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CHAPTER 56
GUAM AGRICULTURAL EXPENSE INSURANCE

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§ 56101. Guam Economic Development Authority: Additional Powers.

In addition to the general powers and authorized activities as enumerated in Chapter 50 of this Division, the Guam Economic Development Authority, hereinafter referred to as the Corporation is authorized and empowered:

(a) To insure, or to reinsure insurers of, bona fide farmers of Guam under any plan or plans of insurance determined by the Board of Directors of the Corporation. Such insurance shall be against loss of insured due to natural disaster such as typhoon, rain, flood and drought but shall be limited only to loss of the insured arising from labor costs, land preparation costs, including costs of fungicides, insecticides and pesticides, costs of seed and fertilizer.

(b) To insure, or to reinsure insurers of, bona fide livestock producers of Guam under any plan or plans of insurance determined by the Board of Directors of the Corporation. Such insurance shall be against loss of insured due to natural disaster caused by typhoon, pestilence or loss of livestock caused by Public Health or Department of Agriculture officials who order such livestock exterminated because of exposure to a contagious disease; provided, however, that it is not the intention of this Chapter to insure livestock producers whose stock-raising methods are conducive to the spreading of disease and therefore in claiming any loss of livestock dying of disease, the insured must present to the Board of Directors certified proof from the Department of Agriculture or Public Health that insured livestock raising methods meet the standards prescribed by the Department of Agriculture for the type of livestock raised but shall be limited only to loss of the insured

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arising from cost of feed excluding open grazing, costs of medicine and costs of livestock.

(c) To insure, or to reinsure insurers of, bona fide operators of commercial fish, eel and shrimp farms of Guam under any plan or plans of insurance determined by the Board of Directors of the Corporation. Such insurance shall be against loss of the insured due to natural disaster such as typhoon, rain or flood but shall be limited only to loss of the insured arising from labor costs, land and pond preparation costs, algicides costs, costs of fish fry, eel fry and shrimp fry.

(d) To fix adequate premiums for such insurance at such rates as the Board deems sufficient to cover claims for losses on such insurance, and to establish as expeditiously as possible a reasonable reserve against unforeseen losses. Such premiums shall be collected at such time or times, or shall be secured in such manner, as the Board may determine.

(e) To adjust and pay claims for such losses under rules prescribed by the Board. In the event that any claim under the provisions of this Chapter is denied by the Corporation, an action on said claim may be brought against said Corporation in any court having jurisdiction; provided, however, that no suit on such claim shall be allowed unless the same shall have been brought within one (1) year after the notice of denial of the claim is mailed to the claimant.

SOURCE: GC § 53604, as amended by P.L. 13-195.

§ 56102. Rules and Regulations.

The Board is authorized to issue such rules and regulations as may be necessary to carry out the provisions of this Chapter.

SOURCE: GC § 53605.

§ 56103. Revolving Fund.

There is hereby authorized to be established and set aside a separate and special revolving fund in the sum of Fifty Thousand Dollars (\$50,000) to be used solely in connection with the intent and purposes of this Chapter.

SOURCE: GC § 53606.

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§ 56104. Farmers Assistance Revolving Fund.

(a) There is established within the Guam Economic Development Authority a Farmers Assistance Revolving Fund to assist farmers involved in agriculture and aquaculture related services.

(b) The Fund shall be administered by the Guam Economic Development Authority Board of Directors, and all applications made shall be made pursuant to prescribed rules and regulations as with other loans submitted to the Authority. Funds so advanced will be on the basis of an interest charge of three percent (3%) per annum.

(c) Notwithstanding any law, rule, or regulation, the Authority is authorized to freeze all existing loans pending before the Authority for a period of six (6) months.

(d) The Authority shall give preferential treatment to loans submitted regarding agriculture and aquaculture development, and shall encourage the development of agriculture and aquaculture.

(e) The Authority shall deposit the sum of Two Hundred Thousand Dollars (\$200,000) into the Fund established by Subsection (a) of this Section from funds derived from 12 GCA §64108.1.

SOURCE: Added by P.L. 19-5:111.
