

FIRST GUAM LEGISLATURE
1951 (FIRST) Regular Session

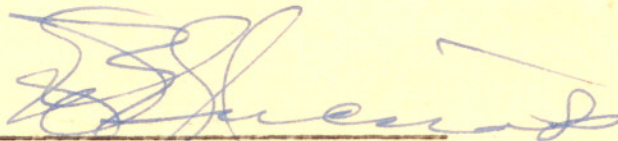
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill Number 4, "An Act to establish the Guam Farm Finance Administration and for other purposes," was on the 24th day of April, 1951, duly and regularly passed.



A. B. WON PAT
Speaker

ATTESTED:



A. S. N. DUENAS
Legislative Secretary

This Act was received by the Governor this 1st day
of May, 1951, at 10:17 o'clock A.M.



R. S. HERMAN
Secretary of Guam

APPROVED:



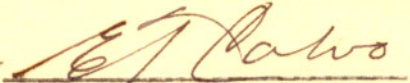
CARLTON SKINNER
GOVERNOR OF GUAM

Dated: May 10, 1951

May 10 1951
RECEIVED

Bill No. 4

Introduced by


E. T. Calvo

An Act to establish the Guam Farm Finance
Administration and for other purposes.

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

2 Sec. 1. There is hereby established within the Government of
3 Guam an agency thereof to be known as the "Guam Farm Finance Administra-
4 tion" (hereinafter sometimes called the "Finance Agency"), with the func-
5 tions, powers and responsibilities provided in this act and any amendment
6 thereof.

7 Sec. 2. All the functions, powers and responsibilities of the
8 Finance Agency shall be exercised by and under the direction of a seven
9 member Board of Administration (hereinafter sometimes called the "Board")
10 to be composed of: The Attorney General; the Director of the Department
11 of Agriculture; the Director of Finance; the Director of Commerce; the
12 Director of the Office of Land Management; and two additional members to
13 be appointed by the Governor of Guam with the concurrence of the Guam
14 Legislature. Provided, however, that one of the two members so appointed
15 shall be actually engaged at the time of his appointment in farming or
16 activities related to farming and the other shall be appointed from a
17 list of three persons nominated for the position by the Board of Direc-
18 tors of the Guam Chamber of Commerce. The Board may appoint an adminis-
19 trator and such other officers or employees as it deems necessary and
20 may require any one or more of them to give bond in such amounts as it
21 may prescribe. All persons employed by the Board shall, unless otherwise
22 by law expressly provided, be employed, paid and shall hold their offices
23 or positions to the provisions of law applicable to other officers and
24 employees of the Government of Guam; and their remuneration and wage

1 scale shall be established in accordance with the provisions of law
2 applicable to other employees of the Government of Guam.

3 Sec. 3. To augment the credit facilities available to farmers
4 and for the betterment of the conduct of agricultural and related pur-
5 suits in Guam, the Finance Agency shall have power to insure or guaran-
6 tee, as to principal or interest or both, upon such conditions and under
7 such rules and regulations as it may prescribe, from, but only from, the
8 Finance Agency Guarantee Fund hereinafter in Section 4, defined and
9 created, the repayment in whole or in part of any loan made by any national
10 bank authorized to do business in Guam (hereinafter sometimes called the
11 "Bank").

12 Sec. 4. There is hereby appropriated from the unencumbered funds
13 of the Government of Guam emanating from the sale of any capital assets
14 of the Naval Government of Guam, the sum of three hundred thousand
15 (\$300,000.00) dollars, to be established and set aside as a separate and
16 special revolving fund (hereinafter sometimes called the "Guarantee Fund")
17 from which Guarantee Fund all obligations and expenditures of the Finance
18 Agency shall be solely and exclusively incurred and paid.

19 Sec. 5. In committing the Guarantee Fund to insure repayment, in
20 whole or in part, of any loan made or to be made by the Bank and with
21 regard to which loan the Bank requests such guarantee from the Guarantee
22 Fund, the Board shall exercise the judgement of a reasonable, prudent busi-
23 nessman in evaluating the prospects of the loan's liquidation. The Board
24 shall fix and charge, and may from time to time alter, the rate of a
25 reasonable interest premium with respect to every loan insured by the Gua-
26 rantee Fund. Whenever the Bank requests the Finance Agency to insure in
27 whole or in part any loan made or to be made by the Bank, the Board as
28 condition to its approval thereof, may require such collateral, if any,
29 including mortgages and other security, may require such rights of sub-
30 rogation and may prescribe such single or serial maturity schedules; pro-
31 vided, that the Guarantee Fund shall be committed to no loan maturing over

1 a period in excess of twenty years; and may establish and from time to
2 time alter such other terms and conditions under such rules and regulations
3 as it may adopt to further the purposes of this act.

4 Sec. 6. Neither the Finance Agency nor the Board shall have any
5 power to create and no commitment of the Guarantee Fund shall ever
6 constitute, or be deemed to constitute, any general obligation, contin-
7 gent or otherwise, of the Government of Guam.

8 Sec. 7. This act shall be known and may be cited as the "Guam
9 Farm Finance Administration Act".

10 Sec. 8. This act is an urgency measure and shall become effective
11 upon the date of its approval by the Governor.