



*Territory of Guam*

OFFICE OF THE GOVERNOR  
AGANA, GUAM 96910  
U.S.A.

RECEIVED  
AUG 26 1987  
5:47 P.M.

The Honorable Franklin J.A. Quitugua  
Speaker, Nineteenth Guam Legislature  
Post Office Box CB-1  
Agana, Guam 96910

AUG 26 1987

Dear Mr. Speaker:

I have signed into law this day, August 26, 1987, Substitute Bill 464 (LS).

I am highly supportive of this measure. Having recently attended the 1987 Annual Meeting of the Pacific Basin Development Council, I know full well the benefits that can accrue to all Micronesian and Pacific Peoples through regional cooperative efforts. During that meeting, we were able to secure regional cooperation in Drug Enforcement Matters, including regional support for Guam's application to the federal government for assistance in expanding our local crime lab, the only such facility between Hawaii and the Philippines.

The establishment of the Guam-Micronesia Island Fair can be a tremendous aid in the development of regional tourism, agriculture and industry. This fair can help us to establish even closer economic ties with our neighbors and foster the kind of unity that will help us in making a greater economic impact in Asia and on the U.S. Mainland.

I foresee a future of greater cooperation between the people who share the common heritage of this beautiful and bountiful Pacific Ocean. This measure brings us closer to the realization of that future. It brings us closer to a time that we will truly cooperate in the elimination of common problems, like infestation of our agricultural produce from extra-regional pests, and the constant threat of nuclear dumping, and the achievement of mutual success in tourism, industry, and the exploitation of our common Oceanic resources.

Sincerely,

JOSEPH F. ADA  
Governor of Guam

190308

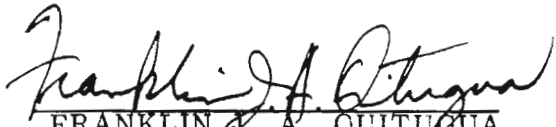
Enclosure

*200-1987  
6-21-87  
per*


NINETEENTH GUAM LEGISLATURE  
1987 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

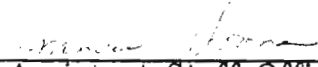
This is to certify that Substitute Bill No. 464 (LS), "AN ACT TO ADD A NEW 1 GCA §1033 RELATIVE TO ESTABLISHING A GUAM-MICRONESIA ISLAND FAIR," was on the 12th day of August, 1987, duly and regularly passed.

  
FRANKLIN A. QUITUQUA  
Speaker

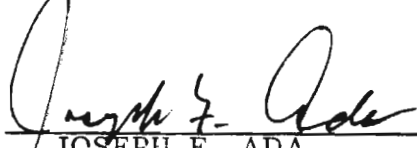
Attested:

  
PILAR C. LUJAN  
Senator and Legislative Secretary

-----  
This Act was received by the Governor this 14<sup>th</sup> day of August, 1987,  
at 2:48 o'clock P.m.

  
Assistant Staff Officer  
Governor's Office

APPROVED:

  
JOSEPH F. ADA  
Governor of Guam

Date: August 26, 1987

Public Law No. 19-7



NINETEENTH GUAM LEGISLATURE  
1987 (FIRST) Regular Session

Bill No. 464 (LS)  
Substitute by Committee on  
Tourism, Transportation and  
Communications

Introduced by:

J. F. Quan  
F. J. A. Quitugua  
F. J. Gutierrez

---

J. G. Bamba  
H. D. Dierking  
E. M. Espaldon  
M. K. Hartsock  
P. C. Lujan  
M. D. A. Manibusan  
J. M. Rivera  
M. C. Ruth  
J. T. San Agustin  
A. J. Shelton  
T. S. Nelson  
E. P. Arriola  
J. G. Miles

AN ACT TO ADD A NEW 1 GCA §1033  
RELATIVE TO ESTABLISHING A  
GUAM-MICRONESIA ISLAND FAIR.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:  
2 Section 1. Legislative Finding. The Legislature finds that Micronesia  
3 is unique in its combination of beauty in natural physical environment, in  
4 its people and their island spirit, and it varied ethnic groups, cultures,  
5 religions and lifestyles. These facets of beauty are not only the basis for  
6 attracting visitors but they are also the basis for a friendly interchange of  
7 ideas, views, as well as commercial and social bonds within Micronesia. As  
8 the Pacific region becomes increasingly competitive in the marketing of their  
9 assets and attractions, and as Micronesia in turn develops its visitor  
10 industry, it must, as a matter of deliberate policy, ensure that the benefits  
11 of tourism are shared to its optimum. As Guam is the hub of transportation  
12 and communications for Micronesia, it is incumbent upon Guam to assume  
13 leadership in the promotion of tourism and commerce for Micronesia.

1 Section 2. A new 1 GCA §1033 is added to read:

2 "§1033. Guam-Micronesia Island Fair. (a) Annually, the  
3 Governor shall issue a proclamation calling upon the people of Guam to  
4 observe a Guam-Micronesia Island Fair, which shall begin on the first  
5 Friday following Easter Sunday and run for no more than seventeen  
6 (17) calendar days. The first Guam-Micronesia Island Fair shall:

7 1. Be conducted at a suitable location to be determined by  
8 the organizing committee.

9 2. Accept the participation of neighboring Micronesian  
10 nations who shall be encouraged to develop displays of  
11 handicrafts, artists works, and cultural performers.

