

**-BACKGROUND ONLY-**  
**Briefing Paper on Proposed Legislation**  
**to Create the 75th Guam War Claims Fund**  
**July 18, 2019**

**Background**

The Guam World War II Loyalty Recognition Act (Act), Title XVII, Pub. L. No. 114-328 provides recognition to the residents of Guam, who suffered unspeakable harm resulting from the occupation of Guam by Imperial Japanese military forces, and their loyalty to the United States during occupation. The Act further authorizes the Foreign Claims Settlement Commission (FCSC) to adjudicate claims of both compensable victims and compensable Guam decedents from the occupation period and determine payments which will be awarded by the Department of the Treasury (DOT).

The DOT has determined that it needs additional legislative authority to make award payments. On Feb 26, 2019, Guam Delegate San Nicolas introduced H.R.1365 to make technical corrections to the Act; the bill was referred to the Committee on Natural Resources and was reported out on July 11, 2019.

**Leon Guerrero-Tenorio Action**

Since February 2019, the Leon Guerrero - Tenorio and Trump Administrations have been working to overcome DOT's determination that additional Congressional action is necessary. Concurrently, DOT had drafted legislation for Delegate San Nicolas - HR 1365. Federal agency administrative fixes that were considered however could not overcome DOT's legal opinion.

With federal agency administrative fixes exhausted, the Leon Guerrero - Tenorio Administration (working with Speaker Muna-Barnes) proposed for Guam to enact a local war claims fund to begin awarding adjudicated claims, in consideration that DOT is currently not authorized to spend from its account.

Tump Administration officials, represented by the White House and the Departments of the Interior, Treasury, and Justice positively received the Leon Guerrero - Tenorio proposal, concurring with Guam that it is important to address adjudicated claims during the 75th anniversary of Guam's Liberation and understanding that aging population of survivors of Guam's occupation.

The two Administrations have been working on the administrative process which needs to occur to implement a local war claims program.

The Leon Guerrero - Tenorio Administration has been working with Speaker Muna-Barnes, Minority Leader Wil Castro ,and Senator Amanda Shelton on local legislation.

The collaboration and agreements between the Leon Guerrero and Trump Administrations cannot be executed however without the Guam Legislature passing legislation.

### **Local War Claims Program**

The proposed legislation will:

- Create the 75th Guam War Claims Fund to be administered by the Department of Administration.
- Provide the Governor of Guam with the transfer authority to deposit into the Fund, not to exceed \$7.5 million dollars (which will cover the first 754 awarded claims). {The Governor would need to seek additional legislative authority to award claims beyond the ceiling of \$7.5 million dollars]
- ❖ The local program will only award living survivors of Guam's occupation who possess an awarded adjudicated claim.

Upon enactment, the Leon Guerrero - Tenorio Administration will execute a memorandum of agreement with the Trump Administration that sets out the administrative process that must be adhered to in order for Guam to pay awards. Both Administrations agree that an MoA will 1) protect the privacy of individuals and 2) prevent a double payment of an award.

### **Interaction with HR 1365**

The Leon Guerrero Tenorio and Trump Administrations have discussed the continuing necessity for the enactment of HR 1365. Both Administrations have expressed support.

Enacting the local program will not replace the need for the passage of HR 1365. The Government of Guam will still rely on the passage of HR 1365 to be reimbursed for claims that it has awarded because the DOT is not currently authorized to expend funds.