



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

MAR 15 1997

The Honorable Antonio R. Unpingco
Speaker
Twenty-Fourth Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Agana, Guam 96910

Dear Speaker Unpingco:

Enclosed please find a copy of Bill No. 1 (LS), "AN ACT FOR THE REVERSION OF THE GAMBLING DEVICE FUND TO THE GENERAL FUND AND TO REENACT SECTION 64.20 OF TITLE 9, GUAM CODE ANNOTATED", which I have signed into law today as **Public Law No. 24-01**.

Since the prohibition on gambling devices was removed in December, 1996 from the local laws, the Administration has sought to restore it. This legislation also reflects the overwhelming choice of the people of Guam to maintain the illegality of the uncontrolled operation of gambling devices on Guam. I applaud Vice-Speaker Anthony C. Blaz for his initiative in restoring the pre-existing prohibition on gambling devices. This is responsible and responsive legislation and I am very pleased to sign it into law.

Very truly yours,


Carl T. C. Gutierrez

Attachment

00093

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By:	<u>D. [Signature]</u>
Time	<u>10:09 am</u>
Date	<u>3/12/97</u>

Office of the Speaker
ANTONIO R. UNPINGCO
Date: 3/17/97
Time: 10:20 am
Rec'd by: Myl [Signature]
Print Name: Myl Monique

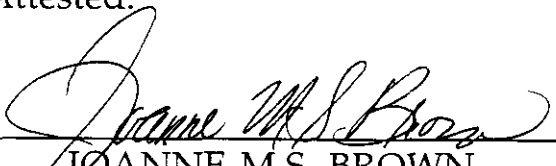
TWENTY-FOURTH GUAM LEGISLATURE
1997 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

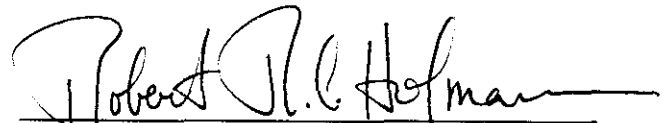
This is to certify that Substitute Bill No. 1 (LS), "AN ACT FOR THE REVERSION OF THE GAMBLING DEVICE FUND TO THE GENERAL FUND; AND TO REENACT SECTION 64.20 OF TITLE 9 OF THE GUAM CODE ANNOTATED," was on the 7th of March, 1997, duly and regularly passed.


ANTONIO R. UNPINGCO
Speaker

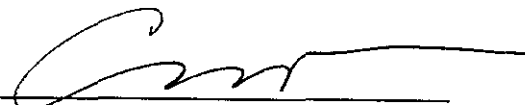
Attested:


JOANNE M.S. BROWN
Senator and Legislative Secretary

This Act was received by the Governor this 12th day of March,
1997, at 1:35 o'clock P.M.


Assistant Staff Officer
Governor's Office

APPROVED:


CARL T. C. GUTIERREZ
Governor of Guam

Date: 3-15-97

Public Law No. 24-01

TWENTY-FOURTH GUAM LEGISLATURE
1997 (FIRST) Regular Session

Bill No. 1 (LS)

As substituted by the Author
and amended on the floor.

Introduced by:

A. C. Blaz
A. R. Unpingco
J. M.S. Brown
E. J. Cruz
Mark Forbes
L. F. Kasperbauer
A. C. Lamorena V
C. M. Leon Guerrero
J. C. Salas
E. Barrett-Anderson

AN ACT FOR THE REVERSION OF THE GAMBLING
DEVICE FUND TO THE GENERAL FUND; AND TO
REENACT SECTION 64.20 OF TITLE 9 OF THE GUAM
CODE ANNOTATED.

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

2 **Section 1. Reversion of Gambling Device Fund.** Any and all remaining
3 balances of the Gambling Device Fund, repealed by P.L. 19-24, shall be reverted to the
4 General Fund.

5 **Section 2.** Section 13 of Chapter IV, Miscellaneous Provisions, of Public Law
6 23-128, is repealed.

