18 years preceding the commencement date of an eligible transaction for
19 which the first-time homeowner is applying.

20 (m) *Financial institution* means any financial institution
21 authorized to make mortgage loans on Guam, as approved by the
22 Guam Housing Corporation.

23 (n) *Full-time basis* means the minimum of twelve (12) or
24 more credit hours per semester or quarter equivalent to twelve (12)
25 semester hours, for degree-seeking undergraduate or graduate studies;
26 for vocational schools, the minimum credits or hours or its equivalent

1 per, semester or quarter or equivalent term, necessary for the school
2 to certify full-time status.

3 (o) *GHC* means the Guam Housing Corporation, its officers,
4 employees, agents and designees.

5 (p) *Home* means a permanent, single family dwelling, or
6 single family condominium or town house, but *does not* include semi-
7 permanent dwellings made of wood and tin, and is to be physically
8 occupied by the homeowner on a regular and continuous basis, and in
9 which the homeowner intends to exclusively reside.

10 (q) *Natural person* means a human being.

11 (r) *Land cost* means costs to purchase land toward the
12 construction of a home.

13 (s) *Off-island institution of higher learning* means a United
14 States Department of Education accredited vocational school, college
15 or university *not* physically located in Guam.

16 (t) *Occupancy requirement* means the requirement that an
17 applicant for First-time Homeowner Assistance must occupy the
18 home to which the application relates as the applicant's principal
19 place of residence within six (6) months after the completion of the
20 eligible transaction.

21 (u) *Owner* means the person who has the absolute dominion
22 over the property, and may use it or dispose of it according to his or
23 her pleasure, subject only to general laws.

24 (v) *Spouse* is the person who is legally married to the owner.

25 § 202. **Construction.** Unless specifically stated otherwise, in these
26 rules and regulations pronouns of either gender apply equally to the other

gender, the singular of a noun includes the plural and the plural includes the singular, and phrases in the conjunctive include the disjunctive.

Article 3

First-Time Homeowner Assistance Program

§ 301. Entitlement to Assistance. Eligible applicants engaged in eligible transactions may receive assistance under the First-Time Homeowner Assistance Program.

§ 302. Eligibility Criteria. Subject to the requirements of §4703 of Article 7, Chapter 4, Title 12 of the Guam Code Annotated, United States citizens and permanent resident aliens who are residents of Guam are eligible for assistance.

§ 303. Who is a Resident of Guam. For purposes of this program, a resident of Guam is a United States citizen or permanent resident alien who has been a bona fide resident of Guam for *not less than* five (5) years immediately preceding the commencement date of the eligible transaction for which the applicant is applying. Indicia of residence on Guam *shall* include, but *not* be limited to, payment of Guam personal income taxes, or filing of tax returns, as evidenced by a certification from the Department of Revenue and Taxation evidencing payment or filing of tax returns for the five (5) calendar years immediately preceding the commencement date of the eligible transaction; maintaining and occupying, but not owning, a home or other living accommodation on Guam as evidenced by a lease agreement(s) or other documentation for the five (5) calendar years immediately preceding the commencement date of the eligible transaction; having temporarily departed Guam with the intention of returning and not

1 being registered to vote in any other jurisdiction since departing Guam, and/
2 or being a registered voter on Guam for the five (5) calendar years
3 immediately preceding the commencement date of the eligible transaction as
4 evidenced by a certification from the Guam Election Commission.

5 (a) **Exceptions.** An applicant who has *not* been a *bona fide*
6 resident of Guam for *not less than* five (5) years immediately
7 preceding the commencement date of the eligible transaction for
8 which the applicant is applying may nevertheless qualify *if* his failure
9 to meet the residency requirement was due to active service in a
10 United States armed force or attendance at an off-island institution of
11 higher learning, provided, he was a five (5) year resident for the
12 period immediately preceding such active duty or education.

13 (b) **Home Ownership Education Program.** All applicants
14 must attend and complete a home ownership education workshop as
15 approved of or provided by GHC.

16 (c) **Fees.** If the GHC provides the Home Ownership
17 Education Program, all applicants *shall* pay a fee in the amount of up
18 to Seventy-Five Dollars (\$75.00), payable by the applicant at the time
19 of closing, to allay costs of the program.

20 **§304. Preference.** Demand for assistance by United States
21 citizens *shall* be satisfied before considering applications for assistance
22 from otherwise eligible permanent resident aliens.

23 (a) **Order.** Applications for assistance *shall* be considered
24 in the order received by the GHC.

25 **§ 305. When Demand is Satisfied.** Demand for assistance by
26 United States citizens *shall* be deemed satisfied when there remains funds

1 available to award assistance to a permanent resident alien after subtracting
2 from the program funds the amount of all acceptable and payable
3 applications filed with the GHC from United States citizens. In the event
4 the application for assistance of a permanent resident alien is under
5 consideration and demand becomes unsatisfied, the permanent resident
6 alien's application *shall* still be considered in the same manner as that of a
7 United States citizen.

8 **§ 306. Affidavit of Occupancy.** Within six (6) months of the
9 completion of the eligible transaction, an applicant must file with the GHC
10 an affidavit, in a form approved by the GHC, evidencing their occupancy of
11 the home to which the application relates as the applicant's principal place
12 of residence. As part of the application, the applicant must agree that in the
13 event he fails to file such an affidavit, then the applicant will pay to the
14 GHC an administrative penalty in the amount of ten percent (10%) of the
15 amount disbursed, in addition to filing an affidavit.

16 **§ 307. Eligible Transaction Amount.** The amount of an eligible
17 transaction *shall be no more than* Two Hundred Fifty Thousand Dollars
18 (\$250,000), inclusive of any down payment, land purchase cost and closing
19 cost.

20 (a) **Adjustment.** The amount of an eligible transaction may
21 be raised or lowered by resolution of the Board of Directors of the
22 Guam Housing Corporation to reflect changes in market price and
23 based at least in part upon a determination of the median home price
24 on Guam.

25 (b) **Determining Median Housing Price.** The Board of
26 Directors of the Guam Housing Corporation *shall, but not less than*

1 every five (5) years commencing from the date *I Maga'lahaen Guåhan*
2 signed Public Law 31-166 into law, conduct a study to determine the
3 median home price on Guam.

4 **Article 4**

5 **Application for Assistance**

6 **§ 401. Application for Assistance.** Applications for assistance
7 under the program must be made on forms, and in the manner, provided by
8 the GHC.

9 (a) **Approved Forms are Appended Hereto.** Forms are
10 subject to revision and amendment as deemed necessary by the Guam
11 Housing Corporation.

12 **§ 402. Time for Application.** Applications for assistance can be
13 made on or after the commencement date of the eligible transaction and
14 before the eligible transaction is completed.

15 (a) **Applications Out of Time.** In *no* event may an
16 application for assistance made before the commencement date or
17 after the date the eligible transaction is completed be treated as
18 timely.

19 **§ 403. Disqualification from the Program.** Any applicant who
20 intentionally supplies false information as part of the application for
21 assistance *shall* be disqualified from assistance under the program.

22 (a) **Recovery of Disbursed Funds.** *If* the GHC has
23 disbursed funds to an applicant who is shown to have intentionally
24 submitted false information, the GHC *shall* recover those funds
25 through a civil action or otherwise.

1 (b) **Recoupment and Penalty.** As part of the application,
2 the applicant must agree that in the event he has intentionally
3 submitted false information in support of his application, then
4 applicant will reimburse the GHC in the amount of assistance
5 disbursed, and pay an administrative penalty in the amount of ten
6 percent (10%) of the amount disbursed. This recoupment and penalty
7 is in addition to, and not in place of, any other civil or criminal penalty
8 or cause of action.

9 § 404. **Denial of an Application.** Where the GHC denies an
10 application for assistance, it *shall* give notice to the applicant within thirty
11 (30) days following the date of receipt of the application.

12 (a) **Notice.** Notice to an applicant is deemed complete upon
13 actual service to the applicant or upon deposit of the notice for
14 delivery with the United States Postal Service to the applicant's last,
15 best known address. Applicant *shall* be conclusively presumed to
16 have received the notice upon actual service or on the third day
17 following deposit of the notice with the United States Postal Service,
18 or whichever date is the earlier.

19 (b) **Address.** An applicant's last, best known address is that
20 address last provided to the GHC on the application for assistance.

21 § 405. **Participation of Financial Institution.** The Guam
22 Housing Corporation *shall* develop and maintain a list of financial
23 institutions authorized to participate in this program. Each such financial
24 institution must be an approved Freddie Mac, Fannie Mae, FHA, Rural
25 Development or Veteran's Administration lender to participate in this
26 program.

1 **Article 5**

2 **Administration**

3 **§ 501. Certificate of First-time Homeownership.** GHC *shall*
4 issue a Certificate of First-time Homeownership (Certificate) to eligible
5 applicants. Eligible Applicants are those applicants that meet the
6 requirements of Article 3 of these Rules and Regulations

7 (a) **Transferability.** Certificates *shall not* be transferable,
8 *except* between joint holders of an original Certificate, and it *shall not*
9 be transferred to a new and separate home. In case of the death of the
10 holder of an original Certificate, the Certificate *shall* terminate, *unless*
11 the home covered by the Certificate becomes the home of the
12 decedent's heirs, and they acquire the title to the property within two
13 (2) years of the death.

14 **§ 502. Amount of Assistance.** The amount of the First-time
15 Homeowner Assistance is four percent (4%) of the eligible transaction.

16 (a) **Payment of Assistance.** First-time Homeowner
17 Assistance *shall* be paid by electronic funds transfer, by check, or in
18 any other way the GHC finds appropriate. First-time Homeowner
19 Assistance *shall* be paid to the financial institution authorized by the
20 GHC and selected by the applicant which has approved a mortgage
21 loan or construction loan for the applicant for an eligible transaction.

22 (b) **Payment in Anticipation of Compliance with**
23 **Occupancy Requirement.** The GHC may authorize payment of
24 First-time Homeowner Assistance in anticipation of compliance with
25 the occupancy requirement. If the occupancy requirement is *not*
26 complied with, the applicant must, within fifteen (15) days after the

relevant date, give written notice of that fact to the GHC and repay the amount of assistance. The relevant date is the earlier of the following:

(1) the end of the period allowed for compliance with the occupancy requirement; or

(2) the date on which it first becomes apparent that the occupancy requirement will *not* be complied with during the period allowed for compliance.

(c) **Repayment of Assistance.** A first-time homeowner *shall* repay to the Housing Trust Fund an amount equal to the total assistance received by the homeowner with interest at the rate of ten percent (10%) per annum if, within five (5) years after receipt of the assistance, the home is:

(1) transferred or conveyed;

(2) sold; or

(3) occupied exclusively by any individual or individuals other than the homeowner or the homeowner's children.

Article 6

Funding

§ 601. Funding. The GHC *shall* provide the funding source for the First-time Homeowner Assistance Program from its current revenues and/or income.

(a) **Funding Source.** Five Hundred Thousand Dollars (\$500,000) is appropriated from the GHC annual revenues and/or income to the Fund as seed capital for the First-Time Homeowner

1 Assistance Program. If the GHC annual operating revenue and/or
2 income are *not* sufficient to fully fund the seed capital, such seed
3 capital is hereby appropriated from the GHC fund balance or its
4 equivalent.

5 (b) **Continuing Funding.** For the fiscal years thereafter, up
6 to Five Hundred Thousand Dollars (\$500,000) is hereby appropriated
7 from the GHC's annual revenues as needed to ensure the reserved
8 balance of the Fund is *at least* Five Hundred Thousand Dollars
9 (\$500,000) at the beginning of each fiscal year. If the GHC's annual
10 revenues and/or income are *not* sufficient to provide the funding in
11 any fiscal year, the difference between what is required and what is
12 appropriated from the GHC's annual revenues and/or income, is
13 hereby appropriated from the GHC's fund balance or its equivalent.”

