

**18 GAR LAND MANAGEMENT
CH. 6A CHAMORRO LAND TRUST COMMISSION**

CHAPTER 6A

**SENATOR PAUL BORDALLO
RULES AND REGULATIONS FOR
CHAMORRO LAND TRUST COMMISSION
EFFECTIVE FEBRUARY 9, 2022**

SOURCE: Entire chapter added by P.L. 36-076:3 (Feb. 9, 2022), pursuant to the authority granted by 21 GCA § 75A103.

2022 NOTE: To avoid confusion with the existing Chapter 6 of Title 18 GAR, this Chapter 6A has been designated as “Senator Paul Bordallo Rules and Regulations for Chamorro Land Trust Commission Effective February 9, 2022” by the Compiler.

P.L. 35-112:4 (Dec. 10, 2020) stated:

Section 4. The Senator Paul J. Bordallo Rules and Regulations for the Chamorro Land Trust Commission enacted pursuant to 21 GCA Chapter 75 are hereby enacted as rules and regulations applicable to 21 GCA Chapter 75A, except where inconsistent. The Chamorro Land Trust Commission shall modify said rules and regulations as well as any sub-regulatory rules, policies, practices, or guidance as necessary to be consistent with 21 GCA Chapter 75A, as enacted by this Act.

This provision was amended by P.L. 36-076:3 (Feb. 9, 2022), which stated:

Section 4. Notwithstanding any other provision of law, a new Chapter 6A of Title 18, Guam Administrative Rules and Regulations, is hereby enacted as the rules and regulations applicable to Chapter 75A of Title 21, Guam Code Annotated which shall mirror the existing Chapter 6 of Title 18, Guam Administrative Rules and Regulations, the Senator Paul J. Bordallo Rules and Regulations for the Chamorro Land Trust Commission, except as provided in this Act. The new Chapter 6A of Title 18, Guam Administrative Rules and Regulations, and amendments may be codified and renumbered by the Compiler of Laws.

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§ 6A101. Authority and Purpose.

(a) Authority. Pursuant to the mandate of Public Law 12-226, now codified as Chapter 75 of Title 21, Guam Code Annotated, these rules and regulations are promulgated as authorized by § 75103 of Chapter 75, Title 21, Guam Code Annotated, to govern the implementation and administration of Chamorro Land Trust property programs.

(b) Purpose. These rules and regulations set forth the necessary procedures with respect to lease applications;

(1) to set out in detail the standards of eligibility;

(2) to provide for methods of inspection and review, as well as a system of notice and hearing prior to lease revocation; and

(3) generally, to provide for certain requirements necessary to meet the goals and objectives of the Chamorro Land Trust property programs.

(c) Legislative Amendment. Pursuant to the mandate of Section 4 of Public Law 35-112, the Chamorro Land Trust Commission has adopted and modified the Senator Paul J.

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Bordallo Rules and Regulations, codified as 18 GARR Chapter 6, in a new Chapter 6A, to be consistent with and applicable to 21 GCA Chapter 75A as enacted by Public Law 35-112.

§ 6A102. The Commission.

(a) Mission of Trustees. The Commission members, as trustees, shall:

(1) act exclusively in the interest of beneficiaries under the Act;

(2) hold and protect the trust property for beneficiaries under the Act;

(3) maintain and uphold their fiduciary responsibilities to the beneficiaries, and exercise such care and skill as a person of ordinary prudence would exercise in dealing with one's own property in the management of Chamorro Land Trust property; and

(4) adhere to the terms of the trust as set forth in the Act.

(b) Offices. The Commission offices are located at Buildings 903, 905, and 907, *Tiyan Barrigada*, Guam or whatever successor office it might relocate to in the future.

(c) Mailing Address. P.O. Box 2950, Hagåtña, Guam 96910.

(d) Contact Numbers. Telephone: (671) 475-4251-8; Fax: (671) 477-8082.

(e) Hours. The offices of the Commission shall be open from 8:00 a.m. to 5:00 p.m., Monday through Friday, and provide for flexible hours as determined by the Commission for the convenience of the public.