12 3. Encourage the participation of industrial and agricultural  
13 developers in presenting exhibits of manufactured goods,  
14 agricultural products and livestock for showing or for sale.

15 4. Encourage the people of Guam, visitors to Guam, buyers  
16 and journalists from Asian rim and other nations to attend.

17 5. Be subject to a user fees of ten percent (10%) instead of  
18 the Gross Receipts Tax on all goods and services sold at the fair.

19 (b) The Department of Commerce shall be the organizing body  
20 for the Guam-Micronesia Island Fair. The Guam Visitors Bureau shall  
21 provide the necessary logistics and financial support to insure the  
22 success of the Fair. The Department of Parks and Recreation shall  
23 assist by issuing permits for booths and exhibits, and designing the  
24 general layout of booths, exhibits and activities, with cultural  
25 awareness paramount in the design. The Department of Public Works  
26 shall inspect and ensure that the public facilities at Ypao Beach Park  
27 are in good working condition to adequately protect the health and  
28 safety of the persons at the Fair. The Department of Revenue and  
29 Taxation shall issue on a priority basis a license for each type of  
30 activity being conducted at the Fair which requires a license from the  
31 department. The Department of Public Health shall issue licenses for  
32 the preparation and sale of food. The Department of Commerce shall  
33 provide information and assistance to participants concerning the  
34 importation requirements of statutes and the U.S. Department of

1 Agriculture and other agencies for importation of items into the  
2 territory for use at the Fair. The Department of Agriculture shall  
3 establish regulations for the judging of produce and livestock exhibited  
4 at the Fair. The Commissioners' Council shall create a mechanism for  
5 village competitions. The Guam Council on the Arts and Humanities  
6 shall provide technical assistance to encourage public participation of  
7 the performing and fine arts.

8 (c) The Governor shall appoint, from among the personnel of the  
9 departments and agencies mentioned in Subsection (b) of this Section,  
10 personnel to insure the success of the Guam-Micronesia Island Fair.

11 (d) A user fees of ten percent (10%) of the sale price of goods  
12 or services sold at the Fair shall be collected and deposited to the  
13 Treasury of Guam. Seventy-five percent (75%) of the proceeds  
14 collected shall be deposited in the General Fund with twenty-five  
15 percent (25%) to be deposited in the Guam, CNMI and Micronesian  
16 Student Loan Fund.

17 (e) Within thirty (30) days of the close of each Guam-Micronesia  
18 Island Fair, the Guam Visitors Bureau shall report on the financial  
19 status of the Fair to the Governor and Legislature, and shall make  
20 recommendations to improve the implementation of the Fair, including  
21 future sites and dates of the Fair.

22 Section 3. Twenty-five percent (25%) of the proceeds collected under  
23 §1033(d) GCA shall be deposited in the Guam, CNMI and Micronesian  
24 Student Loan Fund. The Fund shall be administered by the Board of  
25 Regents of the University of Guam, and all monies deposited in the Fund  
26 shall be dispensed by the Board pursuant to the established rules and  
27 regulations of the Fund. Within sixty (60) days after the closing of each  
28 fiscal year the Board shall transmit to the Governor and the Legislature an  
29 annual report of the expenditures of the Fund including, but not limited, to  
30 a balance sheet, statement of receipts and expenses thereof.

1           Section 4. A new Subsection .1024 is added to Section 19543 of the  
2 Government Code to read:  
3           ".1024. Amounts received by a participant in the  
4 Guam-Micronesia Island Fair from sales of goods or services at the  
5 Fair.  
6           Section 5. The Department of Commerce shall call its first  
7 organizational meeting for the 1988 Guam-Micronesia Island Fair within thirty  
8 (30) days of the date of enactment of this Act.  
9           Section 6. 17 GCA §§22101 through 22104 are repealed.  
10          Section 7. 12 GCA §§9301 through 9303 are repealed.

NINETEENTH GUAM LEGISLATURE

ROLL CALL SHEET

Bill No. 464

DATE: 8/12/87

Res. No. \_\_\_\_\_

QUESTION: \_\_\_\_\_

SENATOR	<u>AYE</u>	<u>NAY</u>	<u>NOT VOTING</u>	<u>ABSENT</u>
<u>E. P. Arriola</u>	✓			
<u>J. G. Bamba</u>	✓			
<u>H. D. Dierking</u>	✓			
<u>E. R. Duenas</u>	✓			
<u>E. M. Espaldon</u>	✓			
<u>F. J. Gutierrez</u>	✓			
<u>M. K. Hartsock</u>	✓			
<u>A. C. Lamorena III</u> H		✓		
<u>P. C. Lujan</u>	✓			
<u>M. D. A. Manibusan</u>	✓			
<u>J. G. Miles</u>	✓			
<u>T. S. Nelson</u>	✓			
<u>D. Parkinson</u> N	✓			
<u>J. F. Quan</u>	✓			
<u>F. J. Quitugua</u>	✓			
<u>J. M. Rivera</u>	✓			
<u>M. C. Ruth</u>	✓			
<u>J. T. San Agustin</u>				✓
<u>P. C. Sanchez</u>				✓
<u>F. R. Santos</u>	✓			
<u>A. J. Shelton II</u>	✓			

18. 1

2



FRANKLIN J. GUTIERREZ  
Vice-Speaker

*Office of the Vice-Speaker*

Nineteenth Guam Legislature  
Post Office Box CB-1  
Agana, Guam 96910  
Telephone: 472-3405/06



Chairman, Committee on Tourism, Transportation  
and Communications

July 7, 1987

The Honorable Franklin J. A. Quitugua  
Speaker  
Nineteenth Guam Legislature  
Post Office Box CB-1  
Agana, Guam 96910

Via: Chairman, Committee on Rules

Dear Mr. Speaker:

The Committee on Tourism, Transportation and Communications to which was referred Bill No. 464, AN ACT TO ADD A NEW 1 GCA 1033, RELATIVE TO ESTABLISHING A GUAM-MICRONESIA ISLAND FAIR, has had the same under consideration and now wishes to report back the same with the recommendation to do pass as substituted.