14 **Section 2.** §4702(b) of Article 7, Chapter 4, Title 12 of the Guam Code
15 Annotated is hereby *amended* to read as follows:

16 “(b) *Applicant* means any individual or family who is applying for
17 First-time Homeowner Assistance;”

18 **Section 3.** §4704(i) of Article 7, Chapter 4, Title 12 of the Guam Code
19 Annotated is hereby *amended* to read as follows:

20 “(i) Any applicant who intentionally supplies false information on
21 the application for assistance under this Act *shall* automatically be
22 disqualified from the First-time Homeowner Assistance Program. In the
23 event that funds are disbursed on behalf of such an applicant, the applicant
24 *shall* be assessed a penalty of ten percent (10%), in addition to repaying the
25 amount disbursed by the GHC. The funds that were disbursed on behalf of
26 such an applicant that are repaid *shall* be deposited back into the Housing

1 Trust Fund. The funds from the ten percent (10%) penalty *shall* be
2 deposited into the GHC's bank account(s) for operational uses."

3 **Section 4.** §4705(f) of Article 7, Chapter 4, Title 12 of the Guam Code
4 Annotated is hereby *amended* to read as follows:

5 "(f) Repayment of Assistance. A first-time homeowner *shall* repay
6 to the Housing Trust Fund an amount equal to the total assistance received
7 by the homeowner with interest at the rate of ten percent (10%) per annum
8 if, within five (5) years after receipt of the assistance, the home is:

9 (1) transferred or conveyed;

10 (2) sold; or

11 (3) occupied exclusively by any individual or individuals other
12 than the homeowner or the homeowner's children.

13 The funds that were disbursed on behalf of such an applicant that are
14 repaid *shall* be deposited back into the Housing Trust Fund. The funds from
15 the ten percent (10%) penalty *shall* be deposited into the GHC's bank
16 account(s) for operational uses."

17 **Section 5. Severability.** *If* any provisions of this Act or the application
18 thereof to any person or circumstance is held invalid, such invalidity *shall not*
19 affect any other provision or application of this Act which can be given effect
20 without the invalid provision or application, and to this end the provisions of this
21 Act are severable.

6

I MINA' TRENTAI UNU NA LIHESLATURAN GUÅHAN

2012 (SECOND) Regular Session

Date: 6/4/12

VOTING SHEET

Bill No. 463-31(COR)

Resolution No. _____

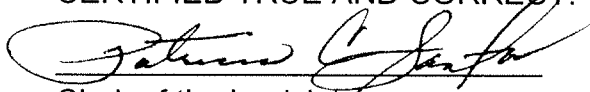
Question: _____

| <u>NAME</u> | <u>YEAS</u> | <u>NAYS</u> | <u>NOT VOTING/ ABSTAINED</u> | <u>OUT DURING ROLL CALL</u> | <u>ABSENT</u> |
|-----------------------------------|-------------|-------------|--------------------------------------|-------------------------------------|---------------|
| ADA, Thomas C. | ✓ | | | | |
| ADA, V. Anthony | ✓ | | | | |
| BLAS, Frank F., Jr. | ✓ | | | | |
| CRUZ, Benjamin J. F. | ✓ | | | | |
| DUENAS, Christopher M. | ✓ | | | | |
| GUTHERTZ, Judith Paulette | ✓ | | | | |
| MABINI, Sam | ✓ | | | | |
| MUNA-BARNES, Tina Rose | ✓ | | | | |
| PALACIOS, Adolpho Borja, Sr. | ✓ | | | | |
| PANGELINAN, vicente (ben) cabrera | | | | | EA |
| RESPICIO, Rory J. | ✓ | | | | |
| RODRIGUEZ, Dennis G., Jr. | ✓ | | | | |
| SILVA TAJERON, Mana | ✓ | | | | |
| WON PAT, Judith T. | ✓ | | | | |
| YAMASHITA, Aline A. | ✓ | | | | |

TOTAL

14 0 0 0 1

CERTIFIED TRUE AND CORRECT:


Clerk of the Legislature

* 3 Passes = No vote
EA = Excused Absence



I Mina'trentai Unu Na Liheslaturan Guåhan

Office of The Legislative Secretary

Tina Rose Muña Barnes

May 31, 2012

The Honorable Judith T. Won Pat, Ed.D.

Speaker

I Mina'trentai Unu Na Liheslaturan Guåhan

155 Hesler Place

Hagåtña, Guam 96910

VIA: The Honorable Rory J. Respicio
Chairperson, Committee on Rules

RE: Committee Report on Bill No. 463-31 (COR)

Dear Speaker Won Pat:

Transmitted herewith is the Committee Report on **Bill No. 463-31 (COR)** – “An act to adopt the **Guam Housing Corporation Administrative Rules and Regulations for the implementation of the First-Time Homeowners Assistance Program.**”

Committee votes are as follows:

| | |
|----------|---------------------------|
| <u>4</u> | TO DO PASS |
| <u>0</u> | TO NOT PASS |
| <u>5</u> | TO REPORT OUT ONLY |
| <u>0</u> | TO ABSTAIN |
| <u>0</u> | TO PLACE IN INACTIVE FILE |

Sincerely,


Tina Rose Muña Barnes
Senator



I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

**COMMITTEE
REPORT
ON**

BILL NO. 463-31 (COR)
(Sponsor: Tina Rose Muña Barnes)

**“AN ACT TO ADOPT THE GUAM
HOUSING CORPORATION
ADMINISTRATIVE RULES AND
REGULATIONS FOR THE
IMPLEMENTATION OF THE FIRST-
TIME HOMEOWNERS ASSISTANCE
PROGRAM.”**



I Mina'Trentai Unu Na Liheslaturan Guåhan


Office of The Legislative Secretary

Tina Rose Muña Barnes

May 31, 2012

MEMORANDUM

To: **All Members**
Committee on Municipal Affairs, Tourism, Housing and Recreation.

From: Senator Tina Rose Muña Barnes 
Committee Chairperson

Subject: Committee Report on Bill No. 463-31 (COR)

Transmitted herewith for your consideration is the Committee Report on **Bill No. 463-31 (COR)** – **“An act to adopt the Guam Housing Corporation Administrative Rules and Regulations for the implementation of the First-Time Homeowners Assistance Program.”**

This report includes the following:

- Committee Vote Sheet
- Committee Report Digest
- Copy of Bill No. 463-31 (COR)
- Public Hearing Sign-in Sheet
- Copies of Submitted Testimony on Bill No. 463-31 (COR)
- Copy of COR Referral of Bill No. 463-31 (COR)
- Fiscal Note for Bill No. 463-31 (COR)
- Notices of Public Hearing
- Copy of the Public Hearing Agenda

Please take the appropriate action on the attached vote sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact me.

Si Yu'os ma'åse'!

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Recreation
Vice Chairperson, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting
155 Hesler Place Hagatña, Guam 96910 [Tel: 671-472-3455/6 Fax: 671-472-3400] www.tinamunabarnes.com



I Mina'Trentai Unu Na Liheslaturan Guåhan

Office of The Legislative Secretary

Tina Rose Muña Barnes

COMMITTEE VOTING SHEET

Bill No. 463-31 (COR) – “An act to adopt the Guam Housing Corporation Administrative Rules and Regulations for the implementation of the First-Time Homeowners Assistance Program.”

| | SIGNATURE | TO PASS | TO NOT PASS | TO REPORT OUT ONLY | TO ABSTAIN DUE TO CONFLICT OF INTEREST | TO PLACE IN INACTIVE FILE |
|---|-----------|---------|-------------|--------------------|--|---------------------------|
| LEGISLATIVE SECRETARY TINA ROSE MUÑA BARNES Chairperson | | 5/31/12 | | | | |
| SPEAKER JUDITH T. WON PAT, Ed.D. Vice-Chairperson | | | | | | |
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| SENATOR V. ANTHONY ADA Minority Member | | | | 5/31/12 | | |
| SENATOR MANA SILVA TAIJERON Minority Member | | | | | | |
| SENATOR CHRISTOPHER M. DUEÑAS Minority Member | | | | 5/31/12 | | |

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Recreation

Vice Chairperson, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting

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I Mina'Trentai Unu Na Liheslaturan Guahan
Office of The Legislative Secretary
Tina Rose Muña Barnes

COMMITTEE REPORT DIGEST

I. OVERVIEW

Bill No. 463- 31(COR) was introduced on **May 22, 2012** by **_Senator Tina Rose Muña Barnes**, and was subsequently referred by the Committee on Rules to the **Committee on Municipal Affairs, Tourism, Housing and Recreation** on **May 22, 2012**.

The **Committee on Municipal Affairs, Tourism, Housing and Recreation** convened a public hearing on **Bill No. 463-31(COR)** on **Wednesday, May 30, 2012** at **6:00 PM** in *Liheslatura's* Public Hearing Room.

Public Notice Requirements

Public Hearing notices were disseminated via **e-mail** to all Senators and all main media broadcasting outlets on **Monday, May 22, 2012** (5-Day Notice), and again on **Friday, May 25, 2012** (48-Hour Notice).

Senators Present

Senator Tina Rose Muña Barnes, Chairperson
Senator Mana Silva Taijeron

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing on Bill No. 463-31 (COR) was Called-to-Order at **6:03 PM**.

Senator Muña Barnes, Chairperson: This Public Hearing from the Committee on Municipal Affairs, Tourism, Housing, and Recreation will come to order. We will hear the following bills this evening: Bill No. 463-31 (COR), an act to adopt Guam Housing Corporation administrative rules and regulations for the implementation for the First Time Home Owner's Assistance Program. I want to share that the notices as required by 5 GCA, chapter 8, section 8107 have been duly processed, first one going out on May 22nd, second notice going out on May 25th. Here before us, we will go ahead and entertain Bill 463 first. I want to share some comments on bill 463-31. I want to say that this legislation was first introduced with Senator Ben Pangelinan in a collaborative effort with the Guam Housing Corporation to adopt the rules and regulations required through Public Law 31-166 to establish the First Time Home Owner's Assistance Program and the Housing Trust Fund Act. I want to emphasize that this program does not place additional financial burden on the Government of Guam, rather the program is fully funded and administered by the Guam Housing Corporation through the newly established Housing Trust Fund will be available to qualifying applicants in the form of



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a grant. The First Time Home Owner's Assistance Program coupled with the Housing Trust Fund Act will provide qualified first time home-owners with the financial assistance to purchase or construct a home. The amount of financial assistance is 4% of eligible transaction cost of homes that are \$250,000 or below, which is inclusive of the cost of the land, down payments, and closing costs. I look forward to increasing the number of low to middle income families who can purchase a home of their own. I want to create equity and positively impact our local economy through the construction of new homes and the creation of new jobs. At this time, I want to thank the good former Speaker, Speaker Ben Pangelinan. Of course, the Guam Housing Corporation's President, Mr. Martin Benavente for their contributions in moving this important program forward. I want to say that I will continue to work along side with Guam Housing Corporation and all of our stakeholders to ensure that we assist first time home-owners and increase affordable housing for those who are willing to work for it. I'd be remised if I didn't include Mr. Topasna in that effort as he continues to work closely with Guam Housing Corporation. With that being said, here to give oral testimony, I do know that Mr. Clyde Beaver says that he supports the bill, Mr. Mike Martinez who's also here, says he supports the bill, but Mr. Benavente from Guam Housing Corporation and Mr. Ray Topasna from GHURA will present oral testimony this evening. And I also would like to, before I present the mic to Mr. Benavente, I'd like to thank my colleague Mana Silva for taking the time out to be with me this evening.

Martin Benavente, President – Guam Housing Corporation: Good evening everybody, my name is Martin Benavente and I'm the president for Guam Housing Corporation and I'm here to support the bill. As indicated in Public Law 31-166, Guam Housing was supposed to establish and publish the rules and regulations needed to implement this law, and we have done that. We have also had a public hearing on our rules and regs and now we're ready to have the legislature put that stamp of approval. I guess that vehicle that we're using would be this new bill. There was some information coming out from our legal counsel earlier at the board meeting this afternoon and he had said that changing anything on the rules gets a little bit harder when it's originated from the legislature, and he said that if the legislature wishes to soften that, then they just let the 90 day period pass by and it's implemented as is, and can be changed by the Guam Housing board of directors. But that's just information and it's still up to you how you want to handle it.

