I Mina'trentai Ocho Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
305-38 (COR)	Joe S. San Agustin V. Anthony Ada Tina Rose Muña-Barnes	AN ACT TO *ADD* A NEW § 75A122(d) AND NEW § 75A124(d) ALL OF CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.	4/10/26 9:34 a.m.	4/17/26	Committee on Land, Environment, Housing, Agriculture, Parks, and Infrastructure.	Request: 4/17/26 4/23/26	8/25/26 8:30 a.m.	9/16/26 As Amended.	

OFFICE OF THE VICE SPEAKER
V. Anthony Ada

I Mina'trentai Ocho Na Liheslaturan Guåhan | 38th Guam Legislature

Chairperson - Committee on Land, Environment, Housing, Agriculture, Parks, and Infrastructure

September 15, 2026

Honorable Frank F. Blas, Jr
Speaker
Mina'trentai Ocho na Liheslaturan Guåhan
163 Chalan Santo Papa
Hagåtña, Guam 96910

VIA: Honorable V. Anthony Ada
Chairperson, Committee on Rules

Re: Committee Report on Bill No. 305-38 (COR) as Amended

Håfa adai Speaker Blas:

Transmitted herewith is the Committee Report on Bill No. 305-38 (COR) As amended by the Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure. – Joe S. San Agustin, V. Anthony Ada, Tina Rose Muña-Barnes – AN ACT TO *ADD* A NEW § 75A122(d) AND NEW § 75A124(d) ALL OF CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.

Committee votes are as follows:

2 TO DO PASS

0 TO NOT PASS

4 TO REPORT OUT ONLY

0 TO ABSTAIN

0 TO PLACE IN INACTIVE FILE

COMMITTEE ON RULES
RECEIVED:
September 15, 2026 4:22 p.m.
Marie Crisostomo

Si Yu'os ma'åse',

V. Anthony Ada

OFFICE OF THE VICE SPEAKER
V. Anthony Ada
I Mina'trentai Ocho Na Liheslaturan Guåhan | 38th Guam Legislature

Chairperson - Committee on Land, Environment, Housing, Agriculture, Parks, and Infrastructure

COMMITTEE REPORT

Bill No. 305-38 (COR)

As amended by the Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure

Introduced by
Joe S. San Agustin, V. Anthony Ada, Tina Rose Muña-Barnes

"AN ACT TO *ADD* A NEW § 75A122(d) AND NEW § 75A124(d) ALL OF CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING."

by Vice Speaker V. Anthony Ada

Guam Congress Building • 163 Chalan Santo Papa, Hagåtña, Guam 96910
Tel: (671) 989-0855 • Email: vicespeakertonyada@guamlegislature.gov

OFFICE OF THE VICE SPEAKER
V. Anthony Ada

I Mina'trentai Ocho Na Liheslaturan Guåhan | 38th Guam Legislature

Chairperson - Committee on Land, Environment, Housing, Agriculture, Parks, and Infrastructure

September 15, 2026

MEMORANDUM

To: **All Members**
Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure

From: **Vice Speaker V. Anthony Ada**
Committee Chairperson

Subject: **Committee Report on Bill No. 305-38 (COR) As amended**

Transmitted herewith is the Committee Report on the Bill No. 305-38 (COR) As amended by the Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure. – Joe S. San Agustin, V. Anthony Ada, Tina Rose Muña-Barnes – AN ACT TO *ADD* A NEW § 75A122(d) AND NEW § 75A124(d) ALL OF CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING..

This report includes the following:

- Copy of COR Referral of Bill No. 305-38 (COR)
- Notices of Public Hearing & Other Correspondence
- Copy of the Public Hearing Agenda
- Public Hearing Sign-in Sheet
- Copies of Submitted Testimonies & Supporting Documents
- Committee Vote Sheet
- Committee Report Digest
- Copy of Bill No. 305-38 (COR)
- Copy of Bill No. 305-38 (COR) as amended by the Committee
- Amended Markup Version
- Copy of Fiscal Note from Bureau of Budget and Management Research

Please take the appropriate action on the attached vote sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact me.

Si Yu'os ma'åse'

Guam Congress Building • 163 Chalan Santo Papa, Hagåtña, Guam 96910
Tel: (671) 989-0855 • Email: vicespeakertonyada@guamlegislature.gov

COMMITTEE ON RULES

Vice Speaker V. Anthony Ada, Chairperson
I Mina'trentai Ocho Na Liheslaturan Guåhan
38th Guam Legislature

April 17, 2026

To: **Rennae V. C. Meno**
Clerk of the Legislature

Attorney Darleen E.H. Phillips
Legislative Legal Counsel

From: **Vice Speaker V. Anthony Ada**
Chairperson, Committee on Rules

Subject: **Referral of Bill No. 305-38 (COR)**

Håfa Adai,

As per my authority as Chairperson of the Committee on Rules and subject to §6.01(d)(1), Rule VI of our Standing Rules, I am forwarding the referral of **Bill No. 305-38 (COR)** - Joe S. San Agustin, V. Anthony Ada, Tina Rose Muna Barnes. – "AN ACT TO *ADD* A NEW § 75A122(d), CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLYASSISTED OR FEDERALLY-INSURED FINANCING."

Please ensure that the subject bill is referred to the Committee on Land, Environment, Housing, Agriculture, Parks, and Infrastructure chaired by Vice Speaker V. Anthony Ada. I also request that the same be copied to the Prime Sponsor of the subject bill and to Management Information Services (MIS) for posting on our website.

A copy of the bill is available on our legislative website.

Should you have any questions or concerns, please feel free to contact Kamarin Nelson, Committee on Rules Director at 671-472-2461.

FIRST NOTICE of Public Hearing: August 25, 2026

Vice Speaker V. Anthony Ada <vicespeakertonyada@guamlegislature.gov> Tue, Aug 18, 2026 at 10:09 AM
Bcc: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
August 18, 2025

MEMORANDUM

To: **All Senators, Stakeholders, Media**
From: **Vice Speaker V. Anthony Ada**
Re: **FIRST NOTICE of Public Hearing: August 25, 2026**

The Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure will conduct a public hearing on **Tuesday, August 25, 2026,** at **8:30 am** in the Public Hearing Room in the Guam Congress Building. The agenda is as follows:

· **Bill No. 268-38 (COR)** – Chris Barnett, V. Anthony Ada, Sabina Flores Perez, Therese M. Terlaje, Telo T. Taitague - AN ACT TO *ADD* A NEW § 77134 TO ARTICLE 1, CHAPTER 77, TITLE 21 GUAM CODE ANNOTATED RELATIVE TO CREATING A BEACH AND COAST WARNING AND NOTIFICATION SYSTEM FOR HAZARDOUS CONDITIONS.
· **Bill No. 305-38 (COR)** – Joe S. San Agustin, V. Anthony Ada, Tina Rose Muña-Barnes - AN ACT TO *ADD* A NEW § 75A122(d), CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.
· **Bill No. 320-38 (COR)** – V. Anthony Ada, Christopher M. Dueñas, Shelly V. Calvo, Jesse A. Lujan, Eulogio Shawn Gumataotao, William A. Parkinson - AN ACT TO *ADD* A NEW §§ 61527 AND 61314 AND TO *AMEND* § 62101(a) ALL OF CHAPTER 61, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE LEGALIZATION OF CERTAIN NONCONFORMING DWELLINGS CONSTRUCTED ON COMMERCIAL ZONED LOTS AND TO CREATE A NEW ZONE DESIGNATION COMMERCIAL-MIXED (CM) ZONE THAT ALLOWS FOR THE CONSTRUCTION OF BOTH COMMERCIAL AND RESIDENTIAL BUILDINGS AND FACILITIES IN THE SAME LOT DESIGNATION.

Those interested in participating in the Public Hearing to provide testimony may contact the Office of Vice Speaker V. Anthony Ada at (671) 989-0855 or via electronic mail at vicespeakertonyada@guamlegislature.gov for further guidance.

Submission of Presentation Media: Digital material and presentations must be emailed to vicespeakertonyada@guamlegislature.gov no later than three (3) days before the public hearing to allow timely submission to the Guam Legislature's MIS Division.

--
The Public Hearing will broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and stream online via i Liheslaturan Guåhan's live feed. Written testimonies may be sent via email at vicespeakertonyada@

guamlegislature.gov.

All government activities, programs, and services are accessible for people with disabilities in compliance with Title II of the Americans with Disabilities Act (ADA). Should you or interested parties require assistance or special accommodations to fully participate in this public hearing, please contact the Office of Vice Speaker V. Anthony Ada at (671) 989-0855 or via email at vicespeakertonyada@guamlegislature.gov.

--

Office of Vice Speaker V. Anthony Ada
38th Guam Legislature
I Mina'trentai Ocho Na Liheslaturan Guåhan
Guam Congress Building, 2nd Floor
163 Chalan Santo Papa
Hagåtña, Guam 96910
Phone: (671) 989-0855
Email: vicespeakertonyada@guamlegislature.gov

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4 attachments

2026-08-18 FIRST NOTICE.pdf
818K

Bill No. 268-38 (COR).pdf
875K

Bill No. 305-38 (COR).pdf
1560K

Bill No. 320-38 (COR).pdf
1820K

FOR IMMEDIATE RELEASE
August 18, 2025

MEMORANDUM

To: **All Senators, Stakeholders, Media**
From: **Vice Speaker V. Anthony Ada**
Re: **FIRST NOTICE of Public Hearing: August 25, 2026**

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- **Bill No. 320-38 (COR)** – V. Anthony Ada, Christopher M. Dueñas, Shelly V. Calvo, Jesse A. Lujan, Eulogio Shawn Gumataotao, William A. Parkinson - AN ACT TO *ADD* A NEW §§ 61527 AND 61314 AND TO *AMEND* § 62101(a) ALL OF CHAPTER 61, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE LEGALIZATION OF CERTAIN NONCONFORMING DWELLINGS CONSTRUCTED ON COMMERCIAL ZONED LOTS AND TO CREATE A NEW ZONE DESIGNATION COMMERCIAL-MIXED (CM) ZONE THAT ALLOWS FOR THE CONSTRUCTION OF BOTH COMMERCIAL AND RESIDENTIAL BUILDINGS AND FACILITIES IN THE SAME LOT DESIGNATION.

Those interested in participating in the Public Hearing to provide testimony may contact the Office of Vice Speaker V. Anthony Ada at (671) 989-0855 or via electronic mail at vicespeakertonyada@guamlegislature.gov for further guidance.

Submission of Presentation Media: Digital material and presentations must be emailed to vicespeakertonyada@guamlegislature.gov no later than three (3) days before the public hearing to allow timely submission to the Guam Legislature's MIS Division.

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The Public Hearing will broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and stream online via i Liheslaturan Guåhan's live feed. Written testimonies may be sent via email at vicespeakertonyada@guamlegislature.gov.

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FIRST NOTICE of Public Hearing: August 25, 2026

PUBLIC HEARING

Posted on: 08/18/2026 01:36 PM

Posted by: Erin Grajek

Public Hearing Date: 08/25/2026 08:30 AM

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF VICE SPEAKER V. ANTHONY ADA (/notices?division_id=261)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

Share this notice

FOR IMMEDIATE RELEASE
August 18, 2025

MEMORANDUM

To: All Senators, Stakeholders, Media
From: Vice Speaker V. Anthony Ada
Re: FIRST NOTICE of Public Hearing: August 25, 2026

The Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure will conduct a public hearing on **Tuesday, August 25, 2026,** at **8:30 am** in the Public Hearing Room in the Guam Congress Building. The agenda is as follows:

· **Bill No. 268-38 (COR) (https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20268-38%20(COR).pdf)** – Chris Barnett, V. Anthony Ada, Sabina Flores Perez, Therese M. Terlaje, Telo T. Taitague - AN ACT TO *ADD* A NEW § 77134 TO ARTICLE 1, CHAPTER 77, TITLE 21 GUAM CODE ANNOTATED RELATIVE TO CREATING A BEACH AND COAST WARNING AND NOTIFICATION SYSTEM FOR HAZARDOUS CONDITIONS.
· **Bill No. 305-38 (COR) (https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20305-38%20(COR).pdf)** – Joe S. San Agustin, V. Anthony Ada, Tina Rose Muña-Barnes - AN ACT TO *ADD* A NEW § 75A122(d), CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.
· **Bill No. 320-38 (COR) (https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20320-38%20(COR).pdf)** – V. Anthony Ada, Christopher M. Dueñas, Shelly V. Calvo, Jesse A. Lujan, Eulogio Shawn Gumataotao, William A. Parkinson - AN ACT TO *ADD* A NEW §§ 61527 AND 61314 AND TO *AMEND* § 62101(a) ALL OF CHAPTER 61, TITLE 21, GUAM CODE

ANNOTATED, RELATIVE TO THE LEGALIZATION OF CERTAIN NONCONFORMING DWELLINGS CONSTRUCTED ON COMMERCIAL ZONED LOTS AND TO CREATE A NEW ZONE DESIGNATION COMMERCIAL-MIXED (CM) ZONE THAT ALLOWS FOR THE CONSTRUCTION OF BOTH COMMERCIAL AND RESIDENTIAL BUILDINGS AND FACILITIES IN THE SAME LOT DESIGNATION.

