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CH. 72 LAND CLAIMS LOAN REVOLVING FUND**

**CHAPTER 72
LAND CLAIMS LOAN REVOLVING FUND**

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§ 72101. Declaration of Intent.

The Legislature hereby finds and determines that loans made for the purpose of assisting land claimants under the Omnibus Territories Act of 1977 (48 U.S.C. 1424c) are of such vital need to the economy of Guam as to warrant additional risk and subsidies not normally assumed or provided in the loans and loan guarantees allowed by the Corporation. The factors creating such vital need include, but are not limited to, the following:

(a) That, a very substantial percentage of the lands in Guam are owned by the government of the United States, having been taken from the former owners through proceedings in eminent domain, or under threat of eminent domain, following World War II. By passage of the Omnibus Territories Act of 1977, the Congress of the United States granted to the District Court of Guam authority and jurisdiction to review claims of persons, their heirs or legatees, from whom interests in land on Guam were acquired by the United States between July 21, 1944 and August 23, 1963, other than through judicial condemnation proceedings in which the issue of compensation was adjudicated in a contested trial in the District Court of Guam;

(b) That, the taking of said lands adversely affect nearly every family in Guam. These takings completely changed the lifestyle and

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economy of Guam from a series of self-sustaining agricultural communities to a cash economy, wherein it became necessary for the population to obtain cash income to provide for their livelihood;

(c) That, as a result of the military government of Guam, and its limiting effect upon the economy of Guam and the commercial activities of its citizens, the prices paid for land by the United States under eminent domain proceedings during this period are believed by the former landowners, and the general population of Guam, to have been much too low and thereby very unfair;

(d) That, as a result of the foregoing problems of military government and economic deprivations of the population of Guam, approximately one thousand (1,000) families have filed claims in the District Court of Guam for additional compensation for their lands taken between July 21, 1944 and August 23, 1963. Some of these cases have been under litigation as long as four (4) years. That, because of the large number of cases, and the large number of families affected, there has been a serious and adverse effect upon the economy of Guam and the well-being of its citizens. Additionally, the costs of processing this litigation are beyond the means of most of the citizens of Guam who are entitled to relief under the provisions of the Omnibus Territories Act of 1977, and there is a widespread public need throughout Guam that loan funds be made available to assist in the disposition of the litigation for the general welfare of this Territory;

(e) That, the result of a successful conclusion of the land claims cases will be the payment of large sums of money to the people of Guam for the deprivation of their property without the payment of adequate consideration, and the availability of these funds to the claimants will benefit all of Guam by reducing dependency on social programs; by allowing Guamanian families to provide advanced and technical education for their children; by providing Guamanians capital for business ventures in Guam; by expanding the supply of money available in the territory of Guam; and will generally benefit the economic future of Guam in a very large measure; and

(f) That, it is in the public interest, and sound public policy, for every assistance to be provided by the government of Guam to these

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land claimants who have suffered hardship so long, through no fault of their own, by the loss of their property to assist the military forces of the United States for the benefit of Guam.

SOURCE: GC §53610, as added by P.L. 16-111.

§ 72102. Loan Fund Created.

There is created the "Land Claimants Small Loan Revolving Fund" to grant loans to those persons who are eligible to bring proceedings for additional compensation under the provisions of Section 204 of the Omnibus Territories Act of 1977 (P.L. 94-134, 48 U.S.C. 1424c) for additional compensation for land acquired by the United States between July 21, 1944 and August 23, 1963, in the manner provided by such statute.

SOURCE: GC §53610.1, as added by P.L. 16-111.

§ 72103. Definitions.

As used in this Chapter:

(a) *Land Claimant* means any person who has a right under the Omnibus Territories Act of 1977 (P.L. 94-134, 48 U.S.C. 1424c) to request additional compensation for land acquired by the United States between July 21, 1944 and August 23, 1963 and to litigate the issues raised in proceedings brought pursuant to said statutes.

SOURCE: §53610.2 GC as added by P.L. 16-111.

§ 72104. Appropriation.

