



CARL T.C. GUTIERREZ  
GOVERNOR OF GUAM

JAN 05 2003

The Honorable Joanne M. S. Brown  
Legislative Secretary  
I Mina'Bente Singko na Liheslaturan Guåhan  
Twenty-Fifth Guam Legislature  
Suite 200  
130 Aspinal Street  
Hagåtña, Guam 96910

Dear Legislative Secretary Brown:

Enclosed please find Bill No. 431 (COR), "AN ACT TO AMEND § 11 OF P.L. NO. 21-60, RELATIVE TO PERMITTING MORTGAGES ON PUBLIC LAND FOR REPAIRS OF STRUCTURES AND REPLACEMENT OF CONTENTS", which was **signed** by the Governor into law as **Public Law No. 26-168**.

Very truly yours,

Carl T. C. Gutierrez  
I Maga'Lahen Guåhan  
Governor of Guam

Attachment: copy attached for signed bill or overridden bill  
original attached for vetoed bill

cc: The Honorable Antonio R. Unpingco  
Speaker

010


MINA'BENTE SAIS NA LIHESLATURAN GUAHAN  
2002 (SECOND) Regular Session

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

This is to certify that Bill No. 431 (COR), AN ACT TO AMEND § 11 OF P.L. NO. 21-60, RELATIVE TO PERMITTING MORTGAGES ON PUBLIC LAND FOR REPAIRS OF STRUCTURES AND REPLACEMENT OF CONTENTS," was on the 30<sup>th</sup> day of December, 2002, duly and regularly passed.

  
ANTONIO R. UNPINGCO  
Speaker

Attested:

  
JOANNE M.S. BROWN  
Senator and Legislative Secretary

-----  
This Act was received by *I Maga'lahaen Guahan* this 30 day of December, 2002,  
at 3:05 o'clock P.M.

  
Assistant Staff Officer  
*Maga'lahaen's Office*

APPROVED:

  
CARL T. C. GUTIERREZ  
*I Maga'lahaen Guahan*

Date: 1.5.03

Public Law No. 26-168

**MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN**  
**2002 (SECOND) Regular Session**

**Bill No. 431 (COR)**

As amended.

Introduced by:

V. C. Pangelinan  
L. A. Leon Guerrero  
J. F. Ada  
T. C. Ada  
F. B. Aguon, Jr.  
J. M.S. Brown  
E. B. Calvo  
F. P. Camacho  
M. C. Charfauros  
Mark Forbes  
L. F. Kasperbauer  
K. S. Moylan  
A. L. G. Santos  
A. R. Unpingco  
J. T. Won Pat

**AN ACT TO AMEND § 11 OF P.L. NO. 21-60,  
RELATIVE TO PERMITTING MORTGAGES ON  
PUBLIC LAND FOR REPAIRS OF STRUCTURES AND  
REPLACEMENT OF CONTENTS.**

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

2           **Section 1.** Section 11 of Public Law Number 21-60, as amended by § 2  
3 of Public Law Number 23-85, and further amended by § 2 of Public Law  
4 Number 24-83, is hereby *amended* to read as follows:

1           **"Section 11.       No Resale or Conveyance.** Notwithstanding  
2 any provision of law to the contrary, any qualified individual who  
3 purchases public land for housing purposes at below fair market values,  
4 either through the Federal Emergency Management Agency's program,  
5 the 'Land for the Landless' programs or individually, including the lots  
6 within the subdivisions established in this Act, shall covenant and  
7 warrant to the government that for a period of ten (10) years from the  
8 date of purchase, the purchaser shall *not* sell, convey or otherwise  
9 transfer, by any means, title of interest in the lot, *except* the right to  
10 mortgage for purposes of construction of a residential dwelling;  
11 expansion of existing home; or repair of damages to the residential  
12 dwelling or structures on said lot caused by a natural disaster to include  
13 replacement of the contents of said residential dwelling or structures on  
14 said lot damaged or destroyed as a result of a natural disaster *if* cost of  
15 such replacement is included in the approved mortgage by the lending  
16 institution issuing the mortgage and to also include the cost of hazard  
17 mitigation enhancements to the structure *if* approved by the lending  
18 institution issuing the mortgage or as a second mortgage approved by  
19 the first mortgagee. Any construction, expansion or repair on said lots  
20 shall be in compliance with the building codes of Guam and all other  
21 applicable government requirements. Any mortgage authorized herein  
22 may include the consolidation of consumer debt *if* such consolidation  
23 would cause the applicant to qualify for the loan and the proceeds of the  
24 mortgage loan are used *exclusively* for the purpose of paying off the debt

1 and the mortgage purposes authorized herein upon the disbursement of  
2 the loan proceeds.