Those interested in participating in the Public Hearing to provide testimony may contact the Office of Vice Speaker V. Anthony Ada at (671) 989-0855 or via electronic mail at **vicespeakertonyada@guamlegislature.gov (mailto:vicespeakertonyada@guamlegislature.gov)** for further guidance.

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GUAM LEGISLATURE
AUDIO VISUAL DEPARTMENT
PUBLIC ANNOUNCEMENT REQUEST FORM

Office Submitting Request: Office of Vice Speaker V. Anthony Ada

Date of Request: 08/17/2026

POINT OF CONTACT

Name: Erin M. Grajek

Contact #: 989-0855

Email: erin.grajek@guamlegislature.gov

PUBLIC HEARING DETAILS

Notice Type: ☑ Public Hearing ☐ Informational Briefing ☐ Roundtable Discussion

☐ Oversight Hearing ☐ Committee Meeting ☐ Other: ____________________

Notice Title / Bill(s) / Resolution(s) / Appointment: NOTICE OF PUBLIC HEARING: August 25, 2026 (FIRST NOTICE 08/18/26 - SECOND NOTICE 08/23/26) - Bill Nos. 268/305/320

Date of Event: 08/25/26

Start Time: 8:30 am

End Time: 12:00 pm (or until hearing is adjourned)

Location: Public Hearing Room, Guam Congress Building

MEDIA HANDLING

Recording Format: ☑ MP4 ☐ MP3 ☐ Other: ____________________

Delivery Method: ☑ Email ☐ USB Drive ☐ Cloud Link ☐ Other: ____________________

CERTIFIED BY AV:

Name: Zachary Quinata

Signature: ____________________

Posted on/Air Date: 08/18/26 to 08/25/26

VICE SPEAKER V. ANTHONY ADA
COMMITTEE ON LAND, ENVIRONMENT, HOUSING, AGRICULTURE, PARKS, AND INFRASTRUCTURE

Notice of Public Hearing
Tuesday, August 25, 2026 at 8:30 am

The Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure will conduct an Oversight Hearing on **Tuesday, August 25, 2026** at **8:30 am** in the Public Hearing Room in the Guam Congress Building.

The agenda is as follows:

- **Bill No. 268-38 (COR)** – Chris Barnett, V. Anthony Ada, Sabina Flores Perez, Therese M. Terlaje, Telo T. Taitague - AN ACT TO *ADD* A NEW § 77134 TO ARTICLE 1, CHAPTER 77, TITLE 21 GUAM CODE ANNOTATED RELATIVE TO CREATING A BEACH AND COAST WARNING AND NOTIFICATION SYSTEM FOR HAZARDOUS CONDITIONS.

- **Bill No. 305-38 (COR)** – Joe S. San Agustin, V. Anthony Ada, Tina Rose Muña-Barnes - AN ACT TO *ADD* A NEW § 75A122(d), CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.

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If you are interested in participating in the Public Hearing to provide testimony, please contact the Office of Vice Speaker V. Anthony Ada at (671) 989-0855 or via electronic mail at vicespeakertonyada@guamlegislature.gov for further guidance.

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The Public Hearing will broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and stream online via i Liheslaturan Guåhan's live feed. Written testimonies may be sent via email at vicespeakertonyada@guamlegislature.gov.

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Vice Speaker V. Anthony Ada <vicespeakertonyada@guamlegislature.gov>

SECOND NOTICE of Public Hearing: August 25, 2026

Vice Speaker V. Anthony Ada <vicespeakertonyada@guamlegislature.gov> Sun, Aug 23, 2026 at 8:00 AM
Bcc: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
August 23, 2025

MEMORANDUM

To: **All Senators, Stakeholders, Media**
From: **Vice Speaker V. Anthony Ada**
Re: **SECOND NOTICE of Public Hearing: August 25, 2026**

The Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure will conduct a public hearing on **Tuesday, August 25, 2026,** at **8:30 am** in the Public Hearing Room in the Guam Congress Building. The agenda is as follows:

- **Bill No. 268-38 (COR)** – Chris Barnett, V. Anthony Ada, Sabina Flores Perez, Therese M. Terlaje, Telo T. Taitague - AN ACT TO *ADD* A NEW § 77134 TO ARTICLE 1, CHAPTER 77, TITLE 21 GUAM CODE ANNOTATED RELATIVE TO CREATING A BEACH AND COAST WARNING AND NOTIFICATION SYSTEM FOR HAZARDOUS CONDITIONS.
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Those interested in participating in the Public Hearing to provide testimony may contact the Office of Vice Speaker V. Anthony Ada at (671) 989-0855 or via electronic mail at vicespeakertonyada@guamlegislature.gov for further guidance.

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--

Office of Vice Speaker V. Anthony Ada
38th Guam Legislature
I Mina'trentai Ocho Na Liheslaturan Guåhan
Guam Congress Building, 2nd Floor
163 Chalan Santo Papa
Hagåtña, Guam 96910
Phone: (671) 989-0855
Email: vicespeakertonyada@guamlegislature.gov

4 attachments

- **2026-08-23 SECOND NOTICE.pdf** 818K
- **Bill No. 268-38 (COR).pdf** 875K
- **Bill No. 305-38 (COR).pdf** 1560K
- **Bill No. 320-38 (COR).pdf** 1820K

FOR IMMEDIATE RELEASE
August 23, 2025

MEMORANDUM

To: **All Senators, Stakeholders, Media**
From: **Vice Speaker V. Anthony Ada**
Re: **SECOND NOTICE of Public Hearing: August 25, 2026**

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- **Bill No. 320-38 (COR)** – V. Anthony Ada, Christopher M. Dueñas, Shelly V. Calvo, Jesse A. Lujan, Eulogio Shawn Gumataotao, William A. Parkinson - AN ACT TO *ADD* A NEW §§ 61527 AND 61314 AND TO *AMEND* § 62101(a) ALL OF CHAPTER 61, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE LEGALIZATION OF CERTAIN NONCONFORMING DWELLINGS CONSTRUCTED ON COMMERCIAL ZONED LOTS AND TO CREATE A NEW ZONE DESIGNATION COMMERCIAL-MIXED (CM) ZONE THAT ALLOWS FOR THE CONSTRUCTION OF BOTH COMMERCIAL AND RESIDENTIAL BUILDINGS AND FACILITIES IN THE SAME LOT DESIGNATION.

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Submission of Presentation Media: Digital material and presentations must be emailed to vicespeakertonyada@guamlegislature.gov no later than three (3) days before the public hearing to allow timely submission to the Guam Legislature's MIS Division.

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SECOND NOTICE of Public Hearing: August 25, 2026

SECOND NOTICE of Public Hearing: August 25, 2026

PUBLIC HEARING

Posted on: 08/23/2026 08:15 AM

Posted by: Erin Grajek

Public Hearing Date: 08/25/2026 08:30 AM

Department(s): GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF VICE SPEAKER V. ANTHONY ADA (/notices?division_id=261)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
August 23, 2025

MEMORANDUM

To: All Senators, Stakeholders, Media
From: Vice Speaker V. Anthony Ada
Re: SECOND NOTICE of Public Hearing: August 25, 2026

The Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure will conduct a public hearing on **Tuesday, August 25, 2026,** at **8:30 am** in the Public Hearing Room in the Guam Congress Building. The agenda is as follows:

- **Bill No. 268-38 (COR) (https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20268-38%20(COR).pdf)** – Chris Barnett, V. Anthony Ada, Sabina Flores Perez, Therese M. Terlaje, Telo T. Taitague - AN ACT TO *ADD* A NEW § 77134 TO ARTICLE 1, CHAPTER 77, TITLE 21 GUAM CODE ANNOTATED RELATIVE TO CREATING A BEACH AND COAST WARNING AND NOTIFICATION SYSTEM FOR HAZARDOUS CONDITIONS.
- **Bill No. 305-38 (COR) (https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20305-38%20(COR).pdf)** – Joe S. San Agustin, V. Anthony Ada, Tina Rose Muña-Barnes - AN ACT TO *ADD* A NEW § 75A122(d), CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.
- **Bill No. 320-38 (COR) (https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20320-38%20(COR).pdf)** – V. Anthony Ada, Christopher M. Dueñas, Shelly V. Calvo, Jesse

A. Lujan, Eulogio Shawn Gumataotao, William A. Parkinson - AN ACT TO *ADD* A NEW §§ 61527 AND 61314 AND TO *AMEND* § 62101(a) ALL OF CHAPTER 61, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO THE LEGALIZATION OF CERTAIN NONCONFORMING DWELLINGS CONSTRUCTED ON COMMERCIAL ZONED LOTS AND TO CREATE A NEW ZONE DESIGNATION COMMERCIAL-MIXED (CM) ZONE THAT ALLOWS FOR THE CONSTRUCTION OF BOTH COMMERCIAL AND RESIDENTIAL BUILDINGS AND FACILITIES IN THE SAME LOT DESIGNATION.

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Office of the Vice Speaker
V. Anthony Ada
I Mina'trentai Ocho Na Liheslaturan Guåhan | 38th Guam Legislature

Chairperson - Committee on Land, Environment, Housing, Agriculture, Parks, and Infrastructure

Public Hearing

Public Hearing Room · Guam Congress Building
Tuesday, August 25, 2026 · 8:30 am

Agenda

- **Bill No. 268-38 (COR)** – Chris Barnett, V. Anthony Ada, Sabina Flores Perez, Therese M. Terlaje, Telo T. Taitague - AN ACT TO *ADD* A NEW § 77134 TO ARTICLE 1, CHAPTER 77, TITLE 21 GUAM CODE ANNOTATED RELATIVE TO CREATING A BEACH AND COAST WARNING AND NOTIFICATION SYSTEM FOR HAZARDOUS CONDITIONS.
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OFFICE OF THE VICE SPEAKER
V. Anthony Ada

I Mina'trentai Ocho Na Liheslaturan Guåhan | 38th Guam Legislature

Chairperson - Committee on Land, Environment, Housing, Agriculture, Parks, and Infrastructure

PUBLIC HEARING SIGN-IN SHEET
Tuesday, August 25, 2026 · 8:30 am · Public Hearing Room, Guam Congress Building

Bill No. 305-38 (COR)

AN ACT TO *ADD* A NEW § 75A122(d), CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.
Joe S. San Agustin, V. Anthony Ada, Tina Rose Muña-Barnes

NAME	AGENCY/ ORGANIZATION	POSITION	TESTIMONY	CONTACT INFO
1. EARL GARRIDO	CLTC	SUPPORT ☐ OPPOSE ☒	WRITTEN ☒ ORAL ☒	671-300-3296
2. DEXTER TAN	CLTC	SUPPORT ☐ OPPOSE ☐	WRITTEN ☐ ORAL ☐	671-300-3296
3. JOEY CRUZ	CLTC	SUPPORT ☐ OPPOSE ☐	WRITTEN ☐ ORAL ☐	671-300-3296
4.		SUPPORT ☐ OPPOSE ☐	WRITTEN ☐ ORAL ☐	
5.		SUPPORT ☐ OPPOSE ☐	WRITTEN ☐ ORAL ☐	
6.		SUPPORT ☐ OPPOSE ☐	WRITTEN ☐ ORAL ☐	
7.		SUPPORT ☐ OPPOSE ☐	WRITTEN ☐ ORAL ☐	

Kumision Inangokkon Tano' CHamoru
(CHamoru Land Trust Commission)

P.O. Box 2950 Hagåtña, Guåhan 96932 Phone: 671- 300-3296 Fax: 671-300-3319

August 25, 2026

Honorable V. Anthony Ada
Vice Speaker, 38th Guam Legislature
Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure
Guam Congress Building,
163 Chalan Santo Papa
Hagatna, Guam 96910

SUBJECT: BILL NO. 305-38

Buenas Yan Hafa Adai Vice Speaker Ada,

This testimony expresses my personal views as a member of the CHamoru Land Trust Commission (CLTC) Board and does not reflect the collective opinion of the board. It's important to note that the CLTC Board has not had a chance to fully discuss Bill 305-38 and establish an official position.

Bill 305-38 aims to permit the CLTC to grant lease terms that extend at least ten (10) years beyond the mortgage maturity date, or any required duration under federal programs. This provision raises concerns about fairness for future commercial lessees or licensees, especially for those with the financial stability to secure longer leases. I suggest that an amend to current statute, which allows for 21-year terms for commercial licenses and 25-year terms for commercial leases, to instead enable the CLTC to issue terms of up to 40 years. This change would enhance opportunities for businesses while benefiting CLTC beneficiaries in the long run.

Additionally, I'd like to point out that current rental rates for CLTC commercial licenses and leases are set at 1 to 2 percent of the property's fair market value. Extending the terms for existing licenses and leases could undermine the interests of CLTC beneficiaries.

Finally, regarding the item on page 8 under item 8, I am concerned about the potential interpretation that the CLTC would be obligated to provide utility infrastructure through SUTA while fronting the costs, only to charge the commercial licensee or lessee later. This could create a financial strain on CLTC.

Thank you for considering my input on these important matters.