(f) Personnel. All personnel on the Commission's staff are under the direction of and are responsible to the Director. The Director, subject to law and civil service rules, shall select and discharge personnel for the Commission's staff. The Commission shall be informed of all changes in staff personnel.

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(g) Absence, Disability of Director. Whenever the Director is absent or disabled from performing the duties of his office, the Deputy shall assume the duties of the Director.

2022 NOTE: Reference Agana replaced with Hagåtña pursuant to P.L. 24-152 (Apr. 8, 1998).

§ 6A103. The Management.

(a) Director to sign for commission. All orders and other action of the commission shall be authenticated or signed by the director. The director shall approve and sign all vouchers and assignment of funds to be received under tract leases. After approval of the commission, the director shall sign all licenses, leases, loan contracts, personnel actions, procurement and purchase forms, contracts with other governmental agencies and commission resolutions. The Chairperson of the Commission shall countersign on behalf of the Commission where approval of the Commission is required.

(b) Director responsible for administration. The director shall have full charge of and responsibility for the administration and execution of all actions approved by the commission and in effectuating commission policy.

§ 6A104. Definitions.

As used in these rules and regulations:

(a) *Administrative Adjudication Law* means Chapter 9 of Title 5, Guam Code Annotated.

(b) *Agricultural tract* means Chamorro Land Trust property with an area of not less than one quarter (0.25) acre, nor more than twenty (20) acres.

(1) Subsistence agriculture means the production of crops for home consumption on an agricultural tract

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with an area of not less than one quarter (0.25) acre, nor more than one half (0.50) acre.

(2) Commercial agriculture means the production of crops for commercial sale on an agricultural tract with an area of not less than one half (0.50) acre.

(c) *Agricultural use* means the use of Chamorro Land Trust property and improvements for farming purposes.

(d) *Chamorro Land Trust property* means all lands given the status of Chamorro Land Trust property under the provisions of § 75105 of Chapter 75 and § 75A105 of Chapter 75A, Title 21, Guam Code Annotated.

(e) *Chamorro Land Trust Act* or *the Act* means the policy for management and disposition of Chamorro Land Trust property and related programs found in Chapter 75A of Title 21, Guam Code Annotated, or any part thereof.

(f) *Commission* means the Chamorro Land Trust Commission established by § 75102 of Chapter 75 and § 75A102 of Chapter 75A, Title 21, Guam Code Annotated.

(g) *Director* means the Administrative Director of the Chamorro Land Trust Commission established by § 75102 of Chapter 75 and § 75A102 of Chapter 75A, Title 21, Guam Code Annotated.

(h) *Eligible beneficiary* means any person regardless of race, color, or national origin:

(1) whose land was acquired by the United States government between 1898 and 1968, or descendants of such person; or

(2) who occupied, farmed, or ranched land for residential or agricultural purposes for at least one (1) year immediately prior to that land being acquired by the United States government between 1898 and 1968, or descendants of such person; except, that if the person occupied, farmed, or ranched the land on or after December 8, 1941, and the land was acquired at any time after that date and up to 1950, the one (1)-year

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tenure need not have occurred immediately prior to acquisition by the United States government.

(i) Residential tract means Chamorro Land Trust property with an area of not less than ten thousand (10,000) square feet nor more than one (1) acre, or such other area which may be specified by zoning, subdivision, or environmental policies.

(j) Residential use means the use of Chamorro Land Trust property and improvements for the purposes of the primary domicile of the applicant.

§ 6A105. Application for Leases: Forms.

Forms. Beginning on November 1, 1995, subject to approval of the Rules and Regulations, applications for residential or agricultural leases shall be made on forms, consistent with the Act and these rules and regulations, provided by the commission and shall be made under oath. Falsification of a material fact for the purposes of making the applicant qualified on an application form shall be grounds for removal of the applicant's name from the waiting list, or cancellation of any lease awarded the applicant, and may subject the applicant to liability for perjury. The Chamorro Land Trust Commission shall publish, at least three (3) times in a daily newspaper of general circulation, notice of the November 1, 1995, initial date for receiving applications.