Senator Muna Barnes: Mr. Benavente, sometimes what we do is, in order for our colleagues to deliberate and look at what was already done with the AAA process



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instead of waiting for the timeline to lapse that we can go ahead and fast track it by introducing legislation to put it and deliberate.

Martin Benavente: I understand. This is within your prerogative. I'm just saying that...

Senator Muna Barnes: I just want to say that that was done and I should have noted that from the beginning and I respect that comment, but I just want to say that in order to ascertain this program sooner than later, I think it's important that our community...

Martin Benavente: And I understand. We just wanted to put that on the table. I also want to thank, we've been working on this thing for several months now, and I just want to note the efforts of Mary Guerrero and Clyde Beaver from Guam Housing Corporation for putting this packet together. Of course we helped write it and we support it, we understand it, and also we've already opened an account to hopefully start funding this down payment assistance program. It gives the people better buying power so that they can afford the Guamanian Dream, which is to own a home. We're working it in many different ways but this is just one way. What I need to do is also tell you that yes, we are funding the initial, roughly \$500,000 to the account, but after that, we need to somehow fund the trust fund, which originally was created to fund any future financing. We will come back and need your help again in funding the trust fund. 40 states have adopted that, we have adopted it, we just haven't funded the trust fund. With that, this program opens up even wider because we can say we commit the monies annually and once we start getting money into the trust fund, which we will provide you a list of ways you can fund the trust fund, and these are ways that 40 other states are doing, so it's nothing new, it's just something that we want to start on Guam so that we can further assist our people in getting their homes because from that trust fund, also comes other programs that the legislature might want to develop. Infrastructure assistance, we need help with the waterworks fee. Systems development charge; we can finance that, amortize it, use monies from there. We can almost do anything with the funds once we start putting monies into it. It's a good source. Good programs like First Time Home Owners Assistance Program comes from that. This is one of the first and we'll have a second, third, fourth different kind of bills on housing.

Senator Muna Barnes: Thank you President Benavente. Mr. Topasna, on 463, would you care to comment or support? Senator, would you like to comment or ask a question?



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Senator Silva Taijeron: Yes, just a real quick question. I'm always in support of giving the housing corporation the flexibility to make amendments and adjustments to the rules and regulations. Is there anything that you see that might need adjustments in the near future that we could make a little more flexible? Or maybe something that says it should be updated every three or five years.

Martin Benavente: Yeah, it's just keeping our doors open. Like everything else, time changes from 8-tracks to dvd's in a matter of a few years, so we're just saying when it comes time to change it, we would always have to come back to the legislature for that and it makes your work even harder. I'm just saying that because there are some things that legislators should do, but there's other things that boards and commissions can also accomplish, so I'm just saying that this gives you an opportunity to say we'll go this way or that way, I'm just presenting that as info from our legal counsel. And I wanted to mention one thing to because Mike Martinez is here. I was told today that I was illegally working because I'm on leave but I was still working today, so Mike is the acting President so he's here to just say he supports it also.

Senator Silva Taijeron: Well we thank you for your illegal free work. Just agreeing with the committee chair, sometimes things are codified just to solidify and make things happen. Sometimes if we wait for the government entity to do it, it doesn't happen. So when we mandate it, it actually happens when it's supposed to. But if we could make it a little more flexible, if there's something that we could maybe do...

Martin Benavente: I don't know, I don't think so. Mary, anything?

Senator Silva Taijeron: ...input an amendment that says come back every five years to reassess?

Martin Benavente: Yeah, I think we reviewed this and we put in our best shot. But I'm just saying that if it does need amendments, like almost everything does eventually, then we'll have to come back if that's the route you choose.

Senator Muna Barnes: Thank you Senator Taijeron. With that being said, if there are no other comments from the audience we will have called Bill No. 463-31 (COR) publically heard.

The public hearing on Bill No. 463-31 (COR) concluded at 6:35 PM.



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III. FINDINGS & RECOMMENDATIONS

The Committee on Municipal Affairs, Tourism, Housing and Recreation hereby reports out **Bill No. 463-31 (COR)**, with the recommendation *TO Report Out Only.*

MINA' TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

Bill No. 463-31 (con)

Introduced by:

T. R Muña Barnes

**AN ACT TO ADOPT THE GUAM HOUSING
CORPORATION ADMINISTRATIVE RULES AND
REGULATIONS FOR THE IMPLEMENTATION OF
THE FIRST-TIME HOMEOWNERS ASSISTANCE
PROGRAM.**

2012 MAY 9 2 PM 4:16

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Pursuant to §4705 (e) of Chapter 4, Title 12 Guam Code Annotated, the Guam Housing Corporation Administrative Rules and Regulations for the implementation of the First-Time Homeowner Assistance Program are hereby adopted.

“First-Time Homeowner Assistance Program

Article 1. General Provisions.

Article 2. Definitions.

**Article 3. First-Time Homeowner Assistance
Program.**

Article 4. Application for Assistance.

Article 5. Administration.

Article 6. Funding.

Article 1.

General Provisions.

1 **§101. Authority.** The Rules and Regulations are hereby
2 implemented pursuant to §4705(e) of Article 7, Chapter 4, Title 12 of
3 the Guam Code Annotated.

4 **§102. Scope.** The Guam Housing Corporation shall establish
5 and publish rules and regulations necessary to implement the First-
6 Time Homeowners Assistance Program as enacted by Public Law 31-
7 166.

8 **§103. Communication.** Communication concerning the First-
9 Time Homeowners Assistance Program may be made to:

10 President

11 Guam Housing Corporation

12 PO Box 3457

13 Hagåtña, Guam 96932

14 **§104. Computing Time.** The following rules apply in
15 computing any period of time specified in these rules:

16 (1) exclude the day of the act, event, or default that
17 begins the period;

18 (2) exclude intermediate Saturdays, Sundays and legal
19 holidays when the period is less than eleven (11) days;

20 (3) include the last day of the period unless it is a
21 Saturday, Sunday, legal holiday, or, if the act to be done is
22 filing a paper in court, a day on which the weather or other
23 conditions make the court clerk's office inaccessible.

24 **Article 2.**

25 **Definitions.**

1 **§201. Definitions.** The following words and phrases, when
2 used in these rules and regulations, shall have the meaning ascribed to
3 them in this section.

4 (a) *Accredited* means as recognized by the Council for
5 Higher Education Administration (CHEA); for vocational
6 schools, an accrediting agency as recognized by the
7 United States Department of Education, such as the
8 Accrediting Commission of Career Schools and Colleges
9 (ACCSC).

10 (b) *Applicant* means any individual or family who is
11 applying for first-time homeowner assistance under the
12 First-Time Homeowners Assistance Program Act (Public
13 Law 31-166).

14 (c) *Assistance* means assistance under the First-Time
15 Homeowner Assistance Program Act (Public Law 31-
16 166).

17 (d) *Commencement date* means, for the purchase of a home,
18 the date when the contract is signed between the buyer
19 and the seller. In the case of an applicant building a
20 home, the date when the construction contract for the
21 home is signed by both parties.

22 (e) *Completed* means, in reference to a completion date for
23 an eligible transaction and in the case of an applicant
24 purchasing a home, the date the purchaser becomes
25 entitled to possession of the home under the contract and
26 if the purchaser is to obtain a registered title to the land
27 on which the home is situated, the necessary steps to

1 obtain registration of the title have been taken in
2 reference to an applicant building a home, the building is
3 ready for occupancy as identified by the issuance of a
4 certificate of occupancy by the Guam Department of
5 Public Works, or the execution of a contract for the
6 purchase of a home, whichever occurs first.

7 (f) *Comprehensive home building contract* means a contract
8 under which a builder undertakes to build a home on
9 land, from the inception of the building work to the point
10 where the home is ready for occupation; and if, for any
11 reason, the work to be carried out under such a contract is
12 not completed, includes any further contract under which
13 the work is to be completed.

14 (g) *Construction cost* means the final and total amount paid,
15 or to be paid, by a homeowner for the construction of a
16 home, and shall include all monies paid for labor and
17 material, contractor's fees, fees of an architect and
18 engineer, survey costs, utility hook-up costs, broker's
19 commissions and attorney fees.

20 (h) *Down payment* means the equity requirements of the
21 homeowner needed to initiate the mortgage for the
22 purchase or construction of a home. It shall include
23 points and fees charged by the financial institution.

24 (i) *Eligibility criteria* mean a natural person who is a United
25 States citizen or a permanent resident alien and who has
26 been a resident of Guam for a period of not less than five
27 (5) years immediately preceding the commencement date

1 of the eligible transaction for which the applicant is
2 applying and otherwise meet the requirements of
3 §4703(b) of Article 7, Chapter 4, Title 12 of the Guam
4 Code Annotated.

5 (j) *Eligible transaction* means a contract for the purchase of
6 a home in Guam the cost of which shall not exceed Two
7 Hundred Fifty Thousand Dollars \$250,000.00 inclusive
8 of any down payment and closing cost. An eligible
9 transaction shall also include a home building contract
10 made by the owner of land, or a person who will on
11 completion of the building contract and closing of the
12 loan be the owner of the land, to have a home built on
13 that land the contract price of which shall not exceed
14 Two Hundred Fifty Thousand Dollars \$250,000.00
15 inclusive of any down payment, the cost of the land and
16 closing cost.

17 (k) *Family* means two (2) or more persons related by blood,
18 adoption or marriage, living together as a household.

19 (l) *First time homeowner* means any individual or family
20 who has not had any ownership interest in a home within
21 the five (5) years preceding the commencement date of
22 an eligible transaction for which the first-time
23 homeowner is applying.

24 (m) *Financial institution* means any financial
25 institution authorized to make mortgage loans on Guam,
26 as approved by the Guam Housing Corporation.

1 (n) *Full time basis* means the minimum of twelve (12) or
2 more credit hours per semester or quarter equivalent to
3 twelve (12) semester hours, for degree-seeking
4 undergraduate or graduate studies; for vocational schools,
5 the minimum credits or hours or its equivalent per,
6 semester or quarter or equivalent term, necessary for the
7 school to certify full-time status.

8 (o) *GHC* means the Guam Housing Corporation, its officers,
9 employees, agents and designees.

10 (p) *Home* means a permanent, single family dwelling, or
11 single family condominium or town house, but does not
12 include semi-permanent dwellings made of wood and tin,
13 and is to be physically occupied by the homeowner on a
14 regular and continuous basis and in which the
15 homeowner intends to exclusively reside.

16 (q) *Natural person* means a human being.

17 (r) *Land cost* means costs to purchase land toward the
18 construction of a home.

19 (s) *Off-island institution of higher learning* means a United
20 States Department of Education accredited vocational
21 school, college or university not physically located in
22 Guam.

23 (t) *Occupancy requirement* means the requirement that an
24 applicant for First-time Homeowner Assistance must
25 occupy the home to which the application relates as the
26 applicant's principal place of residence within six (6)
27 months after the completion of the eligible transaction.

1 (u) *Owner* means the person who has the absolute dominion
2 over the property, and may use it or dispose of it
3 according to his or her pleasure, subject only to general
4 laws.

5 (v) *Spouse* is the person who is legally married to the owner.

6 **§202. Construction.** Unless specifically stated otherwise, in
7 these rules and regulations pronouns of either gender apply equally to
8 the other gender, the singular of a noun includes the plural and the
9 plural includes the singular, and phrases in the conjunctive include the
10 disjunctive.

11 **Article 3.**

12 **First-Time Homeowner Assistance Program.**

13 **§301. Entitlement to Assistance.** Eligible applicants engaged
14 in eligible transactions may receive assistance under the First-Time
15 Homeowners Assistance Program.

16 **§302. Eligibility Criteria.** Subject to the requirements of
17 Section 4703 of Article 7, Chapter 4, Title 12 of the Guam Code
18 Annotated, United States citizens and permanent resident aliens who
19 are residents of Guam are eligible for assistance.

