



Office of the Governor of Guam

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13 JUL 2009

The Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina' Trenta Na Liheslaturan Guahan
Thirtieth Guam Legislature
155 Hessler Street
Hagåtña, Guam 96910

Office of the Speaker
Judith T. Won Pat, Ed. D.
Date 7/13/09
Time 5:10 pm
Received by [Signature]

Dear Speaker Won Pat:

Submitted herewith is Bill No. 122 (COR), "AN ACT TO IMPOSE A TEMPORARY MORATORIUM ON THE ISSUANCE OF COMMERCIAL LEASES AND LICENSES BY THE CHAMORRO LAND TRUST COMMISSION," which I have vetoed.

As noted in the Bill's legislative findings and intent, the Chamorro Land Trust rules and regulations adopted by the legislature as Public Law 23-38 prevent the execution of commercial leases by the Chamorro Land Trust Commission ("CLTC") until rules and regulations governing commercial leases have been implemented. Further, the CLTC has self-imposed a moratorium on approving new commercial leases and their commercial lease rules and regulations are only pending legal review. As such, Bill No. 122 is statutorily unnecessary.

Further, Bill No. 122 likely creates a conflict in law. Bill No. 122 places a moratorium on the issuance of commercial leases and licenses by the CLTC until rules and regulations have been approved by the legislature. Normally and as stated in Section 6.9 of the Chamorro Land Trust rules adopted in Public Law 23-38, the rules and regulations covering commercial leases shall be adopted pursuant to the Administrative Adjudication Law. The Administrative Adjudication Law sets forth the process by which rules and regulations are promulgated and does not necessarily require legislative action.

Following the letter of Bill No. 122, it appears that the Administrative Adjudication Law will not apply and that only legislative approval is required. The Administrative Adjudication Law provides a valid process to adopt rules and regulations which allows for the incorporation of views from the public and prevents delays due to legislative inaction. Specifically, the Administrative Adjudication Law requires public hearings and allows for the adoption of the rules and regulation when the legislature fails to act within 90 calendar days. Avoiding the

Administrative Adjudication Law process was surely not the intent of the author and merely the unintended consequence of his legislation.

Another consequence of Bill No. 122 is the requirement for a land use plan approved by the legislature absent the resources to assist the CLTC in developing that plan. The Commission is already underfunded and does not have the resources for such an undertaking. Commercial leases remain the major funding source for the Commission's operations and without this source, the Commission will lose its only dedicated funding stream. Doing so will inhibit the continued issuance of leases to those individuals who direly need land for residential and agricultural purposes. Also, such an action would further delay, if not outright impede, the implementation of corrective measures proffered by the Office of the Public Auditor in her recent report to the CLTC.

I would also note that while the legality of legislative approval on executive branch agency plans is tenuous, Guam statute already provides for the approval of plans. This law also does not require legislative action.

As a result, of these unintended consequences, I must ~~veto~~ this bill thereby ensuring that existing law and the process for which it provides is adhered to.

Sinseru yan Magâhet,



MICHAEL W. CRUZ, M.D.

I Maga'lâhen Guåhan, para pa'go
Acting Governor of Guam