



Territory of Guam
Territorio Guam

OFFICE OF THE GOVERNOR
OFISINAN I MAGALAH
AGANA, GUAM 96910 U.S.A.

REFER TO
LEGISLATIVE SECRETARY

JAN 18 1994

RECEIVED
OFFICE OF THE SPEAKER
DATE: 1/19/94
TIME: 5:00
REC'D BY: [Signature]

Filed by
1/19/94
5:00 PM

The Honorable Joe T. San Agustin
Speaker, Twenty-Second Guam Legislature
155 Hesler Street
Agana, Guam 96910

Dear Mr. Speaker:

Transmitted herewith is Bill No. 646 which I have signed into law this date as
Public Law 22-68.

Sincerely yours,

JOSEPH F. ADA
Governor of Guam

220491

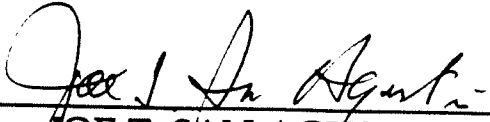
Attachmeni



TWENTY-SECOND GUAM LEGISLATURE
1994 (SECOND) Regular Session

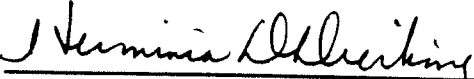
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 646 (LS), "AN ACT TO AUTHORIZE THE GOVERNOR TO AMEND THE LEASES SET OUT IN PUBLIC LAW 21-127 BETWEEN THE GOVERNMENT OF GUAM AND MARTHA ANN RUBIC," was on the 5th day of January, 1994, duly and regularly passed.




JOE T. SAN AGUSTIN
Speaker

Attested:



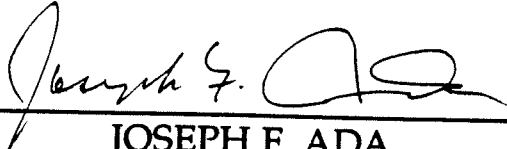
HERMINIA D. DIERKING
Senator and Acting Legislative Secretary

This Act was received by the Governor this 7th day of January
1994, at 4:39 o'clock P.M.



Theresa F. Duenas
Assistant Staff Officer
Governor's Office

APPROVED:



JOSEPH F. ADA
Governor of Guam

JAN 13 1994

Date: _____

Public Law No. 22-68

TWENTY-SECOND GUAM LEGISLATURE
1993 (FIRST) Regular Session

Bill No. 646 (LS)

As substituted by the Committee on
Housing and Community Development

Introduced by:

E. D. Reyes
T. S. Nelson
T. C. Ada
M. Z. Bordallo
H. D. Dierking
C. T. C. Gutierrez
P. C. Lujan
V. C. Pangelinan
J. T. San Agustin
F. E. Santos
D. L. G. Shimizu
J. P. Aguon
E. P. Arriola
J. G. Bamba
A. C. Blaz
D. F. Brooks
F. P. Camacho
M. D. A. Manibusan
T. V. C. Tanaka
A. R. Unpingco

AN ACT TO AUTHORIZE THE GOVERNOR TO
AMEND THE LEASES SET OUT IN PUBLIC LAW 21-127
BETWEEN THE GOVERNMENT OF GUAM AND
MARTHA ANN RUBIC.

1 **BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:**
2 **Section 1.** (a) Notwithstanding any other provision of law, including
3 Public Law 21-127, the Governor is authorized to amend the lease to Lots
4 Nos. 7150-R4 New-5 and 7150-R4 New-7, Yigo, containing an area of 80,500

1 square meters, as set out and recorded at the Department of Land
2 Management under Document No. 4664497, made between the government
3 of Guam and Martha Ann Rubic, dated January 26, 1993 by deleting the
4 phrase "No permanent buildings may be constructed on the leased property,"
5 and inserting in lieu thereof the phrase "Agricultural Buildings may be
6 constructed on the leased property as approved by the Department of
7 Agriculture and the Department of Public Works." The lease may be further
8 amended (i) to permit the lessee to conduct agricultural activities other than
9 turf grass; (ii) so that the lessee may obtain loan funds from an authorized
10 private or government credit facility without the limitation of "purchase
11 money mortgage for the improvement to the leased property," such financing
12 to be secured by the lessee's leasehold interest in the leased property, and (iii)
13 to eliminate the lessee's right to terminate the lease and to require that all
14 improvements made on the property shall belong to the government of Guam
15 at the conclusion of the lease term.

