



I MINA' BENTE NUEBE NA LIHESLATURAN GUÅHAN  
2007 (FIRST) Regular Session

Bill No. 68 (EC)

Introduced by:

J. A. Lujan   
Edward J.B. Calvo 

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AN ACT TO AUTHORIZE THE ISSUANCE OF VALUABLE CERTIFICATES TO COLA CLAIMANTS AWAITING PAYMENT, BY ADDING A NEW SUBSECTION 6404(d) TO TITLE 5 GUAM CODE ANNOTATED, RELATIVE TO BUDGETING FOR CLAIMS, TO BE KNOWN AS THE "COLA RELIEF ACT".

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 **Section 1. Legislative Intent.** The government of Guam is obligated to pay a  
3 court-ordered settlement to each member of the successful class of claimants in  
4 Rios v. Camacho, Superior Court Case No. SP0206-93. Without sufficient  
5 revenues from which to make an appropriation, or borrowing authority to  
6 finance this obligation, the government should approve a creative way to convey  
7 the value of the settlement for use by claimants without delay. This Act  
8 authorizes issuance of a document stating the settlement amount due each  
9 claimant, which can be used as evidence of financial asset to secure loans, pay  
10 taxes, sold for cash, or otherwise conveyed in an open market for current use.

11 **Section 2.** A new Subsection (d) is added to §6404 of Title 5 Guam Code  
12 Annotated, relative to Budgeting for Claims, to read as follows:

1   **“(d) Certificates authorized for COLA settlement.** To expedite interim  
2 payment to COLA claimants in Rios v. Camacho, Superior Court Case No.  
3 SP0206-93, the Department of Administration shall issue to claimants within five  
4 (5) working days a serial certificate stating the amount due the claimant,  
5 excluding attorney’s fees and cost, except for the attorneys in the action who may  
6 request a certificate for up to 50% of what is owed to them, but including terms  
7 that would affect the value of the claim over time, such as interest and  
8 confirmation that upon payment of the amount owed to the claimant it shall be  
9 free of any taxes or liens owed to the government of Guam by the claimant or  
10 any successor in interest to the claimant. The Department of Administration shall  
11 enscribe on the certificates only those names of claimants and corresponding  
12 amounts provided by the Guam Retirement Fund, net of attorney’s fees and  
13 costs, and shall retain a listing of certificates issued. Such certificates, once issued,  
14 are evidence of such amounts payable by the government of Guam, to be  
15 redeemed by bearer at a later date. Certificates may be transferred or assigned to  
16 a third party. Any successor in interest of claimant shall stand in the same shoes  
17 as the claimant when the order of payment and funds are disbursed in Rios v.  
18 Camacho, Superior Court Case No. SP0206-93. A certificate must be surrendered  
19 for payment of the claim shown on its face. Upon sale, assignment or transfer by  
20 the claimant of their claims represented by a certificate of claim issued by the  
21 Department of Administration, any purchaser, assignee or transferee may  
22 register said sale, assignment or transfer with the Department of Administration.  
23 The first to register a sale, assignment or transfer shall have a prior claim against  
24 all subsequent third party claims to the certificate registered prior in time and

1 such party to whom the certificate is sold, assigned or transferred shall be  
2 substituted by the Superior Court in lieu of claimant in Rios v. Camacho Superior  
3 Court Case No. SP0206-93."