7 **Section 3.** **Reenactment of §64.20 of Title 9, Guam Code Annotated.** In
8 order to clarify the Guam Legislature's intent to maintain the prohibition on gambling

1 devices, and to ensure that Title 9 Guam Code Annotated §64.20 remains intact,
2 despite the potential effect of previous legislation, §64.20 of Title 9, Guam Code
3 Annotated, is hereby reenacted as follows:

4 **"§64.20. Importation of Gambling Devices to Guam Illegal: Defined**
5 **and Punished.** (a) A person commits a felony when he imports or attempts to
6 import, or causes to import a gambling device, whether operable or not, into the
7 territorial jurisdiction of Guam, or manufactures a gambling device within the
8 Territory of Guam.

9 (b) As used in this Section, gambling device means any coin operated device
10 which, when operated, may return winnings (other than free games not redeemable
11 for cash) of value to the user based partially or completely upon chance, by the
12 operation of which a person may become entitled to receive winnings of value. It
13 does not include pinball and other amusement machines or devices which are
14 predominantly games of skill, whether affording the opportunity of additional
15 chances or free plays or not. It does include any slot machines, video poker
16 machines and other machines or devices which afford the opportunity of winnings,
17 payouts, malfunction refunds to the player, or giving the player or user anything of
18 value under any guise or form based partially or completely upon chance.

19 (c) Any gambling device in violation of this Section shall be subject to seizure
20 and forfeiture. Any slot machine shall be subject to seizure and forfeiture.

21 (1) Any property subject to forfeiture under this Section shall be seized by a
22 peace officer, including Guam Customs Officer, upon process issued by the
23 Superior Court, except that seizure without such process may be made when the
24 seizure is incident to an arrest or a search under a search warrant or an inspection
25 under an administrative inspection warrant; the property subject to seizure has
26 been the subject of a prior judgment in a criminal injunction or forfeiture

1 proceeding based upon this Section; or the peace officer has probable cause to
2 believe that the property has been used or intended to be used in violation of this
3 Section. In the event of a seizure pursuant to this Subsection, proceedings under
4 Subsection (d) shall be instituted promptly.

5 (d) Property taken or detained under this Section shall not be repleviable, but
6 shall be deemed to be in the custody of the government subject only to the orders
7 and decrees of the Court. Whenever property is seized under the provisions of this
8 Section, the government shall destroy all gambling devices seized and forfeited upon
9 order of the Court.

10 (e) Any person found guilty of the importation, attempted importation or causing
11 the importation of gambling devices to Guam, or who is found guilty of
12 manufacturing a gambling device in Guam, shall be guilty of a felony and be subject
13 to imprisonment for not more than five (5) years, a fine not to exceed Twenty-five
14 Thousand Dollars (\$25,000.00) per gambling device, or both such fine and
15 imprisonment.”

PL 24-01



TWENTY-FOURTH GUAM LEGISLATURE

Office of the Vice-Speaker

ANTHONY C. BLAZ



**LEGISLATIVE
COMMITTEE
MEMBERSHIP**

Chairman
Finance & Taxation

Vice-Chairman
Rules,
Government Reform
& Federal Affairs

Education

Natural Resources

Health &
Human Services

Tourism, Economic
Development & Cultural
Affairs

Judiciary,
Public Safety &
Consumer Protection

Transportation,
Telecommunications, &
Micronesian Affairs

MEMBERSHIP

Guam Finance
Commission

Commission on Self
Determination

February 19, 1997

**Honorable Antonio R. Unpingco
Speaker,
Twenty-Fourth Guam Legislature
155 Hesler St.
Agana, Guam 96910**

Dear Speaker Unpingco:

The Committee on Finance & Taxation now reports its findings on Bill No. 1 as substituted by the author, **An act for the reversion of the gambling device fund and to reenact Section 64.20 of Title 9, Guam Code Annotated** to the full legislature with a recommendation to pass.

Votes for the Committee members are as follows:

To Pass:	<u>13</u>
Not to Pass:	<u>0</u>
Abstain:	<u>0</u>
Inactive File:	<u>0</u>
Off-Island:	<u>0</u>
Unavailable:	<u>0</u>
Report out only:	<u>0</u>

Copies of the Committee Report and all pertinent documents are attached for your information.

