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

Bill No. 419-35 (COR)

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As Substituted by the Committee on Health, Tourism, Historic Preservation, Land and Justice, and further Substituted on the floor

Introduced by: Therese M. Terlaje

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 CHAMORU LAND TRUST.

BE IT ENACTED BY THE PEOPLE OF GUAM:

2 **Section 1.** A new Chapter 75A of Title 21 of the Guam Code Annotated is 3 hereby enacted, which shall mirror the existing Chapter 75 of Title 21 of the Guam 4 Code Annotated except as provided in this Act, and shall be effective January 1, 2021. The new Chapter 75A of Title 21 of the Guam Code Annotated shall be 5 codified and renumbered by the Compiler of Laws consistent with this Act, with the 6 7 following provisions added: 8 1) The new Chapter 75A of Title 21, Guam Code Annotated, shall 9 be codified to include the following legislative intent: 10 "Legislative Findings and Intent. It is the intent of I 11 Liheslaturan Guåhan to defend the history and purpose of the 12 Chamorro Land Trust Act created in 1975 by P.L. 12-226 and enacted as Chapter 75 of Title 21, Guam Code Annotated. The Chamorro Land 13 14 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., No. 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."

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.*

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I Liheslaturan Guåhan further finds that the Office of the Attorney General and 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 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."

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 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 Land Trust and in furtherance of said settlement; provided, that 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 constitutional challenge of 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

1	Senator Paul J. Bordallo Rules and Regulations for the Chamorro Land
2	<u>Trust Commission.</u> "
3	3) The new Chapter 75A of Title 21 of Guam Code Annotated, shall
4	replace all references to "Chamorro" and "native Chamorro," (or any
5	variations thereof) with "beneficiary" and "eligible beneficiary," respectively.
6	References to "Chamorro homelands" shall be replaced with "Chamorro Land
7	Trust Property," except as provided in the new 21 GCA §§ 75A101(c) and
8	75A105. References to the "Chamorro Land Trust Act," "Chamorro Land
9	Trust Commission," "Hatdin Åmot Chamorro," "Chamorro traditional
10	healing or medicine," "Chamorro heritage and culture," "traditional
11	Chamorro medicines," "Chamorro healing arts," and "traditional Chamorro
12	remedies" need not be revised. The Compiler of Laws is authorized to
13	conform Chapter 75A of Title 21 of the Guam Code Annotated with this
14	Section.
15	4) § 75A101(c) of Chapter 75A, Title 21, Guam Code Annotated,
16	shall read as follows:
17	"(c) The term Chamorro Land Trust property means all available
18	lands, which includes Chamorro homelands, under the control of the
19	Chamorro Land Trust Commission under the provisions of § 75A105
20	of this Chapter and § 75105 of Chapter 75."
21	5) § 75A101(d) of Chapter 75A, Title 21, Guam Code Annotated,
22	shall read as follows:
23	"(d) The <i>eligible beneficiary</i> means any person regardless of

race, color, or national origin:

1		(1) whose land was acquired by the United States
2		government between 1898 and 1968, or descendants of such
3		person; or
4		(2) who either occupied, farmed, or ranched land for
5		residential or agricultural purposes for at least one (1) year
6		immediately prior to that land being acquired by the United
7		States government between 1898 and 1968 or descendants of
8		such person; except that if a person occupied, farmed, or ranched
9		the land on or after December 8, 1941, and the land was acquired
10		at any time after that date and up to 1950, the one-year tenure
11		need not have occurred immediately prior to acquisition by the
12		United States government."
13	6)	§ 75A105 of Chapter 75A, Title 21, Guam Code Annotated, shall
14	read as foll	ows:
15		"§ 75A105. Control by Commission of Available
16		Lands; Return to Department.
17		Upon and after the enactment of this Chapter, all
18		available lands pursuant to § 75A104 of Chapter 75A and
19		§ 75104 of Chapter 75, which includes Chamorro
20		homelands, shall immediately assume the status of
21		Chamorro Land Trust Property and shall be under the
22		control of the Commission to be used and disposed of in
23		accordance with the provisions of this Chapter, except
24		that:
25		(a) In case any government land is under lease,
26		permit or agreement upon the enactment of this Chapter,
27		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

