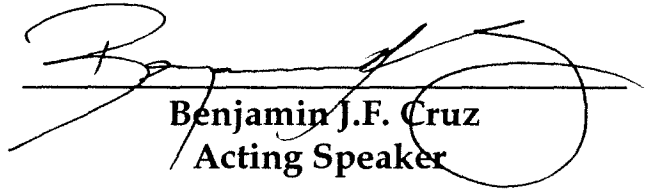


FILE COPY


I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

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

This is to certify that **Bill No. 147-30 (COR)**, "AN ACT TO ADD A NEW SUBSECTION (p) TO §50103 OF CHAPTER 50 OF TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO GUAM ECONOMIC DEVELOPMENT AUTHORITY LOANS AND LENDING PRACTICES," was on the 13th day of November, 2009, duly and regularly passed.

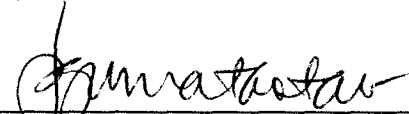

Benjamin J.F. Cruz
Acting Speaker

Attested:



Rory J. Respicio
Acting Legislative Secretary

This Act was received by *I Maga'lahaen Guåhan* this 17 day of Nov., 2009, at
4:05 o'clock P.M.



Assistant Staff Officer
Maga'lahaen's Office

APPROVED:

FELIX P. CAMACHO
I Maga'lahaen Guåhan

Date: _____

Public Law No. _____

I MINA'TRENTA NA LIHESLATURAN GUÅHAN
2009 (FIRST) Regular Session

Bill No. 147-30 (COR)

As amended by the Committee on Economic Development,
Health & Human Services, and Judiciary,
and further amended on the Floor.

Introduced by:

v. c. pangelinan
Adolpho B. Palacios, Sr.
T. C. Ada
F. B. Aguon, Jr.
F. F. Blas, Jr.
E. J.B. Calvo
B. J.F. Cruz
J. V. Espaldon
Judith P. Guthertz, DPA
T. R. Muña Barnes
M. J. Rector
R. J. Respicio
Ray Tenorio
Telo Taitague
Judith T. Won Pat, Ed.D.

**AN ACT TO *ADD* A NEW SUBSECTION (p) TO §50103
OF CHAPTER 50 OF TITLE 12, GUAM CODE
ANNOTATED, RELATIVE TO GUAM ECONOMIC
DEVELOPMENT AUTHORITY LOANS AND LENDING
PRACTICES.**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 there is a need to implement stricter guidelines and restrictions that will govern the
4 manner in which the Guam Economic Development Authority (GEDA) makes

1 loans or guarantees loans of any persons, firm, partnership or corporation licensed
2 to do business on Guam, including non-profit cooperative associations.

3 *I Liheslaturan Guåhan* further finds that GEDA promotes and encourages
4 the expansion and development of markets for products on Guam and is designed
5 to help qualified entrepreneurs establish a successful business on Guam. For the
6 past several years, GEDA has assisted many entities in their endeavors to
7 successfully conduct business operations on Guam. However, there are individuals
8 and entities that unfortunately have *not* been successful. In some of these cases,
9 entities defaulted on their loans and walked away from their obligations despite
10 terms requiring otherwise and, as a result, have never paid GEDA back monies
11 owed to them.

12 Therefore, *I Liheslaturan Guåhan* intends to prohibit the abuse of lending
13 practices by GEDA by *adding* a new subsection (p) to §50103, Title 12, Guam
14 Code Annotated, Chapter 50, Article 1, with regard to its purposes and authorized
15 activities.

16 **Section 2. A new subsection (p) is hereby *added* to §50103 of Chapter**
17 **50, Article 1, Title 12, Guam Code Annotated, to read:**

18 “(p) An individual or business *shall* be ineligible for GEDA loans,
19 leases, grants or other assistance if that individual or business, *or* any of its
20 officers and/or directors, owners, partners, *or* shareholders that have *more*
21 *than* five percent (5%) ownership interest in said business, including indirect
22 ownership *or* other interest through proxy or trust, *or* sister parent *or*
23 subsidiary ownership interest(s), personally *or* through a relative within one
24 (1) degree of consanguinity, has:

25 (1) a record of delinquency that results in loan default on financial
26 assistance obtained from GEDA or any other instrumentality of

1 the government of Guam, unless borrower fully honored a work-
2 out agreement to the satisfaction of the creditor;

3 (2) failed to meet and fulfill the terms and conditions of receiving
4 GEDA assistance;

5 (3) a past due or unpaid civil judgment in the Superior Court of
6 Guam; *or*

7 (4) engaged in *any* activity that has resulted in prosecution for a
8 felony *or* a crime of moral turpitude *or* conviction for that type of
9 crime in the Courts of Guam, the United States and its territories, *or*
10 foreign jurisdiction. This Section shall *not* apply in the event that the
11 prosecution is dismissed with prejudice.”

12 **Section 3. Severability.** *If* any provision of this Law or its application to
13 any person or circumstance is found to be invalid or contrary to law, such
14 invalidity shall *not* affect other provisions or applications of this Law, which can
15 be given effect without the invalid provisions or applications, and to this end the
16 provisions of this Law are severable.