Committee voting record is as follows:

To Do Pass	<u>12</u>
Not To Pass	<u>0</u>
To Report Out Only	<u>0</u>
To Place In Inactive File	<u>0</u>

A copy of the Committee Report and all other pertinent documents are attached for your information.

Sincerely yours,

FRANKLIN J. GUTIERREZ

Attachments





# Office of the Vice-Speaker

Nineteenth Guam Legislature  
Post Office Box CB-1  
Agana, Guam 96910  
Telephone: 472-3405/06



FRANKLIN J. GUTIERREZ  
Vice-Speaker

Chairman, Committee on Tourism, Transportation  
and Communications

## VOTE SHEET

BILL NO. 464

Substituted by Committee on  
Tourism, Transportation and Communications

"AN ACT TO ADD A NEW 1 GCA §§1033 RELATIVE TO  
ESTABLISHING A GUAM-MICRONESIA ISLAND FAIR."

<u>Committee Member</u>	<u>To Pass</u>	<u>Not to Pass</u>	<u>To Report Out Only</u>	<u>To Place in Inactive File</u>
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*[Signature]*  
FRANKLIN J. GUTIERREZ  
Chairman

*[Signature]*  
JOHN F. QUAN  
Vice Chairman

*[Signature]*  
JOSEPH G. BAMBA

*[Signature]*  
HERMINIA D. DIERKING

*[Signature]*  
ERNESTO ESPALDON

*[Signature]*  
MARCIA HARTSOCK

*[Signature]*  
PILAR C. LUJAN

*[Signature]*  
MARILYN MANIBUSAN

*[Signature]*  
JERRY M. RIVERA

*[Signature]*  
MARTHA C. RUTH

*[Signature]*  
JOE T. SAN AGUSTIN

*[Signature]*  
A. J. SONNY SHELTON

PRELIMINARY REPORT

ON  
BILL NO. 464

AN ACT TO ADD A NEW 1 GCA SECTION 1033,  
RELATIVE TO ESTABLISHING A GUAM AND  
MICRONESIA PACIFIC FAIR.

Introduced by: J. F. QUAN, F. J. GUTIERREZ, F. J. A. QUITUGUA

PREFACE

The Committee on Tourism, Transportation and Communications conducted a public hearing on Friday, May 29, 1987, at 10 a.m. in the Legislative Session Hall to hear testimony on Bill No. 464. Senators present were Franklin J. Gutierrez, Chairman; John F. Quan, Vice Chairman; Franklin J. A. Quitugua, Speaker; Jerry M. Rivera; Martha C. Ruth; and Marcia Hartsock.

BACKGROUND

Bill No. 464 proposes to establish an annual Guam and Micronesia Fair to encourage local residents and people from other islands to display and sell agricultural products, arts and crafts to tourists.

The fair is to be held at Ypao Beach Park on the first Friday following Easter Sunday to run for no more than 17 days.

The Guam Visitors Bureau is the organizing body for the fair.

A gross sales tax of 10% will be levied on all goods and services sold at the fair.

Section 5 of the bill will repeal Chapter 22 of 17 GCA relative to Micronesian Cultural Fair.

Section 6 of the bill will repeal Article 3 of Chapter 9 of 12 GCA relative to the Guam and Micronesian Cultural Village on Guam.

TESTIMONY

Yigo Commissioner David G. Blas recommended that the location of the fair should be left open instead of designated by law. He also testified that the 10% gross receipts tax "will only discourage participants to join in the fair." See Attachment 1.

Tom Blas of the Department of Agriculture testified that there is already the Island-wide Farmers Fair in May which is annually held in conjunction with the San Isidro fiesta in May and the Agricultural State Fair in July coinciding with the Liberation Day

celebration. Mr. Blas and Mr. Bob Button, who represented the southern farmers, felt that having too many fairs would minimize enthusiasm.

Senator Quan said that the intent of the bill is to give the farmers and artists the opportunity to sell their products to tourists. The opportunity to sell local products would have direct economic benefits to them. Much of the money Japanese tourists spend here actually ends up in Japan because of prepackaged tours and their patronage of Japanese-owned businesses.

Senator Gutierrez asked what would be the best time to have the fair. Mr. Blas responded that March and April are the most productive months for farmers. This conflicts with Lent.

Speaker Quitugua and Senator Quan stated that the concept of the fair had been discussed and widely supported by leaders of the APIL. They view the concept as a cooperative efforts between Guam and the other neighboring islands. It would encourage the development among the islands for a strong cultural, social and economic bonds of friendship among the people of Micronesia.

