**clerks@guamlegislature.org**

**From:** Speaker's Office <speaker@guamlegislature.org>
**Sent:** Thursday, December 10, 2020 3:19 PM
**To:** Clerks Office
**Cc:** Rennae Meno
**Subject:** M&C Fwd: SUBSTITUTE BILL No. 419-35 (COR) nka PUBLIC LAW No. 35-112
**Attachments:** 20.1210 GOV to Speaker re Sub Bill No. 419-35 (COR) nka Public Law No. 35-112 - Relative to Preserving the Land Restoration and Justice Mission of the Chamorro Land Trust Commission.pdf

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| 12/10/20 | 2:53 PM | 12/10/20 | Substitute Bill No. 419-35 (COR) nka P.L. 35-112.* | Office of the Governor of Guam | 35GL-20-2492 |


*Sinseru yan Minagåhet,*

**Office of the Speaker • Tina Rose Muña Barnes**
Committee on Public Accountability, Human Resources & the Guam Buildup

35th Guam Legislature
*I Mina'trentai Singko na Liheslaturan Guåhan*

Guam Congress Building | 163 Chalan Santo Papa | Hagatna, GU 96910
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Gumai pribilehu yan konfedensia este siha na mensåhi. Solo espesiåtmente para hågu ma entensioña pat ma aturisa para unrisibi. Sen prubidu kumu ti un ma aturisa para manribisa, na'setbe, pat mandespåtcha. Yanggen lachi rinisibu-mu nu este na mensåhi , put fabot ago' guatu gi I numa'huyong gi as speaker@guamlegislature.org yan despues destrosa todu siha I kopian mensåhi. Si Yu'os ma'åse'.


---------- Forwarded message ---------
From: <june.borja@guam.gov>
Date: Thu, Dec 10, 2020 at 2:53 PM
Subject: SUBSTITUTE BILL No. 419-35 (COR) nka PUBLIC LAW No. 35-112
To: <speaker@guamlegislature.org>
Cc: Governor Lourdes A. Leon Guerrero <governor@guam.gov>, Lt. Governor Joshua F. Tenorio

<joshua.tenorio@guam.gov>, <gcepeda@guamcourts.org>, <guamcompiler@gmail.com>, Lisa Ibanez (Compiler Asst.) <libanez@guamsupremecourt.com>, Jon Calvo (DCOS) <jon.calvo@guam.gov>, <alice.taijeron@guam.gov>, SSD (Legal) <sophia.diaz@guam.gov>, Leslie Travis <leslie.travis@guam.gov>, <carlo.branch@guam.gov>, Krystal J. Paco <krystal.paco@guam.gov>, <lester.carlson@bbmr.guam.gov>, BERTHA <bertha.duenas@guam.gov>, Eliza G. Dames (Chamber) <eliza.dames@guam.gov>, Shamra L.A. Chargualaf (Chamber) <shamra.chargualaf@guam.gov>, Josephine C. Cepeda (Chamber) <josephine.cepeda@guam.gov>, Kathleen C. Cepeda (DCOS) <kathleen.cepeda@guam.gov>, Rhea Chang <rhea.chang@guam.gov>, Jessica Cruz (CF) <jessica.cruz@guam.gov>, <admin@bbmr.guam.gov>, <analyn.eustaquio@bbmr.guam.gov>, Michael D. Weakley <michael.weakley@guam.gov>

*Hafa Adai* Madame Speaker:

Please find attached copy of the following transmittal dated December 10, 2020 from the ***Honorable*** **Lourdes A. Leon Guerrero, *I Maga'hågan Guåhan*** regarding Substitute Bill No. 419-35 (COR) *nka Public Law No. 35-112*. The original transmittal will be delivered to your office today.

- **Substitute Bill No. 419-35 (COR) *nka Public Law No. 35-112*** – An Act to *Add* a New Chapter 75A and to *Amend* § 75109(a) of Chapter 75, Both of Title 21, Guam Code Annotated, Relative to Preserving the Land Restoration and Justice Mission of the Chamorro Land Trust Commission

Thank you.