This testimony is a personal perspective and not the collective view of the CLTC Board. Furthermore, I cannot support this Bill if my concerns are not addressed, especially the concerns of the CLTC Board if any should arise after we have fully vetted this Bill.

Senseramente,

Earl J. Garrido
Chairman

Cc: Angela M. Camacho, Acting Administrative Director

9:am
REC'D 8·25·26

August 29, 2026

Honorable V. Anthony Ada
Vice-Speaker 38th Guam Legislature
Chairman on the Committee on Land, Environment, Housing, Agriculture,
Parks and Infrastructure
Guam Congress Building
163 Chalan Santo Papa
Hagatna, Guam 96910

Subject: Testimony on Bill 305-38

Buenas Yan Hafa Adai, Vice Speaker Ada,

This testimony reflects the opinions and views of the dedicated men and women who are boots on the ground, and working tirelessly to continue the day-to-day operations of the CHamoru Land Trust Commission (CLTC). We are the individuals responsible for implementing both current and new mandates established by law. Additionally, this testimony builds upon the submission made by Mr. Earl Garrido in his individual capacity.

In summary, Bill 305-38 aims to authorize an extension of no more than ten years for prospective commercial lessees or licensees who are, or will be, receiving any type of financing assistance. Furthermore, any extension beyond ten years will require legislative approval. This extension will be available to both existing and new commercial lessees and licensees who are in good standing. Bill 305-38 also discusses expenses that CLTC may incur if utility infrastructure is installed using funds from the SUTA and that benefit the commercial developments. In such cases, CLTC may charge the commercial lessee or licensee for the cost of installing the infrastructure through an amortized period equal to the lease term.

While we understand that the intention behind this bill is to create a revenue source for CLTC, we believe that it does not truly benefit our eligible beneficiaries and compromises Public Law 33-95, which enacted CLTC's Commercial Rules and Regulations. Since its inception, CLTC has faced criticism for not complying with the law, particularly regarding preferential deals in commercial leasing and licensing, as well as for failing to generate the necessary revenue to support its programs. This issue prompted former Senator Tom Ada to introduce Bill 175-33, which was enacted as Public Law 33-95.

We do not support Bill 305-38 for the following reasons:

1. The bill benefits only a specific group of prospective commercial lessees or licensees. We believe that the forty-year lease or license term should be available to all commercial lessees or licensees, regardless of how their business activities are funded.

2. Extending the lease term for current or new commercial leases or licenses raises concerns, particularly for existing agreements. Current commercial leases and licenses, even those extended by recent laws, only pay 1 to 2 percent of the Fair Market Value. Any extensions under the current bill will carry forward these existing lease terms. Additionally, the "good standing" clause is ambiguous; it needs clarification on whether it refers to timely payments or a clean record with no lease violations throughout the lease or license term.

3. The section regarding charging prospective commercial lessees or licensees for expenses incurred by CLTC through funds obtained from SUTA, amortized over the lease or license period, may create the expectation that CLTC is obligated to provide infrastructure for commercial development.

In conclusion, Bill 305-38 risks creating a revenue deficiency that could lead to an inequitable distribution of revenues. It may perpetuate the preferential deals for a select few that have drawn past criticism. Most importantly, it could impose an unequal burden on eligible beneficiaries of the CLTC, who would end up shouldering the costs of infrastructure installation and property surveying.

The CHamoru Land Trust Commission's Commercial Rules and Regulations already address exceptional lease term requests and require legislative approval. For extending existing commercial leases or licenses to prevent CLTC from suffering revenue inequities in the future, the Commercial Rules and Regulations should be upheld.

Thank you for your consideration.

Jessica Dayday

5:05pm
RECEIVED
AUG 28 2026
Office of the Vice Speaker
Anthony Ada

TESTIMONY IN SUPPORT OF BILL NO. 305-38

Financing-Driven Extensions of CLTC Commercial Ground Leases and Commercial Licenses and Related Financing, Infrastructure, and Lender Accommodations

August 25, 2026

Honorable Vice Speaker Ada
Committee on Rules
Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure
163 Chalan Santo Papa
Hagåtña, Guam 96910

Håfa Adai Vice Speaker Ada and Honorable Members of the Committee:

I respectfully submit this testimony in strong support of Bill No. 305-38, which establishes a clear, structured, and finance-ready framework to enable financing-driven extensions of commercial ground leases and commercial licenses on Chamorro Land Trust Commission (CLTC) lands.

This measure is both necessary and timely. It aligns CLTC lease structures with the underwriting requirements of local banks, credit unions, private lenders, bond markets, and federally supported financing programs.

More importantly, Bill No. 305-38 provides an important financing and underwriting foundation for commercial development on CLTC lands. To strengthen that foundation while remaining within the subject of the bill, I respectfully recommend targeted amendments addressing modern commercial financing accommodations, infrastructure financing and cost recovery, lender protections, tenant good-standing requirements, and reporting and accountability.

These recommendations are intended to improve the financeability and long-term viability of CLTC commercial projects without creating a separate residential development program within Bill No. 305-38. Where commercial revenues or infrastructure improvements can support the broader beneficiary mission of the Trust, that benefit should occur through existing statutory authority, including 21 GCA § 75A124, rather than through a new R-1 or R-2 residential program added to this bill.

I. FINANCING-DRIVEN EXTENSIONS OF CLTC COMMERCIAL GROUND LEASES AND COMMERCIAL LICENSES

Bill No. 305-38 represents a meaningful modernization of Guam's land-use and financing framework.

At its core is a fundamental underwriting principle:

The term of a ground lease must exceed the amortization period of the loan.

For commercial and infrastructure-financed projects, lenders and other financing sources may require a remaining ground-lease term that extends beyond the stated maturity of the financing. The required period may vary by lender, insurer, guarantor, investor, bond trustee, or federal program, but the purpose is the same: to ensure that the leasehold remains in effect long enough to protect the financing and the continued operation of the project.

This requirement is essential to risk mitigation and capital deployment.

The additional lease period is necessary to:

- Protect the lender's collateral and enforceable security interest;
- Provide sufficient time for foreclosure, restructuring, or transfer in the event of default;
- Preserve long-term asset value and marketability; and

- Prevent premature lease expiration that could impair lender rights.

Without this alignment, access to financing becomes severely constrained, limiting the development of commercial projects, supporting infrastructure, utilities, and other productive uses of CLTC lands.

II. POLICY RATIONALE AND DEVELOPMENT IMPACT

Bill No. 305-38 is designed to improve the financeability and long-term viability of CLTC commercial lands by enabling and supporting:

- Commercial lease activity;
- Commercial license activity;
- Infrastructure and utility investment supporting commercial projects;
- Private, institutional, bond, territorial, and federally supported financing;
- Refinancing and continued financing of existing commercial projects;
- Modern lender and investor accommodations necessary to close financing transactions; and
- Long-term commercial revenue generation for the Trust.

The legislation grants the CLTC Board the discretion necessary to approve lease extensions that meet real-world financing requirements while maintaining appropriate legislative oversight.

A finance-ready commercial leasing framework can also strengthen the Trust's financial capacity and infrastructure base. That broader benefit should be achieved through the commercial program and existing statutory mechanisms, without expanding Bill No. 305-38 into a separate residential development measure.

III. RELATIONSHIP TO THE CLTC MISSION AND EXISTING INFRASTRUCTURE AUTHORITY

The Chamorro Land Trust Commission is not solely a landholding entity; it is a trust with statutory responsibilities to its eligible beneficiaries. Commercial leasing is therefore most useful when it strengthens the financial and infrastructure capacity of the Trust while preserving the land and the Commission's ultimate control.

Existing 21 GCA § 75A124 already establishes the Chamorro Land Trust Survey and Infrastructure Fund and provides a direct statutory connection between commercial activity and infrastructure needs. Commercial lease and license proceeds are deposited into that Fund, and authorized expenditures include subdivision, surveying, registration, roads, water, sewer, power, telecommunications, drainage, and other improvements serving CLTC residential and agricultural tracts.

For this reason, Bill No. 305-38 can remain focused on commercial financing and still advance broader CLTC objectives. The appropriate approach is to improve the financeability, stability, and revenue-generating capacity of commercial projects and to ensure that revenues and infrastructure benefits continue to flow through the existing statutory framework.

IV. LEGISLATIVE FRAMEWORK

Bill No. 305-38 establishes a comprehensive, finance-aligned structure by:

1. Authorizing CLTC Board Discretion

- Allowing lease extensions necessary to meet underwriting requirements; and
- Ensuring lease terms may extend beyond loan maturity where required by the applicable financing source or federal program.

2. Reinforcing Existing Law — 5 GCA § 5128

- Recognizing the separate extension authority available under 5 GCA § 5128 while preserving a distinct financing-driven pathway for CLTC commercial leases and commercial licenses.

3. Providing Additional Financing Flexibility

- Allowing the Commission to consider commercially reasonable lender consents, estoppels, non-disturbance agreements, recognition agreements, collateral assignments of permitted project-related interests, and other financing accommodations necessary to satisfy documented underwriting requirements.

4. Protecting CLTC Ownership and Legislative Oversight

- Preserving legislative approval where otherwise required by law and prohibiting any financing accommodation from placing a mortgage, lien, or other encumbrance on the Commission's fee interest in CLTC land.

V. PROPOSED CLARIFICATION OF LEASE EXTENSION AUTHORITY

An amendment is respectfully proposed to clarify the application of lease extension authority for existing and new commercial leases and commercial licenses issued by the CLTC.

This proposed language distinguishes between two separate pathways for lease extensions:

1. Statutory Extension Authority — 5 GCA § 5128

Lease extensions granted pursuant to 5 GCA § 5128 should require that the lessee be in full compliance with all material lease terms and conditions and in good standing.

The determination of compliance and good standing should remain subject to review and approval of the CLTC Board, at its discretion, consistent with applicable law.

2. Discretionary Extension for Financing and Underwriting Purposes

In addition to the authority provided under 5 GCA § 5128, the CLTC Board may, at its discretion, grant a financing-driven extension to a commercial lessee or commercial licensee that is current and compliant with material lease or license obligations where the extension is reasonably required to satisfy documented financing or underwriting requirements.

This provision should apply to applicable existing and new commercial leases and commercial licenses and should facilitate access to private lending, institutional financing, bond financing, federal programs, infrastructure-related financing, and other lawful financing sources.

Limitation — Single Pathway Election

The statutory extension under 5 GCA § 5128 and the financing-driven extension under Bill No. 305-38 should not be stacked for the same financing transaction solely to exceed the term otherwise authorized by law. The CLTC Board should determine the appropriate pathway based on the lessee's qualifications, the financing transaction, and applicable law.

VI. FEDERAL AND OTHER FINANCING INTEGRATION

Bill No. 305-38 strengthens access to financing through programs and sources such as:

- USDA Rural Utilities Service (RUS);
- Substantially Underserved Trust Area (SUTA) programs;
- Other federally supported programs applicable to commercial infrastructure and utility development;
- Private and institutional lending;
- Bond financing;
- Construction and infrastructure financing;
- Tax-credit and tax-equity financing, where applicable to the commercial project; and
- Renewable-energy and energy-infrastructure financing, where applicable to the commercial project.

These financing sources can provide long-term capital essential to commercial development and to infrastructure improvements that may otherwise prevent CLTC commercial lands from being placed into productive use.

VII. EXISTING COMMERCIAL LEASES AND LICENSES AS A CLTC CASH-FLOW ENGINE

The existing Commercial Lease and Commercial License framework should be preserved and strengthened as an important component of the CLTC's overall financial strategy.

Commercial development allows appropriate CLTC land to be placed into productive economic use and generate recurring lease and license revenues.

Under the commercial leasing methodology, where applicable, the land's appraised value multiplied by the applicable 10% lease rate provides the basis for the Land Trust's commercial lease revenue, subject to the applicable lease terms and escalation provisions.

This commercial activity should not be viewed merely as a source of revenue.

It can become a cash-flow-generating vehicle that strengthens the CLTC's financial capacity to fulfill its mission and goals.

Commercial revenues can help support, to the extent authorized by existing law:

- Infrastructure;
- Planning and surveying;
- Improvements to existing CLTC lease areas;
- Leveraging additional public and private financing;
- Utility and subdivision improvements; and
- Other activities authorized by 21 GCA § 75A124 that advance the CLTC mission.

Therefore:

Commercial Leases and Commercial Licenses = Financial and Infrastructure Capacity

The objective is to create economic value where the market can support it and use that financial capacity, through existing statutory mechanisms, to strengthen the Land Trust's ability to serve its beneficiaries.

VIII. MODERN FINANCING ACCOMMODATIONS FOR COMMERCIAL PROJECTS

A lease term alone may not be sufficient to satisfy modern underwriting. Lenders, bondholders, investors, tax-credit participants, and federal financing programs may require additional documents or structural accommodations before financing can close.