§ 6A106. Application for Leases: Qualification of Applicants.

(a) Applicants for residential or agricultural tract leases shall provide the Commission with documented proof that the applicant is:

- (1) at least eighteen (18) years of age; and
- (2) an eligible beneficiary.

(b) The Commission shall accept all completed applications for residential or agricultural tracts from eligible beneficiaries who are at least eighteen (18) years old.

(c) In addition to the qualifications required in Subsection (a) of this Section, a person applying for an agricultural lease may be

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required to comply with § 6A121 before a lease award can be made.

§ 6A107. Application for Leases: Application processing.

(a) Applications shall be dated and signed by the applicant and by an authorized commission representative. The commission shall acknowledge in writing receipt of all properly completed applications. An incomplete application shall be returned to the applicant with instructions necessary to properly complete the application. Completed applications shall be time stamped, and if accepted, assigned a numerical designation, and filed in the order of receipt. Additions, corrections or deletions may be made only with the approval of the applicant and the director. A copy of the application shall be made available to the applicant. Except as otherwise provided in this chapter, a numerical designation shall not be reassigned to any other person. The applicant shall pay a one-time processing fee of \$50.00 to the commission within 30 days from application submittal.

(b) Within thirty (30) days after the submission and filing of the completed application and all such other documents as the Commission shall require of the applicants, and any investigation the Commission shall require of the applicants, and any investigation the Commission may conduct, the Director shall make a determination as to whether the applicant qualifies as an applicant. Such determination shall be based upon the application form, birth, marriage, and death certificates, the documentation required by 21 GCA, § 75A101.2, and any investigation the Commission may conduct consistent with the Act and these rules and regulations. An applicant who disagrees with any action taken by the Commission shall have thirty (30) days from receipt of written notice of such action within which to petition the Commission for appearance before the next regular meeting of the Commission concerning the action taken on the application, at

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which time the Commission shall hear and review the application and it shall make an independent decision on the matter.

§ 6A108. Application for Leases: Residential tract applications.

Applications for residential tract leases shall be made for one lot only. One island-wide residential tract waiting list shall be maintained.

§ 6A109. Application for Leases: Agricultural tract applications.

For application purposes, the commission shall establish and maintain an island-wide waiting list for designated agricultural tracts.

§ 6A110. Application for Leases: Village and island-wide waiting lists.

(a) Applicants will be placed on the respective island-wide residential and/or agricultural tract waiting list in the order specified in § 6107(a) and § 6A107(a).

(b) In the event a new residential subdivision is opened, applicants on the island-wide waiting list shall be considered for award in accordance with § 6116 and § 6A116.

(c) An applicant who is awarded a lot shall be able to decline lots in two (2) different villages. After declining a third award, an applicant's name shall be removed from the waiting list.

(d) On or before the fifteenth (15th) day of every month, a copy of the priority listing for the previous month as of the last day of the month shall be recorded at the Department of Land Management.

2021 NOTE: Subsection designation added pursuant to 1 GCA § 1606.

§ 6A111. Application for Leases: Contract for award; priority.

Applicants shall be considered for award in the order in which their completed applications were received by the commission; provided that awards shall first be made according to ranking in existing priority waiting lists in that order until those waiting lists are exhausted.

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§ 6A112. Application for Leases: Transfer of application rights.

(a) An applicant may designate a relative qualified under the Act pursuant to 21 GCA § 75A109 which provides that:

(1) Upon the death of the lessee, his interest in the tract or tracts and the improvements thereon, including growing crops (either on the tract or in any collective contract or program to which the lessee is a party by virtue of his interest in the tract or tracts), shall vest in the relatives of the decedent as provided in this paragraph. From the following relatives of the lessee, husband and wife, children, widows or widowers of the brothers and sisters, or nieces and nephews, the lessee shall designate the person or persons to whom he directs his interest in the tract or tracts to vest upon his death. Such person or persons must be qualified to be a lessee of Chamorro Land Trust Property; provided, that such person or persons need not be eighteen (18) years of age; provided, further, however, that, if the person designated by the lessee:

(A) is the lessee's spouse;

(B) has been married to the lessee for at least the past seven (7) years;

(C) is residing on the property with the lessee in a structure that has been approved as a residence at the time of the lessee's death; and

(D) is not an eligible beneficiary as defined under this Act, such person shall, upon the death of the lessee, receive a life estate in the remainder of the lease, and upon termination of the life estate, assignment of the lessee's remaining interest in the lease shall be governed by the applicable provisions of the Chamorro Land Trust Act as if the lessee had died without designating his or her spouse as a beneficiary.