Respectfully,

**June M.C. Borja**
*Administrative Services Officer*

**OFFICE OF THE GOVERNOR OF GUAM**
***Office of Legal Counsel***
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December 10, 2020

**HONORABLE TINA ROSE MUÑA BARNES**
*Speaker*
*I Mina'trentai Singko Na Liheslaturan Guåhan*
35th Guam Legislature
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

**Re: <u>Substitute Bill No. 419-35 (COR)</u> – An Act to *Add* a New Chapter 75A and to *Amend* § 75109(a) of Chapter 75, Both of Title 21, Guam Code Annotated, Relative to Preserving the Land Restoration and Justice Mission of the Chamorro Land Trust Commission**

Dear Madame Speaker:

Unlike our fellow Americans in the continental United States, our oceans are vast, but our land is precious and scarce. Guam is also the homeland of the Chamorro people, and along with the few islands in our area, the only place in the world that holds this distinction. In recognition of the importance of land to our people, the Chamorro Land Trust Commission administers a program designed to remedy unjust land takings of the past. In 2017, the United States federal government filed a lawsuit challenging the statutory parameters of the Chamorro Land Trust Program, alleging violations of the federal Fair Housing Act. Over the course of several months in 2019, the United States Department of Justice engaged in court-facilitated settlement discussions with the Government of Guam. The result was a settlement agreement that protects the integrity of the Chamorro Land Trust Program, expands its reach to better achieve its purpose, and preserves the Program for future generations.

In December of 2019, the Chamorro Land Trust Commission issued a resolution formally approving the proposed settlement terms, and in May of this year the parties entered into a settlement agreement to resolve the litigation. As a condition of the settlement, the Government of Guam must adopt specified amendments to the Chamorro Land Trust Act within one (1) year of the agreement. Substitute Bill No. 419-35 (COR), now known as ***Public Law No. 35-112***, seeks to fulfil this term.

I would like to thank the Government of Guam representatives who participated in settlement discussions on behalf of our people for their hard work, diligence and perseverance. In particular, I applaud the efforts of the Civil Division of the Office of the Attorney General of Guam, especially

Assistant Attorneys General James L. Canto II and Kenneth Orcutt, who were instrumental in ensuring an equitable settlement that preserves the viability of the Chamorro Land Trust Program and the critical purpose it serves to our people now and in the future.

*Senseramente,*

Lou Leon Guerrero

**LOURDES A. LEON GUERRERO**
*I Maga'hågan Guåhan*
Governor of Guam

Enclosure: Substitute Bill No. 419-35 (COR) *nka P.L. 35-112*

cc via email: *Sigundo Maga'låhen Guåhan*
*Compiler of Laws*

*I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN*
**2020 (SECOND) Regular Session**

**CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'HÅGAN GUÅHAN***

This is to certify that **Substitute Bill No. 419-35 (COR) "AN ACT TO *ADD* A NEW CHAPTER 75A AND TO *AMEND* § 75109(a) OF CHAPTER 75, BOTH OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO PRESERVING THE LAND RESTORATION AND JUSTICE MISSION OF THE CHAMORRO LAND TRUST COMMISSION,"** was on the 1st day of December 2020, duly and regularly passed.

**Tina Rose Muña Barnes**
**Speaker**

Attested:

**Amanda L. Shelton**
**Legislative Secretary**

---

This Act was received by *I Maga'hågan Guåhan* this 1st day of December, 2020, at 4:34 o'clock P.M.

Assistant Staff Officer
*Maga'håga's* Office

APPROVED:

Lourdes A. Leon Guerrero
*I Maga'hågan Guåhan*

Date: 12/10/2020

Public Law No. 35-112

Jessica Cruz
RCVD AT CENTRAL FILE
DEC 1 '20 PM4:34
2020-12255

*I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN*
**2020 (SECOND) Regular Session**

**Bill No. 419-35 (COR)**
As substituted by the Committee on Health, Tourism, Historic Preservation, Land and Justice; and further substituted on the Floor.

Introduced by: Therese M. Terlaje
William M. Castro
Régine Biscoe Lee
Kelly Marsh (Taitano), PhD
James C. Moylan
Louise B. Muña
Tina Rose Muña Barnes
Telena Cruz Nelson
Sabina Flores Perez
Clynton E. Ridgell
Joe S. San Agustin
Amanda L. Shelton
Telo T. Taitague
Jose "Pedo" Terlaje
Mary Camacho Torres

**AN ACT TO *ADD* A NEW CHAPTER 75A AND TO *AMEND* § 75109(a) OF CHAPTER 75, BOTH OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO PRESERVING THE LAND RESTORATION AND JUSTICE MISSION OF THE CHAMORRO LAND TRUST COMMISSION.**

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

**Section 1.** A new Chapter 75A of Title 21, Guam Code Annotated, is hereby enacted, which shall mirror the existing Chapter 75 of Title 21, Guam Code Annotated, except as provided in this Act, and shall be effective January 1, 2021.