I therefore recommend that Bill No. 305-38 expressly authorize the CLTC, subject to applicable law, to approve commercially reasonable financing accommodations for commercial leases and commercial licenses, including:

- Lender consents;
- Estoppel certificates;
- Recognition agreements;
- Non-disturbance agreements;
- Collateral assignments of lawful project-related rights, revenues, or assets;
- Leasehold financing accommodations;
- Special-purpose entity arrangements;
- Tax-credit or tax-equity accommodations;

- Commercially reasonable ownership or organizational restructuring required by the financing source; and
- Other documented financing modifications reasonably necessary to satisfy underwriting requirements.

IX. AMENDMENT REQUEST — ADMINISTRATIVE EXTENSION AUTHORITY

To further strengthen Bill No. 305-38, I respectfully request adding a new § 75A122(d)(4)(E), to read as follows:

"(E) Notwithstanding any contrary provision contained in any existing or pending commercial lease or commercial license issued or under consideration by the CLTC, the Commission shall have the authority to approve financing-related amendments, subleases, collateral assignments, leasehold accommodations, tax equity structures, ownership restructuring, and other related modifications reasonably required by lenders, bond financing, tax credit investors, federal financing programs, infrastructure related financing, renewable energy financing programs, Qualified Opportunity Zone Funds (QOFs) and federal energy credit programs, provided that no mortgage, lien, or other encumbrance shall be placed upon any land owned or under the control of the CLTC and any security interest shall be limited solely to project assets, improvements, equipment, revenues, and personal property associated with the financed project."

X. INFRASTRUCTURE AND PROJECT-RELATED FINANCING; COST RECOVERY

Bill No. 305-38 already recognizes RUS and SUTA financing. That concept should be broadened, within the commercial subject of the bill, to allow infrastructure, utilities, site improvements, renewable-energy facilities, and other project-related investments supporting a commercial lease or commercial license to be financed through other lawful federal, territorial, public, private, bond, tax-credit, tax-equity, or institutional financing sources.

The Commission should also be permitted to establish commercially reasonable cost-recovery mechanisms for the allocable cost of those investments, in addition to rent or license fees otherwise required by law. Cost recovery may be amortized or prorated over the duly authorized commercial lease or license term, subject to applicable law, financing requirements, and Commission approval.

This approach directly addresses one of the major practical barriers identified in the original testimony—the high cost of infrastructure—while keeping the amendment tied to commercial project financing and existing statutory authority.

XI. COORDINATED INFRASTRUCTURE BENEFITS UNDER EXISTING LAW

Where infrastructure or utility improvements financed in connection with a commercial project may also provide future service capacity to other CLTC property, the Commission should be authorized to consider coordinated planning or design, provided the arrangement is technically feasible, economically reasonable, and otherwise authorized by law.

A commercial tenant, lender, or investor should not be required to fund unrelated infrastructure. Any incremental cost attributable to service beyond the commercial project should be separately authorized and funded pursuant to 21 GCA § 75A124 or other applicable law.

This allows Bill No. 305-38 to address infrastructure concerns raised in the original testimony without turning the bill into a separate residential development program.

XII. GOOD STANDING, COMPLIANCE, AND SINGLE-PATHWAY PROTECTIONS

Financing-driven extensions and accommodations should be available only to commercial tenants that are in good standing with the Commission and in substantial compliance with material lease or license obligations, including rent, fees, insurance, reporting requirements, and applicable laws and regulations.

Where a minor or curable noncompliance exists, the Commission may determine through written findings that the tenant remains eligible if the matter is subject to an approved cure agreement, is being timely cured, and does not materially impair the financing or the interests of the Trust.

These protections strengthen accountability and reduce the risk that financing flexibility becomes an automatic entitlement or a means of rewarding noncompliance.

XIII. PROTECTION OF CLTC OWNERSHIP AND CONTROL

Any expanded financing authority should be accompanied by an express statutory safeguard that no mortgage, deed of trust, lien, or other encumbrance may attach to the Commission's fee interest in Chamorro Land Trust Property.

Any approved security interest should be limited, to the extent permitted by law, to lawful project-related interests and assets such as the tenant's leasehold or contractual interest, improvements, equipment, fixtures, project revenues, accounts, personal property, or other financed project assets.

This limitation is essential to provide lenders with reasonable commercial protections without placing the underlying Trust land at risk.

XIV. RULES, PROCEDURES, AND STANDARD FORMS

I respectfully recommend that the CLTC Board be authorized to adopt rules and regulations, administrative procedures, and standard forms necessary to implement the financing-driven extension provisions of Bill No. 305-38.

Those procedures should address, at minimum:

- Financing-driven extension applications;
- Documentation requirements;
- Good-standing determinations;
- Lender notices and cure rights;
- Estoppels, recognition agreements, and non-disturbance agreements;
- Financing accommodations;
- Infrastructure-financing documentation;
- Cost-recovery mechanisms;
- Compliance monitoring; and
- Standard forms designed to reduce unnecessary transaction delay while protecting the Trust.

Any such rules and procedures should remain limited to the commercial financing and commercial lease or license matters addressed by Bill No. 305-38 and should not be construed to establish a new residential development program.

XV. REPORTING AND ACCOUNTABILITY

To ensure that the Legislature and the public can evaluate whether the new financing authority is producing measurable benefits, I recommend that CLTC include financing-driven extensions and financing accommodations in its existing reporting under 21 GCA §§ 75A123 and 75A124, as applicable.

The reporting should include, at a minimum:

- The number of commercial leases and commercial licenses receiving financing-driven extensions or financing accommodations;
- The general type of financing facilitated;

- The duration of extensions approved;
- The type and estimated value of infrastructure or utility improvements financed in connection with the commercial projects;
- Amounts recovered or deposited into the Chamorro Land Trust Survey and Infrastructure Fund, where applicable; and
- Where applicable, identification of infrastructure designed to provide service or future service capacity to other CLTC property.

The reporting requirement should protect proprietary and confidential financing information except where disclosure is otherwise required by law.

XVI. ECONOMIC AND SOCIAL IMPACT

The adoption of these germane financing and infrastructure provisions can:

- Unlock access to capital markets for qualified CLTC commercial projects;
- Enable and stabilize commercial development;
- Address project-related infrastructure and utility gaps;
- Strengthen CLTC revenue streams;
- Leverage private, federal, institutional, and bond financing;
- Improve the financeability of CLTC commercial leases and commercial licenses;
- Support construction, infrastructure, and economic activity;
- Protect the Trust's fee ownership while accommodating commercially reasonable lender requirements;
- Increase the financial capacity of the Chamorro Land Trust Survey and Infrastructure Fund where authorized by law; and
- Support infrastructure capacity that may, through existing law, benefit other CLTC lands and the broader beneficiary mission.

Most importantly, these changes can help convert underutilized commercial land assets into productive commercial projects, infrastructure, recurring revenue, and greater long-term financial capacity for the Trust—without expanding Bill No. 305-38 beyond its commercial financing subject.

XVII. CONCLUSION

Bill No. 305-38 represents a practical step toward creating a modern, finance-ready commercial leasing framework for the Chamorro Land Trust Commission.

The bill addresses a real financing problem: commercial projects on leasehold land can be difficult or impossible to finance when lease terms, lender protections, and other underwriting requirements do not align with the financing transaction.

The recommended amendments would strengthen Bill No. 305-38 by addressing not only lease duration, but also the related commercial financing accommodations, infrastructure financing, cost recovery, good-standing requirements, land protections, and reporting mechanisms needed to make the statutory framework workable in practice.

At the same time, the revised approach respects the existing structure of Chapter 75A. Commercial leases and licenses can generate revenue and infrastructure capacity, while existing law—including 21 GCA § 75A124—provides the mechanism through which those resources may support the broader needs of the Trust.

The objective is therefore clear:

Financeable Commercial Leases and Licenses → Private and Public Capital → Commercial Development and Infrastructure → CLTC Revenue and Infrastructure Capacity → Stronger Long-Term Ability to Fulfill the Trust Mission

I respectfully ask the author and sponsors of Bill No. 305-38 to support the bill and to consider the germane financing, infrastructure, lender-protection, and accountability amendments described in this testimony.

Respectfully submitted,

Carlos Camacho

Carlos V. Camacho
Principal Broker
Blue Water Realty, LLC

Office of the Vice Speaker
V. Anthony Ada

I Mina'trentai Ocho Na Liheslaturan Guåhan | 38th Guam Legislature

Chairperson - Committee on Land, Environment, Housing, Agriculture, Parks, and Infrastructure

COMMITTEE VOTE SHEET

Bill No. 305-38 (COR) As amended by the Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure. – Joe S. San Agustin, V. Anthony Ada, Tina Rose Muña-Barnes – AN ACT TO *ADD* A NEW § 75A122(d) AND NEW § 75A124(d) ALL OF CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.

	SIGNATURE/ DATE OF SIGNATURE	TO DO PASS	TO NOT PASS	TO REPORT OUT ONLY	TO ABSTAIN	TO PLACE IN INACTIVE FILE
Vice Speaker V. Anthony Ada Chairperson	09/15/26	✓				
Senator Christopher M. Dueñas Vice Chairperson	EVOTE 09/15/26			✓		
Speaker Frank F. Blas, Jr. Member	EVOTE 09/15/26			✓		
Senator Sabrina Salas Matanane Member	EVOTE 09/15/26			✓		
Senator Shelly V. Calvo Member						
Senator Vincent A.V. Borja Member	EVOTE 09/15/26			✓		
Senator Sabina F. Perez Member						
Senator Chris Barnett Member						
Senator Tina Muña Barnes Member						
Senator Joe S. San Agustin Member	EVOTE 09/15/26	✓				

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URGENT REQUEST for Evote: Bill No. 305-38 (COR)

Senator Chris Duenas <senator.duenas@guamlegislature.gov> Tue, Sep 15, 2026 at 2:53 PM
To: "Speaker Frank Blas Jr." <speakerblas@guamlegislature.gov>
Cc: Office of Legislative Secretary Senator Sabrina Salas Matanane <office.senatorbri@guamlegislature.gov>, "Vice Speaker V. Anthony Ada" <vicespeakertonyada@guamlegislature.gov>, Office of Senator Shelly Calvo <officeofsenatorshellycalvo@guamlegislature.gov>, Senator Vince Borja <vince.borja@guamlegislature.gov>, Office Senator Perez <office.senatorperez@guamlegislature.gov>, Senator Tina Muna Barnes <senator.munabarnes@guamlegislature.gov>, Senator Darrel Christopher Barnett <malafunkshun@guamlegislature.gov>, "Senator Joe S. San Agustin" <senatorjoessanagustin@gmail.com>

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URGENT REQUEST for Evote: Bill No. 305-38 (COR)

Speaker Frank Blas Jr. <speakerblas@guamlegislature.gov> Tue, Sep 15, 2026 at 2:19 PM
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To Report Out Only

Speaker, Frank F. Blas, Jr.

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URGENT REQUEST for Evote: Bill No. 305-38 (COR)

Joe S. San Agustin <senatorjoessanagustin@gmail.com> Tue, Sep 15, 2026 at 2:13 PM
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To pass. Thank you!

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URGENT REQUEST for Evote: Bill No. 305-38 (COR)

Office of Legislative Secretary Senator Sabrina Salas Matanane <office.senatorbri@guamlegislature.gov> Tue, Sep 15, 2026 at 2:14 PM
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To Report Out Only.

Office of Legislative Secretary
SENATOR SABRINA SALAS MATANANE
***I Mina'trentai Ocho Na Liheslaturan Guåhan* | 38th Guam Legislature**
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URGENT REQUEST for Evote: Bill No. 305-38 (COR)

Senator Vince Borja <vince.borja@guamlegislature.gov> Tue, Sep 15, 2026 at 2:12 PM
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To Report Out Only.

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COMMITTEE REPORT DIGEST

I. OVERVIEW

Bill No. 305-38 (COR) was introduced on **April 10, 2026,** by **Joe S. San Agustin** and was subsequently referred to the Committee on Rules to the Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure on **April 17, 2026.**

The Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure convened a public hearing on **August 25, 2026, at 8:30 am** at the Public Hearing Room of the Guam Congress Building.

Public Notice Requirements
Public Hearing notices were disseminated via **e-mail** to all senators and all main media broadcasting outlets on **August 18, 2026** (5-Day Notice), and again on **August 23, 2026** (48-Hour Notice).