16 (b) Accordingly, new subsections (a) and (b) are hereby added to Section
17 3, Public Law 21-127, to read as follows:

18 "(a) **Conditions for borrowing against property.** The lessee
19 may obtain loan funds from an authorized private or government
20 credit facility using the lessee's leasehold interest in a portion of Lots
21 Nos. 7150-R4NEW-5 and 7150-R4NEW-7 as security or collateral for
22 funds borrowed by the lessee. The lessee prior to or in conjunction
23 with borrowing funds against such leasehold interest, shall obtain
24 term life insurance sufficient to protect the interest of the
25 government of Guam. The land itself shall not be mortgaged nor
26 subleased, and the lease shall not be assigned.

1 (b) The Director of Agriculture shall ensure that the
2 borrowing conditions set forth in paragraph (a) of this section are
3 fully complied with by the lessee of Lots Nos. 7150-R4NEW-5 and
4 7150-R4NEW-7 and that any failure to satisfy the term life insurance
5 requirement set out therein shall constitute grounds for immediate
6 termination of the lease between the government of Guam and the
7 lessee."

6
1

TWENTY-SECOND GUAM LEGISLATURE
1994 (SECOND) Regular Session

Date: 1-5-94

VOTING SHEET
(AS REVISED)

Bill No. 646
Resolution No. _____
Question: _____

NAME	AYE	NO	NOT VOTING/ ABSTAINED	ABSENT/ OUT DURING ROLL CALL
ADA, Thomas C.	✓			
AGUON, John P.	✓			
ARRIOLA, Elizabeth P.	✓			
BAMBA, J. George	✓			
BLAZ, Anthony C.	✓			
BORDALLO, Madeleine Z.	✓			
BROOKS, Doris F.	✓			
CAMACHO, Felix P.	✓			
DIERKING, Herminia D.	✓			
GUTIERREZ, Carl T. C.	✓			
LUJAN, Pilar C.	✓			
MANIBUSAN, Marilyn D. A.	✓			
NELSON, Ted S.	✓			
PANGELINAN, Vicente C.	✓			
PARKINSON, Don	✓			
REYES, Edward D.	✓			
SAN AGUSTIN, Joe T.	✓			
SANTOS, Francis E.	✓			
SHIMIZU, David L. G.	✓			
TANAKA, Thomas V. C.	✓			
UNPINGCO, Antonio R.	✓			

TOTAL 24 0 _____

Senator Edward D. Reyes

Chairman

Committee on Housing and Community Development

Twenty-Second Guam Legislature

228 Archbishop Flores St.
Agana, Guam 96910

Tel: (671) 472-3453 ~4
Fax: (671) 477-6338

January 12, 1994

SPEAKER JOE T. SAN AGUSTIN
Twenty-Second Guam Legislature
155 Hesler St.
Agana, Guam 96910

Dear Mr. Speaker:

The Committee on Housing and Community Development, to which was referred **Bill No. 646**, wishes to report back to the Legislature with its recommendation to pass **Substitute Bill No. 646** - An Act to Authorize the Governor to Amend the Leases Set Out in Public Law 21-127 Between the Government of Guam and Martha Ann Rubic. The voting record is as follows:

TO PASS	<u>5</u>
NOT TO PASS	<u>0</u>
ABSTAIN	<u>0</u>
TO PLACE IN INACTIVE FILE	<u>0</u>

Copies of the Committee Report and other pertinent documents are attached.

Your attention to this matter is greatly appreciated.


EDWARD D. REYES

Attachments

Senator Edward D. Reyes
Chairman
Committee on Housing and Community Development
Twenty-Second Guam Legislature

228 Archbishop Flores St.
Agana, Guam 96910

Tel: (671) 472-3453 ~ 4
Fax: (671) 477-6338

December 15, 1993

MEMORANDUM

TO: Members

FROM: Chairman

SUBJECT: Committee Report - **Substitute Bill No. 646** - An Act to Authorize the Governor to Amend the Leases Set Out in Public Law 21-127 Between the Government of Guam and Martha Ann Rubic

Transmitted herewith for your information and action is the Committee on Housing and Community Development's Report on the subject Bill.

The narrative report is accompanied by the following:

1. Original Bill No. 646;
2. Substitute Bill No. 646;
3. Committee on Housing and Community Development Voting Sheet;
4. Written Testimony and Sign-in Sheet;
5. Public Hearing Notice.