20 **§303. Who is a Resident of Guam.** For purposes of this
21 program, a resident of Guam is a United States citizen or permanent
22 resident alien who has been a bona fide resident of Guam for not less
23 than five (5) years immediately preceding the commencement date of
24 the eligible transaction for which the applicant is applying. Indicia of
25 residence on Guam shall include, but not be limited to, payment of

1 Guam personal income taxes, or filing of tax returns, as evidenced by
2 a certification from the Department of Revenue and Taxation
3 evidencing payment or filing of tax returns for the five calendar years
4 immediately preceding the commencement date of the eligible
5 transaction, maintaining and occupying, but not owning, a home or
6 other living accommodation on Guam as evidenced by a lease
7 agreement(s) or other documentation for the five calendar years
8 immediately preceding the commencement date of the eligible
9 transaction, having temporarily departed Guam with the intention of
10 returning and not being registered to vote in any other jurisdiction
11 since departing Guam, and/ or being a registered voter on Guam for
12 the five calendar years immediately preceding the commencement
13 date of the eligible transaction as evidenced by a certification from the
14 Guam Election Commission.

15 **§303 (a). Exceptions.** An applicant who has not been a
16 bona fide resident of Guam for not less than five (5) years
17 immediately preceding the commencement date of the eligible
18 transaction for which the applicant is applying may nevertheless
19 qualify if his failure to meet the residency requirement was due to
20 active service in a United States armed force or attendance at an off-
21 island institution of higher learning provided he was a five (5) year
22 resident for the period immediately preceding such active duty or
23 education.

24 **§303 (b). Home Ownership Education Program.** All
25 applicants must attend and complete a home ownership education
26 workshop as approved of or provided by GHC.

1 **§303 (c). Fees.** If the GHC provides the Home Ownership
2 Education Program, all applicants shall pay a fee in the amount of up
3 to Seventy-Five Dollars (\$75.00), payable by the applicant at the time
4 of closing, to allay costs of the program.

5 **§304. Preference.** Demand for assistance by United States
6 citizens shall be satisfied before considering applications for
7 assistance from otherwise eligible permanent resident aliens.

8 **§304 (a). Order.** Applications for assistance shall be
9 considered in the order received by the GHC.

10 **§305. When Demand is Satisfied.** Demand for assistance by
11 United States citizens shall be deemed satisfied when there remains
12 funds available to award assistance to a permanent resident alien after
13 subtracting from the program funds the amount of all acceptable and
14 payable applications filed with the GHC from United States citizens.
15 In the event the application for assistance of a resident permanent
16 alien is under consideration and demand becomes unsatisfied, the
17 permanent resident alien's application shall still be considered in the
18 same manner as that of a United States citizen.

19 **§306. Affidavit of Occupancy.** Within six (6) months of the
20 completion of the eligible transaction, an applicant must file with the
21 GHC an affidavit, in a form approved by the GHC, evidencing their
22 occupancy of the home to which the application relates as the
23 applicant's principal place of residence. As part of the application,
24 the applicant must agree that in the event he fails to file such an
25 affidavit, then applicant will pay to the GHC an administrative penalty
26 in the amount of ten per centum (10%) of the amount disbursed in
27 addition to filing an affidavit.

1 **§307. Eligible Transaction Amount.** The amount of an
2 eligible transaction shall be no more than Two Hundred Fifty
3 Thousand Dollars \$250,000.00 inclusive of any down payment, land
4 purchase cost and closing cost.

5 **§307 (a). Adjustment.** The amount of an eligible
6 transaction may be raised or lowered by resolution of the Board of
7 Directors of the Guam Housing Corporation to reflect changes in
8 market price and based at least in part upon a determination of the
9 median home price on Guam.

10 **§307 (b). Determining Median Housing Price.** The Board
11 of Directors of the Guam Housing Corporation shall, but not less than
12 every five (5) years commencing from the date *I Maga'låhen Guåhan*
13 signed Public Law 31-166 into law, conduct a study to determine the
14 median home price on Guam.

15 **Article 4.**

16 **Application for Assistance.**

17 **§401. Application for Assistance.** Applications for assistance
18 under the program must be made on forms, and in the manner,
19 provided by the GHC.

20 **§401 (a). Approved forms are appended hereto.** Forms
21 are subject to revision and amendment as deemed necessary by the
22 Guam Housing Corporation.

23 **§402. Time for Application.** Applications for assistance can
24 be made on or after the commencement date of the eligible transaction
25 and before the eligible transaction is completed.

1 **§402 (a). Applications Out of Time.** In no event may an
2 application for assistance made before the commencement date or
3 after the date the eligible transaction is completed be treated as timely.

4 **§403. Disqualification from the Program.** Any applicant
5 who intentionally supplies false information as part of the application
6 for assistance shall be disqualified from assistance under the program.

7 **§403 (a). Recovery of Disbursed Funds.** If the GHC has
8 disbursed funds to an applicant who is shown to have intentionally
9 submitted false information, the GHC shall recover those funds
10 through a civil action or otherwise.

11 **§403 (b). Recoupment and Penalty.** As part of the
12 application, the applicant must agree that in the event he has
13 intentionally submitted false information in support of his application,
14 then applicant will reimburse the GHC in the amount of assistance
15 disbursed and pay an administrative penalty in the amount of ten per
16 centum (10%) of the amount disbursed. This recoupment and penalty
17 is in addition to, and not in place of, any other civil or criminal
18 penalty or cause of action.

19 **§404. Denial of an Application.** Where the GHC denies an
20 application for assistance, it shall notice the applicant within thirty
21 (30) days following the date of receipt of the application.

22 **§404 (a). Notice.** Notice to an applicant is deemed complete
23 upon actual service to the applicant or upon deposit of the notice for
24 delivery with the United States Postal Service to the applicant's last,
25 best known address. Applicant shall be conclusively presumed to
26 have received the notice upon actual service or on the third day

1 following deposit of the notice with the United States Postal Service,
2 or whichever date is the earlier.

3 **§404 (b). Address.** An applicant's last, best known address
4 is that address last provided to the GHC on the application for
5 assistance.

6 **§405. Participation of Financial Institution.** The Guam
7 Housing Corporation shall develop and maintain a list of financial
8 institutions authorized to participate in this program. Each such
9 financial institution must be an approved Freddie Mac, Fannie Mae,
10 FHA, Rural Development or Veteran's Administration lender to
11 participate in this program.

12 **Article 5.**

13 **Administration.**

14 **§501. Certificate of First-time Homeownership.** GHC shall
15 issue a Certificate of First-time Homeownership (Certificate) to
16 eligible applicants. Eligible Applicants are those applicants that meet
17 the requirements of Article 3 of these Rules and Regulations

18 **§501 (a). Transferability.** Certificates *shall not* be
19 transferable, *except* between joint holders of an original Certificate,
20 and it *shall not* be transferred to a new and separate home. In case of
21 the death of the holder of an original Certificate, the Certificate *shall*
22 terminate, unless the home covered by the Certificate becomes the
23 home of the decedent's heirs, and they acquire the title to the property
24 within two (2) years of the death.

25 **§502. Amount of Assistance.** The amount of the First-time
26 Homeowner Assistance is four percent (4%) of the eligible
27 transaction.

1 **§502 (a). Payment of Assistance.** First-time Homeowner
2 Assistance shall be paid by electronic funds transfer, by check, or in
3 any other way the GHC finds appropriate. First-time Homeowner
4 Assistance *shall* be paid to the financial institution authorized by the
5 GHC and selected by the applicant which has approved a mortgage
6 loan or construction loan for the applicant for an eligible transaction.

7 **§502 (b). Payment in Anticipation of Compliance with**
8 **Occupancy Requirement.** The GHC may authorize payment of
9 First-time Homeowner Assistance in anticipation of compliance with
10 the occupancy requirement. If the occupancy requirement is *not*
11 complied with, the applicant must, within fifteen (15) days after the
12 relevant date, give written notice of that fact to the GHC and repay the
13 amount of assistance. The relevant date is the earlier of the following:

14 (1) the end of the period allowed for compliance with the
15 occupancy requirement; or

16 (2) the date on which it first becomes apparent that the
17 occupancy requirement will *not* be complied with during the
18 period allowed for compliance.

19 **§502 (b). Repayment of Assistance.** A first-time
20 homeowner shall repay to the Housing Trust Fund an amount equal to
21 the total assistance received by the homeowner with interest at the rate
22 of ten percent (10%) per annum if, within five (5) years after receipt
23 of the assistance, the home is:

24 (1) transferred or conveyed;

25 (2) sold; or

26 (3) occupied exclusively by any individual or individuals
27 other than the homeowner or the homeowner's children.

1 **Article 6.**

2 **Funding.**

3 **§601. Funding.** The GHC shall provide the funding source for
4 the First-time Homeowner Assistance Program from its current
5 revenues and/or income.

6 **§601 (a). Funding Source.** Five Hundred Thousand Dollars
7 (\$500,000) is appropriated from the GHC annual revenues and/or
8 income to the Fund as seed capital for the First-Time Homeowners
9 Assistance Program. If the GHC annual operating revenue and/or
10 income are not sufficient to fully fund the seed capital, such seed
11 capital is hereby appropriated from the GHC fund balance or its
12 equivalent.

13 **§601 (b). Continuing Funding.** For the fiscal years
14 thereafter, up to Five Hundred Thousand Dollars (\$500,000) is hereby
15 appropriated from the GHC's annual revenues as needed to ensure the
16 reserved balance of the Fund is *at least* Five Hundred Thousand
17 Dollars (\$500,000) at the beginning of each fiscal year. If the GHC's
18 annual revenues and/or income are not sufficient to provide the
19 funding in any fiscal year, the difference between what is required and
20 what is appropriated from the GHC's annual revenues and/or income,
21 is hereby appropriated from the GHC's fund balance or its
22 equivalent.”

23 **Section 2.** Section 4702(b) of Article 7, Chapter 4, Title 12 of the
24 Guam Code Annotated is hereby *amended* to read as follows:

25 “(b) *Applicant* means any individual or family who is applying for
26 First-time Homeowner Assistance ~~Relief~~,”

1 **Section 3.** Section 4704(i) of Article 7, Chapter 4, Title 12 of the
2 Guam Code Annotated is hereby *amended* to read as follows:

3 “Any applicant who intentionally supplies false information on the
4 application for assistance under this Act *shall* automatically be disqualified
5 from the First-time Homeowner Assistance Program. In the event that funds
6 are disbursed on behalf of such an applicant, the applicant *shall* be assessed
7 a penalty of ten percent (10%), in addition to repaying the amount disbursed
8 by the GHC. The funds that were disbursed on behalf of such an applicant
9 that are repaid *shall* be deposited back into the ~~First-time Homeowner~~
10 ~~Assistance-Housing Trust Fund~~. The funds from the ten percent (10%)
11 penalty *shall* be deposited into the GHC’s bank account(s) for operational
12 uses.”

13 **Section 4.** Section 4705(f) of Article 7, Chapter 4, Title 12 of the
14 Guam Code Annotated is hereby *amended* to read as follows:

15 “(f) Repayment of Assistance. A first-time homeowner *shall* repay to
16 the ~~First-time Homeowner Assistance-Housing Trust Fund~~ an amount equal
17 to the total assistance received by the homeowner with interest at the rate of
18 ten percent (10%) per annum if, within five (5) years after receipt of the
19 assistance, the home is:”

20 **Section 5. Effective Date.** This Act shall be effective upon
21 enactment into law.

22 **Section 6. Severability.** If any provisions of this Act or the
23 application thereof to any person or circumstance is held invalid, such
24 invalidity *shall* not affect any other provision or application of this Act
25 which can be given effect without the invalid provision or application, and to
26 this end the provisions of this Act are severable.

Wednesday, May 30, 2012 • 6:00 p.m. • Public Hearing Room

[illegible]

Bureau of Budget & Management Research
Fiscal Note of Bill No. 463-31 (COR)

AN ACT TO ADOPT THE GUAM HOUSING CORPORATION ADMINISTRATIVE RULES AND REGULATIONS FOR THE IMPLEMENTATION OF THE FIRST-TIME HOMEOWNERS ASSISTANCE PROGRAM.