The new Chapter 75A of Title 21, Guam Code Annotated, shall be codified, and renumbered by the Compiler of Laws consistent with this Act, with the following provisions added:

(1) The new Chapter 75A of Title 21, Guam Code Annotated, shall be codified to include the following legislative intent:

"**Legislative Findings and Intent.** It is the intent of *I Liheslaturan Guåhan* to defend the history and purpose of the Chamorro Land Trust Act created in 1975 by Public Law 12-226 and enacted as Chapter 75 of Title 21, Guam Code Annotated. The Chamorro Land Trust Act established a land restoration program meant to rectify the unjust taking of Chamorro homelands by the United States federal government between 1898 and 1968 and provide residential and agricultural land for those persons eligible in the form of Chamorro Land Trust Commission (CLTC) leases.

Additionally, *I Liheslaturan Guåhan* intends to support the expansion of the program's eligible beneficiaries to include individuals and their descendants who owned land or who ranched, farmed, or otherwise occupied the lands that were taken.

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

*I Liheslaturan Guåhan* further finds that on December 18, 2018, the U.S. District Court agreed with Guam that, at that pleading stage, "the court could not conclude that the Chamorro Land Trust operates

as a race-based entity." *U.S. v. Gov't of Guam, et al.*, CV 17-00113, 2018 WL 6729629, at *1 (D. Guam Dec. 21, 2018), reconsideration denied, No. CV 17-00113, 2019 WL 1867426 (D. Guam Apr. 25, 2019). The court stated that "the record must be further developed to address the question of whether the Chamorro Land Trust operates instead as a compensatory entity that seeks to implement the return to the people of Guam of land that the United States took from them." *Id.* Furthermore, it is possible that, "the Chamorro Land Trust includes some land that was not taken by the United States, but, if that is so, that cannot be discerned from the present record." *Id.*

Based on the state of the record, the court rejected the "United States' contention that the court should now determine as a matter of law that Guam is violating the Fair Housing Act." *Id.* The court further stated that the "matter requires further exploration and an expansion of the record in this case." *Id.*

*I Liheslaturan Guåhan* further finds that the Office of the Attorney General and the Governor's representatives on behalf of the Government of Guam, Attorney Michael Phillips, and Chairperson Pika Fejeran on behalf of the CTLC, the Office of the Attorney General on behalf of the CLTC Director, and the United States entered into settlement conferences to attempt to resolve the lawsuit amicably and without further litigation. At the conclusion of a settlement conference on November 14, 2019, a settlement term sheet was agreed to in principle by the counsel for the parties and subject to approval by the respective parties. On December 26, 2019, the CLTC adopted Resolution 2019-08 which found "the settlement terms in the Agreement to be favorable for the Chamorro Land Trust Program and

its beneficiaries, as it preserves the program intact and would not materially affect existing leaseholders." Chamorro Land Trust Commission, Kumision Inangokkon Tano' CHamoru, Resolution No. 2019-08 (2019). In addition, "the Commission found that the proposed modifications or amendments to the Chamorro Land Trust Act and the Rules and Regulations of the Chamorro Land Trust Commission would more clearly demonstrate that the Chamorro Land Trust (CLT) program is a land restoration program meant to rectify the unjust taking of Chamorro homelands by the United States federal government between 1898 and 1968, and would expand the program's eligible beneficiaries to include individuals and their descendants who owned land or who ranched, farmed, or otherwise occupied the lands that were taken." *Id.*

On May 29, 2020, after further settlement negotiations, the Settlement Agreement between the United States of America and Government of Guam, Chamorro Land Trust Commission & Administrative Director of the Chamorro Land Trust Commission, regarding *U.S. v. Gov't of Guam, et al.*, CV 17-00113 (D. Guam) (Settlement Agreement), was signed by the Chamorro Land Trust Commission and *I Maga'hågan Guåhan. I Liheslaturan Guåhan* further finds that the Settlement Agreement resolves the allegations contained in the lawsuit, and in it the Government of Guam does not admit liability and denies that the Chamorro Land Trust Act violates the Fair Housing Act. Settlement Agreement at ¶ 10. Part of the terms and conditions within the Settlement Agreement requires legislative and administrative changes to the Chamorro Land Trust Act and/or the rules and regulations of the CLTC.