Guam Visitors Bureau submitted written testimony supporting the intent of the bill. The Bureau recommends that the fair be held at the same time with National Tourism Week in May. The Bureau also recommends imposing only the 4% gross receipts tax. See Attachment 2.

The Director of Parks and Recreation submitted written testimony in favor of the bill with reservations. The Director felt the proposed 17 days is too long, especially if it is to be held at Ypao Beach Park. The beach area is highly used for family picnics. See Attachment 3.

The Director of the Department of Vocational Rehabilitation submitted written testimony. She said that to call the fair Guam and Micronesia Pacific Fair is "being elitist." She recommends the proposed gross receipts tax be waived or exempt for products sold at the fair. See Attachment 4.

Mr. Charles M. Matsutaro, Liaison Officer for the Republic of Palau, submitted a written testimony in support of the bill. See Attachment 5.

COMMITTEE CONSIDERATION AND RECOMMENDATIONS

On June 29, 1987, the oversight Committee met, a quorum being present, and ordered to substitute Bill No. 464, with amendments, by voice vote, and to report it out of the Committee.

The technical amendments to the original bill are as follows:

1. Name the Fair "Guam-Micronesia Island Fair."
2. Delete the phrase "gross sales tax" (see line 18 of original Bill) to read "user fees."
3. Create a special fund to be called "Micronesian Student Emergency Assistance Fund." Twenty-five percent (25%) of the proceeds from the Fair is to be deposited in the fund.
4. Include the Guam Council on the Arts and Humanities as a participating agency.

NETEENTH GUAM LEGISLATURE  
1987 (FIRST) Regular Session

Bill No. 464  
(Substituted by the Committee on Tourism,  
Transportation and Communications

Introduced by:

J. F. QUAN  
F. J. A. QUITUGUA  
F. J. GUTIERREZ  
J. G. BAMBA  
H. D. DIERKING  
E. ESPALDON  
M. HARTSOCK  
P. C. LUJAN  
M. D.A. MANIBUSAN  
J. M. RIVERA  
M. C. RUTH  
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A. J. SONNY SHELTON

AN ACT TO ADD A NEW 1 GCA §1033 RELATIVE TO  
ESTABLISHING A GUAM-MICRONESIA ISLAND FAIR.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

2 Section 1. Legislative Finding. The Legislature finds that  
3 Micronesia is unique in its combination of beauty in natural  
4 physical environment, in its people and their island spirit,  
5 and its varied ethnic groups, cultures, religions and lifestyles.  
6 These facets of beauty are not only the basis for attracting  
7 visitors but they are also the basis for a friendly interchange  
8 of ideas, views, as well as commercial and social bonds within  
9 Micronesia. As the Pacific region becomes increasingly competitive  
10 in the marketing of their assets and attractions, and as  
11 Micronesia in turn develops its visitor industry, it must, as  
12 a matter of deliberate policy, ensure that the benefits of  
13 tourism are shared to its optimum. As Guam is the hub of  
14 transportation and communications for Micronesia, it is incumbent  
15 upon Guam to assume leadership in the promotion of tourism and  
16 commerce for Micronesia.

17 Section 2. A new 1 GCA §1033 is added to read:

---

1 "§1033. Guam-Micronesia Island Fair. (a) Annually,  
2 the Governor shall issue a proclamation calling upon the people  
3 of Guam to observe a Guam-Micronesia Island Fair, which shall  
4 begin on the first Friday following Easter Sunday and run for  
5 no more than seventeen (17) calendar days. The first Guam-  
6 Micronesia Island Fair shall:

- 7 1. Be conducted at the location of Ypao Beach Park.
- 8 2. Accept the participation of neighboring Micronesian  
9 nations who shall be encouraged to develop displays  
10 of handicrafts, artists works, and cultural performers.
- 11 3. Encourage the participation of industrial and  
12 agricultural developers in presenting exhibits of  
13 manufactured goods, agricultural products and livestock  
14 for showing or for sale.
- 15 4. Encourage the people of Guam, visitors to Guam,  
16 buyers and journalists from Asian rim and other nations  
17 to attend.
- 18 5. Be subject to a user fees of ten percent (10%) instead  
19 of the Gross Receipts Tax on all goods and services  
20 sold at the fair.

21 (b) The Guam Visitors Bureau shall be the organizing body for  
22 the Guam-Micronesia Island Fair. The Department of Parks and  
23 Recreation shall assist by issuing permits for booths and  
24 exhibits, and designing the general layout of booths, exhibits  
25 and activities, with cultural awareness paramount in the design.  
26 The Department of Public Works shall inspect and ensure that  
27 the public facilities at Ypao Beach Park are in good working  
28 condition to adequately protect the health and safety of the  
29 persons at the Fair. The Department of Revenue and Taxation

1 shall issue on a priority basis a license for each type of  
2 activity being conducted at the Fair which requires a license  
3 from that department. The Department of Public Health  
4 shall issue licenses for the preparation and sale of food.  
5 The Department of Commerce shall provide information and  
6 assistance to participants concerning the importation  
7 requirement statutes and the U. S. Department of Agriculture  
8 shall establish regulations for the judging of produce and  
9 livestock exhibited at the Fair. The Commissioners' Council  
10 shall create a mechanism for village competitions. The  
11 Guam Council on the Arts and Humanities shall provide technical  
12 assistance to encourage public participation of the performing  
13 and fine arts.