Department/Agency Appropriation Information

| | |
|---|--|
| Dept./Agency Affected: Guam Housing Corporation | Dept./Agency Head: Martin C. Benavente |
| Department's General Fund (GF) appropriation(s) to date: | - |
| Department's Other Fund (Specify) appropriation(s) to date: | - |
| Total Department/Agency Appropriation(s) to date: | \$0 |

Fund Source Information of Proposed Appropriation

| | General Fund: | Guam Housing Corporation Fund | Total: |
|--|---------------|-------------------------------|------------|
| FY 2011 Unreserved Fund Balance ¹ | | \$0 | \$0 |
| FY 2012 Adopted Revenues | \$0 | \$0 | \$0 |
| FY 2012 Appro. (P.L. 31-75 & 31-77) | \$0 | \$0 | \$0 |
| Sub-total: | \$0 | \$0 | \$0 |
| Less appropriation in Bill | \$0 | \$0 | \$0 |
| Total: | \$0 | \$0 | \$0 |

Estimated Fiscal Impact of Bill

| | One Full Fiscal Year | For Remainder of FY 2012 (if applicable) | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
|-------------------------------|----------------------|--|------------|------------|------------|------------|
| General Fund | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Guam Housing Corporation Fund | 1/ | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total | 1/ | \$0 | \$0 | \$0 | \$0 | \$0 |

1. Does the bill contain "revenue generating" provisions? 1/ / / Yes / / No
 If Yes, see attachment
2. Is amount appropriated adequate to fund the intent of the appropriation? /X/ N/A / / Yes / / No
 If no, what is the additional amount required? \$ /X/ N/A
3. Does the Bill establish a new program/agency? / / Yes /X/ No
 If yes, will the program duplicate existing programs/agencies? / / N/A / / Yes /X/ No
 Is there a federal mandate to establish the program/agency? / / Yes /X/ No
4. Will the enactment of this Bill require new physical facilities? / / Yes /X/ No
5. Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: /X/ Yes / / No
 // Requested agency comments not received by due date / / Other:

Analyst: A. Flores, BMA IV Date: 6/1/12 Director: John A. Rios, Director Date: JUN 01 2012

Footnotes:

The proposed legislation is to adopt the Guam Housing Corporation Administrative Rules and Regulations. This is pursuant to §4705(e), Article 7, Chapter 4, Title 12 of the Guam Code Annotated, as amended under P.L. 31-166:2 and enacted Jan. 4, 2012. The bill may entail an additional impact to the Guam Housing Corporation Fund, however, in its present form that impact cannot be determined at this time.



COMMITTEE ON RULES

I Mina'trentai Unu na Liheslaturan Guåhan • The 31st Guam Legislature
155 Hesler Place, Hagåtña, Guam 96910 • www.guamlegislature.com
E-mail: roryforguam@gmail.com • Tel: (671)472-7679 • Fax: (671)472-3547

Senator
Rory J. Respicio
CHAIRPERSON
MAJORITY LEADER

Senator
Judith P. Guthertz
VICE CHAIRPERSON
ASST. MAJORITY LEADER

MAJORITY MEMBERS:

Speaker
Judith T. Won Pat

Vice Speaker
Benjamin J. F. Cruz

Senator
Tina Rose Muña Barnes
LEGISLATIVE SECRETARY
MAJORITY WHIP

Senator
Dennis G. Rodriguez, Jr.
ASST. MAJORITY WHIP

Senator
Thomas C. Ada

Senator
Adolpho B. Palacios, Sr.

Senator
vicente c. pangelinan

MINORITY MEMBERS:

Senator
Aline A. Yamashita
ASST. MINORITY LEADER

Senator
Christopher M. Duenas

May 22, 2012

MEMORANDUM

To: Pat Santos
Clerk of the Legislature

Attorney Therese M. Terlaje
Legislative Legal Counsel

From: Senator Rory J. Respicio
Majority Leader & Rules Chair

Subject: Referral of Bill Nos. 462-31 (COR) & 463-31 (COR)

As the Chairperson of the Committee on Rules, I am forwarding my referral of Bill Nos. 462-31 (COR) and 463-31 (COR).

Please ensure that the subject bills are referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Unu na Liheslaturan Guåhan*.

Should you have any questions, please feel free to contact our office at 472-7679.

Si Yu'os Ma'åse!

(2) Attachment

I Mina'Trentai Unu Na Liheslaturan Guahan

Bill Log Sheet

| BILL NOS. | SPONSOR | TITLE | DATE INTRODUCED | DATE REFERRED | 120 DAY DEADLINE | CMTE REFERRED | PUBLIC HEARING DATE | DATE COMMITTEE REPORT FILED | STATUS |
|--------------|------------------|--|-------------------|---------------|------------------|---|---------------------|-----------------------------|--------|
| 463-31 (COR) | T. R Muña Barnes | AN ACT TO ADOPT THE GUAM HOUSING CORPORATION ADMINISTRATIVE RULES AND REGULATIONS FOR THE IMPLEMENTATION OF THE FIRST-TIME HOMEOWNERS ASSISTANCE PROGRAM | 5/22/12 4:16 p.m. | 5/22/12 | | Committee on Municipal Affairs, Tourism, Housing and Recreation | | | |



I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

May 22, 2012

Memorandum

TO: All Members/All Senators

FROM: Senator Tina Rose Muña Barnes *✍*

SUBJECT: First Notice of Public Hearing
Wednesday, May 30, 2012

Hafa Adai!

The Committee on Municipal Affairs, Tourism, Housing and Recreation will be conducting a public hearing on **Wednesday, May 30, 2012** in the Legislature's Public Hearing Room, beginning at 6:00 p.m. This hearing is scheduled to receive public testimony on the following:

- **Bill No. 463-31 (COR)** An act to adopt the Guam Housing Corporation Administrative Rules and Regulations for the implementation of the First-Time Homeowners Assistance Program

- **Bill No. 458-31 (COR)** An act to repeal and re-enact Section 4 of Public Law 31-209, relative to the transfer of parcels in the Sagan Linahyan Subdivision, Dededo, Guam

Written testimonies may be submitted on the day of, prior to, or up to ten days after the public hearing to the Office of Senator Tina Rose Muña Barnes, 155 Hesler Place, Hagatña Guam 96910, via facsimile to 472-3400 or via email to senator@tinamunabarnes.com. We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or accommodations please contact Jeanenne Cordero or John Blas from our office at 472-3455/6 or via email at jean@tinamunabarnes.com or jblas@tinamunabarnes.com. I look forward to your attendance and participation.

Si Yu'os Ma'åse'!

cc: Sergeant-At-Arms/Protocol/AV
Clerk of the Legislature
MIS
All Media

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Recreation
Vice Chairperson, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting
155 Hesler Place Hagatña, Guam 96910 [Tel: 671-472-3455/6 Fax: 671-472-3400] www.tinamunabarnes.com



Jean Cordero <jean@tinamunabarnes.com>

First Notice of Public Hearing

10 messages

Jean Cordero <jean@tinamunabarnes.com>

Tue, May 22, 2012 at 4:59 PM

To: phnotice@guamlegislature.org

Cc: Regine Lee <regine@tinamunabarnes.com>, John Blas <jblas@tinamunabarnes.com>, Uriah Perez <uriah@tinamunabarnes.com>

Hafa adai all! Please see attached memo of First Notice of Public Hearing on Wednesday, May 30, 2012 at 6:00 p.m. in the Public Hearing Room. Thank you!

--
Jeanenne P. Cordero "Jean"

Office Manager

Office of Senator Tina Rose Muna Barnes

Tel: 671-472-3455/6

Fax: 671-472-3400

e-mail: jean@tinamunabarnes.com



First Notice.pdf

59K

Regine B. Lee (Office of Senator Tina Muna Barnes)

<regine@tinamunabarnes.com>

Tue, May 22, 2012 at 5:15

PM

To: Jean Cordero <jean@tinamunabarnes.com>

You're a rockstar!

Thanks so much for your help, Jean!!

The Senator still wants to do expedite the Sagan Linahyan bill & will need a letter to the Speaker requesting it be put on as emergency legislation, so we dont lose out on \$600,000 in grant funding. Can you send me a template or draft tomorrow?

Thanks again! *regine

[Quoted text hidden]

--
Regine Biscoe Lee

Chief of Staff

Office of Senator Tina Rose Muña Barnes

Committee on Municipal Affairs, Tourism, Housing and Recreation

155 Hessler Place | Hagåtña, Guam 96910

(W) 671.472.3455/6 | (F) 671.472.3400

email:regine@tinamunabarnes.com

*Please consider the environment before printing this email.

jean@tinamunabarnes.com <jean@tinamunabarnes.com>

Tue, May 22, 2012 at 5:17 PM

Reply-To: jean@tinamunabarnes.com

To: "Regine B. Lee (Office of Senator Tina Muna Barnes)" <regine@tinamunabarnes.com>

I'll write a letter first thing tomorrow to be dated thursday cuz that's when the speaker returns.

[Quoted text hidden]

Sent from my BlackBerry® wireless device

regine@tinamunabarnes.com <regine@tinamunabarnes.com>

Tue, May 22, 2012 at 5:30 PM

Reply-To: regine@tinamunabarnes.com

To: Jean Cordero <jean@tinamunabarnes.com>

Sounds good. If Senator is ok w/ manenggong agenda, can you please print enough for attendees?

Thanks, OMG! :)

Sent from my BlackBerry® smartphone

www.blackberry.com

[Quoted text hidden]

jean@tinamunabarnes.com <jean@tinamunabarnes.com>

Tue, May 22, 2012 at 5:48 PM

Reply-To: jean@tinamunabarnes.com

To: regine@tinamunabarnes.com

Did u send me the agends?

Sent from my BlackBerry® wireless device

[Quoted text hidden]

regine@tinamunabarnes.com <regine@tinamunabarnes.com>

Tue, May 22, 2012 at 6:00 PM

Reply-To: regine@tinamunabarnes.com

To: Jean Cordero <jean@tinamunabarnes.com>

I believe so. Let me know if u didn't get it & ill resend. *regine

Sent from my BlackBerry® smartphone

www.blackberry.com

-----Original Message-----

From: jean@tinamunabarnes.com

[Quoted text hidden]

jean@tinamunabarnes.com <jean@tinamunabarnes.com>

Tue, May 22, 2012 at 6:30 PM

Reply-To: jean@tinamunabarnes.com

To: regine@tinamunabarnes.com

I received it so I'll print it in the morning. Thank you!

Sent from my BlackBerry® wireless device

-----Original Message-----

From: regine@tinamunabarnes.com

[Quoted text hidden]

regine@tinamunabarnes.com <regine@tinamunabarnes.com>

Tue, May 22, 2012 at 6:39 PM

Reply-To: regine@tinamunabarnes.com

To: Jean Cordero <jean@tinamunabarnes.com>

Awesome. Thanks again!

Sent from my BlackBerry® smartphone

www.blackberry.com

-----Original Message-----

From: jean@tinamunabarnes.com

[Quoted text hidden]

jean@tinamunabarnes.com <jean@tinamunabarnes.com>
Reply-To: jean@tinamunabarnes.com
To: regine@tinamunabarnes.com

Tue, May 22, 2012 at 6:44 PM

No problem girl! We r a TEAM!
Sent from my BlackBerry® wireless device

-----Original Message-----

From: regine@tinamunabarnes.com

[Quoted text hidden]

Adam Bearce <adam@guamlegislature.org>

To: Jean Cordero <jean@tinamunabarnes.com>, Yong Pak <yong@guamlegislature.org>

Wed, May 23, 2012 at 8:28 AM

Hi. This is now posted.