If the substance of this bill looks familiar, then you may recall having voted for it when it was a section of Bill 660. Remember that we separated Bill 660 to allow for consideration of each bill as mandated by P.L. 20-161. To facilitate movement of each bill contained in B. 660, it is now necessary to develop a committee report for each one. Should you have any questions on the narrative report or the accompanying documents, I would be most happy to answer any of them.

Please take the appropriate action on the attached voting sheet and return the documents to my office for transmittal to the other members.

Your attention and cooperation in this matter is greatly appreciated.


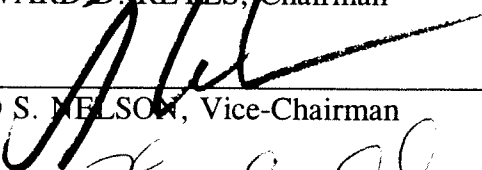
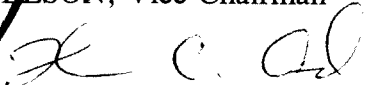
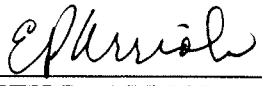


EDWARD D. REYES

attachments

COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
 22nd Guam Legislature

VOTING RECORD

Substitute Bill No. 646 - An Act to Authorize the Governor to Amend the Leases Set Out in Public Law 21-127 Between the Government of Guam and Martha Ann Rubic

	TO PASS	NOT TO PASS	ABSTAIN	INACTIVE FILE
 EDWARD B. REYES, Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 TED S. NELSON, Vice-Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 THOMAS C. ADA, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 ELIZABETH P. ARRIOLA, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANTHONY C. BLAZ, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 FELIX P. CAMACHO, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MARILYN D.A. MANIBUSAN, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
VICENTE C. PANGELINAN, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
JOE T. SAN AGUSTIN, Ex-Officio Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**COMMITTEE ON HOUSING AND
COMMUNITY DEVELOPMENT
TWENTY-SECOND GUAM LEGISLATURE**

COMMITTEE REPORT

Bill No. 646

as substituted by the Committee

**"AN ACT TO AUTHORIZE THE GOVERNOR TO AMEND
THE LEASES SET OUT IN PUBLIC LAW 21-127 BETWEEN
THE GOVERNMENT OF GUAM AND MARTHA ANN RUBIC"**

December 15, 1993

I. OVERVIEW

The Committee on Housing and Community Development scheduled a Public Hearing on September 30, 1993 at 9:00 a.m. in the Legislative Public Hearing Room, Temporary Legislative Building, Agana, Guam. The notice of public hearing was published in the Pacific Daily News on September 28, 1993 pursuant to the Standing Rules.

Members of the Committee present at the public hearing were:

Senator Edward D. Reyes, Chairman
Senator Ted Nelson, Vice-Chairman
Senator Vicente Pangelinan
Senator Tom Ada
Senator Tony Blaz
Senator Felix Camacho

Also present to testify were:

Martha Rubic, lessee
Frank Castro, Director of Land Management
Vicente A. Blaz, representing GEDA

A. SUMMARY OF TESTIMONY

Mr. Francisco Castro, Director, Department of Land Management

Mr. Castro, testified orally to the Committee in favor of the bill.

Ms. Martha Rubic

Ms. Rubic submitted written testimony to the Committee to once again ask for their support in adding new subsections (a) and (b) to section 3 of P.L. 21-127. Ms. Rubic is a local entrepreneur, wanting to produce Minute Grass which is an agribusiness, a patented technology, that she would like to introduce to the island. She is ready to meet the challenges of today's economy. Farming is an economic activity and Minute Grass will be locally manufactured and grown here since it is commercial farming for turf grass and related plants. Ms. Rubic added that she be given the chance to contribute to economic development for the good that is to be manifested in the economic diversification of Guam. She believes in this product, but needs support for this business venture to be successful.