14 (c) The Governor shall appoint, from among the personnel  
15 of the departments and agencies mentioned in Subsection (b)  
16 of this Section, personnel to insure the success of the Guam-  
17 Micronesia Island Fair.

18 (d) A user fees of ten percent (10%) of the sale price of  
19 goods or services sold at the Fair shall be collected  
20 and deposited to the Treasury of Guam. Seventy-five percent  
21 (75%) of the proceeds collected shall be deposited in the  
22 General Fund with twenty-five percent (25%) to be deposited  
23 in the Micronesian Students Emergency Financial Fund.

24 (e) Within thirty (30) days of the close of each Guam-  
25 Micronesia Island Fair, the Guam Visitors Bureau shall report  
26 on the financial status of the Fair to the Governor and  
27 Legislature, and shall make recommendations to improve the  
28 implementation of the Fair, including future sites and  
29 dates of the Fair.

1           Section 3. There is hereby created, separate and  
2 apart from other funds of the Government of Guam, a fund  
3 known as the "Micronesian Students Emergency Assistance  
4 Fund." This fund shall not be commingled with other funds  
5 and shall be kept in a separate bank account. Twent-five  
6 percent (25%) of the proceeds collected under Section 1033(d)  
7 GCA shall be deposited in the fund. The fund shall be  
8 administered by the Board of Regents of the University of  
9 Guam, and all monies deposited in the fund shall be dispensed  
10 by the Board pursuant to the established rules and regulations  
11 of the fund. Within sixty (60) days after the closing of  
12 each fiscal year the Board shall transmit to the Governor  
13 and Legislature an annual report of the expenditures of  
14 the fund including, but not limited, to a balance sheet,  
15 statement of receipts and expenses thereof.

16           Section 4. The Board of Regents of the University of  
17 Guam shall promulgate rules and regulations for the disbursements  
18 of funds pursuant to Section 3 to any Micronesian student whose  
19 legal residence is outside of Guam and who is currently enrolled  
20 at either the University of Guam or the Guam Community College.  
21 The Board shall select the recipients of the assistance upon  
22 the basis of financial needs.

23           Section 5. A new Subsection .1024 is added to Section  
24 19543 of the Government Code to read:

25           ".1024 Amounts received by a participant in the Guam-  
26 Micronesia Island Fair from sales of goods or services at the  
27 Fair." The first Guam-Micronesia Island Fair shall be held  
28 beginning on the first Friday after Easter.



1           Section 6. The Guam Visitors Bureau shall call its  
- 2 first organizational meeting for the 1988 Guam-Micronesia Island  
3 Fair within thirty (30) days of the date of enactment of this  
4 Act.

5           Section 7. 17 GCA §§22101 through 22104 are repealed.

6           Section 8. 9 GCA §§9301 through 9303 are repealed.

NINETEENTH GUAM LEGISLATURE  
1987 (FIRST) Regular Session

Bill No. 464

Introduced by:

J. F. Quan  
F. J. A. Quitugua  
F. J. Gutierrez

---

AN ACT TO ADD A NEW 1 GCA §1033,  
RELATIVE TO ESTABLISHING A GUAM AND  
MICRONESIA PACIFIC FAIR.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

2 Section 1. A new 1 GCA §1033 is added to read:

3 "§1033. Guam and Micronesia Pacific Fair. (a) Annually, the  
4 Governor shall issue a proclamation calling upon the people of Guam to  
5 observe a Guam and Micronesia Pacific Fair which shall begin on the  
6 first Friday following Easter Sunday and run for no more than  
7 seventeen (17) calendar days. The Guam and Micronesia Pacific Fair  
8 shall:

- 9 1. be conducted at the location of Ypao Beach Park.  
10 2. accept the participation of neighboring Pacific nations who  
11 shall be encouraged to develop displays of handicrafts,  
12 artists works, and cultural performers.  
13 3. encourage the participation of business and agriculture in  
14 presenting exhibits of manufactured goods, agricultural  
15 products and livestock for showing or for sale.  
16 4. encourage the people of Guam, visitors to Guam, buyers and  
17 journalists from Asian rim and other nations to attend.  
18 5. be subject to a gross sales tax of ten percent 10% instead of  
19 the Gross Receipts Tax on all goods and services sold at the  
20 fair.

21 (b) The Guam Visitor's Bureau shall be the organizing body for the  
22 Guam and Micronesia Pacific Fair. The Department of Parks and  
23 Recreation shall assist by issuing permits for booths and exhibits and

1 designing the general layout of booths, exhibits and activities, with  
2 cultural awareness paramount in the design. The Department of Public  
3 Works shall inspect and ensure that the public facilities at Ypao Beach  
4 Park are in good working condition to adequately protect the health  
5 and safety of the persons at the Fair. The Department of Revenue  
6 and Taxation shall issue on a priority basis a license for each type of  
7 activity being conducted at the Fair which requires a license from that  
8 department. The Department of Public Health shall issue licenses for  
9 the preparation and sale of food. The Department of Commerce shall  
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11 importation requirements of statutes and the U.S. Department of  
12 Agriculture and other agencies for importation of items into the  
13 territory for use at the Fair. The Department of Agriculture shall  
14 establish regulations for the judging of produce and livestock exhibited  
15 at the Fair. The Commissioners' Council shall create a mechanism for  
16 village competitions.

17 (c) The Governor shall appoint, from among the personnel of the  
18 departments and agencies mentioned in Subsection (b) of this Section,  
19 personnel to insure the success of the Guam and Micronesia Pacific  
20 Fair.

