

FIRST GUAM LEGISLATURE
1951 (FIRST) Regular Session

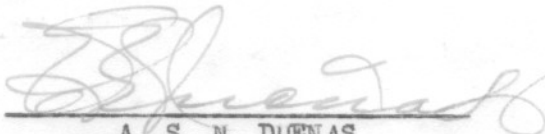
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill Number 53, "An Act to amend Public Law 14, First Guam Legislature, approved May 10, 1951, by broadening the purposes for which guaranteed loans may be made; broadening the definition of lending institutions authorized to make loans; authorizing direct loans in certain instances for approved projects; increasing the amount of the Guarantee Fund; changing the name of the Guam Farm Finance Administration; and authorizing the Board to participate in research and other studies affecting the economic development of Guam" was on the 14th day of August, 1951, duly and regularly passed.



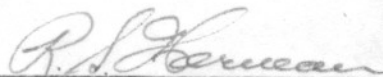
A. B. WON PAT
Speaker

ATTESTED:



A. S. N. DUENAS
Legislative Secretary

This Act was received by the Governor this 21st day
of August, 1951, at 4:12 o'clock P. M.



R. S. HERMAN
Secretary of Guam

APPROVED:



CARLTON SKINNER
GOVERNOR OF GUAM

Dated: August 29, 1951

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GOVERNMENT OF GUAM
RECEIVED

FIRST GUAM LEGISLATURE
1951 (FIRST) Regular Session

1 Bill No. 53

2 *Public Law 31*

Introduced by

Jesus U. Okiyama
Jesus U. Okiyama

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4 An Act to amend Public Law 14, First Guam
5 Legislature, approved May 10, 1951, by broad-
6 ening the purposes for which guaranteed loans
7 may be made; broadening the definition of lend-
8 ing institutions authorized to make loans;
9 authorizing direct loans in certain instances
10 for approved projects; increasing the amount
11 of the Guarantee Fund; changing the name of the
12 Guam Farm Finance Administration; and authorizing
13 the Board to participate in research and other
14 studies affecting the economic development of
15 Guam.

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

17 SECTION 1. Public Law 14, First Guam Legislature, approved
18 May 10, 1951 is amended in the following respects:

19 Section 1 is amended to read as follows:

20 Sec. 1. There is hereby established within the govern-
21 ment of Guam an agency thereof to be known as the "Guam Finance
22 and Development Administration" (hereinafter sometimes called
23 the "Finance Agency"), with the functions, powers and respons-
24 ibilities provided in this act and any amendment thereof.

25 Section 3 is amended to read as follows:

26 Sec. 3. To augment the credit facilities available
27 for the betterment of the conduct of agricultural, industrial,
28 commercial, construction, housing and related pursuits in
29 Guam, the Finance Agency shall have power to insure or guarantee,
30 as to principal or interest or both, upon such conditions and
31 under such rules and regulations as it may prescribe, from,
32 but only from, the Finance Agency Guarantee Fund hereinafter
in Section 4, defined and created, the repayment in whole or
in part of any loan made by any public or private lending
agency authorized to do business in Guam (hereinafter sometimes
called the "Lending Agency").

Section 4 is amended to read as follows:

1 Sec. 4. There is hereby appropriated from the un-
2 encumbered funds of the government of Guam emanating from the
3 sale of any capital assets of the Naval Government of Guam,
4 the sum of nine hundred thousand (\$900,000.00) dollars, to be
5 established and set aside as a separate and special revolving
6 fund (hereinafter sometimes called the "Guarantee Fund") from
7 which Guarantee Fund all obligations and expenditures of the
8 Finance Agency shall be solely and exclusively incurred and
9 paid.

10 Section 4.1 is added to read as follows:

11 Sec. 4.1. To further assist the development and advance-
12 ment of agricultural, industrial, commercial, construction,
13 housing and related pursuits in Guam, the Finance Agency may
14 make direct loans to borrowers in those cases where adequate
15 financing is not available on reasonable terms from a Lending
16 Agency, even with a guarantee from the Guarantee Fund, for a
17 project approved by the Board. Such loans may be made from,
18 but only from, the Finance Agency Guarantee Fund and upon such
19 terms and conditions and under such rules and regulations as
20 the Board may prescribe.

21 Section 4.2 is added to read as follows:

22 Sec. 4.2. The Board is authorized to examine, investi-
23 gate and conduct research and experimental operations in
24 agricultural, industrial, commercial, construction, housing
25 and related pursuits, including but not limited to, the market-
26 ing, distribution, manufacture, growth, advertising and export-
27 ing aspects of such pursuits on Guam, and to publicize the
28 results of such activities. These activities may be undertaken
29 alone or in conjunction with any public or private agency, and
30 shall be supported by moneys from, but only from the Guarantee
31 Fund and upon such terms and conditions and under such rules
32 and regulations as the Board may prescribe.

1 Section 5 is amended to read as follows:

2 Sec. 5. In committing the Guarantee Fund to (1) insure
3 repayment, in whole or in part, of any loan made by the Lending
4 Agency and with regard to which loan the Lending Agency requests
5 such guarantee from the Guarantee Fund, or (2) make a direct
6 loan to a borrower^{ER} as provided for in Section 4.1, the Board shall
7 exercise the judgment of a reasonable, prudent businessman in eva-
8 luating the prospects of the loan's liquidation. The Board shall
9 fix and charge, and may from time to time alter, the rate of a
10 reasonable interest premium with respect to every loan made from
11 or insured by the Guarantee Fund. Whenever the Lending Agency
12 requests the Finance Agency to insure in whole or in part any
13 loan made or to be made by the Lending Agency or whenever a
14 direct loan is made to a borrower as provided in Section 4.1,
15 the Board as condition to its approval thereof, may require such
16 collateral, if any, including mortgages and other security, may
17 require such rights of subrogation and may prescribe such single
18 or serial maturity schedules; provided, that the Guarantee Fund
19 shall be committed to no loan maturing over a period in excess
20 of twenty years; and may establish and from time to time alter
21 such other terms and conditions under such rules and regulations
22 as it may adopt to further the purposes of this act.

23 Section 7 is amended to read as follows:

24 Sec. 7. This act shall be known and may be cited as the
25 "Guam Finance and Development Administration Act".

26 SECTION 2. This Act is an urgency measure and shall become
27 effective upon the date of its approval by the Governor.
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