On Tue, May 22, 2012 at 4:59 PM, Jean Cordero <jean@tinamunabarnes.com> wrote:

[Quoted text hidden]

Listserv: phnotice@guamlegislature.org

As of Jan. 30, 2012

| | |
|--------------------------------------|---------------------------------------|
| aguon4guam@gmail.com | julian@senatorpalacios.com |
| alerta.jermaine@gmail.com | leonguerrero.angela@gmail.com |
| aline4families@gmail.com | lou4families@gmail.com |
| ataylor.senatordrodriguez@gmail.com | louise_atalig@yahoo.com |
| audrey@judiwonpat.com | markaflague@gmail.com |
| baza.matthew@gmail.com | maryfejeran@gmail.com |
| berlene@senatorpalacios.com | mcarlson@guamlegislature.org |
| bruce.lloyd.media@gmail.com | mis@guamlegislature.org |
| candasofrank@gmail.com | msuarez.senatordrodriguez@gmail.com |
| chechsantos@gmail.com | mtorres.senatordrodriguez@gmail.com |
| cherbert.senatordrodriguez@gmail.com | myracle.m@senatormabini.com |
| cipo@guamlegislature.org | nsantos@senatorada.org |
| clerks@guamlegislature.org | office@senatorada.org |
| colleen@judiwonpat.com | oliviampalacios@gmail.com |
| cor@guamlegislature.org | peterlg@gmail.com |
| cyrus@senatorada.org | phillipsguam@gmail.com |
| doc.wyttenbachsantos@gmail.com | pris@senatorpalacios.com |
| duenasenator@gmail.com | regine@tinamunabarnes.com |
| edleonguerrero@gmail.com | rfteehan@yahoo.com |
| edpocague@judiwonpat.com | rob.tupaz@gmail.com |
| edwardglee671@yahoo.com | roryforguam@gmail.com |
| elaine@tinamunabarnes.com | Santos.duenas@gmail.com |
| etajalle@guamlegislature.org | sem@guamlegislature.org |
| evelyn4families@gmail.com | senator@senatorbjcruz.com |
| faith.r@senatormabini.com | senator@senatorpalacios.com |
| faith.r@senatormabini.com | senator@tinamunabarnes.com |
| fbtorres@judiwonpat.com | senatordrodriguez@gmail.com |
| floterlaje@gmail.com | senatormabini@senatormabini.com |
| frank.blasjr@gmail.com | senatorsam@senatormabini.com |
| gavin@tinamunabarnes.com | senatortonyada@guamlegislature.org |
| guamnativesun@yahoo.com | senbenp@guam.net |
| jamespcastro@gmail.com | sgrarmes@guamlegislature.org |
| jane@tinamunabarnes.com | speaker@judiwonpat.com |
| jason@senatorpalacios.com | tanya4families@gmail.com |
| jcamacho@senatorada.com | tcastro@guam.net |
| jean@tinamunabarnes.com | telo.taitague@guam.gov |
| jeff.m@senatormabini.com | tinaokada@gmail.com |
| jennifer@senatorpalacios.com | tom@senatorada.org |
| jimespaldon@yahoo.com | tterlaje@guam.net |
| jmesngon.senatordrodriguez@gmail.com | uriah@tinamunabarnes.com |
| john.calvo@noaa.gov | val.g@senatormabini.com |
| jtenorio@guamcourts.org | vkoriyama.senatordrodriguez@gmail.com |
| judiguthertz@gmail.com | wilcastro671@gmail.com |



Jean Cordero <jean@tinamunabarnes.com>

First Notice of Public Hearing

3 messages

Jean Cordero <jean@tinamunabarnes.com>

Tue, May 22, 2012 at 5:00 PM

To: amier@mvguam.com, clynt@spbgum.com, dcrisost@guampdn.com, dmgeorge@guampdn.com, editor@mvguam.com, egthompson@guampdn.com, jason@kuam.com, jtyquiengco@spbgum.com, kstokish@gmail.com, kstone@ite.net, life@guampdn.com, mabuhaynews@yahoo.com, mindy@kuam.com, news@guampdn.com, news@spbgum.com, nick.delgado@kuam.com, rlimtiaco@guampdn.com, sabrina@kuam.com, slimtiaco@guampdn.com, telo.taitague@guam.gov, zita@mvguam.com, "mpieper@guampdn.com" <mpieper@guampdn.com>, "officemanager@hitradiol00.com" <officemanager@hitradiol00.com>, "ricknauta@hitradiol00.com" <ricknauta@hitradiol00.com>

Hafa adai all! Please see attached memo of First Notice of Public Hearing on Wednesday, May 30, 2012 at 6:00 p.m. in the Public Hearing Room. Thank you!

--

Jeanenne P. Cordero "Jean"

Office Manager

Office of Senator Tina Rose Muna Barnes

Tel: 671-472-3455/6

Fax: 671-472-3400

e-mail: jean@tinamunabarnes.com



First Notice.pdf

59K

MAILER-DAEMON@pobox.ite.net <MAILER-DAEMON@pobox.ite.net>

Tue, May 22, 2012 at 5:00 PM

To: jean@tinamunabarnes.com

Hi. This is the qmail-send program at pobox.ite.net.
I'm afraid I wasn't able to deliver your message to the following addresses.
This is a permanent error; I've given up. Sorry it didn't work out.

<kstone@ite.net>:

maildrop: maildir over quota.

--- Below this line is a copy of the message.

Return-Path: <jean@tinamunabarnes.com>

Received: (qmail 18895 invoked from network); 22 May 2012 17:00:18 +1000

Received: from unknown (HELO otherguy.pti1.com) (172.17.0.13)

by pobox.ite.net with SMTP; 22 May 2012 17:00:18 +1000

Received: (qmail 7274 invoked from network); 22 May 2012 17:00:18 +1000

Received: by simscan 1.4.0 ppid: 7249, pid: 7252, t: 8.1092s

scanners: clamav: 0.97/m:54/d:14945 spam: 3.2.5

X-Spam-Checker-Version: SpamAssassin 3.2.5 (2008-06-10) on otherguy.pti1.com

X-Spam-Level:

X-Spam-Status: No, score=-22.3 required=8.5 tests=AWL,BAYES_00,HTML_MESSAGE,

RCVD_IN_DNSWL_LOW,SPF_CHECK_NONE autolearn=ham version=3.2.5

Received: from mail-yw0-f45.google.com (209.85.213.45)

by otherguy.pti1.com with SMTP; 22 May 2012 17:00:10 +1000

Received-SPF: none (otherguy.pti1.com: domain at tinamunabarnes.com does not designate permitted sender)



Jean Cordero <jean@tinamunabarnes.com>

First Notice of Public Hearing

1 message

Jean Cordero <jean@tinamunabarnes.com>

Tue, May 22, 2012 at 5:01 PM

To: martin.benavente@ghc.guam.gov, rtopasna@ghura.org, Millie Taitano <mtaitano@ghura.org>

Hafa adai all! Please see attached memo of First Notice of Public Hearing on Wednesday, May 30, 2012 at 6:00 p.m. in the Public Hearing Room. Thank you!

--

Jeanenne P. Cordero "Jean"

Office Manager

Office of Senator Tina Rose Muna Barnes

Tel: 671-472-3455/6

Fax: 671-472-3400

e-mail: jean@tinamunabarnes.com



First Notice.pdf

59K



I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

May 25, 2012

Memorandum

TO: All Members/All Senators

FROM: Senator Tina Rose Muña Barnes

SUBJECT: Second Notice of Public Hearing
Wednesday, May 30, 2012

Hafa Adai!

The Committee on Municipal Affairs, Tourism, Housing and Recreation will be conducting a public hearing on **Wednesday, May 30, 2012** in the Legislature's Public Hearing Room, beginning at 6:00 p.m. This hearing is scheduled to receive public testimony on the following:

- **Bill No. 463-31 (COR)** An act to adopt the Guam Housing Coporation Administrative Rules and Regulations for the implementation of the First-Time Homeowners Assistance Program
- **Bill No. 458-31 (COR)** An act to repeal and re-enact Section 4 of Public Law 31-209, relative to the transfer of parcels in the Sagan Linahyan Subdivision, Dededo, Guam

Written testimonies may be submitted on the day of, prior to, or up to ten days after the public hearing to the Office of Senator Tina Rose Muña Barnes, 155 Hesler Place, Hagatña Guam 96910, via facsimile to 472-3400 or via email to senator@tinamunabarnes.com. We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or accommodations please contact Jeanenne Cordero or John Blas from our office at 472-3455/6 or via email at jean@tinamunabarnes.com or jblas@tinamunabarnes.com. I look forward to your attendance and participation.

Si Yu'os Ma'åse'!

cc: Sergeant-At-Arms/Protocol/AV
Clerk of the Legislature
MIS
All Media

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Recreation
Vice Chairperson, Committee on Youth, Cultural Affairs, Procurement, General Government Operations and Public Broadcasting
155 Hesler Place Hagatña, Guam 96910 [Tel: 671-472-3455/6 Fax: 671-472-3400] www.tinamunabarnes.com



Jean Cordero <jean@tinamunabarnes.com>

Second Notice of Public Hearing

3 messages

Jean Cordero <jean@tinamunabarnes.com>

Fri, May 25, 2012 at 11:40 AM

To: phnotice@guamlegislature.org

Cc: Regine Lee <regine@tinamunabarnes.com>, John Blas <jblas@tinamunabarnes.com>

Good morning all! Please see attached memo of Second Notice for a Public Hearing that will be held on Wednesday, May 30, 2012 beginning at 6:00 p.m. in the Public Hearing Room. Thank you and have a wonderful afternoon!

Jeanenne P. Cordero "Jean"
Office Manager
Office of Senator Tina Rose Muna Barnes
Tel: 671-472-3455/6
Fax: 671-472-3400
e-mail: jean@tinamunabarnes.com

 **Second Notice of May 30 Public Hearing.pdf**
55K

regine@tinamunabarnes.com <regine@tinamunabarnes.com>

Fri, May 25, 2012 at 11:41 AM

Reply-To: regine@tinamunabarnes.com

To: Jean Cordero <jean@tinamunabarnes.com>

Jean, you're a gem. Thanks so much!!
Sent from my BlackBerry® smartphone
www.blackberry.com

From: Jean Cordero <jean@tinamunabarnes.com>

Date: Fri, 25 May 2012 11:40:28 +1000

To: <phnotice@guamlegislature.org>

Cc: Regine Lee<regine@tinamunabarnes.com>; John Blas<jblas@tinamunabarnes.com>

Subject: Second Notice of Public Hearing

[Quoted text hidden]

Adam Bearce <adam@guamlegislature.org>

Fri, May 25, 2012 at 11:51 AM

To: Jean Cordero <jean@tinamunabarnes.com>, Yong Pak <yong@guamlegislature.org>

hi. confirmed posted.