21 (d) A gross sales tax of ten percent (10%) of the sale price of goods  
22 or services sold at the fair shall be collected and deposited to the  
23 Treasury of Guam.

24 (e) Within thirty (30) days of the close of each Guam and Micronesia  
25 Pacific Fair, the Guam Visitor's Bureau shall report on the financial  
26 status of the Fair to the Governor and Legislature, and shall make  
27 recommendations to improve the implementation of the Fair."

28 Section 2. A new Subsection .1024 is added to Section 19543 of the  
29 Government Code to read:

30 ".1024 Amounts received by any participant in the Guam and  
31 Micronesia Pacific Fair from sales of goods or services at the Fair."

32 Section 3. The first Guam and Micronesia Pacific Fair shall be held  
33 beginning Friday, April 8, 1988.

1           Section 4. The Guam Visitor's Bureau shall call its first organizational  
2 meeting for the 1988 Guam and Micronesia Pacific Fair within thirty (30)  
3 days of the date of enactment of this Act.

4           Section 5. 17 GCA §§22101 through 22104 are repealed.

5           Section 6. 9 GCA §§9301 through 9303 are repealed.

TESTIMONY ON BILL 464

May 29, 1987

Mr. chairman and members of this committee my name is David G. Blas Commissioner of Yigo, and I'm here to testify on Bill 464 and on behalf of the people of Yigo.

First let me thank the committee for giving me the opportunity to appear and testify on a bill that I feel is very significant to the village of Yigo if not Islandwide. Although the Bill's intentions are great there are some recommendations that I would suggest for the committee to reconsider.

The location of the fair I feel should be open and not be designated by law.

10% gross receipt tax should not be implemented to our Guam producers. The charging of a 10% GRT will only discourage participants to join in the fair. As elected leaders we should be designing mechanisms to provide incentives to many of our undiscovered talent of our Island. This are some of the comments relayed to me by farmers, Taxidermist and Arts and Craft artist in Yigo.

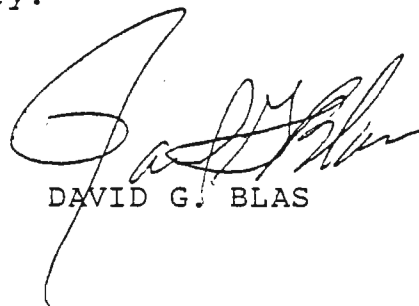
ATTACHMENT 1

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My question to this committee is that why it it that when Hotel owners come in to built in Guam, with all its financial backings and all the opportunities to make a big return on investment, a tax rebate is blindly approved by the Legislature. Now that ordinary people trying to at least advertise there goods a GRT is ready to be collected even before the opportunity to make a profit is realized.

My final observation of this bill is that rather than encouraging the farmers to really look up for "THE DAY" it is more of a deterant for them not to plant and raise their best to exhibit if this Bill becomes Law.

Thank you for the opportunity.



DAVID G. BLAS



# Guam Visitors Bureau

(P.O. BOX 3520 AGANA, GUAM 96910) 1220 Pale San Vitores Rd. Tumon, Guam 96911  
Tel: 646-8516/8466 646-5278/9/ Cable: GUAMTOUR/Telex: 6432/Fax: 671-646-8861

May 25, 1987

The Honorable Franklin J. Gutierrez  
Vice-Speaker and Chairman, Committee  
on Tourism, Transportation and Communications  
P.O. Box CB-1  
Agana, Guam 96910

Dear Vice-Speaker Gutierrez:

This is to submit written testimony supporting the intent of Bill No. 464 relative to establishing a Guam and Micronesia Pacific Fair.

Similar in concept to the proposed fair, county fairs throughout the contiguous United States are enjoying a renaissance, gaining popularity once again. The proposed Guam and Micronesia Pacific Fair could become another major tourist attraction event in our island's social calendar. Promoting the arts and agriculture of our region of the world is an excellent idea. However, to acquire the full cooperation of our island neighbors, coordination/initial communication must be made at the executive level. As in the past, the costs for joint promotions with our island neighbors in Micronesia have been largely borne by us due to their budgetary constraints. By working at the executive level, a reasonable cost-sharing solution can be reached. To further ensure the success of this event, we have certain concerns which must be addressed as follows:

1. Personnel. The Guam Visitors Bureau can do the job required as overall coordinator as long as we do receive the firm commitment of the other departments and agencies which are listed in the bill. A fair of this magnitude requires a considerable amount of work outlay. From a staffing viewpoint, it is conceivable to consider hiring



Travel Industry Association  
of America



American Society  
of Travel Agents, Inc.



ATTACHMENT 2

an additional body or bodies to meet the necessary manpower requirements.