(2) Such designation must be in writing, must be specified at the time of execution of such lease with a right in such lessee in similar manner to change such beneficiary

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at any time and shall be filed with the Commission and approved by the Commission in order to be effective to vest such interests in the successor or successors named.

(3) In the absence of such a designation as approved by the Commission, the Commission shall select from the relatives of the lessee in the order named above as limited by the foregoing paragraph one (1) or more persons who are qualified to be lessees of Chamorro Land Trust Property, except as hereinabove provided, as the successor or successors of the lessee's interest in the tract or tracts, and upon the death of the lessee, his interest shall vest in the person or persons so selected. The Commission may select such a successor or successors after the death of the lessee, and the rights to the use and occupancy of the tract or tracts may be made effective as of the date of the death of such lessee.

(4) In the case of the death of a lessee leaving no such relative qualified to be a lessee of Chamorro Land Trust Property, the land subject to the lease shall resume its status as unleased Chamorro Land Trust Property and the Commission is authorized to lease such land to an eligible beneficiary or beneficiaries as provided in this Chapter.

(5) Upon the death of a lessee leaving no such relative qualified to be a lessee of Chamorro Land Trust Property homelands, or the cancellation of a lease by the Commission, or the surrender of a lease by the lessee, the Commission shall appraise the value of all such improvements and growing crops and shall pay to the legal representative of the deceased lessee, or to the previous lessee, as the case may be, the value thereof, less any indebtedness to the Commission, or for taxes, or for any other indebtedness the payment of which has been assured by the Commission, from the deceased lessee or the previous lessee. Such payment shall be made out of the loan fund and shall be considered an advance therefrom reimbursable out of payments made by the successor or successors to the tract involved. Such appraisal shall be made by three (3) appraisers, one (1) of which shall be named by the Commission, one (1) by the previous lessee or the legal

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representative of the deceased lessee, as the case may be, and the third shall be selected by the two (2) appraisers hereinbefore mentioned.

(b) After the cancellation of a lease by the Commission in accordance with the provisions of § 75A110 or § 75A114 of Chapter 75A, Guam Code Annotated, or the surrender of a lease by a lessee, the Commission is authorized to transfer the lease or to issue a new lease to any qualified beneficiary regardless of whether or not he is related in any way by blood or marriage to the previous lessee.

(c) Should any successor or successors to a tract be a minor or minors, the Commission may appoint a guardian therefor subject to the approval of the Superior Court. Such guardian shall be authorized to represent the successor or successors in all matters pertaining to the leasehold: provided, that said guardian shall, in so representing such successor or successors, comply with the provisions of this Chapter and the stipulations and provisions contained in the lease, except that said guardian need not be an eligible beneficiary as defined in 21 GCA § 75A101.

§ 6A113. Application for Leases: Posting lessee awards.

The commission shall post, in every municipal mayor's office and once in a publication of general circulation, the names, file numbers, and dates of application of all who receive lease awards within two weeks after awards are made. They shall remain posted for a period of sixty (60) days.

§ 6A114. Application for Leases: Applicant current information.

(a) An applicant for awards must notify the commission, in writing, of any change in address or other information contained in the application within fifteen calendar days of such change. Whenever the commission initiates action for awards, all applicants whose application information is not current will be given ninety (90) days written notice to update the information. Written notice shall either be served personally upon the applicant or be sent to the applicant by registered mail addressed to his mailing address, as indicated on the applications. If notice

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is not personally served, it shall also be published once in a daily newspaper of general circulation in Guam within three days of the date the notice is mailed out. If the applicant does not furnish the information necessary to facilitate the award within 90 days of notice, the commission shall remove the applicant from the award list and the applicant must re-apply as a new applicant.