Mr. Vicente Blas, for Charles P. Crisostomo, Administrator, GEDA

Mr. Blas, submitted written testimony to the Committee in support of Ms. Rubic's bill. The intent of the amendment is to authorize the Lessee Ms. Rubic to mortgage Lot 7150-R4NEW-5 and 7150-R4NEW-7 as security for her financing requirements by a private or government credit facility. Particularly, the proposed amendment restricts the collateral to only five acres of the leased property and further required that the lessee obtain Mortgage Insurance. The Authority would like to have these restrictions removed as the value of the five (5) acres would undoubtedly limit the lessee from maximizing her borrowing capacity, immediately under-capitalizing and down sizing the project overall, thus, jeopardizing the lessee's ability to meet debt service requirements. The value of the five acres would be based upon a "Leasehold" interest. Thus, the value would be considerably less than a fee simple scenario since the Government is the owner of the property and not the lessee. Any credit facility would analyze the collateral by this method in this case. Given Ms. Rubic's intent to increase the original loan request from \$275,000 to \$375,000 it is questionable at this time whether the limitation of five acres will be sufficient. With regard to Section B, Mortgage Insurance is not available on Guam. By placing this requirement upon the lessee, the amendment will trigger the termination of the lease. However, GEDA does require Keyman's Life Insurance or simply known as term life insurance for not less than the loan amount. We believe this requirement to be sufficient and warranted and will facilitate the processing of this loan. In addition, the Authority respectfully requests

the removal of these restrictions and allow the applicable credit facilities to proceed and apply their full credit review methods including the valuation of collateral.

B. FINDINGS AND RECOMMENDATIONS

The Committee on Housing and Community Development finds and recommends that the lessee may obtain loan funds from an authorized private or government credit facility using a portion of Lot Nos. 7150-R4NEW-5 and 7150-R4NEW-7 as security or collateral for funds borrowed by the lessee provided that no more than five (5) acres of the said leased property in total is used to secure such financing agreement or agreements. The lessee, prior to or in conjunction with borrowing funds against the said leased properties, shall obtain mortgage insurance sufficient to protect the interest of the government of Guam in the event of default or failure on the part of the lessee to meet any borrowing terms, conditions or obligations involving the said properties. The Director of Agriculture shall ensure that the borrowing conditions specifically set forth in Section 3(a) of this Act are fully complied with and adhered to by the lessee of Lot No. 7150-R4NEW-5 and 7150-R4NEW-7 and that any failure to meet and fully satisfy the mortgage insurance requirement established herein shall constitute grounds for immediate termination of the lease between the government of Guam and the lessee.

The Committee on Housing and Community Development, to which was referred Bill No. 646, does hereby submit its recommendation to the Twenty-Second Guam Legislature **To Do Pass** Bill No. 646, as substituted by the Committee on Housing and Community Development.

20 TWENTY-SECOND GUAM LEGISLATURE
FIRST (1993) REGULAR SESSION

93 SEP 20 AM 8:32

Bill No. 646

Introduced by:

E.D. Reyes

AN ACT TO ADD NEW SUBSECTIONS (A) AND (B) TO SECTION 3,
PUBLIC LAW 21-127.

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

SECTION 1. New subsections (a) and (b) are added to Section 3, Public Law 21-127 to read as follows:

(a) **Conditions for borrowing against property.** The lessee may obtain loan funds from an authorized private or government credit facility using a portion of Lot Nos. 7150-R4NEW-5 and 7150-R4NEW-7 as security or collateral for funds borrowed by the lessee provided that no more than five (5) acres of the said leased property in total is used to secure such financing agreement or agreements. The lessee prior to or in conjunction with borrowing funds against the said leased properties, shall obtain mortgage insurance sufficient to protect the interest of the government of Guam in the event of default or failure on the part of the lessee to meet any borrowing terms, conditions or obligations involving the said properties.

(b) The Director of the Guam Department of Agriculture shall ensure that the borrowing conditions specifically set forth in Section 3(a) of this Act are fully complied with and adhered to by the lessee of Lot Nos. 7150-R4NEW-5 and 7150-R4NEW-7 and that any failure to meet and fully satisfy the mortgage insurance requirement established herein shall constitute grounds for immediate termination of the lease between the government of Guam and the lessee.

PUBLIC LAW NO. 21-127

Bill No. 214 (COR)	Introduced by:	C.T.C. Gutierrez
Date Became Law: July 28, 1992	H.D. Dierking	E.P. Arriola
Governor's Action: Approved	J.P. Aguon	M.Z. Bordallo
	P.C. Lujan	G. Mailloux
	D. Parkinson	J.T. San Agustin
	F.R. Santos	D.L.G. Shimizu
	J.G. Bamba	A.C. Blaz
	D.F. Brooks	E.R. Duenas
	E.M. Espaldon	M.D.A. Manibusan
	M.J. Reidy	M.C. Ruth
	T.V.C. Tanaka	A.R. Unpingco

AN ACT TO AUTHORIZE THE GOVERNOR TO LEASE ON A LONG TERM AGRICULTURAL BASIS A PORTION OF LOT NO. 7159, YIGO-DEDEDO AND OTHER LANDS IN YIGO AND BARRIGADA.