2. Timing. The fair is to be held a week after Easter. As you know, the GVB sponsors "Christmas-in-Guam" in December and celebrates National Tourism Week in May. Planning and organizing for these major events demands a lot of dedicated hours and diligence from our staff. For purposes of coordination, it would be perhaps in our best interest to merge the proposed fair with an existing event such as National Tourism Week which I am recommending. Further, I suggest that the length of the fair be shortened to two(2) weeks instead of 17 days. It would be easier to generate high levels of enthusiasm over a shorter period of time.
3. 10% Gross Sales Tax. Although we are not economists, we are unsure of the rationale to impose a 10% tax on sales at the fair, in lieu of the 4% GRT. From a marketing perspective, we feel that the tax is inappropriate. To attract artists from our island neighbors, costs must be minimal. Many of our local artisans engaged in cottage industries can ill afford to pay such a tax. Furthermore, imposition of such a tax may force prices up, making items too expensive for purchase. Rather than a 10% tax, we recommend imposing just the GRT. Depending on the marginal success of the fair, the 10% tax could be imposed the following year.
4. Budget. A budget for the fair was not addressed in the bill. Since the event would be more or less promotional, a noteworthy one at that, we recommend that a budget be tacked on to our local promotions budget. Upon reviewing the scope of the fair, we can forward a proposed budget to your office which was not provided for in our FY88 Budget request.

Upon resolution of the above concerns, we are confident that the proposed fair can be held successfully. The idea is excellent and certainly has merit, bringing local residents and island

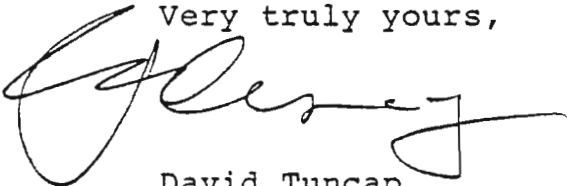
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neighbors throughout Micronesia in direct contact with our visitors. Please be advised that although I do support the intent of Bill No.464, this may not be the full position of the Board in that we have not discussed this matter during a regular board meeting. I will, however, express my views at our next meeting.

Thank you for this opportunity to submit my comments on Bill No.464. Should you have any questions, I shall be available.

Very truly yours,

A handwritten signature in cursive script, appearing to read 'David Tuncap', written in dark ink.

David Tuncap  
Chairman of the Board

DT/rc

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DEPARTMENT OF PARKS AND RECREATION

GOVERNMENT OF GUAM  
490 Naval Hospital Road  
Agana, Heights, Guam 96919  
Telephone: (671) 477-9620/1



Anthony C. Mariano  
Director

Dennis M. Zermeno  
Deputy Director

MAY 29 1987

The Honorable Franklin J. Gutierrez  
Chairman, Committee on Tourism,  
Transportation & Communications  
Nineteenth Guam Legislature  
Post Office Box CB-1  
Agana, Guam 96910

Dear Vice-Speaker Gutierrez:

We feel that the concept of Bill No. 464 will be beneficial to all concerned, but the Department of Parks and Recreation does have several concerns.

1. We feel that seventeen (17) days is too long for such a Fair, especially if it is to be held at the Ypao Beach Park.
  - a. The park is a highly used area for family picnics.
  - b. If livestock is included, then accommodations have to be made to take care of their waste.
  - c. Ypao is an archaeological site under the National Register. The Department has a policy that no structure can be built allowing any objects to be driven into the ground.
2. Various departments have been assigned responsibilities as contained in Bill No. 464:

Part "B" of Subsection 1033 in Section 1 states:

"The Department of Parks and Recreation shall assist by issuing permits for booths and exhibits and designing the general layout of booths, exhibits and activities, with cultural awareness paramount in the design."

Is there an intent to charge for the permits? The Department feels that to be consistent with our policies, we would consider the operators of these booths as temporary vendors. The charge is only \$10.00 per permit. Also, who would be responsible for building the booths? If our department, then funding should be identified. In fact, any additional cost to any of the agencies for the Fair, funding should be identified.

ATTACHMENT 3

3. Part "B" of Subsection 1033 in Section 1 also states:

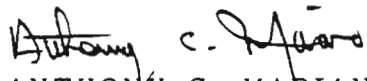
"The Department of Public Works shall inspect and ensure that the public facilities at Ypao Beach Park are in good working condition to adequately protect the health and safety of the persons at the Fair."

This responsibility is presently ours, and we would maintain these responsibilities during the Fair, with assistance from the Department of Public Works. Again, any other special requirements that is needed to accomodate the Fair, funds should be identified.

An additional note, the Festival of the Arts, sponsored by the Latte Jaycees, have a similar Fair each year. A joint project with them may be considered.

Once again, we are in favor of the concept of the Bill, but the above concerns should be addressed.

Sincerely,

  
ANTHONY C. MARIANO  
Director

DEPARTMENT OF VOCATIONAL REHABILITATION  
GOVERNMENT OF GUAM  
122 HARMON PLAZA - RM. B201  
HARMON INDUSTRIAL PARK, GUAM 96911

May 27, 1987

MEMORANDUM

TO: Franklin J. Gutierrez  
Senator, Vice-Speaker

FROM: Director, Dept. of Vocational Rehabilitation

SUBJECT: BILL 464 - ESTABLISHING A GUAM & MICRONESIA  
PACIFIC FAIR

Bill 464 as written is a commendable Bill. I would like to offer some remarks:

The Guam and Micronesia Pacific Fair ought to be geographically correct. Guam is part of Micronesia. To set Guam a part from Micronesia is being an elitist; that Guam is greater or better than the rest of its island neighbors. Therefore, the fair should be the Micronesia Pacific Fair, with all of the island nations invited to participate.

Futuristically, the Bill ought to consider the creation of a Territorial Commissioner on State Fairs, that will be self-sufficient in its planning and operation of major annual events like the Liberation Day Festivities. As a true incentive, gross receipts tax for this occasion should be waived or exempt for this period only.