[Quoted text hidden]

Listserv: phnotice@guamlegislature.org

As of Jan. 30, 2012

| | |
|--------------------------------------|---------------------------------------|
| aguon4guam@gmail.com | julian@senatorpalacios.com |
| alerta.jermaine@gmail.com | leonguerrero.angela@gmail.com |
| aline4families@gmail.com | lou4families@gmail.com |
| ataylor.senatordrodriguez@gmail.com | louise_atalig@yahoo.com |
| audrey@judiwonpat.com | markaflague@gmail.com |
| baza.matthew@gmail.com | maryfejeran@gmail.com |
| berlene@senatorpalacios.com | mcarlson@guamlegislature.org |
| bruce.lloyd.media@gmail.com | mis@guamlegislature.org |
| candasofrank@gmail.com | msuarez.senatordrodriguez@gmail.com |
| chechsantos@gmail.com | mtorres.senatordrodriguez@gmail.com |
| cherbert.senatordrodriguez@gmail.com | myracle.m@senatormabini.com |
| cipo@guamlegislature.org | nsantos@senatorada.org |
| clerks@guamlegislature.org | office@senatorada.org |
| colleen@judiwonpat.com | oliviampalacios@gmail.com |
| cor@guamlegislature.org | peterlg@gmail.com |
| cyrus@senatorada.org | phillipsguam@gmail.com |
| doc.wyittenbachsantos@gmail.com | pris@senatorpalacios.com |
| duenasenator@gmail.com | regine@tinamunabarnes.com |
| edleonguerrero@gmail.com | rfteeahan@yahoo.com |
| edpocaigue@judiwonpat.com | rob.tupaz@gmail.com |
| edwardglee671@yahoo.com | roryforguam@gmail.com |
| elaine@tinamunabarnes.com | Santos.duenas@gmail.com |
| etajalle@guamlegislature.org | sem@guamlegislature.org |
| evelyn4families@gmail.com | senator@senatorbjcruz.com |
| faith.r@senatormabini.com | senator@senatorpalacios.com |
| faith.r@senatormabini.com | senator@tinamunabarnes.com |
| fbtorres@judiwonpat.com | senatordrodriguez@gmail.com |
| floterlaje@gmail.com | senatormabini@senatormabini.com |
| frank.blasjr@gmail.com | senatorsam@senatormabini.com |
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Jean Cordero <jean@tinamunabarnes.com>

Second Notice of May 30 Public Hearing

1 message

Jean Cordero <jean@tinamunabarnes.com>

Fri, May 25, 2012 at 11:42 AM

To: amier@mvguam.com, clynt@spbgum.com, dcrisost@guampdn.com, dmgeorge@guampdn.com, editor@mvguam.com, jason@kuam.com, jtyquiengco@spbgum.com, kstokish@gmail.com, life@guampdn.com, mabuhaynews@yahoo.com, mindy@kuam.com, news@guampdn.com, news@spbgum.com, nick.delgado@kuam.com, rlimtiaco@guampdn.com, sabrina@kuam.com, slimtiaco@guampdn.com, telo.taitague@guam.gov, zita@mvguam.com, "mpieper@guampdn.com" <mpieper@guampdn.com>, "officemanager@hitradio100.com" <officemanager@hitradio100.com>, "ricknauta@hitradio100.com" <ricknauta@hitradio100.com>

Good morning all! Please see attached memo of Second Notice for Public Hearing on May 30, 2012 beginning at 6:00 p.m. in the Public Hearing Room. Thank you and have a wonderful afternoon!

Jeanenne P. Cordero "Jean"
Office Manager
Office of Senator Tina Rose Muna Barnes
Tel: 671-472-3455/6
Fax: 671-472-3400
e-mail: jean@tinamunabarnes.com



Second Notice of May 30 Public Hearing.pdf

55K



Jean Cordero <jean@tinamunabarnes.com>

Second Notice of Public Hearing on May 30

1 message

Jean Cordero <jean@tinamunabarnes.com>

Fri, May 25, 2012 at 11:46 AM

To: rtopasna@ghura.org, Millie Taitano <mtaitano@ghura.org>, martin.benavente@ghc.guam.gov
Cc: djsablan@guam.net

Hafa adai and good morning! Please see attached memo of Second Notice for Public Hearing on May 30, 2012 beginning at 6:00 p.m. in the Public Hearing Room. Thank you and have a wonderful afternoon!

--
Jeanenne P. Cordero "Jean"

Office Manager

Office of Senator Tina Rose Muna Barnes

Tel: 671-472-3455/6

Fax: 671-472-3400

e-mail: jean@tinamunabarnes.com



Second Notice of May 30 Public Hearing.pdf

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I Mina'Trentai Unu Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

PUBLIC HEARING
Wednesday, May 30, 2012

AGENDA

- I. CALL TO ORDER**
- II. ANNOUNCEMENT**
- III. ITEMS FOR PUBLIC CONSIDERATION**

6:00 PM

To hear testimony on the following:

- **Bill No. 463-31 (COR)** An act to adopt the Guam Housing Corporation Administrative Rules and Regulations for the implementation of the First-Time Homeowners Assistance Program
- **Bill No. 458-31 (COR)** An act to repeal and re-enact Section 4 of Public Law 31-209, relative to the transfer of parcels in the Sagan Linahyan Subdivision, Dededo, Guam

IV. REMARKS

V. ADJOURNMENT

Electronic copies of the aforementioned items can be found on the Guam Legislature's website at www.guamlegislature.com. Hard copies can be obtained by visiting the Office of the Clerk of the Legislature. Testimony should be addressed to Senator Tina Rose Muña Barnes, Chairperson, and may be submitted via hand-delivery to our office or our mailbox at the Main Legislature Building at 155 Hesler Place, Hagatña, Guam 96910, via e-mail to senator@tinamunabarnes.com or via facsimile to (671) 472-3400. Individuals requiring special accommodations, auxiliary aids, or services shall contact and submit their request to Jeanenne Cordero at our office. For further information, please call 472-3455/6. I look forward to your attendance and participation. Si Yu'os Ma'åse'!

MINA' TRENTAI UNU NA LIHESLATURAN GUÅHAN
2012 (SECOND) Regular Session

Bill No. 463-31 (con)

Introduced by:

T. R Muña Barnes

**AN ACT TO ADOPT THE GUAM HOUSING
CORPORATION ADMINISTRATIVE RULES AND
REGULATIONS FOR THE IMPLEMENTATION OF
THE FIRST-TIME HOMEOWNERS ASSISTANCE
PROGRAM.**

2012 MAY 9 2 PM 4:16

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Pursuant to §4705 (e) of Chapter 4, Title 12 Guam Code Annotated, the Guam Housing Corporation Administrative Rules and Regulations for the implementation of the First-Time Homeowner Assistance Program are hereby adopted.

“First-Time Homeowner Assistance Program

Article 1. General Provisions.

Article 2. Definitions.

Article 3. First-Time Homeowner Assistance Program.

Article 4. Application for Assistance.

Article 5. Administration.

Article 6. Funding.

Article 1.
General Provisions.

1 **§101. Authority.** The Rules and Regulations are hereby
2 implemented pursuant to §4705(e) of Article 7, Chapter 4, Title 12 of
3 the Guam Code Annotated.

4 **§102. Scope.** The Guam Housing Corporation shall establish
5 and publish rules and regulations necessary to implement the First-
6 Time Homeowners Assistance Program as enacted by Public Law 31-
7 166.

8 **§103. Communication.** Communication concerning the First-
9 Time Homeowners Assistance Program may be made to:

10 President

11 Guam Housing Corporation

12 PO Box 3457

13 Hagåtña, Guam 96932

14 **§104. Computing Time.** The following rules apply in
15 computing any period of time specified in these rules:

16 (1) exclude the day of the act, event, or default that
17 begins the period;

18 (2) exclude intermediate Saturdays, Sundays and legal
19 holidays when the period is less than eleven (11) days;

20 (3) include the last day of the period unless it is a
21 Saturday, Sunday, legal holiday, or, if the act to be done is
22 filing a paper in court, a day on which the weather or other
23 conditions make the court clerk's office inaccessible.

24 **Article 2.**

25 **Definitions.**

1 **§201. Definitions.** The following words and phrases, when
2 used in these rules and regulations, shall have the meaning ascribed to
3 them in this section.

4 (a) *Accredited* means as recognized by the Council for
5 Higher Education Administration (CHEA); for vocational
6 schools, an accrediting agency as recognized by the
7 United States Department of Education, such as the
8 Accrediting Commission of Career Schools and Colleges
9 (ACCSC).

10 (b) *Applicant* means any individual or family who is
11 applying for first-time homeowner assistance under the
12 First-Time Homeowners Assistance Program Act (Public
13 Law 31-166).

14 (c) *Assistance* means assistance under the First-Time
15 Homeowner Assistance Program Act (Public Law 31-
16 166).

17 (d) *Commencement date* means, for the purchase of a home,
18 the date when the contract is signed between the buyer
19 and the seller. In the case of an applicant building a
20 home, the date when the construction contract for the
21 home is signed by both parties.

22 (e) *Completed* means, in reference to a completion date for
23 an eligible transaction and in the case of an applicant
24 purchasing a home, the date the purchaser becomes
25 entitled to possession of the home under the contract and
26 if the purchaser is to obtain a registered title to the land
27 on which the home is situated, the necessary steps to

1 obtain registration of the title have been taken in
2 reference to an applicant building a home, the building is
3 ready for occupancy as identified by the issuance of a
4 certificate of occupancy by the Guam Department of
5 Public Works, or the execution of a contract for the
6 purchase of a home, whichever occurs first.

7 (f) *Comprehensive home building contract* means a contract
8 under which a builder undertakes to build a home on
9 land, from the inception of the building work to the point
10 where the home is ready for occupation; and if, for any
11 reason, the work to be carried out under such a contract is
12 not completed, includes any further contract under which
13 the work is to be completed.

14 (g) *Construction cost* means the final and total amount paid,
15 or to be paid, by a homeowner for the construction of a
16 home, and shall include all monies paid for labor and
17 material, contractor's fees, fees of an architect and
18 engineer, survey costs, utility hook-up costs, broker's
19 commissions and attorney fees.

20 (h) *Down payment* means the equity requirements of the
21 homeowner needed to initiate the mortgage for the
22 purchase or construction of a home. It shall include
23 points and fees charged by the financial institution.

24 (i) *Eligibility criteria* mean a natural person who is a United
25 States citizen or a permanent resident alien and who has
26 been a resident of Guam for a period of not less than five
27 (5) years immediately preceding the commencement date

1 of the eligible transaction for which the applicant is
2 applying and otherwise meet the requirements of
3 §4703(b) of Article 7, Chapter 4, Title 12 of the Guam
4 Code Annotated.

5 (j) *Eligible transaction* means a contract for the purchase of
6 a home in Guam the cost of which shall not exceed Two
7 Hundred Fifty Thousand Dollars \$250,000.00 inclusive
8 of any down payment and closing cost. An eligible
9 transaction shall also include a home building contract
10 made by the owner of land, or a person who will on
11 completion of the building contract and closing of the
12 loan be the owner of the land, to have a home built on
13 that land the contract price of which shall not exceed
14 Two Hundred Fifty Thousand Dollars \$250,000.00
15 inclusive of any down payment, the cost of the land and
16 closing cost.

17 (k) *Family* means two (2) or more persons related by blood,
18 adoption or marriage, living together as a household.

19 (l) *First time homeowner* means any individual or family
20 who has not had any ownership interest in a home within
21 the five (5) years preceding the commencement date of
22 an eligible transaction for which the first-time
23 homeowner is applying.

24 (m) *Financial institution* means any financial
25 institution authorized to make mortgage loans on Guam,
26 as approved by the Guam Housing Corporation.

1 (n) *Full time basis* means the minimum of twelve (12) or
2 more credit hours per semester or quarter equivalent to
3 twelve (12) semester hours, for degree-seeking
4 undergraduate or graduate studies; for vocational schools,
5 the minimum credits or hours or its equivalent per,
6 semester or quarter or equivalent term, necessary for the
7 school to certify full-time status.

8 (o) *GHC* means the Guam Housing Corporation, its officers,
9 employees, agents and designees.

10 (p) *Home* means a permanent, single family dwelling, or
11 single family condominium or town house, but does not
12 include semi-permanent dwellings made of wood and tin,
13 and is to be physically occupied by the homeowner on a
14 regular and continuous basis and in which the
15 homeowner intends to exclusively reside.

16 (q) *Natural person* means a human being.

17 (r) *Land cost* means costs to purchase land toward the
18 construction of a home.

19 (s) *Off-island institution of higher learning* means a United
20 States Department of Education accredited vocational
21 school, college or university not physically located in
22 Guam.

23 (t) *Occupancy requirement* means the requirement that an
24 applicant for First-time Homeowner Assistance must
25 occupy the home to which the application relates as the
26 applicant's principal place of residence within six (6)
27 months after the completion of the eligible transaction.

1 (u) *Owner* means the person who has the absolute dominion
2 over the property, and may use it or dispose of it
3 according to his or her pleasure, subject only to general
4 laws.

5 (v) *Spouse* is the person who is legally married to the owner.

6 **§202. Construction.** Unless specifically stated otherwise, in
7 these rules and regulations pronouns of either gender apply equally to
8 the other gender, the singular of a noun includes the plural and the
9 plural includes the singular, and phrases in the conjunctive include the
10 disjunctive.

11 **Article 3.**

12 **First-Time Homeowner Assistance Program.**

13 **§301. Entitlement to Assistance.** Eligible applicants engaged
14 in eligible transactions may receive assistance under the First-Time
15 Homeowners Assistance Program.