- Section 1... Legislative Statement.
- Section 2... Lease authorized to Felix Perez Quan in Dededo and Yigo.
- Section 3... Lease authorized to Martha Rubic in Yigo.
- Section 4... Lease authorized to Michael Kuhlman in Barrigada.
- Section 5... Terms, conditions and restrictions.
- Section 6... Surveying, mapping and registration.
- Section 7... Review by Attorney General.
- Section 8... Reversion of other leased property.
- Section 9... Final approval by the Legislature.

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

Section 1. Legislative statement. The Legislature finds that the diversified economic development of Guam's natural resources should be encouraged and bolstered. In so doing, the Legislature will encourage energetic, local entrepreneurs to participate and contribute to goals and objectives designed to decrease Guam's dependency on a single economic lifeline. Likewise, the Legislature finds that there exists a need to encourage the development by local people of an agricultural industry capable of providing fresh produce. The Legislature is aware that there are energetic individuals with the spirit and determination to successfully enter the demanding vocation of commercial agriculture. In authorizing long-term agricultural leases, the Legislature is promoting a diversified use of Guam's public lands with the hope and confidence that the diversity will not only succeed but will flourish, providing an incentive for other ventures. Likewise, because the public lands will be protected by long-term leases

with stringent terms and conditions, the trust of the people will be secured.

Section 2. Authorization to lease to Felix Quan. The Governor is authorized to enter into a long-term agricultural lease agreement with Felix Perez Quan, for a portion, not to exceed fifty (50) acres, of Lot No. 7159, situated between the municipalities of Dededo and Yigo.

Section 3. Authorization to lease to Martha Rubic. The Governor is hereby authorized to enter into a long-term agricultural lease agreement with Martha Ann Rubic, for a portion, not to exceed twenty (20) acres, of Lots Nos. 7150-R4NEW-5 and 7150-R4NEW-7, Municipality of Yigo.

Section 4. Authorization to lease to Michael Kuhlman. The Governor is hereby authorized to enter into a long-term agricultural lease agreement with Michael W. Kuhlman, not to exceed twenty (20) acres, of that portion of Lot No. 5412, Municipality of Barrigada, shown on Land Management land registration survey plat Drawing No. 597-FY74 14-74T019, bordered on the northeast by Lots Nos. 5328-2, 5329 and 5292-3 PART.

Section 5. Terms, conditions and restrictions. The leases authorized in Sections 2, 3 and 4 of this Act shall each contain, at a minimum, the following provisions:

(a) The leased property may be used only for agricultural purposes and for the production of commodities derived from the type of farming applied for and as approved by the Department of Agriculture (the "Department").

(b) No permanent buildings may be constructed upon the leased property.

(c) The removal of top soil, coral, or rock aggregate from the leased property for any purpose is strictly prohibited.

(d) All storage, preparation, mixing and clean-up of agricultural chemicals must be conducted in a storm-proof containment structure and as promulgated by rules and regulations by the Guam Environmental Protection Agency.

(e) Excavation or other earth work shall be subject to the permits, rules and regulations of appropriate government agencies.

(f) The sale, mortgage, hypothecation, collateralization, or subordination of the lease in any manner, means or form, and the sublease or assignment of the lease to secure any financing or in any joint venture or partnership shall require the prior statutory authorization of the Legislature and the prior approval of the Governor.

(g) If at least fifty percent (50%) of the leased property is not used for any significant agricultural purposes for three (3) consecutive years, or if the lessee defaults under the terms of the lease, the lease shall be terminated upon sixty (60) days'

T E S T I M O N Y

ON AN ACT TO AMEND SECTION 3, PUBLIC LAW 21-127 BY ADDING A NEW SUBSECTION (A) AND (B).

GOOD MORNING MR. CHAIRMAN; ESTEEMED MEMBERS OF THE COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT; LADIES AND GENTLEMAN, MY NAME IS CHARLES P. CRISOSTOMO, ADMINISTRATOR OF THE GUAM ECONOMIC DEVELOPMENT AUTHORITY. I AM HERE TODAY TO SUBMIT TESTIMONY ON AN ACT TO AMEND PUBLIC LAW 21-127 BY ADDING A NEW SUBSECTION (A) AND (B).