Senators Present
Vice Speaker V. Anthony Ada, Chairman
Senator Joe S. San Agustin, Primary Author

Attendees
Earl Garrido, Chairman – Chamoru Land Trust Commission

Written Testimony Provided by
Earl Garrido, Chairman – Chamoru Land Trust Commission
Chamoru Land Trust Commission
Carlos Camacho

II. SUMMARY OF TESTIMONY & DISCUSSION

The **public hearing** was Called-to-Order at **8:30 am**

Vice Speaker V. Anthony Ada, Chairman – Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure: Håfa adai and good morning. This public hearing conducted by the committee on land, environment, housing, agriculture, parks, and infrastructure is called order, and the time is 8:30 a.m. Today's date is Tuesday, August 25th, 2026. The first notice of this hearing was disseminated to all local media outlets on August 18, 2026, followed by a second notice on August 23rd, 2026. The notices were also posted on the Guam legislature's website and the Government of Guam public notices portal. This morning, the committee will hear testimony on the following bills. Bill number 268-38 COR, bill number 305-38 COR and bill number 320-38 COR. Uh before we begin, I'd like to go over general rules of conduct. Individuals testifying shall first be recognized by the chair before speaking and shall state their name for record keeping recordkeeping purposes. Questions and testimonies shall be confined to the substance or nature of the agenda. Personal interference as to the character or motive of any senator or any individual testifying is not permitted. The chairperson of the

committee may order the removal from the hearing of any member of Turang Guan who fails to observe proper decorum pursuant to the 38 Guam legislature standing rules.
[See testimony proceedings on Bill No. 268-38 (COR)]
Uh, we're going to go ahead and now go to the next bill 305-38 CO. Senator San Augustin, you're recognized.
Senator Joe S. San Agustin, Thank you, Mr. Chairman. And now to everyone. Uh, thank you for the opportunity to speak on bill 305-38, a measure intended to strengthen the practical use, financing capacity, and long-term economic value of lands administered by the Chamorro Land Trust Commission. At its core, the legislation recognized a simple but critical reality that a ground lease is only useful to a homeowner, developer, lender, or investor if the remaining lease is sufficient to support the financing needed to build, acquire, improve, rehabilitate, preserve, or refinance improvements located on that land. Bill 30538 establish a clear structured and finance ready framework that allows financing driven extensions, amendments, renewals or not modifications of CLTC ground leases and licenses which when such action is reasonably necessary to satisfy underwriting collateral long-term or investment requirements. These financing sources may include local banks, credit unions, mortgage lenders, private lenders, bond financing programs, federally assisted or federally insured lending programs, USDA, rural development, FHA, VA, tax credit investors, renewable energy financing, and other public or private sources of capital. This bill is not about transferring ownership of CLTC land. is not it does not abandon the trust authority, and it does not diminish the rights of CLTC beneficiaries. Rather, it gives the commission the administrative tools necessary to make CLTC lease holds interest financeable, mortgageable and bankable while preserving ownership of the underlying land and maintain the fiduciary responsibilities of the trust. For commercial projects, lenders and investors often requires lease terms that extend beyond the maturity of a construction loan, permanent mortgage, bond issues, tax credit structure, renewable energy financing, or other projects related to debt. Without sufficient remaining terms, the lease interest may not serve as an adequate collateral, and otherwise viable project may be unable to close financing. The same principle applies to a single-family residential leaseholder. A family seeking to construct, purchase, rehabilitate, or refinance a home on CLTC land must be able to secure mortgage financing on terms that satisfies lender requirements. This is especially important for long-term residential mortgage, including 30-year financing when the remaining lease term must provide sufficient protection beyond the loan maturity. Bill 305 also recognized the importance of CLTC lands and the possibility of affordable housing, workforce housing, missing middle housing, senior housing, and other residential products that rely on layered financing. These projects may involve construction loans, permanent mortgages, tax exempt bonds, low-income housing tax credit, federal and local housing programs, CDBG-DR funds, USDA financing, and other source that require dependable lease terms to protect lenders, investors, bond holders, tax credit investors, and government funding agencies. In short, this measure creates a consistent financing continuum across CLTC land uses single family housing, affordable housing, workforce of miss missing middle housing, commercial development, renewable energy and infrastructure projects. It eliminates uncertainty about whether the financing driven extensions are available only to commercial projects and ensures that residential lease holders and housing developers are not placed at a disadvantage when seeking long-term capital. Authority contemplated by this bill is limited and proper and purposeful. Extension should be granted only for the period reasonable reasonably necessary to satisfy the requirements of the applicable financing source and should include appropriate safeguards to protect the trust the beneficiary and the public interest. Where an extension exceeds the commission administrative authority, the matter may still be referred to legislature for approval in accordance with applicable law. The objective is straightforward. CLTC land should be capable of supporting the financing necessary to build homes, businesses, infrastructure, renewable energy projects, and other improvements without the lease term itself becoming an unnecessary barrier to capital. Bill 305 to 34 38. Therefore, treats financing driven lease extension as an essential component of responsible land management, housing development, economic growth, and protection of Chamorro Land Trust. And again, thank you, Mr. Chairman, for scheduling this hearing. I look forward to hearing testimony to support or strengthen 305-38. Si Yu'os ma'åse.
Chairman Ada: thank you. Senator San Agustin, did you want to read the testimony prior to um Mr. Greo uh providing his testimony?
Senator San Agustin: Uh if I could uh there was a written testimony submitted by Mr. Carlos Camacho and I he asked that I read his summary. Had a day vice speaker and honorable committee members. I'd like to thank Senator Joe San Agustin for offering to read this brief summary of my testimony during today's hearing. I intended to participate via Zoom. However, the hearing schedule conflicted with medical appointments I have at Mayo Clinic in Arizona. I therefore respectfully submit this brief summary for the record. While my full testament has been provided to the committee members for their review and consideration, I am in strong support of bill 305 to 38 which would establish a more finance ready approach for extending CLTC commercial ground lease and commercial license when long terms are required by lenders, investors and federal financing programs or other financing sources. The central issue is simple. Commercial financing generally requires the lease terms

to extend beyond the loan amortization or financing period. While vision lease terms and appropriate lender protection, many otherwise valuable commercial projects on CLT lands may be difficult to finance. My testimony focuses on the importance of allowing financed driven lease extension and appropriate commercial financing accommodation, including allowing lease extension when reasonable required by documented financing and underwriting requirements. Providing reasonable lender accommodations such as recognition agreements, non-disturbance agreements and collateral assignments of lawful project interest. Allowing financing for infrastructures, utilities, renewable energy and other improvements supporting commercial projects, establishing reasonable cost recovery mechanism for project related infrastructure investment, requiring commercial tenants seeking these economies to remain in good standing and substantially compliant with their terms with their lease or license. Providing CLT ownership by ensuring that no mortgage lean or incumbrance can be placed on the underlying Tomorrowland Trust Commission land itself providing appropriate reporting and accountability regarding extension financing accommodation infrastructure investment and revenues. The intent is to keep 305 to 38 focus on commercial lease commercial financing structure and the productive economic use of Tomorrowland Trust commercial lands. Existing law including 21GCA75A124 provides a statutory mechanism through which commercial revenues and infrastructure investment can contribute to the broader financing and infrastructure needs of the Chamorro Land trust. The overall objective is to create a cycle in which financeable commercial leases, private and public capital, commercial development and infrastructure, CLTC revenue and infrastructure capacity, stronger ability to fulfill the trust mission. I respectfully ask commission consider bill and the points point outlined in my full testimony. Thank you, Vice Speaker Ada and honorable members of the committee for your time and consideration. Also, appreciate Senator Joe for reading this summary on my behalf. Respectfully, Carlos Camacho, principal broker, Bluewater Realty LLC. Thank you, Vice Speaker.

Chairman Ada: Thank you, Senator San Agustin. I'd like to welcome also Senator Shawn Gumataotao for being here this morning. Earl Garrido, would you like to read your testimony?

Earl J. Garrido, Chairman – Chamoru Land Trust Commission: [Written testimony presented orally.]

Chairman Ada: Thank you, Mr. Garrido, for your testimony this morning. I'll go ahead and start with uh the author of the legislation for any questions uh that he has.

Senator San Agustin: Thank you, Mr. Ch uh Mr. Mr. Chair, Vice Speaker. Uh Mr. Garrido, you know, I've always saw you as a when you say it is your personal uh testimony. Your personal testimony is in full support trust commission. So, I mean the commission's mission. So, every time when you speak about Tomorrowland Trust, I have to say that number one, if the other board members don't follow you, what are they there for? You're there for a reason and you've always spoken that very highly and I appreciate that. And yes, your concerns will be addressed on the bill because it it's perfectly in line. I just didn't want to put it in because then some folks have a tendency to say, well, why make it so long? Why not make it shorter? and you speaking on behalf of that and asking it to be considered, it would I would definitely highly recommend to the committee that it be considered and put in. Mr. Garrido, thank you for your testimony.

Chairman Garrido: Well, like I stated, this is just my personal perspective. I cannot represent the board because we have not met on this issue to have uh discussions on it under a regular board meeting. So, but I just wanted to point out these items that I would like to be addressed in the bill and unless they're addressed, I cannot support it. Otherwise, the bill is good muster. Uh, but I really urge the senators to please consider what my requests are concerning this bill.

Senator San Agustin: Yes, sir. Thank you, Mr. Chair.

Chairman Ada: Thank you, uh, Mr. Chair. I appreciate your testimony this morning. I'm going to go ahead and recognize Senator Gumataotao. Any questions or comments, Senator?

Senator Shawn Eulogio Gumataotao: Yeah, thank you, Mr. Chair, and uh thank you, chairman, for being here, though, uh it would have been nice to have the acting administrative director here to answer some of our questions, but um since I am not going to pose them to you because I don't think you can answer them today and I would rather have the committee make the request back to the CLTC considering if you're here in a personal capacity, then I am not going to ask you anything. I'd rather um ask the chair and of the committee to ask a few questions um of the of the CLTC and maybe as you they are uh looking over the policy that they can answer this for us. First off, Mr. care is to get a total of how many CLTC commercial leases and licenses are in effect and what is the combined annual rent income received by the CLTC and what portion of the commercial leases and licenses may be impacted by the provisions that are proposed in bill 305. Also, for the benefit of um of our colleagues, Mr. chair that uh what are the controlling rules and regulations uh for the CLTC's commercial leases and licenses also with the provisions Mr. Chair of public law 37-114 which has been in effect for a little more now than 2 years how many CLTC residential and agricultural releases have moved forward with the help of the United States Department of Agriculture's R US and SUDA programs and then one last question Mr. share from the committee is can we confirm just how many years CLTC beneficiaries are typically allowed to pay back these investments plus interest through their mortgages CLTC leans and other financing instruments. Uh Mr. Chair, for the record, it is it appears that across the country there really isn't a set amount of let's say uh property or average length of time uh that would be uh you know that we can enter into leases. the chairman offered up 40 years which would be considered kind of low on the low end. There are states that offer up to 50 years and up to 99 years across most of the country. Um while I think the appetite to go anything longer has a lot of folks in probably in our in this building a little bit more nervous, I would hope that we would find some middle ground. But anyhow, those are my questions for the committee, and I do hope that we could see that as part of the market process. Thank you, Mr. Chair.

Chairman Ada: Thank you, Senator Gumataotao. if you can go ahead and submit your questions right and we'll go ahead and uh, also give that to

Senator Gumataotao: I will send it from my office.

Chairman Ada: Thank you. I appreciate that. Senator Gumataotao also like to recognize Senator Terlaje for being here this morning. You have any questions for Mr. Garrido? Thank you. Okay.

Uh Senator San Agustin, you like to close? No. All right. This will go ahead and conclude the testimony on uh bill number 305-38 COR.

[See testimony proceedings on Bill No. 320-38 (COR)]

If there are no further questions or comments, this concludes today's public hearing on bill number 268-38, bill number 305-38, and bill number 320-38.

Uh, the committee will continue to accept statements on today's hearing within 7 days from today, which may be mailed to my office on the second floor of the Guam Congress building at 163 Chalan Santo Papa in Hagåtña. You may also send your statements to us at vicespeakertonyada@guamlegislature.gov. Thank you for your participation in this morning's public hearing.

And now this hearing is adjourned. The time is now 9:04 a.m. Thank you.

The public hearing was adjourned at **9:04 am.**

III. FINDINGS & RECOMMENDATIONS

The Committee finds that Bill No. 305-38 (COR) addresses financing challenges encountered by commercial ground lessees operating on Chamorro Land Trust Commission property. Testimony and public comments generally recognized that many private lenders, federal lending programs, and federally insured financing mechanisms require lease terms extending beyond the maturity of a loan to adequately protect the lender's collateral interest and ensure long-term project viability.

The Committee further finds that current lease term limitations may impede access to financing for commercial developments, infrastructure improvements, and business expansion projects located on leased Chamorro Land Trust property. Witnesses noted that insufficient remaining lease terms can adversely affect underwriting determinations, restrict investment opportunities, and limit the economic potential of commercial leaseholders.

The Committee also finds that extending lease terms solely for financing purposes promotes greater lending certainty while preserving the underlying ownership of the land. Testimony indicated that lease extensions tied to financing requirements are commonly utilized in other jurisdictions and are viewed by lending institutions as a necessary risk management tool.

Several commenters emphasized the importance of maintaining safeguards to ensure that any lease extension is directly tied to legitimate financing needs and remains subject to applicable Chamorro Land Trust Commission oversight and regulatory requirements. The Committee concurs that transparency, accountability, and consistency in the implementation of financing-related lease extensions are essential.

The Committee further finds that facilitating access to commercial financing may support business growth, job creation, property improvements, and economic development opportunities benefiting both leaseholders and the broader community.

The Committee included, at the request of the author, new paragraphs "(E) § 75A122(d)(4) and a new "Section 3".

The Committee also included:

- A reasonableness clause for requirements financing agreement,
- A requirement for duly adjudicated administrative rules and
- A reporting requirement for all lease extensions.