1	serve the transportation function originally intended. The
2	Chamorro Land Trust Commission shall offer any such
3	land for sale to any contiguous landowner of such
4	property, on written application of such owner, provided:
5	(1) that the land is not contiguous to government
6	property, does not serve as a utility easement, or
7	does not provide access to natural resources;
8	(2) that the sale price is based on the appraised fair
9	market value having due regard to the fair market value of
10	contiguous properties, and that the price be paid in full in
11	cash equivalent;
12	(3) that if the property extends into property other
13	than that belonging to the applicant, that the property to be
14	sold shall be subdivided to align with the borders of such
15	adjacent owners;
16	(4) that notice of the application shall be given to all
17	owners of land within five hundred (500) feet adjacent to
18	the applicants land;
19	(5) that where the land to be sold adjoins land in
20	addition to the applicant's land, and such adjacent owner
21	timely objects to the application, the land shall be sold by
22	the highest cash price bid at an auction conducted, to
23	include the applicant and any other adjacent owner
24	objecting, it being a condition of sale that the highest price
25	bid is not less than the appraised fair market value; and
26	(6) that unless expressly provided otherwise, any
27	use of the term "owner," in relation to interests in real

1	property, in this Title, as well as any derivative thereof,
2	including, but not limited to, "landowner" or "property
3	owner," is presumed to mean an owner in fee simple or
4	absolute fee, and to exclude any other estate or interest
5	therein.
6	(d) In the management of any retained available lands not
7	required for leasing under § 75A107, the Commission may lease
8	or license such lands to the general public. Any lease or license
9	made under this subsection shall comply with the conditions of
10	subsection (b) above.
11	(e) The Commission may, in order to consolidate its
12	holdings or to better effectuate the purposes of this Chapter,
13	exchange the title to available lands for land of an equal or higher
14	value. All lands so acquired by the Commission shall assume the
15	status of available lands as though the same were originally
16	designated as such under § 75104 of Chapter 75 and 75A104 of
17	Chapter 75A.
18	(f) The Commission shall not lease or license any available
19	land until it is registered under the provisions of Chapter 29 of
20	this Title (Land Title Registration Law).
21	(g) The Commission shall utilize Lot No. 382-R1,
22	Inarajan, containing an area of 304.76 acres and being Chamorro
23	Land Trust Property, only for affordable housing."
24	7) The new Chapter 75A of Title 21 of Guam Code Annotated, shall
25	include the following language in a new section:
26	"Verification of Eligible Beneficiaries.
27	(a) Owned Land Acquired by the United States:

1	(1) To be eligible based on ownership of land that was
2	acquired by the United States Government between 1898 and
3	1968, an applicant must provide either:
4	(A) Documentary evidence of ownership in
5	substantially the same form as that required by the Guam
6	Ancestral Lands Commission for ancestral land claims; or
7	(B) A declaration or affidavit, signed under penalty
8	of perjury, attesting that the person owned, or is the
9	descendant of someone who owned land that was acquired
10	by the United States. To the extent known or reasonably
11	ascertainable by the applicant, this declaration or affidavit
12	shall include the location, by parcel number, address, legal
13	description, or other legally-recognized identifier, of the
14	land that was claimed to have been owned and the date of
15	acquisition by the United States.
16	(2) The applicant shall be required to use his or her best
17	efforts to obtain the information described above and to provide
18	documentation demonstrating that he or she is the descendent of
19	the person who owned the land. Based upon review of the
20	documentation, declarations or affidavits, and any additional
21	research the Commission conducts, including but not limited to
22	the "Bohn files" and any other readily-available condemnation
23	and land records, the Commission shall determine whether the
24	applicant is an eligible beneficiary.
25	(b) Occupied, Farmed, or Ranched, Land Acquired by the United
26	States:

1	(1) Persons shall be considered <i>eligible beneficiaries</i> if the
2	United States acquired land on which they did not hold title or
3	ownership, but that they nevertheless had either occupied,
4	farmed, or ranched land for residential or agricultural purposes
5	for at least one (1) year immediately prior to that land being
6	acquired by the United States government between 1898 and
7	1968 or descendants of such person; except that if a person
8	occupied, farmed, or ranched the land on or after December 8,
9	1941, and the land was acquired at any time after that date and
10	up to 1950, the one-year tenure need not have occurred
11	immediately prior to acquisition by the United States
12	government. To be eligible under this provision, an applicant
13	must sign a declaration or affidavit setting forth, in sufficient
14	detail and under penalty of perjury, the following facts to the
15	extent known or reasonably ascertainable by the applicant:
16	(A) the location, by parcel number, address, legal
17	description, or other legally-recognized identifier, of the
18	land that was claimed to have been occupied, farmed, or
19	ranched;
20	(B) the name of the person or persons who
21	occupied, farmed or ranched the land;
22	(C) the length of time the person(s) continuously
23	occupied, farmed, or ranched the land;
24	(D) the legal owner of the land and the relationship
25	between the owner and the person who occupied, farmed,
26	or ranched the land, including whether any compensation
27	or rent was paid to the owner;

