# I MINA' TRENTAI DOS NA LIHESLATURAN GUÅHAN 2013 (FIRST) Regular Session

Bill No. 204-32(62)

Introduced by:

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AN ACT TO AMEND §§7105-7108 OF 17 GCA, RELATIVE TO THE AUTHORIZATION OF COMMERCIAL ADVERTISING LEASES; TO AUTHORIZE THE DEPARTMENT OF PUBLIC WORKS TO ESTABLISH A COMMERCIAL ADVERTISING SPACE PROGRAM ON SCHOOL BUSES; AND, TO ESTABLISH THE DPW BUS MAINTENANCE FUND.

## BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. §7105 of I7 GCA is amended to read:

"§ 7105. Authorization of Commercial Advertising Leases. Within ninety (90) days of the enactment of this Chapter, the Department shall review and revise all existing Department rules and regulations for the management and control of school property in order to authorize the commercial leasing of advertising space at Department and Tiyan sports facilities [and on Department of Public Works' school buses], consistent with government of Guam standard property regulations. Within ninety (90) days of enactment of this Chapter, the Department of Education[, in conjunction with the Bus Operations Division of the Department of Public Works,] shall develop standard size and placement regulations for the leasing of commercial advertising space at Department and Tiyan sports facilities [and on Department of Public Works' school buses]. Immediately upon completion, the proposed revisions shall be transmitted to the Board for approval. Within thirty (30) days of receipt, the Board shall adopt the revised rules and regulations with any amendments deemed necessary and appropriate."

#### Section 2. §7106 of 17 GCA is amended to read:

"§ 7106. Schedule of Commercial Advertising Fees. Within ninety (90) days of the enactment of this Chapter, the Department of Education shall develop a schedule of fees for the

- commercial leasing of advertising space at Department of Education and Tiyan sports facilities [and
- 2 Department of Public Works' school buses]. Immediately upon completion, the proposed schedule of
- 3 fees shall be transmitted to the Board for approval. Within thirty (30) days of receipt, the Board shall
- 4 approve the schedule of fees with any amendments deemed necessary and appropriate."

# Section 3. §7107 of 17 GCA is amended to read:

- 6 "§ 7107. Standard Lease Agreement for Commercial Advertising. Within ninety (90)
- 7 days of the enactment of this Act, the Department of Education shall develop a standard lease
- 8 agreement for commercial advertising at Department of Education and Tiyan sports facilities [and on
- 9 Department of Public Works'school buses]. Such standard lease agreement shall specify the
- 10 Department's rules and regulations, schedule of fees and legal liabilities for private entities seeking
- 11 to advertise at Department of Education and Tiyan sports facilities [and on Department of Public
- Works' school buses]. Such standard lease agreement shall specifically prohibit any advertising
- which promotes substances which are controlled by law, or are illegal to distribute to minors,
- including, without limitation, alcohol; establishments selling primarily alcohol products, such as
- bars; tobacco products; firearms; obscenity and as may be otherwise determined by the
- Board. Immediately upon completion, the proposed standard lease agreement shall be transmitted to
- the Board for approval. Within thirty(30) days of receipt, the Board shall adopt the standard lease
- agreement with any amendments deemed necessary and appropriate."

### Section 4. §7108 of 17 GCA is amended to read:

- 20 "§ 7108. Interscholastic Sports Fund. There is hereby created, separate and apart from all
- other funds of the government of Guam, a fund known as the 'Interscholastic Sports Fund' ("Fund")
- into which shall be deposited all fees collected from the commercial leasing of advertising space at
- 23 Department of Education and Tivan sports facilities, [and on Department of Public Works' school
- buses and other monies deemed appropriated by the Department of Education.
- 25 (a) Same: Administration. The Fund shall be administered by the Department of Education
- and shall not be commingled with the General Fund or any other fund of the government of Guam.
- 27 The Fund shall be maintained in a separate bank account and monies deposited therein shall not be
- subject to I Maga'lahen Guahan's transfer authority. The Department of Education is authorized to
- 29 accept for the Fund gifts, bequests, donations and other kinds of contributions for the purposes of the
- 30 Fund.

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(b) Same: Expenditures. Expenditures from the Fund shall be made exclusively for the purpose of supplementing the costs associated with operating the Department of Education interscholastic sports programs. The Department of Education may transfer from the Interscholastic Sports Fund to the Department of Public Works such funds as are necessary to fund in whole or in part interscholastic bus transportation.