THE INTENT OF THE AMENDMENT IS TO AUTHORIZE THE LESSEE MS. MARTHA RUBIC TO MORTGAGE LOT 7150-R4NEW-5 AND 7150-R4NEW-7 AS SECURITY FOR HER FINANCING REQUIREMENTS BY A PRIVATE OR GOVERNMENT CREDIT FACILITY. PARTICULARLY, THE PROPOSED AMENDMENT RESTRICTS THE COLLATERAL TO ONLY FIVE (5) ACRES OF THE LEASED PROPERTY AND FURTHER REQUIRES THAT THE LESSEE OBTAIN MORTGAGE INSURANCE. THE AUTHORITY WOULD LIKE TO HAVE THESE RESTRICTIONS REMOVED AS THE VALUE OF THE FIVE (5) ACRES WOULD UNDOUBTEDLY LIMIT THE LESSEE FROM MAXIMIZING HER BORROWING CAPACITY, IMMEDIATELY UNDER CAPITALIZE AND DOWN SIZE THE PROJECT OVERALL. THUS, JEOPARDIZE THE LESSEE'S ABILITY TO MEET DEBT SERVICE REQUIREMENTS. THE VALUE OF THE FIVE ACRES WOULD BE BASED UPON A "LEASEHOLD" INTEREST. THUS, THE VALUE WOULD BE CONSIDERABLY LESS THAN A FEE SIMPLE SCENARIO SINCE THE GOVERNMENT IS THE OWNER OF THE PROPERTY AND NOT THE LESSEE. ANY CREDIT FACILITY WOULD ANALYZE THE COLLATERAL BY THIS METHOD IN THIS CASE. GIVEN MS. RUBIC'S INTENT TO INCREASE THE ORIGINAL LOAN REQUEST FROM \$275,000 TO \$375,000 IT IS QUESTIONABLE

AT THIS TIME WHETHER THE LIMITATION OF FIVE ACRES WILL BE SUFFICIENT. WITH REGARD TO SECTION B, MORTGAGE INSURANCE IS NOT AVAILABLE ON GUAM. BY PLACING THIS REQUIREMENT UPON THE LESSEE, THE AMENDMENT WILL TRIGGER THE TERMINATION OF THE LEASE. HOWEVER, GEDA DOES REQUIRE KEYMAN'S LIFE INSURANCE OR SIMPLY KNOWN AS TERM LIFE INSURANCE FOR NOT LESS THAN THE LOAN AMOUNT. WE BELIEVE THIS REQUIREMENT TO BE SUFFICIENT AND WARRANTED AND WILL FACILITATE THE PROCESSING OF THIS LOAN. THEREFORE, THE AUTHORITY RESPECTFULLY REQUESTS THE REMOVAL OF THESE RESTRICTION(S) AND ALLOW THE APPLICABLE CREDIT FACILITIES TO PROCEED AND APPLY THEIR FULL CREDIT REVIEW METHODS INCLUDING THE VALUATION OF COLLATERAL. THANK YOU FOR GIVING ME THE OPPORTUNITY TO PROVIDE TESTIMONY BEFORE YOU TODAY.



CHARLES P. CRISOSTOMO
Administrator

September 30, 1993

TESTIMONY FOR BILL NO.660

PREPARED BY: MARTHA RUBIC

I come before you today to once again ask for your help. I had given prior testimony last year regarding this matter. With the passage of P.L. 21-127 in July, 1992, I was able to secure a 20-acre long-term landlease with the government of Guam.

I am a local entrepreneur willing to adhere to the terms and conditions of my agreement with the government. It is not just I that will benefit, but the government of Guam as well, since it will receive revenues generated from this business. I can respect the position of the Legislature with regards to the issues of public land. However, I feel I have done no wrong and in order for me to commence business operations, the restrictions in my landlease need to be amended so I may proceed with my project at hand.

My business Minute Grass is an agribusiness, a patented technology, that I would like to introduce to the island of Guam. I am ready to meet the challenges of today's economy. Farming is an economic activity. Minute Grass will be locally manufactured and grown here since it is commercial farming for turf grass and related plants.

I too see the problem; there is no support for local entrepreneurs, it is lacking. All I ask for is to be given a chance to contribute to economic development for the good that is to be manifested in the economic diversification of Guam. I believe in this product, but I need your support for this business venture to be successful.