1	(E) a description of the nature of the person's
2	activity on the land, including whether the land was used
3	for residential or agricultural purposes;
4	(F) if the land was farmed or ranched, the type of
5	activity being conducted on the land (such as the types of
6	crops harvested or animals raised); and
7	(G) whether the person improved the land in any
8	way and the nature of such improvements.
9	(2) The applicant shall be required to use his or her best
10	efforts to obtain the information described above and to provide
11	documentation demonstrating that he or she they are is the
12	descendent of the person or persons who occupied, ranched, or
13	farmed the land. Based upon review of the documentation,
14	declarations or affidavits, and any additional research the
15	Commission conducts, the Commission shall determine whether
16	the person is an eligible beneficiary. For purposes of this
17	provision, a person shall be deemed to have "occupied" land if
18	he or she maintained his or her primary residence on the land."
19	8) § 75A109 (a) of Chapter 75A of Title 21, Guam Code
20	Annotated, shall read as follows:
21	"(a) Upon the death of the lessee, his or her interest in the tract
22	or tracts and the improvements thereon, including growing crops
23	(either on the tract or in any collective contract or program to which
24	the lessee is a party by virtue of his interest in the tract or tracts), shall
25	vest in the relatives of the decedent as provided in this paragraph.
26	From the following relatives of the lessee, husband and wife, children,
27	widows or widowers of the brothers and sisters, or nieces and

1	nephews, the lessee shall designate the person or persons to whom
2	he directs his interest in the tract or tracts to vest upon his death. Such
3	person or persons must be qualified to be a lessee of Chamorro Land
4	Trust property: provided, that such person or persons need not be
5	eighteen (18) years of age; provided, further, however, that, if the
6	person designated by the lessee
7	(1) is the lessee's spouse;
8	(2) has been married to the lessee for at least the past seven
9	<u>(7) years;</u>
10	(3) is residing on the property with the lessee in a structure
11	that has been approved as a residence at the time of the lessee's
12	death; and
13	(4) is not an eligible beneficiary as defined under this Act,
14	such person shall, upon the death of the lessee, receive a life
15	estate in the remainder of the lease, and upon termination of the
16	life estate, assignment of the lessee's remaining interest in the
17	lease shall be governed by the applicable provisions of the
18	Chamorro Land Trust Act as if the lessee had died without
19	designating his or her spouse as a beneficiary.
20	Such designation must be in writing, must be specified at
21	the time of execution of such lease with a right in such lessee in
22	similar manner to change such beneficiary at anytime and shall
23	be filed with the Commission and approved by the Commission
24	in order to be effective to vest such interests in the successor or
25	successors named.
26	In the absence of such a designation as approved by the
27	Commission, the Commission shall select from the relatives of

the lessee in order named above as limited by the foregoing paragraph one 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

1		made by the successor or successors to the tract involved. Such
2		appraisal shall be made by three appraisers, one of which shall
3		be named by the Commission, one by the previous lessee or the
4		legal representative of the deceased lessee, as the case may be,
5		and the third shall be selected by the two appraisers hereinbefore
6		mentioned."
7	Section 2.	Chapter 75 of Title 21 of Guam Code Annotated shall remain
8	intact for leases ap	pproved prior to January 1, 2021.
9	Section 3.	§ 75109(a) of Chapter 75, Title 21, Guam Code Annotated, is
10	amended to read:	
11	"(a) ¹	Upon the death of the lessee, his interest in the tract or tracts and
12	the improve	ements thereon, including growing crops (either on the tract or in
13	any collecti	ve contract or program to which the lessee is a party by virtue of
14	his interest	in the tract or tracts), shall vest in the relatives of the decedent as
15	provided in	this paragraph. From the following relatives of the lessee, husband
16	and wife, cl	nildren, widows or widowers of the brothers and sisters, or nieces
17	and nephew	ys,the lessee shall designate the person or persons to whom he
18	directs his i	nterest in the tract or tracts to vest upon his death. Such person or
19	persons mu	st be qualified to be a lessee of Chamorro homelands: provided,
20	that such pe	erson or persons need not be eighteen (18) years of age; provided,
21	further, hov	vever, that, if the person designated by the lessee
22		(1) is the lessee's spouse;
23		(2) has been married to the lessee for at least the past seven (7)
24	years	,
25		(3) is residing on the property with the lessee in a structure that
26	has b	een 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 anytime 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 order named above as limited by the foregoing paragraph one 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 appraisers, one of which shall be named by the Commission, one 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 appraisers hereinbefore mentioned."

Section 4. The Senator Paul J. Bordallo Rules and Regulations for the Chamorro Land Trust Commission enacted pursuant to Chapter 75 are hereby enacted as rules and regulations applicable to Chapter 75A of Title 21, Guam Code Annotated, 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.