*I Liheslaturan Guåhan* finds that the changes proposed by this Act are therefore intended to more clearly demonstrate that the CLT program is a land restoration program meant to rectify the unjust taking of Chamorro homelands by the United States federal government between 1898 and 1968, and would expand the program's eligible beneficiaries to include individuals and their descendants who owned land or who ranched, farmed, or otherwise occupied the lands that were taken."

(2) The new Chapter 75A of Title 21, Guam Code Annotated, shall include the following language in a new section:

"***United States of America v. Government of Guam, Chamorro Land Trust Commission, and Administrative Director of the Chamorro Land Trust*, CV 17-00113 (D. Guam).**

(a) *I Liheslaturan Guåhan* hereby approves the settlement in *United States of America v. Government of Guam, Chamorro Land Trust Commission, and Administrative Director of the Chamorro Land Trust*, CV 17-00113 (D. Guam), and the amendments to the Chamorro Land Trust law made pursuant to this Act are to strengthen the Chamorro Land Trust and in furtherance of said settlement; provided, that the settlement shall not absolve or relieve the United States of any liability for land takings or waive the historic demand of the people of Guam for return or restoration of the land; and provided further, that the settlement shall include dismissal of allegations against the government of Guam and preclude further challenge of the Chamorro Land Trust law by the same parties on the same grounds, and preclude a constitutional challenge of the provisions of the Chamorro Land Trust law, as amended or added by this Act.

(b) Any applications for leases that have not been approved by January 1, 2021 shall be subject to the terms of the public law enacted by this Act and Chapter 75A of Title 21, Guam Code Annotated. All leases approved prior to January 1, 2021 shall be subject to the terms of Chapter 75, as amended. The enactment of Chapter 75A of Title 21, Guam Code Annotated, and this Act shall not affect the order of consideration of applications by the CLTC under Chapter 75 of Title 21, Guam Code Annotated, and pursuant to applicable rules and regulations to the same. Nothing in this Act shall affect or alter the existing priorities for awarding leases as stated in Rule 6.2 of the Senator Paul J. Bordallo Rules and Regulations for the Chamorro Land Trust Commission."

(3) The new Chapter 75A of Title 21, Guam Code Annotated, shall replace all references to "Chamorro" and "native Chamorro," (or any variations thereof) with "beneficiary" and "eligible beneficiary," respectively. References to "Chamorro homelands" shall be replaced with "Chamorro Land Trust Property," except as provided in the new 21 GCA §§ 75A101(c) and 75A105. References to the "Chamorro Land Trust Act," "Chamorro Land Trust Commission," "Hatdin Åmot Chamorro," "Chamorro traditional healing or medicine," "Chamorro heritage and culture," "traditional Chamorro medicines," "Chamorro healing arts," and "traditional Chamorro remedies" need not be revised. The Compiler of Laws is authorized to conform Chapter 75A of Title 21, Guam Code Annotated, with this Section.

(4) § 75A101(c) of Chapter 75A, Title 21, Guam Code Annotated, *shall* read as follows:

"(c) The term *Chamorro Land Trust property* means all available lands, which includes Chamorro homelands, under the control

of the Chamorro Land Trust Commission under the provisions of § 75A105 of this Chapter and § 75105 of Chapter 75."

(5) § 75A101(d) of Chapter 75A, Title 21, Guam Code Annotated, *shall* read as follows:

"(d) The *eligible beneficiary* means any person, regardless of race, color, or national origin:

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

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

(6) § 75A105 of Chapter 75A, Title 21, Guam Code Annotated, shall read as follows:

"**§ 75A105. Control by Commission of Available Lands; Return to Department.**

Upon and after the enactment of this Chapter, all available lands pursuant to § 75A104 of Chapter 75A and § 75104 of Chapter 75, which includes Chamorro homelands, shall immediately assume the status of Chamorro Land Trust Property and shall be under the control of the Commission to be used and

disposed of in accordance with the provisions of this Chapter, except that:

(a) In case any government land is under lease, permit or agreement upon the enactment of this Chapter, such land shall not assume the status of Chamorro Land Trust Property until the lease, permit or agreement expires or the lands are withdrawn from the operation of the lease, permit or agreement. If the land is covered by a lease, permit or agreement containing a withdrawal clause, the Department shall withdraw such lands from the operation of the lease permit or agreement whenever the Commission gives notice to it that the lands are required by it for the purposes of this Chapter.