In closing, I would like to say, that in both hard times and economic success, we need people to live with and do good to.
Si Yuus Maase.


Martha Rubic

Mat'tu yu talu gi menan mi'yu bae'o faisen hamyu ni ayudun mi'yu todos na hora. Considera lo'que todo i minaputhu ni hagas yu listo bae'o na kalamtin este na bisnes para i minalago'u bae'o fan ayuda gi kinalamtin economia guine giya Guam.

Hocogha u tatanga sa para u fan libianio i pumalu ni pao fan gai probecho nu este checho'hu.

Tia halang'yu machocho. Hagas'ha u guiya machochu yan mananum. Este na bisnes siempre bae'o na laa'la, ya'ke este na bae'o espeya hinagongho, pues entonces angin utu'tune kalamtin, bae'o espeya empae'nio bae'o na sen siguru na la'la.

Hasu na humahanao tate i touristu para i tano'nia despues a sangan..."lani, taya hafa guaha guiya Guam fuera de tangan'tangan yan flores kadena, ni ya tafan hanao otro bundan tano otro bae'he an man pase'hu hit. Cao este ya ta para ta hu'ngok?

Pues maila ya ta na bonito mas este tanota yo ma le'e na hungan, man asintado na taotao este Chamorro, na guaha lo'que sobetbio'ta. (That we 'too' have pride.)

Ta'na ma'ug i tanota, mientras sigia'hit mona tafachuchu'e i famaguon'ta guine na linala.

Martha Tucker

September 30, 1993

TESTIMONY FOR BILL NO.660

PREPARED BY: MARTHA RUBIC

I come before you today to once again ask for your help. I had given prior testimony last year regarding this matter. With the passage of P.L. 21-127 in July, 1992, I was able to secure a 20-acre long-term landlease with the government of Guam.

I am a local entrepreneur willing to adhere to the terms and conditions of my agreement with the government. It is not just I that will benefit, but the government of Guam as well, since it will receive revenues generated from this business. I can respect the position of the Legislature with regards to the issues of public land. However, I feel I have done no wrong and in order for me to commence business operations, the restrictions in my landlease need to be amended so I may proceed with my project at hand.

My business Minute Grass is an agribusiness, a patented technology, that I would like to introduce to the island of Guam. I am ready to meet the challenges of today's economy. Farming is an economic activity. Minute Grass will be locally manufactured and grown here since it is commercial farming for turf grass and related plants.

I too see the problem; there is no support for local entrepreneurs, it is lacking. All I ask for is to be given a chance to contribute to economic development for the good that is to be manifested in the economic diversification of Guam. I believe in this product, but I need your support for this business venture to be successful.

In closing, I would like to say, that in both hard times and economic success, we need people to live with and do good to.
Si Yuus Maase.


Martha Rubic

TWENTY-SECOND GUAM LEGISLATURE
FIRST (1993) REGULAR SESSION

Introduced

NOV 03 '93

Bill No. 446 (CS)

Introduced by:

E.D. Reyes *R*

AN ACT TO ADD NEW SUBSECTIONS (A) AND (B) TO SECTION 3,
PUBLIC LAW 21-127.

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

1 SECTION 1. **New subsections (a) and (b) are added to Section 3, Public Law 21-**
2 **127 to read as follows:**

3 (a) **Conditions for borrowing against property.** The lessee may obtain loan funds
4 from an authorized private or government credit facility using a portion of Lot Nos. 7150-
5 R4NEW-5 and 7150-R4NEW-7 as security or collateral for funds borrowed by the lessee
6 provided that no more than five (5) acres of the said leased property in total is used to
7 secure such financing agreement or agreements. The lessee prior to or in conjunction with
8 borrowing funds against the said leased properties, shall obtain mortgage insurance
9 sufficient to protect the interest of the government of Guam in the event of default or failure
10 on the part of the lessee to meet any borrowing terms, conditions or obligations involving
11 the said properties.

12 (b) The Director of the Guam Department of Agriculture shall ensure that the
13 borrowing conditions specifically set forth in Section 3(a) of this Act are fully complied with
14 and adhered to by the lessee of Lot Nos. 7150-R4NEW-5 and 7150-R4NEW-7 and that any
15 failure to meet and fully satisfy the mortgage insurance requirement established herein shall
16 constitute grounds for immediate termination of the lease between the government of Guam
17 and the lessee.