16 **§302. Eligibility Criteria.** Subject to the requirements of
17 Section 4703 of Article 7, Chapter 4, Title 12 of the Guam Code
18 Annotated, United States citizens and permanent resident aliens who
19 are residents of Guam are eligible for assistance.

20 **§303. Who is a Resident of Guam.** For purposes of this
21 program, a resident of Guam is a United States citizen or permanent
22 resident alien who has been a bona fide resident of Guam for not less
23 than five (5) years immediately preceding the commencement date of
24 the eligible transaction for which the applicant is applying. Indicia of
25 residence on Guam shall include, but not be limited to, payment of

1 Guam personal income taxes, or filing of tax returns, as evidenced by
2 a certification from the Department of Revenue and Taxation
3 evidencing payment or filing of tax returns for the five calendar years
4 immediately preceding the commencement date of the eligible
5 transaction, maintaining and occupying, but not owning, a home or
6 other living accommodation on Guam as evidenced by a lease
7 agreement(s) or other documentation for the five calendar years
8 immediately preceding the commencement date of the eligible
9 transaction, having temporarily departed Guam with the intention of
10 returning and not being registered to vote in any other jurisdiction
11 since departing Guam, and/ or being a registered voter on Guam for
12 the five calendar years immediately preceding the commencement
13 date of the eligible transaction as evidenced by a certification from the
14 Guam Election Commission.

15 **§303 (a). Exceptions.** An applicant who has not been a
16 bona fide resident of Guam for not less than five (5) years
17 immediately preceding the commencement date of the eligible
18 transaction for which the applicant is applying may nevertheless
19 qualify if his failure to meet the residency requirement was due to
20 active service in a United States armed force or attendance at an off-
21 island institution of higher learning provided he was a five (5) year
22 resident for the period immediately preceding such active duty or
23 education.

24 **§303 (b). Home Ownership Education Program.** All
25 applicants must attend and complete a home ownership education
26 workshop as approved of or provided by GHC.

1 **§303 (c). Fees.** If the GHC provides the Home Ownership
2 Education Program, all applicants shall pay a fee in the amount of up
3 to Seventy-Five Dollars (\$75.00), payable by the applicant at the time
4 of closing, to allay costs of the program.

5 **§304. Preference.** Demand for assistance by United States
6 citizens shall be satisfied before considering applications for
7 assistance from otherwise eligible permanent resident aliens.

8 **§304 (a). Order.** Applications for assistance shall be
9 considered in the order received by the GHC.

10 **§305. When Demand is Satisfied.** Demand for assistance by
11 United States citizens shall be deemed satisfied when there remains
12 funds available to award assistance to a permanent resident alien after
13 subtracting from the program funds the amount of all acceptable and
14 payable applications filed with the GHC from United States citizens.
15 In the event the application for assistance of a resident permanent
16 alien is under consideration and demand becomes unsatisfied, the
17 permanent resident alien's application shall still be considered in the
18 same manner as that of a United States citizen.

19 **§306. Affidavit of Occupancy.** Within six (6) months of the
20 completion of the eligible transaction, an applicant must file with the
21 GHC an affidavit, in a form approved by the GHC, evidencing their
22 occupancy of the home to which the application relates as the
23 applicant's principal place of residence. As part of the application,
24 the applicant must agree that in the event he fails to file such an
25 affidavit, then applicant will pay to the GHC an administrative penalty
26 in the amount of ten per centum (10%) of the amount disbursed in
27 addition to filing an affidavit.

1 **§307. Eligible Transaction Amount.** The amount of an
2 eligible transaction shall be no more than Two Hundred Fifty
3 Thousand Dollars \$250,000.00 inclusive of any down payment, land
4 purchase cost and closing cost.

5 **§307 (a). Adjustment.** The amount of an eligible
6 transaction may be raised or lowered by resolution of the Board of
7 Directors of the Guam Housing Corporation to reflect changes in
8 market price and based at least in part upon a determination of the
9 median home price on Guam.

10 **§307 (b). Determining Median Housing Price.** The Board
11 of Directors of the Guam Housing Corporation shall, but not less than
12 every five (5) years commencing from the date *I Maga'låhen Guåhan*
13 signed Public Law 31-166 into law, conduct a study to determine the
14 median home price on Guam.

15 **Article 4.**

16 **Application for Assistance.**

17 **§401. Application for Assistance.** Applications for assistance
18 under the program must be made on forms, and in the manner,
19 provided by the GHC.

20 **§401 (a). Approved forms are appended hereto.** Forms
21 are subject to revision and amendment as deemed necessary by the
22 Guam Housing Corporation.

23 **§402. Time for Application.** Applications for assistance can
24 be made on or after the commencement date of the eligible transaction
25 and before the eligible transaction is completed.

1 **§402 (a). Applications Out of Time.** In no event may an
2 application for assistance made before the commencement date or
3 after the date the eligible transaction is completed be treated as timely.

4 **§403. Disqualification from the Program.** Any applicant
5 who intentionally supplies false information as part of the application
6 for assistance shall be disqualified from assistance under the program.

7 **§403 (a). Recovery of Disbursed Funds.** If the GHC has
8 disbursed funds to an applicant who is shown to have intentionally
9 submitted false information, the GHC shall recover those funds
10 through a civil action or otherwise.

11 **§403 (b). Recoupment and Penalty.** As part of the
12 application, the applicant must agree that in the event he has
13 intentionally submitted false information in support of his application,
14 then applicant will reimburse the GHC in the amount of assistance
15 disbursed and pay an administrative penalty in the amount of ten per
16 centum (10%) of the amount disbursed. This recoupment and penalty
17 is in addition to, and not in place of, any other civil or criminal
18 penalty or cause of action.

19 **§404. Denial of an Application.** Where the GHC denies an
20 application for assistance, it shall notice the applicant within thirty
21 (30) days following the date of receipt of the application.

22 **§404 (a). Notice.** Notice to an applicant is deemed complete
23 upon actual service to the applicant or upon deposit of the notice for
24 delivery with the United States Postal Service to the applicant's last,
25 best known address. Applicant shall be conclusively presumed to
26 have received the notice upon actual service or on the third day

1 following deposit of the notice with the United States Postal Service,
2 or whichever date is the earlier.

3 **§404 (b). Address.** An applicant's last, best known address
4 is that address last provided to the GHC on the application for
5 assistance.

6 **§405. Participation of Financial Institution.** The Guam
7 Housing Corporation shall develop and maintain a list of financial
8 institutions authorized to participate in this program. Each such
9 financial institution must be an approved Freddie Mac, Fannie Mae,
10 FHA, Rural Development or Veteran's Administration lender to
11 participate in this program.

12 **Article 5.**

13 **Administration.**

14 **§501. Certificate of First-time Homeownership.** GHC shall
15 issue a Certificate of First-time Homeownership (Certificate) to
16 eligible applicants. Eligible Applicants are those applicants that meet
17 the requirements of Article 3 of these Rules and Regulations

18 **§501 (a). Transferability.** Certificates *shall not* be
19 transferable, *except* between joint holders of an original Certificate,
20 and it *shall not* be transferred to a new and separate home. In case of
21 the death of the holder of an original Certificate, the Certificate *shall*
22 terminate, unless the home covered by the Certificate becomes the
23 home of the decedent's heirs, and they acquire the title to the property
24 within two (2) years of the death.

25 **§502. Amount of Assistance.** The amount of the First-time
26 Homeowner Assistance is four percent (4%) of the eligible
27 transaction.

1 **§502 (a). Payment of Assistance.** First-time Homeowner
2 Assistance shall be paid by electronic funds transfer, by check, or in
3 any other way the GHC finds appropriate. First-time Homeowner
4 Assistance *shall* be paid to the financial institution authorized by the
5 GHC and selected by the applicant which has approved a mortgage
6 loan or construction loan for the applicant for an eligible transaction.

7 **§502 (b). Payment in Anticipation of Compliance with**
8 **Occupancy Requirement.** The GHC may authorize payment of
9 First-time Homeowner Assistance in anticipation of compliance with
10 the occupancy requirement. If the occupancy requirement is *not*
11 complied with, the applicant must, within fifteen (15) days after the
12 relevant date, give written notice of that fact to the GHC and repay the
13 amount of assistance. The relevant date is the earlier of the following:

14 (1) the end of the period allowed for compliance with the
15 occupancy requirement; or

16 (2) the date on which it first becomes apparent that the
17 occupancy requirement will *not* be complied with during the
18 period allowed for compliance.

19 **§502 (b). Repayment of Assistance.** A first-time
20 homeowner shall repay to the Housing Trust Fund an amount equal to
21 the total assistance received by the homeowner with interest at the rate
22 of ten percent (10%) per annum if, within five (5) years after receipt
23 of the assistance, the home is:

24 (1) transferred or conveyed;

25 (2) sold; or

26 (3) occupied exclusively by any individual or individuals
27 other than the homeowner or the homeowner's children.

1 **Article 6.**

2 **Funding.**

3 **§601. Funding.** The GHC shall provide the funding source for
4 the First-time Homeowner Assistance Program from its current
5 revenues and/or income.

6 **§601 (a). Funding Source.** Five Hundred Thousand Dollars
7 (\$500,000) is appropriated from the GHC annual revenues and/or
8 income to the Fund as seed capital for the First-Time Homeowners
9 Assistance Program. If the GHC annual operating revenue and/or
10 income are not sufficient to fully fund the seed capital, such seed
11 capital is hereby appropriated from the GHC fund balance or its
12 equivalent.

13 **§601 (b). Continuing Funding.** For the fiscal years
14 thereafter, up to Five Hundred Thousand Dollars (\$500,000) is hereby
15 appropriated from the GHC's annual revenues as needed to ensure the
16 reserved balance of the Fund is *at least* Five Hundred Thousand
17 Dollars (\$500,000) at the beginning of each fiscal year. If the GHC's
18 annual revenues and/or income are not sufficient to provide the
19 funding in any fiscal year, the difference between what is required and
20 what is appropriated from the GHC's annual revenues and/or income,
21 is hereby appropriated from the GHC's fund balance or its
22 equivalent.”

23 **Section 2.** Section 4702(b) of Article 7, Chapter 4, Title 12 of the
24 Guam Code Annotated is hereby *amended* to read as follows:

25 “(b) *Applicant* means any individual or family who is applying for
26 First-time Homeowner Assistance-Relief,”

1 **Section 3.** Section 4704(i) of Article 7, Chapter 4, Title 12 of the
2 Guam Code Annotated is hereby *amended* to read as follows:

3 “Any applicant who intentionally supplies false information on the
4 application for assistance under this Act *shall* automatically be disqualified
5 from the First-time Homeowner Assistance Program. In the event that funds
6 are disbursed on behalf of such an applicant, the applicant *shall* be assessed
7 a penalty of ten percent (10%), in addition to repaying the amount disbursed
8 by the GHC. The funds that were disbursed on behalf of such an applicant
9 that are repaid *shall* be deposited back into the ~~First-time Homeowner~~
10 ~~Assistance-Housing Trust~~ Fund. The funds from the ten percent (10%)
11 penalty *shall* be deposited into the GHC’s bank account(s) for operational
12 uses.”

13 **Section 4.** Section 4705(f) of Article 7, Chapter 4, Title 12 of the
14 Guam Code Annotated is hereby *amended* to read as follows:

15 “(f) Repayment of Assistance. A first-time homeowner *shall* repay to
16 the ~~First-time Homeowner Assistance-Housing Trust~~ Fund an amount equal
17 to the total assistance received by the homeowner with interest at the rate of
18 ten percent (10%) per annum if, within five (5) years after receipt of the
19 assistance, the home is:”

20 **Section 5. Effective Date.** This Act shall be effective upon
21 enactment into law.

22 **Section 6. Severability.** If any provisions of this Act or the
23 application thereof to any person or circumstance is held invalid, such
24 invalidity *shall* not affect any other provision or application of this Act
25 which can be given effect without the invalid provision or application, and to
26 this end the provisions of this Act are severable.