The Territorial Commission on State Fairs should issue regulations and develop relationships with the Department of Public Health & Social Services, Department of Revenue & Taxation, Department of Parks & Recreation and the village commissioners. It should be required to submit quarterly program and financial reports to the general public.

Thank you for your cooperation.

*Rosa T. P. Salas*  
ROSA T.P. SALAS

ATTACHMENT 4



Charles Minor Matsutaro  
LIAISON OFFICER

7 11:25 AM  
**REPUBLIC OF PALAU**

*Office of the Palau/Guam Liaison Officer*

Suite 615, ITC Building  
Tamuning, Guam USA 96911  
Phones: 646-9281/2

P.O. Box AC  
Agana, Guam 96910  
Telex. (721) 6633

May 27, 1987

The Honorable Franklin Gutierrez  
Vice-Speaker  
Nineteenth Guam Legislature  
P. O. Box CB-1  
Agana, Guam 96910

Dear Senator:

Thank you for soliciting my comments on Bill No. 464,  
regarding the new Guam and Micronesia Pacific Fair.

I feel that this bill has a merit in it, that it will  
encourage artists from my country to participate in the  
displaying of their handicrafts and cultural performances.

I regret to inform you that I will be off-island on that  
date and won't be able to personally state my opinion  
during the public hearing, but I would like to assure  
you that you have my full support of this bill.

Sincerely,

Charles M. Matsutaro

ATTACHMENT 5

Introduced

MAY 07 '87

NINETEENTH GUAM LEGISLATURE  
1987 (FIRST) Regular Session

Bill No. 464 (LS)

Introduced by:

J. F. Quan  
F. J. A. Quitugua  
F. J. Gutierrez

AN ACT TO ADD A NEW 1 GCA §1033,  
RELATIVE TO ESTABLISHING A GUAM AND  
MICRONESIA PACIFIC FAIR.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

2 Section 1. A new 1 GCA §1033 is added to read:

3 "§1033. Guam and Micronesia Pacific Fair. (a) Annually, the  
4 Governor shall issue a proclamation calling upon the people of Guam to  
5 observe a Guam and Micronesia Pacific Fair which shall begin on the  
6 first Friday following Easter Sunday and run for no more than  
7 seventeen (17) calendar days. The Guam and Micronesia Pacific Fair  
8 shall:

- 9 1. be conducted at the location of Ypao Beach Park.  
10 2. accept the participation of neighboring Pacific nations who  
11 shall be encouraged to develop displays of handicrafts,  
12 artists works, and cultural performers.  
13 3. encourage the participation of business and agriculture in  
14 presenting exhibits of manufactured goods, agricultural  
15 products and livestock for showing or for sale.  
16 4. encourage the people of Guam, visitors to Guam, buyers and  
17 journalists from Asian rim and other nations to attend.  
18 5. be subject to a gross sales tax of ten percent 10% instead of  
19 the Gross Receipts Tax on all goods and services sold at the  
20 fair.

21 (b) The Guam Visitor's Bureau shall be the organizing body for the  
22 Guam and Micronesia Pacific Fair. The Department of Parks and  
23 Recreation shall assist by issuing permits for booths and exhibits and

1 designing the general layout of booths, exhibits and activities, with  
2 cultural awareness paramount in the design. The Department of Public  
3 Works shall inspect and ensure that the public facilities at Ypao Beach  
4 Park are in good working condition to adequately protect the health  
5 and safety of the persons at the Fair. The Department of Revenue  
6 and Taxation shall issue on a priority basis a license for each type of  
7 activity being conducted at the Fair which requires a license from that  
8 department. The Department of Public Health shall issue licenses for  
9 the preparation and sale of food. The Department of Commerce shall  
10 provide information and assistance to participants concerning the  
11 importation requirements of statutes and the U.S. Department of  
12 Agriculture and other agencies for importation of items into the  
13 territory for use at the Fair. The Department of Agriculture shall  
14 establish regulations for the judging of produce and livestock exhibited  
15 at the Fair. The Commissioners' Council shall create a mechanism for  
16 village competitions.

17 (c) The Governor shall appoint, from among the personnel of the  
18 departments and agencies mentioned in Subsection (b) of this Section,  
19 personnel to insure the success of the Guam and Micronesia Pacific  
20 Fair.

21 (d) A gross sales tax of ten percent (10%) of the sale price of goods  
22 or services sold at the fair shall be collected and deposited to the  
23 Treasury of Guam.

24 (e) Within thirty (30) days of the close of each Guam and Micronesia  
25 Pacific Fair, the Guam Visitor's Bureau shall report on the financial  
26 status of the Fair to the Governor and Legislature, and shall make  
27 recommendations to improve the implementation of the Fair."

28 Section 2. A new Subsection .1024 is added to Section 19543 of the  
29 Government Code to read:

30 ".1024 Amounts received by any participant in the Guam and  
31 Micronesia Pacific Fair from sales of goods or services at the Fair."

32 Section 3. The first Guam and Micronesia Pacific Fair shall be held  
33 beginning Friday, April 8, 1988.

1           Section 4. The Guam Visitor's Bureau shall call its first organizational  
2 meeting for the 1988 Guam and Micronesia Pacific Fair within thirty (30)  
3 days of the date of enactment of this Act.

4           Section 5. 17 GCA §§22101 through 22104 are repealed.

5           Section 6. 9 GCA §§9301 through 9303 are repealed.