(b) The applicant may appeal the commission's decision to remove his name from any award list as provided by the Administrative Adjudication Law.

2022 NOTE: Reference to "territory" removed pursuant to 1 GCA § 420.

§ 6A115. Leases to Eligible Beneficiaries: Residential Tract Leases; Awards.

(a) Whenever residential tracts are available, the Commission shall award residential tract leases to applicants who, in the opinion of the Commission, are qualified to perform the conditions of such leases. The Commission's opinion as to the applicant's qualification shall be based on criteria specified in the Act.

(b) The lessee shall occupy and commence to use the tract as his home within one (1) year after the lease is made.

(c) Lot size for a residential tract lease to be awarded shall be not less than ten thousand (10,000) square feet with public sewer connection available, nor less than one-half (1/2) acre with no public sewer connection available, but in neither case shall be more than one (1) acre; or lot size for a residential tract lease shall be specified by zoning, subdivision, environmental, or administrative policies, but in no circumstance may the area exceed one (1) acre.

§ 6A116. Leases to Eligible Beneficiaries: Awards; When, Order.

(a) Whenever Chamorro Land Trust property lots are available, the Commission shall award leases to applicants who meet the qualification requirements specified herein and contained in the Act.

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(b) The Commission shall award lots on a first-come first-served basis at the discretion of the applicant.

(c) In addition to subsection (a) and (b) of this Section, the Commission shall prioritize awards for residential tracts to applicants in the following descending order:

- (1) those who do not own land anywhere;
- (2) those who own one (1) acre or less anywhere;
- (3) those who own more than one (1) acre anywhere.

§ 6A117. Leases to Eligible Beneficiaries: Award of Lease; Lessee's Performance.

(a) The Commission shall, whenever tracts are available, enter into such a lease with any applicant who, in the opinion of the Commission, is qualified to perform the conditions of such lease.

(b) In determining whether an applicant is qualified to occupy, commence construction, or use a residence, any of the following shall be sufficient proof for the Commission to find compliance:

- (1) approved loan or financing for the construction of a residence, or a conditional letter of intent or the equivalent;
- (2) contract between the applicant and a construction company for the construction of a residential dwelling;
- (3) equivalent evidence of the applicant's intent and ability to construct a residential dwelling; or
- (4) equivalent evidence of the applicant's intent and ability to fulfill pre-existing requirements entered into between other parties with respect to the residential dwelling the applicant wishes to occupy.

§ 6A118. Leases to Eligible Beneficiaries: Awards to Occupants of Homelands; When.

(a) Notwithstanding the provisions of §§ 6108 to 6114 and §§ 6A108 to 6A114, the Commission shall not serve eviction notices to individuals who presently reside and have continuously

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resided on Chamorro Land Trust property prior to July 12, 1995, and who qualify under the Act.

(b) Persons presently holding land use permits and who qualify under § 6A106 will hereby maintain their home or farms, adhering to all other requirements of the Act and these rules and regulations.

§ 6A119. Leases to Eligible Beneficiaries: Agricultural Tract Leases.

(a) Whenever agricultural tracts are available, the Commission shall award agricultural tract leases to applicants who, in the opinion of the Commission, are qualified to perform the conditions of such leases. The Commission's opinion as to the applicant's qualification shall be based on criteria specified in the Act.

(b) The lessee shall occupy and commence to use the tract to cultivate as his farm within one (1) year after the lease is made.

(c) The lessee shall plant and maintain not less than five (5), ten (10), fifteen (15), and twenty (20) trees per acre of land leased during the first, second, third, and fourth years, respectively, after the date of the lease. Such trees shall be of types approved, and provided free of charge by the Department of Agriculture and at locations specified by the Department of Agriculture's agent. Such planting and maintenance shall be by or under the immediate control and direction of the lessee.

6A120. Leases To Eligible Beneficiaries: Residence Permitted On Agricultural Lot.