3 Any attempt to sell, or otherwise transfer, by any means, title of  
4 interest in the lot, *subject* to the exception therein, shall constitute a  
5 violation of this Section and title to the property shall *automatically*  
6 revert to the government of Guam. The Attorney General of Guam shall  
7 incorporate provisions to effect the provisions of this Section in the  
8 instrument of conveyance issued by the government, and the certificate  
9 of title issued for each lot shall contain a notation of this restriction. The  
10 restrictions of this Section do *not* apply to encumbrances to SBA as  
11 authorized by this Act.”

12 **Section 2.** Section 1 of this Act shall be effective for all pending  
13 and future loans.

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

pl. 26-168

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# I MINA' BENTE SAIS NA LIHESLATURAN GUAHAN

2002 (SECOND) Regular Session

Date: 12/30/02

## VOTING SHEET

Bill No. 431 (COR)

Resolution No. \_\_\_\_\_

Question: \_\_\_\_\_

NAME	YEAS	NAYS	NOT VOTING/ ABSTAINED	OUT DURING ROLL CALL	ABSENT
ADA, Joseph F.	✓				
ADA, Thomas C.	✓				
AGUON, Frank B., Jr.	✓				
BROWN, Joanne M. S.	✓				
CALVO, Eddie B.	✓				
CAMACHO, Felix P.					✓
CHARFAUROS, Mark C.	✓				
FORBES, Mark	✓				
KASPERBAUER, Lawrence F.	✓				
LEON GUERRERO, Lourdes A.	✓				
MOYLAN, Kaleo S.					✓
PANGELINAN, Vicente C.	✓				
SANTOS, Angel L.G.					✓
UNPINGCO, Antonio R.	✓				
WON PAT, Judith T.	✓				

TOTAL                      12   ~~13~~   0   0   0   3

CERTIFIED TRUE AND CORRECT:

\_\_\_\_\_  
Clerk of the Legislature

\* 3 Passes = No vote  
EA = Excused Absence

DEC 26 2002

Speaker Antonio R. Unpingco  
I Mina' Bente Sais Na Liheslaturan Guåhan  
155 Hesler Street  
Hagåtña, Guam 96910

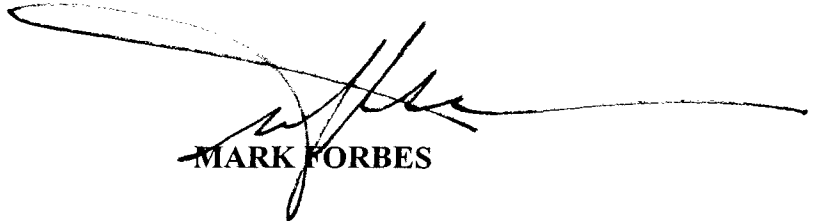
Dear Mr. Speaker:

The Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal, Foreign and General Affairs, to which Bill No. 431, was referred, wishes to report its findings and recommendations **TO DO PASS BILL NO. 431: "AN ACT TO AMEND SECTION 11 OF PUBLIC LAW 21-60, AS AMENDED BY SECTION 2 OF PUBLIC LAW 23-85 AND FURTHER AMENDED BY SECTION 2 OF PUBLIC LAW 24-83."**

The voting record is as follows:

<b>TO PASS</b>	<u>8</u>
<b>NOT TO PASS</b>	<u>0</u>
<b>ABSTAIN</b>	<u>0</u>
<b>TO PLACE IN INACTIVE FILE</b>	<u>0</u>
<b>TO REPORT OUT</b>	<u>0</u>

Copies of the Committee Report and other pertinent documents are attached. Thank you and si Yu'os ma'ase for your attention to this matter.