(b) Any available land as may not be immediately needed for the purposes of this Chapter, may be returned to the Department for management. Any Chamorro Land Trust Property so returned may be disposed of under a general lease only. Each such lease, whether or not stipulated therein, shall be subject to the right and duty of the Department to terminate the lease and return the lands to the Commission whenever the Commission gives notice that the lands are required by it for the purposes of this Chapter. However, no lease shall be made for a term to exceed twenty-five (25) years. All income arising out of any lease or license entered into under this Subsection shall be credited to and deposited into the Chamorro Home Loan Fund.

(c) The Department, with the approval of the Commission, or the Commission may sell to any contiguous landowner any fractional lot placed under its management which was created by the adoption of the standard block system, or bull cart trails that no longer serve the transportation function originally intended. The Chamorro Land Trust Commission *shall* offer any such land for sale to any contiguous landowner of such property, on written application of such owner, provided:

(1) that the land is not contiguous to government property, does not serve as a utility easement, or does not provide access to natural resources;

(2) that the sale price is based on the appraised fair market value having due regard to the fair market value of contiguous properties, and that the price be paid in full in cash equivalent;

(3) that if the property extends into property other than that belonging to the applicant, that the property to be sold *shall* be subdivided to align with the borders of such adjacent owners;

(4) that notice of the application *shall* be given to all owners of land within five hundred (500) feet adjacent to the applicant's land;

(5) that where the land to be sold adjoins land in addition to the applicant's land, and such adjacent owner timely objects to the application, the land *shall* be sold by the highest cash price bid at an auction conducted, to

include the applicant and any other adjacent owner objecting, it being a condition of sale that the highest price bid is not less than the appraised fair market value; and

(6) that unless expressly provided otherwise, any use of the term "owner," in relation to interests in real property, in this Title, as well as any derivative thereof, including, but not limited to, "landowner" or "property owner," is presumed to mean an owner in fee simple or absolute fee, and to exclude any other estate or interest therein.

(d) In the management of any retained available lands not required for leasing under § 75A107, the Commission may lease or license such lands to the general public. Any lease or license made under this Subsection shall comply with the conditions of Subsection (b) of this Section.

(e) The Commission may, in order to consolidate its holdings or to better effectuate the purposes of this Chapter, exchange the title to available lands for land of an equal or higher value. All lands so acquired by the Commission shall assume the status of available lands as though the same were originally designated as such under 21 GCA § 75104 and 21 GCA § 75A104.

(f) The Commission shall not lease or license any available land until it is registered under the provisions of Chapter 29 of this Title (Land Title Registration Law).

(g) The Commission shall utilize Lot No. 382-R1, Inarajan, containing an area of 304.76 acres and being Chamorro Land Trust Property, only for affordable housing."

(7) The new Chapter 75A of Title 21, Guam Code Annotated, *shall* include the following language in a new section:

"**Verification of Eligible Beneficiaries.**

(a) Owned Land Acquired by the United States:

(1) To be eligible based on ownership of land that was acquired by the United States government between 1898 and 1968, an applicant must provide either:

(A) documentary evidence of ownership in substantially the same form as that required by the Guam Ancestral Lands Commission for ancestral land claims; or

(B) a declaration or affidavit, signed under penalty of perjury, attesting that the person owned, or is the descendant of someone who owned land that was acquired by the United States. To the extent known or reasonably ascertainable by the applicant, this declaration or affidavit shall include the location, by parcel number, address, legal description, or other legally-recognized identifier, of the land that was claimed to have been owned and the date of acquisition by the United States.

(2) The applicant shall be required to use his or her best efforts to obtain the information described above and to provide documentation demonstrating that he or she is the descendent of the person who owned the land. Based upon review of the documentation, declarations or affidavits, and any additional

research the Commission conducts, including, but not limited to, the "Bohn files" and any other readily-available condemnation and land records, the Commission shall determine whether the applicant is an eligible beneficiary.