(a) Residences shall be permitted upon agricultural tracts. Only one (1) residence will be permitted per lessee on Chamorro Land Trust property, subject to the following conditions:

- (1) the lessee has actively cultivated or developed at least two-thirds of the agricultural tract at all times;
- (2) approval by the Commission; and
- (3) conformance to all Guam zoning and building requirements.

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(b) A lessee possessing a residential tract lease may construct a residence on the lessee's agricultural tract; provided, that the lessee complies with all other conditions imposed by this section, § 6A126, and:

(1) lessee makes prior arrangements to surrender or transfer the residential tract lease upon the completion of construction of the residence on the lessee's agricultural tract. Should it be feasible, the lessee may relocate the present house;

(2) lessee must be financially able to assume the cost of relocation or construction of the new residence plus any related expenses necessary to maintain the agricultural tract. The Commission may assist the lessee under § 6A131; and

(3) in the event the lessee surrenders the residential tract lease, the net proceeds thereof shall be first credited to any loan granted by the Commission for the construction of a home on the agricultural tract.

(c) The Commission shall not be liable for expenses incurred by the lessee for amenities brought to the tract. The Commission shall not provide nor be required to provide such amenities, except as it may determine in the planned development of its lands.

(d) Upon cancellation, surrender, or transfer of the agricultural tract, the lessee shall relinquish the entire leasehold interest including the residence.

§ 6A121. Leases to Eligible Beneficiaries: Livestock and Crops.

(a) Lessees may raise animals intended for consumption on their agricultural leasehold to supply immediate family needs.

(b) Lessees may raise animals on a commercial basis on their agricultural leasehold only after the following conditions are met:

(1) submission of a plan for commercial production of animals which shall include, but not be limited to, projections

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for production, methods of production, sanitation control measures, and proximity to surrounding residences;

(2) approval by the Commission;

(3) conformance to all Guam zoning and health laws and rules; and

(4) the operation is restricted to confined feeding and not for open grazing.

(c) Agricultural tract lessees may raise crops for fodder to be used only for animals on the lot. A portion of the lot may be utilized to raise vegetables or fruit crops for consumption by the lessee's immediate family.

(d) Lessees may grow crops on a commercial basis on their agricultural leasehold only after the following conditions are met:

(1) any wetland on the lease property is not drained, filled or otherwise destroyed;

(2) lessees follow rules and regulations governing agricultural chemicals established by the Guam Environmental Protection Agency;

(3) submission of a plan for commercial crop production which shall include, but not be limited to, projections for production and methods of production;

(4) approval by the Commission; and

(5) conformance to all Guam zoning and health laws and rules.

§ 6A122. Leases to Eligible Beneficiaries: Lease Cancellation.

(a) The Commission may cancel a lease to an eligible beneficiary, as specified by § 75A110 of Chapter 75A, Title 21, Guam Code Annotated, and the Administrative Adjudication Law, for the following reasons:

(1) violation by the lessee of a condition enumerated in the Chamorro Land Trust Act;

(2) violation of a condition enumerated in the lease agreement;

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(3) violation of a condition enumerated in these rules and regulations; or

(4) intentional falsification of material information by the lessee on application for financial assistance submitted to the commission.

(b) No lease shall be cancelled without first affording the lessee the right to a hearing as prescribed in the Administrative Adjudication Law.

§ 6A123. Leases to Eligible Beneficiaries: Commercial Leases.

No commercial leases shall be entered into by the Chamorro Land Trust Commission until rules and regulations covering the same have been adopted pursuant to the Administrative Adjudication Law.

§ 6A124. Conditions in Leases: Additional conditions generally.

In addition to the conditions in leases set forth in the Chamorro Land Trust Act, and in the lease document, all lessees shall be subject to the restrictions set forth in this section.

§ 6A125. Conditions in Leases: Industrial or commercial activities.

(a) No industrial or commercial activities shall be allowed on Chamorro Land Trust property leaseholds, except those which are authorized for license by the Act.

(b) No leasehold or portion thereof shall be used for commercial activities of such a nature as to constitute a nuisance.

(c) Commercial activities shall not include selling of agricultural products raised upon the premises.