The Committee on Land, Environment, Housing, Agriculture, Parks and Infrastructure hereby reports out Bill No. 305-38 (COR) As amended – Joe S. San Agustin V. Anthony Ada Tina Rose Muna Barnes - AN ACT TO *ADD* A NEW § 75A122(d) AND NEW § 75A124(d) ALL OF CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING, with the recommendation **TO REPORT OUT ONLY.**

'I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2026 (SECOND) Regular Session

Bill No. 305-38 (COR)

Introduced by:

Joe S. San Agustin
V. Anthony Ada
Tina Rose Muna Barnes

AN ACT TO *ADD* A NEW § 75A122(d), CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that federally-assisted and federally-insured financing programs, including programs administered by the U.S. Department of Housing and Urban Development (HUD), commonly require ground lease terms that extend *beyond the maturity date of the mortgage* in order to protect the lender's security interest and preserve the long-term viability and marketability of the mortgaged project.

I Liheslaturan Guåhan further finds that, unlike fee simple ownership, a ground lease may be subject to termination or forfeiture; accordingly, a longer lease term is used in underwriting to reduce the risk that termination of the ground lease

could extinguish or materially impair a lender's lien, thereby threatening the financing, continued operation, and transferability of the project.

I Liheslaturan Guåhan further finds that financing sources for CLTC commercial projects may include private lending, bond financing, federally-supported financing, and infrastructure-related financing secured through the U.S. Department of Agriculture's Rural Utilities Service (RUS), including the Substantially Underserved Trust Area (SUTA) Initiative.

I Liheslaturan Guåhan further finds that Bill No. 176-38 (COR), now enacted into law as 5 GCA § 5128, establishes a general mechanism for certain tenants in good standing to obtain additional commercial lease time on government property; however, CLTC commercial leases and commercial licenses remain governed by the more specific provisions of Chapter 75A of Title 21, Guam Code Annotated, and projects requiring financing-driven extensions still require targeted statutory authority addressing underwriting requirements, commercial licenses, and terms tied to mortgage maturity dates or other federal program requirements.

I Liheslaturan Guåhan further finds that eligibility for financing-driven lease and license term extensions should apply to both newly issued commercial leases and commercial licenses, and to existing commercial leases and commercial licenses that are amended, extended, renewed, refinanced, or otherwise modified to meet applicable financing and underwriting requirements, in order to ensure continuity of operations and access to financing for ongoing and future projects.

- CLTC commercial lease and commercial license projects to access all types of financing, including without limitation private lending, bond financing, federally-supported financing, and financing secured through RUS, including the SUTA Initiative, when such financing requires a longer ground lease term, for both: (1) new commercial leases and commercial licenses; and (2) existing commercial leases and commercial licenses that are amended, extended, renewed, or refinanced, including where underwriting commonly requires a term extending at least ten (10) years beyond the loan term;

- Preserve legislative oversight by requiring that extensions beyond a defined administrative threshold remain subject to approval by *I Liheslaturan Guåhan*, consistent with existing law recognizing that longer terms require legislative approval; provided that the "administrative threshold" under this act shall be a lease or license term extending not less than ten (10) years beyond the mortgage maturity date, as required by applicable financing terms and all underwriting requirements, or such other period required by the applicable federal program, and any term extending beyond that threshold shall require approval by *I Liheslaturan Guåhan* by law;
- Protect the public interest by requiring documentation of financing and all underwriting necessity and maintaining lender-protection provisions (including notice of default and opportunity to cure) that support long-term stability of the project and continuity of operations; and
- Provide an orderly process under which - (1) the CLTC may approve term extensions within its statutory authority; and (2) where Guam statutes require legislative approval for lease or license terms beyond a specified period, including any lease or license term extending beyond not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program, and all underwriting requirements, such extended terms shall be submitted for approval by *I Liheslaturan Guåhan* by law, so that extended terms are implemented through both the CLTC and *I Liheslaturan Guåhan* in compliance with applicable statutes.

Section 2. A new § 75A122(d), Chapter 75A, Article 1, Title 21, Guam Code Annotated, is hereby *added* to read:

"(d) Financing-Driven Term Extensions for all types of financing and all underwriting requirements applicable to both new and existing commercial leases and commercial licenses.

(1) Purpose. This subsection establishes a structured process for extending the term of a commercial lease or commercial license (whether newly issued or already in effect and being amended) where such extension is required as a condition of all underwriting requirements, and for all types of financing (whether private, public, federal, or otherwise), while preserving legislative approval requirements for longer terms.

(2) Definitions. For purposes of this subsection:

(A) "Financing" means any financing, credit facility, loan, bond, credit-enhancement, guarantee, or other secured or unsecured financing arrangement from any source, including private lenders, bondholders, and federal or territorial programs, and financing secured through the U.S. Department of Agriculture's Rural Utilities Service, including the Substantially Underserved Trust Area Initiative.

(B) "Mortgage Maturity Date" means the stated maturity date of the senior mortgage (or equivalent primary secured loan) for the project.

(C) "Financing Term Requirement" means a documented minimum remaining ground-lease term required by the lender, insurer, guarantor, bond trustee or investor, or financing source, including requirements that the lease extend beyond the Mortgage Maturity Date; including compliance with all underwriting requirements, and underwriting standards that

commonly require a lease term extending not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program.

(3) Financing Term Standard; CLTC Authority. Upon request by a tenant and submission of required documentation, the Commission shall have the authority to approve an amendment extending the term of a commercial lease or commercial license such that the term equals or exceeds the Financing Term Requirement, including compliance with all underwriting requirements, and underwriting standards that commonly require a lease term extending not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program.

(4) Administrative Extension Authority; Commission Action; Statutory Compliance. Notwithstanding any other provision of law limiting term, and upon request by a tenant and submission of required documentation under this subsection, the Commission may, by resolution adopted at a duly noticed meeting and supported by written findings, approve a financing-driven amendment to a commercial lease or commercial license (whether newly issued or already in effect and being amended) as necessary to satisfy all underwriting requirements and to establish a term that extends up to not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program, provided that the Commission finds that:

(A) the term approved is necessary to satisfy the Financing Term Requirement and all underwriting requirements; and

(B) the tenant has provided documentary evidence from the lender and/or applicable federal program establishing the Financing Term Requirement and all underwriting Requirements; and

(C) the amendment is in the best interest of the Trust and consistent with the purposes of this Chapter.

(D) Nothing in this paragraph (4) shall be construed to authorize the commission to approve any lease or license term that, under applicable Guam statutes, requires approval by *I Liheslaturan Guåhan* by law; and any lease or license term extending beyond not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program, and all underwriting requirements, shall require approval by *I Liheslaturan Guåhan* by law; where such approval is required, the commission's approval shall be conditioned upon and subject to approval by *I Liheslaturan Guåhan.*

(5) Legislative Approval Required Beyond Administrative Threshold. Any extension of term beyond the Commission's authority in Paragraph (4) shall require approval by *I Liheslaturan Guåhan* by law. Nothing in this subsection shall be construed to eliminate or weaken existing requirements that longer terms must be approved by *I Liheslaturan Guåhan.* The CLTC shall implement extended terms only in a manner consistent with applicable statutes requiring legislative approval for lease or license terms beyond a specified period, and where such approval is required, the extended term shall be subject to approval by *I liheslaturan Guåhan* by law. In addition, any commercial lease or

commercial license term extending beyond not less than ten (10) years beyond the mortgage maturity date, or beyond such other period required by the applicable federal program, and any such extension necessary to satisfy all underwriting requirements, shall require approval by *I Liheslaturan Guåhan* by law.

(6) Required Lender-Protection Provisions. Any financing-driven extension approved under this subsection shall require that the lease or license, as amended, include commercially reasonable lender-protection provisions consistent with the enforcement and cure framework required under this Chapter, including, at a minimum:

(A) written notice of default to any recognized mortgagee or secured lender of record;

(B) a reasonable opportunity for such mortgagee or lender to cure defaults or cause defaults to be cured; and

(C) such estoppels, consents, and non-disturbance terms as are reasonably necessary to satisfy the Financing Term Requirement; provided that nothing herein limits the Commission's rights to enforce material defaults pursuant to this Chapter and the terms of the lease or license, including notice and cure provisions.

(7) Documentation. For purposes of this subsection, requests may be submitted for new commercial leases/licenses or for amendments to existing commercial leases/licenses. The tenant shall submit, at a minimum:

(A) a lender letter or commitment describing the Financing Term Requirement;

(B) the proposed financing term (e.g., 30-year, 35-year, 40-year) and the proposed lease/license term needed to meet the Financing Term Requirement and all underwriting requirements; and

(C) any additional lender or financing source documentation, including any documentation required to satisfy all underwriting requirements, reasonably required by the Commission.

(8) Recovery of RUS and SUTA Funded Investments. Where infrastructure, utility, site, or project-related investments supporting a commercial lease or commercial license are financed through the U.S. Department of Agriculture's Rural Utilities Service, including the Substantially Underserved Trust Area Initiative, the Commission may, in addition to any annual lease fee or license fee otherwise required by law, recover from the lessee or licensee the full cost of such RUS- and SUTA-funded investments, which cost shall be prorated over the life of the duly executed lease or license agreement.

(9) Relationship to 5 GCA § 5128. Nothing in this subsection shall be construed to impair any extension authority otherwise available under 5 GCA § 5128 for a tenant in good standing; provided, however, that where a commercial lease or commercial license on CLTC land requires a longer term or other amendment to satisfy a Financing Term Requirement, this subsection shall govern the financing-driven extension.

(10) No Automatic Extension. Nothing in this subsection shall be construed to create an entitlement to an extension. The Commission

retains discretion to approve or deny a request based on the best interests of the Trust and compliance with law."

Section 3. Severability. If any provision of this Act or its application to any person or circumstance is found to be invalid or inorganic, such invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.

Section 4. Effective Date. This Act shall be effective upon enactment.

'I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2026 (SECOND) Regular Session

Bill No. 305-38 (COR)
As Amended by the Committee on
Land, Environment, Housing, Agriculture,
Parks and Infrastructure

Introduced by: Joe S. San Agustin
V. Anthony Ada
Tina Rose Muna Barnes

AN ACT TO *ADD* A NEW § 75A122(d) AND NEW § 75A124(d) ALL OF CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that federally-assisted and federally-insured financing programs, including programs administered by the U.S. Department of Housing and Urban Development (HUD), commonly require ground lease terms that extend *beyond the maturity date of the mortgage* in order to protect the lender's security interest and preserve the long-term viability and marketability of the mortgaged project.

I Liheslaturan Guåhan further finds that, unlike fee simple ownership, a ground lease may be subject to termination or forfeiture; accordingly, a longer lease term is used in underwriting to reduce the risk that termination of the ground lease

could extinguish or materially impair a lender's lien, thereby threatening the financing, continued operation, and transferability of the project.

I Liheslaturan Guåhan further finds that financing sources for CLTC commercial projects may include private lending, bond financing, federally-supported financing, and infrastructure-related financing secured through the U.S. Department of Agriculture's Rural Utilities Service (RUS), including the Substantially Underserved Trust Area (SUTA) Initiative.

I Liheslaturan Guåhan further finds that Bill No. 176-38 (COR), now enacted into law as 5 GCA § 5128, establishes a general mechanism for certain tenants in good standing to obtain additional commercial lease time on government property; however, CLTC commercial leases and commercial licenses remain governed by the more specific provisions of Chapter 75A of Title 21, Guam Code Annotated, and projects requiring financing-driven extensions still require targeted statutory authority addressing underwriting requirements, commercial licenses, and terms tied to mortgage maturity dates or other federal program requirements.

I Liheslaturan Guåhan further finds that eligibility for financing-driven lease and license term extensions should apply to both newly issued commercial leases and commercial licenses, and to existing commercial leases and commercial licenses that are amended, extended, renewed, refinanced, or otherwise modified to meet applicable financing and underwriting requirements, in order to ensure continuity of operations and access to financing for ongoing and future projects.

- CLTC commercial lease and commercial license projects to access all types of financing, including without limitation private lending, bond financing, federally-supported financing, and financing secured through RUS, including the SUTA Initiative, when such financing requires a longer ground lease term, for both: (1) new commercial leases and commercial licenses; and (2) existing commercial leases and commercial licenses that are amended, extended, renewed, or refinanced, including where underwriting commonly requires a term extending at least ten (10) years beyond the loan term;

- Preserve legislative oversight by requiring that extensions beyond a defined administrative threshold remain subject to approval by *I Liheslaturan Guåhan*, consistent with existing law recognizing that longer terms require legislative approval; provided that the "administrative threshold" under this act shall be a lease or license term extending not less than ten (10) years beyond the mortgage maturity date, as required by applicable financing terms and all underwriting requirements, or such other period required by the applicable federal program, and any term extending beyond that threshold shall require approval by *I Liheslaturan Guåhan* by law;
- Protect the public interest by requiring documentation of financing and all underwriting necessity and maintaining lender-protection provisions (including notice of default and opportunity to cure) that support long-term stability of the project and continuity of operations; and
- Provide an orderly process under which - (1) the CLTC may approve term extensions within its statutory authority; and (2) where Guam statutes require legislative approval for lease or license terms beyond a specified period, including any lease or license term extending beyond not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program, and all underwriting requirements, such extended terms shall be submitted for approval by *I Liheslaturan Guåhan* by law, so that extended terms are implemented through both the CLTC and *I Liheslaturan Guåhan* in compliance with applicable statutes.