(b) Occupied, Farmed, or Ranched Land Acquired by the United States:

(1) Persons shall be considered *eligible beneficiaries* if the United States acquired land on which they did not hold title or ownership, but that they nevertheless had either occupied, farmed, or ranched land for residential or agricultural purposes for at least one (1) year immediately prior to that land being acquired by the United States government between 1898 and 1968 or descendants of such person; except that if a person occupied, farmed, or ranched the land on or after December 8, 1941, and the land was acquired at any time after that date and up to 1950, the one (1) year tenure need not have occurred immediately prior to acquisition by the United States government. To be eligible under this provision, an applicant must sign a declaration or affidavit setting forth, in sufficient detail and under penalty of perjury, the following facts to the extent known or reasonably ascertainable by the applicant:

(A) the location, by parcel number, address, legal description, or other legally-recognized identifier, of the land that was claimed to have been occupied, farmed, or ranched;

(B) the name of the person or persons who occupied, farmed, or ranched the land;

(C) the length of time the person(s) continuously occupied, farmed, or ranched the land;

(D) the legal owner of the land and the relationship between the owner and the person who occupied, farmed, or ranched the land, including whether any compensation or rent was paid to the owner;

(E) a description of the nature of the person's activity on the land, including whether the land was used for residential or agricultural purposes;

(F) if the land was farmed or ranched, the type of activity being conducted on the land (such as the types of crops harvested or animals raised); and

(G) whether the person improved the land in any way and the nature of such improvements.

(2) The applicant shall be required to use his or her best efforts to obtain the information described above and to provide documentation demonstrating that he or she is the descendent of the person or persons who occupied, ranched, or farmed the land. Based upon review of the documentation, declarations, or affidavits, and any additional research the Commission conducts, the Commission shall determine whether the person is an eligible beneficiary. For purposes of this provision, a person shall be deemed to have "occupied" land if he or she maintained his or her primary residence on the land."

(8) § 75A109(a) of Chapter 75A, Title 21, Guam Code Annotated, *shall* read as follows:

"(a) Upon the death of the lessee, his or her interest in the tract or tracts and the improvements thereon, including growing crops (either on the tract or in any collective contract or program to which the lessee is a party by virtue of his interest in the tract or tracts), shall vest in the relatives of the decedent as provided in this Subsection. From the following relatives of the lessee, husband and wife, children, widows or widowers of the brothers and sisters, or nieces and nephews, the lessee shall designate the person or persons to whom he directs his interest in the tract or tracts to vest upon his death. Such person or persons must be qualified to be a lessee of Chamorro Land Trust Property; provided, that such person or persons need not be eighteen (18) years of age; provided, further, however, that, if the person designated by the lessee:

(1) is the lessee's spouse;

(2) has been married to the lessee for at least the past seven (7) years;

(3) is residing on the property with the lessee in a structure that has been approved as a residence at the time of the lessee's death; and

(4) is not an eligible beneficiary as defined under this Act, such person shall, upon the death of the lessee, receive a life estate in the remainder of the lease, and upon termination of the life estate, assignment of the lessee's remaining interest in the lease shall be governed by the applicable provisions of the Chamorro Land Trust Act as if the lessee had died without designating his or her spouse as a beneficiary.

Such designation must be in writing, must be specified at the time of execution of such lease with a right in such lessee in similar manner to change such beneficiary at any time and shall be filed with the Commission and approved by the Commission in order to be effective to vest such interests in the successor or successors named.

In the absence of such a designation as approved by the Commission, the Commission shall select from the relatives of the lessee in the order named above as limited by the foregoing paragraph one (1) or more persons who are qualified to be lessees of Chamorro Land Trust property, except as hereinabove provided, as the successor or successors of the lessee's interest in the tract or tracts, and upon the death of the lessee, his interest shall vest in the person or persons so selected. The Commission may select such a successor or successors after the death of the lessee, and the rights to the use and occupancy of the tract or tracts may be made effective as of the date of the death of such lessee.

In the case of the death of a lessee leaving no such relative qualified to be a lessee of Chamorro Land Trust Property, the land subject to the lease shall resume its status as unleased Chamorro Land Trust Property and the Commission is authorized to lease such land to an eligible beneficiary or eligible beneficiaries as provided in this Chapter.