§ 6A126. Conditions in Leases: Building requirements.

(a) No building structure or improvement may be constructed on the premises without written approval from the commission. Such an approval shall be considered only after submission of a plan as to design, materials, and probable value and use of the structure to be built on the leasehold. Such building structures or

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improvements must meet building and zoning codes and other ordinances and regulations of Guam.

(b) The commission shall provide assistance to the lessee in understanding the building code requirements which would render the proposed building or other improvement suitable for approval.

2021 NOTE: Reference to “the territory” replaced with “Guam” pursuant to 1 GCA § 420.

§ 6A127. Conditions in Leases: Contracts covering leased lands.

No lessee may, without written approval from the commission, enter into any contract, joint venture, agreement or other arrangement of any sort with a third person on lands covered by lessee’s lease for the cultivation of crops or the raising of livestock.

§ 6A128. Conditions in Leases: Transfer of leases.

Requests for transfers will be considered for approval only if the lessee has held such lease for a period of at least seven (7) years, unless the Commission, in its considered opinion, finds that an emergency exists which makes transfer imperative. A lessee may transfer the leasehold to any individual who qualifies under the Act and is at least eighteen (18) years old. The transferee must immediately occupy the residential tract or use or cultivate the agricultural tract. Failure to occupy or use such tract within sixty (60) days from date of transfer shall constitute grounds for cancellation of such lease. A transferee may own an interest in non-Chamorro Land Trust property, regardless of degree of ownership.

§ 6A129. Conditions in Leases: Occupancy and other requirements.

(a) The time period by which a lessee is required to occupy a residential lot or to commence to use or to cultivate an agricultural lot shall be stipulated in the lease.

(b) Except as otherwise provided in the lease, the commission may require a lessee of an agricultural lot to have under

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development, cultivation, or use at least two-thirds of the usable acreage at all times.

(c) Lessees shall be responsible for maintaining their premises secure from fire, theft, and vandalism and shall comply with the requirements of their lease at all times.

(d) A lessee who does not have a house on the lot shall provide the commission with a current mailing address and such other information as the commission may require.

§ 6A130. Conditions in Leases: Sublease prohibited.

The lessee shall not sublet his interest in the tract or improvements thereon. Violation of this provision shall constitute grounds for cancellation of such lease.

§ 6A131. Loans and Funds.

Since a source of funding for loans has not been identified, no loans shall be made by the Chamorro Land Trust Commission until Rules and Regulations covering the same have been adopted pursuant to the Administrative Adjudication Law.

§ 6A132. Successors to Lessees: Designation of successors.

(a) A lessee shall, upon execution of the lease, designate the person in whom lessee directs the interest in the tract to vest upon death. Such person must be qualified to succeed to Chamorro Land Trust property as provided by Public Law 35-112, and these rules. A lessee may elect to provide for the surrender of the lot upon death and may select a recipient for the proceeds from the surrender. A lessee's designation under this Section may be changed at any time by the lessee.

(b) Such designation shall be made as specified in the Act with the right in the lessee to change the beneficiary at any time, if filed with and approved by the commission.

§ 6A133. Successors to Lessees: Reversion to the commission.

Where a lessee dies having failed to designate a successor, the Commission may select a successor as provided in the Act. Otherwise, the lease shall be cancelled. The land subject to the lease shall resume its status as unleased Chamorro Land Trust

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property, and the Commission shall be authorized to lease said land to an eligible beneficiary as provided in Chapter 75A of Title 21, Guam Code Annotated.

§ 6A134. Successors to Lessees: Notice to successors.

Upon the death of a lessee having no designated successor, the commission shall publish such fact by publishing a notice at least once in each of four successive weeks in a newspaper of general circulation. The notice shall state briefly that all persons claiming to be relatives of the lessees qualified to succeed to the lease shall present themselves at the commission with proof of their qualification, within four months from the first day of publication of the notice or be forever barred from succeeding to the lease. Those persons failing to present themselves within four months from the first day of publication of the notice shall be forever barred from succeeding to the lease in question.

§ 6A135. Successors to Lessees: Appraisals.