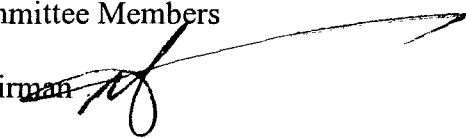
  
MARK FORBES

Attachments

DEC 26 2002

**MEMORANDUM**

**TO:** Committee Members

**FROM:** Chairman 

**SUBJECT:** Committee Report- BILL NO. 431: "An Act To Amend Section 11 Of Public Law 21-60, As Amended By Section 2 Of Public Law 23-85 And Further Amended By Section 2 Of Public Law 24-83."

Transmitted herewith for your information and action is the report on Bill No. 431, from the Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal, Foreign and General Affairs.

This memorandum is accompanied by the following:

1. Committee Voting Sheet
2. Committee Report
3. Bill No.431
4. Public Hearing Sign-in Sheet
5. Fiscal Note/Fiscal Note Waiver

Please take the appropriate action on the attached voting sheet. Your attention and cooperation in this matter is greatly appreciated.

Should you have any questions regarding the report or accompanying documents, please do not hesitate to contact me.

Thank you and si Yu'os ma'ase.

**MARK FORBES**

Attachments


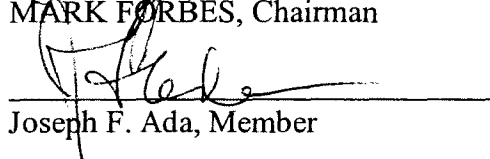
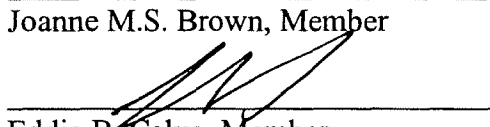
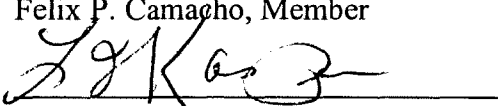
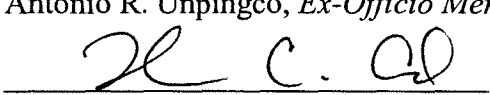
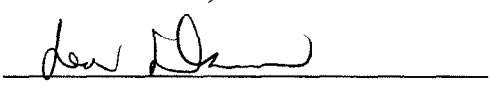
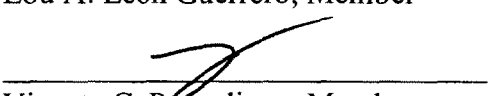


**Committee on Rules, General Governmental Operations, Reorganization and Reform, and Federal,  
Foreign and General Affairs**

**I Mina' Bente Sais Na Liheslaturan Guåhan**

**Voting Record**

BILL NO. 431: "An Act To Amend Section 11 Of Public Law 21-60, As Amended By Section 2 Of Public Law 23-85 And Further Amended By Section 2 Of Public Law 24-83."

	<u>TO PASS</u>	<u>NOT TO PASS</u>	<u>TO ABSTAIN</u>	<u>INACTIVE FILE</u>	<u>REPORT OUT</u>
 MARK FORBES, Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Joseph F. Ada, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joanne M.S. Brown, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Eddie B. Calvo, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Felix P. Camacho, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Lawrence F. Kasperbauer, Ph. D., Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kaleo S. Moylan, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Antonio R. Unpingco, <i>Ex-Officio Member</i>	<input type="checkbox"/>	<input 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"/>	<input type="checkbox"/>
 Lou A. Leon Guerrero, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Vicente C. Pangelinan, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN  
2002 (SECOND) Regular Session

*JS*  
11:00 A  
12/14/02

Bill No. 431 (COR)

Introduced by:

v.c. pangelinan  
L.A. Leon Guerrero *[Signature]*

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**AN ACT TO AMEND SECTION 11 OF PUBLIC LAW  
21-60, AS AMENDED BY SECTION 2 OF PUBLIC LAW  
23-85 AND FURTHER AMENDED BY SECTION 2 OF  
PUBLIC LAW 24-83.**

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

2 **Section 1.** Section 11 of P.L. 21-60, as amended by Section 2 of P.L. 23-  
3 85 and further amended by Section 2 of P.L. 24-83, is hereby *amended* to read  
4 as follows:

5 "Section 11. No Resale or Conveyance. Notwithstanding any  
6 provision of law to the contrary, any qualified individual who  
7 purchases public land for housing purposes at below fair market values,  
8 either through the Federal Emergency Management Agency's program,  
9 the 'Land for the Landless' programs or individually, including the lots  
10 within the subdivisions established in this Act, shall covenant and  
11 warrant to the government that for a period of ten (10) years from the  
12 date of purchase, the purchaser shall not sell, convey or otherwise  
13 transfer, by any means, title of interest in the lot, except the right to  
14 mortgage for purposes of construction of a residential dwelling; or

1        expansion of existing home; or repair of damages to the residential  
2        dwelling or structures on said lot caused by a natural disaster to include  
3        replacement of the contents of said residential dwelling or structures on  
4        said lot damaged or destroyed as a result of a natural disaster if cost of  
5        such replacement is included in the approved mortgage by the lending  
6        institution issuing the mortgage and to also include the cost of hazard  
7        mitigation enhancements to the structure if approved by the lending  
8        institution issuing the mortgage or as a second mortgage approved by  
9        the first mortgagee. Any construction, expansion or repair on said lots  
10       ~~shall be subject to the same material specifications and regulations and~~  
11       in compliance with the building codes of Guam and all other applicable  
12       government requirements. Any mortgage authorized herein ~~loan for~~  
13       ~~construction of a residential dwelling or expansion of the existing home;~~  
14       may include the consolidation of consumer debt if such consolidation  
15       would cause the applicant to qualify for the loan and the proceeds of the  
16       mortgage loan are used exclusively for the purpose of paying off the  
17       debt and the mortgage purposes authorized herein ~~construction of a~~  
18       ~~residential dwelling; or the expansion of the existing home~~ upon the  
19       disbursement of the loan proceeds. Any attempt to sell, or otherwise  
20       transfer, by any means, title of interest in the lot, subject to the exception  
21       therein, ~~without the prior written consent of the Governor of Guam,~~  
22       shall constitute a violation of this Section and title to the property shall  
23       automatically revert to the government of Guam. The Attorney General  
24       of Guam shall incorporate provisions to effect the provisions of this  
25       Section in the instrument of conveyance issued by the government, and

1 the certificate of title issued for each lot shall contain a notation of this  
2 restriction. The restrictions of this Section do not apply to encumbrances  
3 to SBA as authorized by this Act.”

4 **Section 2.** Section 1 of this Act shall be effective for all pending and  
5 future loans.

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

MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN  
2002 (SECOND) Regular Session

Bill No. 431 (COR)

Introduced by:

v.c. pangelinan  
L.A. Leon Guerrero 

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AN ACT TO AMEND SECTION 11 OF PUBLIC LAW  
21-60, AS AMENDED BY SECTION 2 OF PUBLIC LAW  
23-85 AND FURTHER AMENDED BY SECTION 2 OF  
PUBLIC LAW 24-83.

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

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1        expansion of existing home; or repair of damages to the residential  
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4        said lot damaged or destroyed as a result of a natural disaster if cost of  
5        such replacement is included in the approved mortgage by the lending  
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12       government requirements. Any mortgage authorized herein ~~loan for~~  
13       ~~construction of a residential dwelling or expansion of the existing home;~~  
14       may include the consolidation of consumer debt if such consolidation  
15       would cause the applicant to qualify for the loan and the proceeds of the  
16       mortgage loan are used exclusively for the purpose of paying off the  
17       debt and the mortgage purposes authorized herein ~~construction of a~~  
18       ~~residential dwelling; or the expansion of the existing home~~ upon the  
19       disbursement of the loan proceeds. Any attempt to sell, or otherwise  
20       transfer, by any means, title of interest in the lot, subject to the exception  
21       therein, ~~without the prior written consent of the Governor of Guam;~~  
22       shall constitute a violation of this Section and title to the property shall  
23       automatically revert to the government of Guam. The Attorney General  
24       of Guam shall incorporate provisions to effect the provisions of this  
25       Section in the instrument of conveyance issued by the government, and

1 the certificate of title issued for each lot shall contain a notation of this  
2 restriction. The restrictions of this Section do not apply to encumbrances  
3 to SBA as authorized by this Act.”

4 **Section 2.** Section 1 of this Act shall be effective for all pending and  
5 future loans.

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