Upon the death of a lessee leaving no such relative qualified to be a lessee of Chamorro Land Trust Property, or the cancellation of a lease by the Commission, or the surrender of a

lease by the lessee, the Commission shall appraise the value of all such improvements and growing crops and shall pay to the legal representative of the deceased lessee, or to the previous lessee, as the case may be, the value thereof, less any indebtedness to the Commission, or for taxes, or for any other indebtedness the payment of which has been assured by the Commission, from the deceased lessee or the previous lessee. Such payment shall be made out of the loan fund and shall be considered an advance therefrom reimbursable out of payments made by the successor or successors to the tract involved. Such appraisal shall be made by three (3) appraisers, one (1) of which shall be named by the Commission, one (1) by the previous lessee or the legal representative of the deceased lessee, as the case may be, and the third shall be selected by the two (2) appraisers hereinbefore mentioned."

**Section 2.** Chapter 75 of Title 21, Guam Code Annotated, *shall* remain intact for leases approved prior to January 1, 2021.

**Section 3.** § 75109(a) of Chapter 75, Title 21, Guam Code Annotated, is *amended* to read:

"(a) Upon the death of the lessee, his interest in the tract or tracts and the improvements thereon, including growing crops (either on the tract or in any collective contract or program to which the lessee is a party by virtue of his interest in the tract or tracts), shall vest in the relatives of the decedent as provided in this paragraph. From the following relatives of the lessee, husband and wife, children, widows or widowers of the brothers and sisters, or nieces and nephews, the lessee shall designate the person or persons to whom he directs his interest in the tract or tracts to vest upon his death. Such person or

persons must be qualified to be a lessee of Chamorro homelands; provided, that such person or persons need not be eighteen (18) years of age; provided, further, however, that, if the person designated by the lessee:

(1) is the lessee's spouse;

(2) has been married to the lessee for at least the past seven (7) years;

(3) is residing on the property with the lessee in a structure that has been approved as a residence at the time of the lessee's death; and

(4) is not an eligible beneficiary as defined under this Act, such person shall, upon the death of the lessee, receive a life estate in the remainder of the lease, and upon termination of the life estate, assignment of the lessee's remaining interest in the lease shall be governed by the applicable provisions of the Chamorro Land Trust Act as if the lessee had died without designating his or her spouse as a beneficiary.

Such designation must be in writing, must be specified at the time of execution of such lease with a right in such lessee in similar manner to change such beneficiary at any time and shall be filed with the Commission and approved by the Commission in order to be effective to vest such interests in the successor or successors named.

In the absence of such a designation as approved by the Commission, the Commission shall select from the relatives of the lessee in the order named above as limited by the foregoing paragraph one (1) or more persons who are qualified to be lessees of Chamorro homelands except as hereinabove provided, as the successor or successors of the lessee's interest in the tract or tracts, and upon the death of the lessee, his interest shall vest in the person or

persons so selected. The Commission may select such a successor or successors after the death of the lessee, and the rights to the use and occupancy of the tract or tracts may be made effective as of the date of the death of such lessee.

In the case of the death of a lessee leaving no such relative qualified to be a lessee of Chamorro homelands, the land subject to the lease shall resume its status as unleased Chamorro homelands and the Commission is authorized to lease such land to a native Chamorro or Chamorros as provided in this Chapter.

Upon the death of a lessee leaving no such relative qualified to be a lessee of Chamorro homelands, or the cancellation of a lease by the Commission, or the surrender of a lease by the lessee, the Commission shall appraise the value of all such improvements and growing crops and shall pay to the legal representative of the deceased lessee, or to the previous lessee, as the case may be, the value thereof, less any indebtedness to the Commission, or for taxes, or for any other indebtedness the payment of which has been assured by the Commission, from the deceased lessee or the previous lessee. Such payment shall be made out of the loan fund and shall be considered an advance therefrom reimbursable out of payments made by the successor or successors to the tract involved. Such appraisal shall be made by three (3) appraisers, one (1) of which shall be named by the Commission, one (1) by the previous lessee or the legal representative of the deceased lessee, as the case may be, and the third shall be selected by the two (2) appraisers hereinbefore mentioned."

**Section 4.** The Senator Paul J. Bordallo Rules and Regulations for the Chamorro Land Trust Commission enacted pursuant to 21 GCA Chapter 75 are hereby enacted as rules and regulations applicable to 21 GCA Chapter 75A, except

where inconsistent. The Chamorro Land Trust Commission shall modify said rules and regulations as well as any sub-regulatory rules, policies, practices, or guidance as necessary to be consistent with 21 GCA Chapter 75A, as enacted by this Act.

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