Section 2. A new § 75A122(d), Chapter 75A, Article 1, Title 21, Guam Code Annotated, is hereby *added* to read:

"(d) Financing-Driven Term Extensions for all types of financing and all underwriting requirements applicable to both new and existing commercial leases and commercial licenses.

(1) Purpose. This subsection establishes a structured process for extending the term of a commercial lease or commercial license (whether newly issued or already in effect and being amended) where such extension is required as a condition of all underwriting requirements, and for all types of financing (whether private, public, federal, or otherwise), while preserving legislative approval requirements for longer terms.

(2) Definitions. For purposes of this subsection:

(A) "Financing" means any financing, credit facility, loan, bond, credit-enhancement, guarantee, or other secured or unsecured financing arrangement from any source, including private lenders, bondholders, and federal or territorial programs, and financing secured through the U.S. Department of Agriculture's Rural Utilities Service, including the Substantially Underserved Trust Area Initiative.

(B) "Mortgage Maturity Date" means the stated maturity date of the senior mortgage (or equivalent primary secured loan) for the project.

(C) "Financing Term Requirement" means a documented minimum remaining ground-lease term required by the lender, insurer, guarantor, bond trustee or investor, or financing source, including requirements that the lease extend beyond the Mortgage Maturity Date; including compliance with all underwriting requirements, and underwriting standards that

commonly require a lease term extending not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program.

(3) Financing Term Standard; CLTC Authority. Upon request by a tenant and submission of required documentation, the Commission shall have the authority to approve an amendment extending the term of a commercial lease or commercial license such that the term equals or exceeds the Financing Term Requirement, including compliance with all underwriting requirements, and underwriting standards that commonly require a lease term extending not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program.

(4) Administrative Extension Authority; Commission Action; Statutory Compliance. Notwithstanding any other provision of law limiting term, and upon request by a tenant and submission of required documentation under this subsection, the Commission may, by resolution adopted at a duly noticed meeting and supported by written findings, approve a financing-driven amendment to a commercial lease or commercial license (whether newly issued or already in effect and being amended) as necessary to satisfy all underwriting requirements and to establish a term that extends up to not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program, provided that the Commission finds that:

(A) the term approved is necessary to satisfy the Financing Term Requirement and all underwriting requirements; and

(B) the tenant has provided documentary evidence from the lender and/or applicable federal program establishing the Financing Term Requirement and all underwriting Requirements; and

(C) the amendment is in the best interest of the Trust and consistent with the purposes of this Chapter.

(D) Nothing in this paragraph (4) shall be construed to authorize the commission to approve any lease or license term that, under applicable Guam statutes, requires approval by *I Liheslaturan Guåhan* by law; and any lease or license term extending beyond not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program, and all underwriting requirements, shall require approval by *I Liheslaturan Guåhan* by law; where such approval is required, the commission's approval shall be conditioned upon and subject to approval by *I Liheslaturan Guåhan.*

(E) Notwithstanding any contrary provision contained in any existing or pending commercial lease or commercial license issued or under consideration by the CLTC, the Commission shall have the authority to approve financing-related amendments, subleases, collateral assignments, leasehold accommodations, tax equity structures, ownership restructuring, and other related modifications reasonably required by lenders, bond financing, tax credit investors, federal financing programs, infrastructure related financing, renewable energy financing programs, and federal energy credit programs, provided that no mortgage, lien, or other encumbrance shall be placed upon any land owned or under the control of the CLTC and any security interest shall be limited solely to project assets, improvements, equipment, revenues, and personal property associated with the financed project.

(5) Legislative Approval Required Beyond Administrative Threshold. Any extension of term beyond the Commission's authority in Paragraph (4) shall require approval by *I Liheslaturan Guåhan* by law. Nothing in this subsection shall be construed to eliminate or weaken existing requirements that longer terms must be approved by *I Liheslaturan Guåhan.* The CLTC shall implement extended terms only in a manner consistent with applicable statutes requiring legislative approval for lease or license terms beyond a specified period, and where such approval is required, the extended term shall be subject to approval by *I liheslaturan Guåhan* by law. In addition, any commercial lease or commercial license term extending beyond not less than ten (10) years beyond the mortgage maturity date, or beyond such other period required by the applicable federal program, and any such extension necessary to satisfy all underwriting requirements, shall require approval by *I Liheslaturan Guåhan* by law.

(6) Required Lender-Protection Provisions. Any financing-driven extension approved under this subsection shall require that the lease or license, as amended, include commercially reasonable lender-protection provisions consistent with the enforcement and cure framework required under this Chapter, including, at a minimum:

(A) written notice of default to any recognized mortgagee or secured lender of record;

(B) a reasonable opportunity for such mortgagee or lender to cure defaults or cause defaults to be cured; and

(C) such estoppels, consents, and non-disturbance terms as are reasonably necessary to satisfy the Financing Term Requirement; provided that nothing herein limits the Commission's rights to enforce material defaults pursuant to this Chapter and the terms of the lease or license, including notice and cure provisions.

(7) Documentation. For purposes of this subsection, requests may be submitted for new commercial leases/licenses or for amendments to existing commercial leases/licenses. The tenant shall submit, at a minimum:

(A) a lender letter or commitment describing the Financing Term Requirement;

(B) the proposed financing term (e.g., 30-year, 35-year, 40-year) and the proposed lease/license term needed to meet the Financing Term Requirement and all underwriting requirements; and

(C) any additional lender or financing source documentation, including any documentation required to satisfy all underwriting requirements, reasonably required by the Commission.

(8) Recovery of RUS and SUTA Funded Investments. Where infrastructure, utility, site, or project-related investments supporting a commercial lease or commercial license are financed through the U.S. Department of Agriculture's Rural Utilities Service, including the Substantially Underserved Trust Area Initiative, the Commission may,

in addition to any annual lease fee or license fee otherwise required by law, recover from the lessee or licensee the full cost of such RUS- and SUTA-funded investments, which cost shall be prorated over the life of the duly executed lease or license agreement.

(9) Relationship to 5 GCA § 5128. Nothing in this subsection shall be construed to impair any extension authority otherwise available under 5 GCA § 5128 for a tenant in good standing; provided, however, that where a commercial lease or commercial license on CLTC land requires a longer term or other amendment to satisfy a Financing Term Requirement, this subsection shall govern the financing-driven extension.

(10) No Automatic Extension. Nothing in this subsection shall be construed to create an entitlement to an extension. The Commission retains discretion to approve or deny a request based on the best interests of the Trust and compliance with law.

(11) Any lease extension granted pursuant to this section is limited to the period reasonably required by the financing instrument and applicable lender requirements.

(12) The Chamorro Land Trust Commission shall establish, pursuant to the provisions of Chapter 9, 5 GCA, administrative procedures and documentation standards to verify financing-related requests for lease extensions.

(13) All lease extensions granted pursuant to this Section shall be reported to the Speaker of *I Liheslaturan Guåhan* within thirty (30) days following the Commission's approval."

Section 3. A new § 75A124(d), Article 1, Chapter 75A, Title 21, Guam Code Annotated, is hereby added to read:

"(d) RUS/SUTA Financing; Board Approval; Cash-Flow Review; Funds Availability.

(1) No loan, financing agreement, financial assistance agreement, or other obligation secured through or associated with the U.S. Department of Agriculture's Rural Utilities Service, including the Substantially Underserved Trust Area (SUTA) Initiative, that requires the Commission to make debt-service payments, repayments, matching contributions, reserve contributions, reimbursements, or to pledge, restrict, or otherwise commit CLTC funds or revenues, shall be entered into, accepted, assumed, executed, or materially amended unless first approved by resolution of the Commission at a duly noticed meeting.

(2) Before the Commission acts on such financing, the Administrative Director shall provide the Commission a written cash-flow impact statement identifying, at a minimum: the principal amount and term; projected annual debt service or repayment; the source of repayment; any required matching funds or reserves; any revenues to be pledged, restricted, or committed; and the projected effect on the applicable CLTC fund or funds. The statement shall identify the lawfully available funds proposed to support the CLTC obligation.

(3) Any commitment of CLTC funds under an agreement described in this subsection shall be strictly limited to and subject to the availability of lawfully available and unencumbered funds authorized for that purpose. Nothing in this subsection shall be construed to authorize an unfunded obligation, a pledge of the full faith and credit of Guam, or the expenditure or pledge of funds restricted by law for another purpose.

(4) This subsection shall apply to RUS/SUTA financing agreements entered into or materially amended after the effective date of this Act and shall not be construed to impair the obligations of a financing agreement lawfully executed before the effective date of this Act."

Section 4. Severability. If any provision of this Act or its application to any person or circumstance is found to be invalid or inorganic, such invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.

Section 5. Effective Date. This Act shall be effective upon enactment.

'I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2026 (SECOND) Regular Session

Bill No. 305-38 (COR)
As Amended by the Committee on
Land, Environment, Housing, Agriculture,
Parks and Infrastructure

Introduced by: Joe S. San Agustin
V. Anthony Ada
Tina Rose Muna Barnes

AN ACT TO *ADD* A NEW § 75A122(d) AND NEW § 75A124(d) ALL OF CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that federally-assisted and federally-insured financing programs, including programs administered by the U.S. Department of Housing and Urban Development (HUD), commonly require ground lease terms that extend *beyond the maturity date of the mortgage* in order to protect the lender's security interest and preserve the long-term viability and marketability of the mortgaged project.

I Liheslaturan Guåhan further finds that, unlike fee simple ownership, a ground lease may be subject to termination or forfeiture; accordingly, a longer lease term is used in underwriting to reduce the risk that termination of the ground lease

could extinguish or materially impair a lender's lien, thereby threatening the financing, continued operation, and transferability of the project.

I Liheslaturan Guåhan further finds that financing sources for CLTC commercial projects may include private lending, bond financing, federally-supported financing, and infrastructure-related financing secured through the U.S. Department of Agriculture's Rural Utilities Service (RUS), including the Substantially Underserved Trust Area (SUTA) Initiative.

I Liheslaturan Guåhan further finds that Bill No. 176-38 (COR), now enacted into law as 5 GCA § 5128, establishes a general mechanism for certain tenants in good standing to obtain additional commercial lease time on government property; however, CLTC commercial leases and commercial licenses remain governed by the more specific provisions of Chapter 75A of Title 21, Guam Code Annotated, and projects requiring financing-driven extensions still require targeted statutory authority addressing underwriting requirements, commercial licenses, and terms tied to mortgage maturity dates or other federal program requirements.

I Liheslaturan Guåhan further finds that eligibility for financing-driven lease and license term extensions should apply to both newly issued commercial leases and commercial licenses, and to existing commercial leases and commercial licenses that are amended, extended, renewed, refinanced, or otherwise modified to meet applicable financing and underwriting requirements, in order to ensure continuity of operations and access to financing for ongoing and future projects.

- CLTC commercial lease and commercial license projects to access all types of financing, including without limitation private lending, bond financing, federally-supported financing, and financing secured through RUS, including the SUTA Initiative, when such financing requires a longer ground lease term, for both: (1) new commercial leases and commercial licenses; and (2) existing commercial leases and commercial licenses that are amended, extended, renewed, or refinanced, including where underwriting commonly requires a term extending at least ten (10) years beyond the loan term;

- Preserve legislative oversight by requiring that extensions beyond a defined administrative threshold remain subject to approval by *I Liheslaturan Guåhan*, consistent with existing law recognizing that longer terms require legislative approval; provided that the "administrative threshold" under this act shall be a lease or license term extending not less than ten (10) years beyond the mortgage maturity date, as required by applicable financing terms and all underwriting requirements, or such other period required by the applicable federal program, and any term extending beyond that threshold shall require approval by *I Liheslaturan Guåhan* by law;
- Protect the public interest by requiring documentation of financing and all underwriting necessity and maintaining lender-protection provisions (including notice of default and opportunity to cure) that support long-term stability of the project and continuity of operations; and
- Provide an orderly process under which - (1) the CLTC may approve term extensions within its statutory authority; and (2) where Guam statutes require legislative approval for lease or license terms beyond a specified period, including any lease or license term extending beyond not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program, and all underwriting requirements, such extended terms shall be submitted for approval by *I Liheslaturan Guåhan* by law, so that extended terms are implemented through both the CLTC and *I Liheslaturan Guåhan* in compliance with applicable statutes.

Section 2. A new § 75A122(d), Chapter 75A, Article 1, Title 21, Guam Code Annotated, is hereby *added* to read:

"(d) Financing-Driven Term Extensions for all types of financing and all underwriting requirements applicable to both new and existing commercial leases and commercial licenses.

(1) Purpose. This subsection establishes a structured process for extending the term of a commercial lease or commercial license (whether newly issued or already in effect and being amended) where such extension is required as a condition of all underwriting requirements, and for all types of financing (whether private, public, federal, or otherwise), while preserving legislative approval requirements for longer terms.