The sum of Two Hundred Fifty Thousand Dollars (\$250,000) is appropriated from the General Fund to the Land Claimants Small Loan Revolving Fund for the uses and purposes specified in this Chapter, provided that no loan to a land claimant shall exceed the sum of Five Hundred Dollars (\$500) for the first parcel plus One Hundred Dollars (\$100) for each additional parcel for which additional compensation is claimed.

SOURCE: GC §53610.3 as added by P.L. 16-111.

§ 72105. Administering Authority.

The Board of Directors of the Guam Economic Development Authority shall be the administering authority of the Land Claimants Small Loan Revolving Fund, and the word 'Board' as used in this

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Chapter shall refer to that Board of Directors. The word *Corporation* as used in this Chapter shall mean the Guam Economic Development Authority. The Board shall promulgate all rules and regulations necessary for the operation of the fund in accordance with this Chapter. Interest charged on loans shall not exceed six percent (6%) per annum.

SOURCE: GC §53610.4, as added by P.L. 16-111.

§ 72106. Classes of Loan.

There shall only be one (1) class of loan which may only be used by the land claimant for necessary fees, costs and expenses, including expenses of expert witnesses, in connection with litigation, or negotiations, for added compensation for property acquired by the United States within the meaning of Section 204 of the Omnibus Territories Act of 1977.

SOURCE: GC §53610.5 as added by P.L. 16-111.

§ 72107. Eligibility Requirements for Loans.

To be eligible for loans under this Chapter, an applicant shall:

(a) Be a person, or the Administrator(trix) of the estate of a deceased person from whom interests in land on Guam were acquired by the United States between July 21, 1944 and August 23, 1963, other than through judicial condemnation proceedings in which the issue of compensation was adjudicated in a contested trial in the District Court of Guam; and

(b) Have filed a land claimant's case in accordance with the requirements of this Chapter in the District Court of Guam, and engaged an attorney duly licensed to practice law in Guam to handle the necessary legal proceedings for him or her.

SOURCE: GC §53610.6, as added by P.L. 16-111.

§ 72108. Certificate of Attorney.

Applications for loans shall be accompanied by a certificate from an attorney duly licensed in Guam certifying that he or she has been employed by the claimant to proceed under Section 204 of the Omnibus Territories Act of 1977, and giving the name and case number of the litigation filed.

SOURCE: GC §53610.7, as added by P.L. 16-111.

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§ 72109. Security for Loans.

Each borrower under the provisions of this Chapter shall execute an assignment of the proceed which he or she may receive from the litigation being conducted, which document shall also state that the applicant has made arrangements with his or her attorney for the appropriate use of funds in accordance with this Chapter.

SOURCE: GC §53610.8 as added by P.L. 16-111.

§ 72110. Conditions.

Every borrower who receives a loan shall comply with the following conditions:

(a) Expend no portion of the loan for purposes other than those specified in this Chapter; and

(b) Make specific arrangements with the Clerk of Court, or claimant's attorney, to direct that payment from the proceeds received from a judgement shall be made to the Land Claimants Small Loan Revolving Fund in repayment of his or her obligations to the Corporation.

SOURCE: GC §53610.9, as added by P.L. 16-111.

§ 72111. Unusual Risks and Subsidies Warranted.

The Corporation is authorized to make loans, or guarantees of loans, in furtherance of the purposes and activities stated in this Chapter, and all loans or guarantees so made need not meet the normal requirements of a usual commercial loan or guarantee and shall not be refused for reasons of lack of credit standing, or reliability, or doubts about the ability of the borrower to repay, it being understood that the successful termination of the land claimants litigation is of such vital need to the economy of Guam as to warrant unusual risks and subsidies.

SOURCE: GC §53610.10, as added by P.L. 16-111.

§ 72112. Repayment of Loans.

Upon repayment of loans to the Land Claimants Small Loan Revolving Fund, the Corporation shall pay over the entire balance to the Treasurer of Guam for deposit into the General Fund.

SOURCE: GC §53610.11, as added by P.L. 16-111.