(a) Upon the death of a lessee leaving no individual qualified to be a successor lessee, if the commission is unable to designate a successor, or upon the cancellation or the surrender of a lease, the commission shall appraise the value of all improvements of the tract or tracts.

(b) An appraisal made pursuant to this section shall be made by three appraisers, subject to the exception of lessee waiver described herein, one of whom shall be named by the commission, one by the previous lessee or the legal representative of the deceased lessee, as the case may be, and the third shall be selected by the two appraisers herein before mentioned. The previous lessee or the designated representative of the deceased lessee shall bear the cost of its named appraiser. The cost of the third appraiser shall be shared equally between the commission and the previous lessee or legal representative of the deceased lessee. The previous lessee or legal representative of the deceased lessee may waive the three-man appraisal in favor of the sole appraisal made by the commission, or a compromise sole appraisal made by the commission, or a compromise valuation made between the commission and lessee.

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§ 6A136. Successors to Lessees: Payments.

(a) The commission shall pay to the legal representative, administrator or executor of the deceased lessee or to the previous lessee, as the case may be, the appraisal value less:

(1) Any indebtedness to the commission;

(2) Taxes;

(3) Any other indebtedness, the payment of which has been assured by the commission;

(4) Any costs incurred by the commission for upkeep and cleaning of the leased premises; and

(5) For any crops or improvements the commission demands removed;

(b) Payments provided in subsection (a) shall be made out of the Chamorro home loan fund and shall be considered an advance therefrom, reimbursable out of payments by the transferee or new lessee to the tract involved.

(c) The commission may make the payment only after a new lessee is found and upon commencement of the new lease.

(d) Payments shall be made in equal annual increments over a period of five years, and shall bear interest at the rate of two and one-half percent (2½%) on the unpaid balance; provided, that where the commission has sufficient funds available and such payment does not unreasonably impair the Chamorro home loan fund, the commission may pay the entire amount or fraction thereof as it deems proper, but in no case less than twenty percent (20%) per year for five years.

§ 6A137. Successors to Lessees: Cancellation and surrender.

(a) Upon receipt of written notification of a lessee's intent to surrender, the commission shall process the same. The commission may forego acceptance of a surrender until a new lessee is found and it is determined by the commission that sufficient funds are available in the Chamorro home loan fund to meet the payments required. At all times until acceptance of

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surrender, the lessee shall remain responsible for the demised leasehold together with any improvements thereon, and shall remain liable for all taxes, assessments and charges of whatever kind and nature, on said tract and improvements thereon.

(b) Upon the cancellation or surrender of a residential tract, should it be determined by the commission that the residence constructed on the premises is in such disrepair that demolition of the structure is required, the lessee shall be allowed to sell said structure within ninety (90) days from the date of the cancellation or acceptance of surrender; provided that any proceeds be first used to satisfy any indebtedness to the commission, taxes, or any other indebtedness the payment of which has been assured by the commission, or any costs incurred by the commission for upkeep and cleaning of the leased premises. Sale of the structure shall not cause harm or affect in any way rights to the underlying property. Lessee shall repair and restore all damage to the Premises caused by removal of any alterations, additions, improvements or fixtures in the Premises. Lessee's obligations under this provision shall survive the expiration or termination of the Lease. If lessee fails to have structure removed, the commission may demolish the structure and the cost thereof shall be assessed the lessee.

§ 6A138. Community Pastures: Location of community pastures.

The commission, when practicable and as authorized under the Act, shall maintain community pastures in such locations as it may determine.

§ 6A139. Community Pastures: Records.

A record of all stock in community pastures shall be kept by the commission.

§ 6A140. Community Pastures: Responsibilities.

(a) The lessees shall be responsible for:

(1) Permanently branding all animals with a registered brand of the lessee;

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(2) Removing and testing all animals and confirming district origin;

(3) Removing sick, diseased or severely injured animals; and

(4) Arranging for removal of animals at least forty-eight (48) hours in advance of the move with the commission.

(b) The commission shall be responsible for managing and supervising the operation to ensure equal access and use of the pastures.