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- (c) Same: Distribution of the Interscholastic Sports Fund. Elementary schools may participate in the solicitation of commercial advertising in their respective schools as provided through the Interscholastic Sports Fund Act. However, because the interscholastic sports program exists in the middle and high school levels only, the elementary school that solicits and receives monies for commercial advertising shall deposit all funds into the Interscholastic Sports Fund. The Department of Education shall transfer forty percent (40%) of the total sum of any fees, monetary gifts, donations or contributions collected or derived from the commercial leasing of any part of the facilities for advertising, or other such purposes of an elementary school, into 'I Salappe Facilidat' account of that respective elementary school. The remaining sixty percent (60%) will remain in the Interscholastic Sports Fund to support interscholastic sports programs. Funds transferred to T Salappe Facilidat' accounts of a respective elementary school pursuant to this Subsection shall be expended in accordance with the provisions of 17 GCA §1704, as enacted through Public Law Number 23-67. The distribution of advertising funds for both middle and high schools will be as follows: sixty percent (60%) will remain in the Interscholastic Sports Fund and forty percent (40%) will be retained at the school for its respective sports programs. Any advertising funds collected for the Tiyan Facility or the Staff Development Center (behind George Washington High School in Mangilao) will be distributed as follows: sixty percent (60%) to the Interscholastic Sports Fund and forty percent (40%) for maintenance of those facilities.
  - (d) Same: Annual Financial Report. Within sixty (60) days after the closing of each fiscal year, the administrator or authorized custodian of the Interscholastic Sports Fund shall transmit to the Board and the Superintendent of the Department of Education an annual report of the expenditures of the Fund, including, but not limited to, a balance sheet, a statement of receipts and expenses, and a general description of the income sources of the Fund and the expenses thereof."

- Section 5. A new Chapter 50A is added to 5 GCA relative to authorizing the
- 2 Department of Public Works to establish a commercial advertising space program on school
- 3 buses.
- 4 "CHAPTER 50A
- 5 COMMERCIAL ADVERTISING SPACE PROGRAM
- 6 § 50A101. Authorization.
- 7 § 50A102. Program Rules and Regulations.
- 8 § 50A103. Lease Agreement.
- 9 § 50A104. Program Management.
- 10 § 50A105. DPW Maintenance Fund.
- 11 § 50A101. Authorization, The Department of Public Works ('Department') is authorized to
- establish a commercial advertising space program ('Program') utilizing space on the department's
- 13 school buses.
- 14 § 50A102. Program Rules and Regulations. Within ninety (90) days of the enactment of this
- 15 Act, the Department shall develop rules and regulations governing the standard size and placement
- for the leasing of commercial advertising space, a schedule of fees for the commercial leasing of
- advertising space, and any other rules and regulations necessary for the effective and efficient
- 18 operation of the Program.
- 19 § 50A103. Lease Agreement. The Department shall develop a standard lease agreement. The
- 20 lease agreement shall incorporate applicable rules and regulations, the schedule of fees, and make
- 21 clear any legal liabilities for private entities seeking to advertise on its buses. The standard lease
- 22 agreement shall specifically prohibit any advertising which promotes substances which are
- controlled by law, or are illegal to distribute to minors, including, without limitation, alcohol;
- 24 establishments selling primarily alcohol products, such as bars; tobacco products; firearms;
- obscenity and as may be otherwise determined by the Department of Public Works.
- 26 § 50A104. Program Management. The Department shall issue a request for proposals for the
- 27 management of the Program. The Fund established in §50A105 shall be the source for any program
- 28 management fees.
- 29 § 50A105. DPW Maintenance Fund, There is hereby created, separate and apart from all other
- funds of the government of Guam, a fund known as the 'DPW Bus Maintenance Fund' ("Fund") into

which shall be deposited all fees collected from the commercial leasing of advertising space on school buses. Expenditures from the Fund shall be by written authorization of the Director of Public Works.

- (a) Same: Administration. The Fund shall be administered by the Department of Public Works and shall not be commingled with the General Fund or any other fund of the government of Guam. The Fund shall be maintained in a separate bank account and monies deposited therein shall not be subject to *I Maga'lahen Guåhan's* transfer authority. The Department of Public Works is authorized to accept for the Fund gifts, bequests, donations and other kinds of contributions for the purposes of the Fund.
  - (b) **Same: Expenditures.** Expenditures from the Fund shall be made exclusively for the purpose of supplementing the costs associated with maintaining the Department of Public Works' school buses and for program management fees.
  - (c) Same: Annual Financial Report. Within sixty (60) days after the closing of each fiscal year, the administrator or authorized custodian of the DPW Bus Maintenance Fund shall transmit to the Director of the Department of Public Works an annual report of the expenditures of the Fund, including, but not limited to, a balance sheet, a statement of receipts and expenses, and a general description of the income sources of the Fund and the expenses thereof. Copies of the report shall be transmitted to I Maga'lahen Guåhan and to the Speaker of I Liheslaturan Guåhan."
- 19 Section 6. Effective Date. The provisions of this Act shall be effective upon enactment.
  - Section 7. Severability. If any provision of this Act, or the application thereof to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.