(2) Definitions. For purposes of this subsection:

(A) "Financing" means any financing, credit facility, loan, bond, credit-enhancement, guarantee, or other secured or unsecured financing arrangement from any source, including private lenders, bondholders, and federal or territorial programs, and financing secured through the U.S. Department of Agriculture's Rural Utilities Service, including the Substantially Underserved Trust Area Initiative.

(B) "Mortgage Maturity Date" means the stated maturity date of the senior mortgage (or equivalent primary secured loan) for the project.

(C) "Financing Term Requirement" means a documented minimum remaining ground-lease term required by the lender, insurer, guarantor, bond trustee or investor, or financing source, including requirements that the lease extend beyond the Mortgage Maturity Date; including compliance with all underwriting requirements, and underwriting standards that

commonly require a lease term extending not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program.

(3) Financing Term Standard; CLTC Authority. Upon request by a tenant and submission of required documentation, the Commission shall have the authority to approve an amendment extending the term of a commercial lease or commercial license such that the term equals or exceeds the Financing Term Requirement, including compliance with all underwriting requirements, and underwriting standards that commonly require a lease term extending not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program.

(4) Administrative Extension Authority; Commission Action; Statutory Compliance. Notwithstanding any other provision of law limiting term, and upon request by a tenant and submission of required documentation under this subsection, the Commission may, by resolution adopted at a duly noticed meeting and supported by written findings, approve a financing-driven amendment to a commercial lease or commercial license (whether newly issued or already in effect and being amended) as necessary to satisfy all underwriting requirements and to establish a term that extends up to not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program, provided that the Commission finds that:

(A) the term approved is necessary to satisfy the Financing Term Requirement and all underwriting requirements; and

(B) the tenant has provided documentary evidence from the lender and/or applicable federal program establishing the Financing Term Requirement and all underwriting Requirements; and

(C) the amendment is in the best interest of the Trust and consistent with the purposes of this Chapter.

(D) Nothing in this paragraph (4) shall be construed to authorize the commission to approve any lease or license term that, under applicable Guam statutes, requires approval by *I Liheslaturan Guåhan* by law; and any lease or license term extending beyond not less than ten (10) years beyond the mortgage maturity date, or such other period required by the applicable federal program, and all underwriting requirements, shall require approval by *I Liheslaturan Guåhan* by law; where such approval is required, the commission's approval shall be conditioned upon and subject to approval by *I Liheslaturan Guåhan.*

(E) Notwithstanding any contrary provision contained in any existing or pending commercial lease or commercial license issued or under consideration by the CLTC, the Commission shall have the authority to approve financing-related amendments, subleases, collateral assignments, leasehold accommodations, tax equity structures, ownership restructuring, and other related modifications reasonably required by lenders, bond financing, tax credit investors, federal financing programs, infrastructure related financing, renewable energy financing programs, and federal energy credit programs, provided that no mortgage, lien, or other encumbrance shall be placed upon any land owned or under the control of the CLTC and any security interest shall be limited solely to project assets, improvements, equipment, revenues, and personal property associated with the financed project.

(5) Legislative Approval Required Beyond Administrative Threshold. Any extension of term beyond the Commission's authority in Paragraph (4) shall require approval by *I Liheslaturan Guåhan* by law. Nothing in this subsection shall be construed to eliminate or weaken existing requirements that longer terms must be approved by *I Liheslaturan Guåhan.* The CLTC shall implement extended terms only in a manner consistent with applicable statutes requiring legislative approval for lease or license terms beyond a specified period, and where such approval is required, the extended term shall be subject to approval by *I liheslaturan Guåhan* by law. In addition, any commercial lease or commercial license term extending beyond not less than ten (10) years beyond the mortgage maturity date, or beyond such other period required by the applicable federal program, and any such extension necessary to satisfy all underwriting requirements, shall require approval by *I Liheslaturan Guåhan* by law.

(6) Required Lender-Protection Provisions. Any financing-driven extension approved under this subsection shall require that the lease or license, as amended, include commercially reasonable lender-protection provisions consistent with the enforcement and cure framework required under this Chapter, including, at a minimum:

(A) written notice of default to any recognized mortgagee or secured lender of record;

(B) a reasonable opportunity for such mortgagee or lender to cure defaults or cause defaults to be cured; and

(C) such estoppels, consents, and non-disturbance terms as are reasonably necessary to satisfy the Financing Term Requirement; provided that nothing herein limits the Commission's rights to enforce material defaults pursuant to this Chapter and the terms of the lease or license, including notice and cure provisions.

(7) Documentation. For purposes of this subsection, requests may be submitted for new commercial leases/licenses or for amendments to existing commercial leases/licenses. The tenant shall submit, at a minimum:

(A) a lender letter or commitment describing the Financing Term Requirement;

(B) the proposed financing term (e.g., 30-year, 35-year, 40-year) and the proposed lease/license term needed to meet the Financing Term Requirement and all underwriting requirements; and

(C) any additional lender or financing source documentation, including any documentation required to satisfy all underwriting requirements, reasonably required by the Commission.

(8) Recovery of RUS and SUTA Funded Investments. Where infrastructure, utility, site, or project-related investments supporting a commercial lease or commercial license are financed through the U.S. Department of Agriculture's Rural Utilities Service, including the Substantially Underserved Trust Area Initiative, the Commission may,

in addition to any annual lease fee or license fee otherwise required by law, recover from the lessee or licensee the full cost of such RUS- and SUTA-funded investments, which cost shall be prorated over the life of the duly executed lease or license agreement.

(9) Relationship to 5 GCA § 5128. Nothing in this subsection shall be construed to impair any extension authority otherwise available under 5 GCA § 5128 for a tenant in good standing; provided, however, that where a commercial lease or commercial license on CLTC land requires a longer term or other amendment to satisfy a Financing Term Requirement, this subsection shall govern the financing-driven extension.

(10) No Automatic Extension. Nothing in this subsection shall be construed to create an entitlement to an extension. The Commission retains discretion to approve or deny a request based on the best interests of the Trust and compliance with law.

(11) Any lease extension granted pursuant to this section is limited to the period reasonably required by the financing instrument and applicable lender requirements.

(12) The Chamorro Land Trust Commission shall establish, pursuant to the provisions of Chapter 9, 5 GCA, administrative procedures and documentation standards to verify financing-related requests for lease extensions.

(13) All lease extensions granted pursuant to this Section shall be reported to the Speaker of *I Liheslaturan Guåhan* within thirty (30) days following the Commission's approval."

Section 3. A new § 75A124(d), Article 1, Chapter 75A, Title 21, Guam Code Annotated, is hereby added to read:

"(d) RUS/SUTA Financing; Board Approval; Cash-Flow Review; Funds Availability.

(1) No loan, financing agreement, financial assistance agreement, or other obligation secured through or associated with the U.S. Department of Agriculture's Rural Utilities Service, including the Substantially Underserved Trust Area (SUTA) Initiative, that requires the Commission to make debt-service payments, repayments, matching contributions, reserve contributions, reimbursements, or to pledge, restrict, or otherwise commit CLTC funds or revenues, shall be entered into, accepted, assumed, executed, or materially amended unless first approved by resolution of the Commission at a duly noticed meeting.

(2) Before the Commission acts on such financing, the Administrative Director shall provide the Commission a written cash-flow impact statement identifying, at a minimum: the principal amount and term; projected annual debt service or repayment; the source of repayment; any required matching funds or reserves; any revenues to be pledged, restricted, or committed; and the projected effect on the applicable CLTC fund or funds. The statement shall identify the lawfully available funds proposed to support the CLTC obligation.

(3) Any commitment of CLTC funds under an agreement described in this subsection shall be strictly limited to and subject to the availability of lawfully available and unencumbered funds authorized for that purpose. Nothing in this subsection shall be construed to authorize an unfunded obligation, a pledge of the full faith and credit of Guam, or the expenditure or pledge of funds restricted by law for another purpose.

(4) This subsection shall apply to RUS/SUTA financing agreements entered into or materially amended after the effective date of this Act and shall not be construed to impair the obligations of a financing agreement lawfully executed before the effective date of this Act."

Section 4. Severability. If any provision of this Act or its application to any person or circumstance is found to be invalid or inorganic, such invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.

Section 5 ~~4~~. Effective Date. This Act shall be effective upon enactment.

COMMITTEE ON RULES

Vice Speaker V. Anthony Ada, Chairperson
I Mina'trentai Ocho Na Liheslaturan Guåhan
38th Guam Legislature

April 23, 2026

To: **Rennae V. C. Meno**
Clerk of the Legislature

From: **Vice Speaker V. Anthony Ada**
Chairperson, Committee on Rules

Subject: **Fiscal Note for Bill No. 305-38 (COR)**

Håfa Adai!

Find the attached, Fiscal Note for the following bill:

Bill No. 305-38 (COR).

I also request that the same be sent to the respective Chairperson of the Standing Committee, to which this bill has been referred. Kindly copy the same to Management Information Services (MIS) for posting on our website.

Bureau of Budget & Management Research
Fiscal Note of Bill No. 305-38 (COR)

AN ACT TO *ADD* A NEW § 75A122(D), CHAPTER 75A, ARTICLE 1, TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO FINANCING-DRIVEN EXTENSIONS OF COMMERCIAL GROUND LEASE TERMS FOR NEW AND EXISTING COMMERCIAL LEASES AND LICENSES, AND FOR ALL TYPES OF FINANCING AND ALL UNDERWRITING REQUIREMENTS, INCLUDING BUT NOT LIMITED TO FEDERALLY-ASSISTED OR FEDERALLY-INSURED FINANCING.

Department/Agency Appropriation Information	
Dept./Agency Affected: Chamorro Land Trust Commission (CLTC)	Dept./Agency Head: Joseph B. Cruz, Jr., Acting Director
Department's General Fund (GF) appropriation(s) to date:	$654,883
Department's Other Fund appropriation(s) to date: CLT Operations Fund ($859,357), CLTC Survey & Infrastructure Fund ($12,478)	$871,835
Total Department/Agency Appropriation(s) to date:	$1,526,718

Fund Source Information of Proposed Appropriation	General Fund:	Special Fund:	Total:
FY 2025 Unreserved Fund Balance	$0	$0	$0
FY 2026 Adopted Revenues	$0	$0	$0
FY 2026 Appro. (P.L. 38-60)	$0	$0	$0
Sub-total:	$0	$0	$0
Less appropriation in Bill	$0	$0	$0
Total:	$0	$0	$0

Estimated Fiscal Impact of Bill

	One Full Fiscal Year	For Remainder of FY 2026 (if applicable)	FY 2027	FY 2028	FY 2029	FY 2030
General Fund	$0	$0	$0	$0	$0	$0
Special Fund	1/	$0	$0	$0	$0	$0
Total	1/	$0	$0	$0	$0	$0

1. Does the bill contain "revenue generating" provisions? /X/ Yes / / No
   If Yes, see attachment
2. Is amount appropriated adequate to fund the intent of the appropriation? /X/ N/A / / Yes / / No
   If no, what is the additional amount required? $ ________ /X/ N/A
3. Does the Bill establish a new program/agency? / / Yes /X/ No
   If yes, will the program duplicate existing programs/agencies? /X/ N/A / / Yes / / No
   Is there a federal mandate to establish the program/agency? / / Yes /X/ No
4. Will the enactment of this Bill require new physical facilities? / / Yes /X/ No
5. Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: / / Yes /X/ No
   /X/ Requested agency comments not received by due date: Chamorro Land Trust Commission / / Other

Analyst: [signature] Michelle Pineda, BMA I Date: 4/22/26 Director: [signature] Lester L. Carlson, Jr., Director Date: APR 2 3 2026

Notes:
1/ See Additional Comments.

BUREAU OF BUDGET & MANAGEMENT RESEARCH
COMMENTS ON BILL NO. 305-38 (COR)

Bill No. 305-38 seeks to *add* a new §75A122(d), Chapter 75A, Article 1, Title 21, Guam Code Annotated, relative to financing-driven extensions of commercial ground lease terms for new and existing commercial leases and licenses, and for all types of financing and all underwriting requirements, including but not limited to federally-assisted or federally-insured financing.

According to legislative findings, federally-assisted or insured financing programs require ground lease terms that extend beyond the mortgage maturity date to protect the lender's liens and project marketability. In effect, the proposed bill authorizes the CHamoru Land Trust Commission (CLTC) to approve financing-driven amendments extending the lease term of a commercial lease or license and to establish a term that extends up to no less than ten (10) years beyond the mortgage maturity date, or as required by a federal program, provided that the Commission finds that: 1.) the extension is needed to satisfy the Financing Term Requirement, as specified in the underwriting requirements and 2.) the tenant has provided documentary evidence from the lender/or applicable federal program. Extensions exceeding the ten (10) year threshold or falling outside the CLTC's statutory authority remain subject to the approval of *I Liheslaturan Guåhan.*

The Bureau notes that per §75A122(c), Chapter 75A, GCA, real property taxes and appraisal fees are subject to change, as reappraisals are required every five (5) years to determine the fair market value of the land that is to be leased. However, absent comment from the CLTC relative to the number of properties eligible for financing-driven commercial leases, the value of said leases, and the length of the license term extensions, the Bureau is unable to ascertain a specific fiscal impact of any changes in property taxes should Bill No. 305-38 become enacted.