Sincerely yours,

Anthony C. Blaz


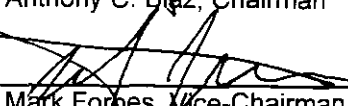



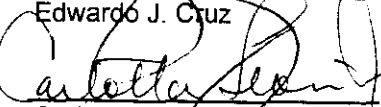

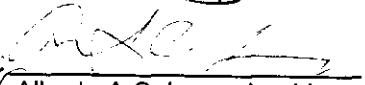
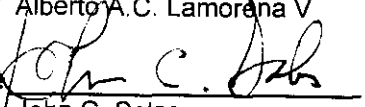
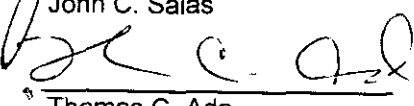
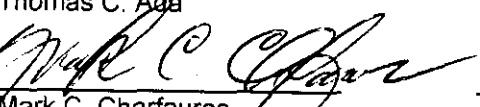
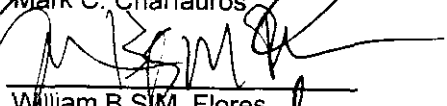
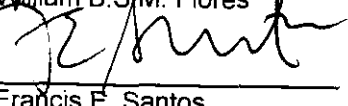
Committee on Finance & Taxation

TWENTY-FOURTH GUAM LEGISLATURE

Vice-Speaker Anthony C. Blaz, Chairman

Voting Sheet

BILL NO 1: AN ACT FOR THE REVERSION OF THE GAMBLING DEVICE FUND AND TO REENACT SECTION 64.20 OF TITLE 9, GUAM CODE ANNOTATED.

	<u>To Pass</u>	<u>Not to Pass</u>	<u>Abstain</u>	<u>Inactive File</u>
 Anthony C. Blaz, Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Mark Forbes, Vice-Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Elizabeth Barrett-Anderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Joanne M.S. Brown	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Eduardo J. Cruz	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Carlotta Leon Gueffero	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Lawrence F. Kasperbauer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Alberto A.C. Lamorana V	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 John C. Salas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Thomas C. Ada	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Mark C. Charfauros	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 William B.S.M. Flores	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 Francis E. Santos	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Twenty Fourth Guam Legislature
Committee on Finance & Taxation
Vice-Speaker Anthony C. Blaz, Chairman

Committee Report

on

Bill No. 1: AN ACT FOR THE REVERSION OF
THE GAMBLING DEVICE FUND TO THE
GENERAL FUND AND TO REENACT
SECTION 64.20 OF TITLE 9, GUAM CODE
ANNOTATED

I. Overview

The Committee on Finance & Taxation held a public hearing on Friday, February 7, 1997 at 11:30 a.m. on Bill No. 1. at the Legislative Public Hearing Room. Public Notice was announced in the February 3 and February 6, 1997 issues of the Pacific Daily News.

Committee Members Present:

Vice-Speaker Anthony C. Blaz, Chairman
Senator Elizabeth Barret Anderson
Senator John C. Salas
Senator William B.S.M. Flores
Senator Tom Ada
Senator Lawrence F. Kasperbauer
Senator Edwardo Cruz

Other Senators Present:

Senator Frank B. Aguon Jr.
Senator Vicente C. Pangelinan

Providing Public Testimony on the Bill:

Former Senator Elizabeth P. Arriola, **oral/written**
Senator Vicente C. Pangelinan, **oral**

II. Summary of Testimony

Former Senator Elizabeth Arriola testified in support of Bill No. 1 on behalf of herself and Linala Sin Casino. Her testimony outlined many reasons of gambling's negative impact on our people and our island. Arriola stressed the careless insensitivity with which the issue has surfaced especially in light of the just finished battle with initiative Proposal B.

Senator Vicente Pangelinan voiced strong support for the passage of Bill No. 1 stating its importance in dealing with primary concerns and issues of our island regarding gambling. Pangelinan continued that there were never any attempts to circumvent Guam's law regarding importation of gambling devices to Guam, but rather resulted from sloppy legislation.



III. Finding & Recommendation

The Committee on Finance & Taxation finds overwhelming support for the passage of Bill No. 1. It is quite evident that the prominent issue surrounding this bill keys on the critical need to reinstate legal provisions unintentionally repealed by the FY '97 Budget Act. The Committee on Finance & Taxation presents its findings with a recommendation to do pass Bill No.1 as substituted by the author.

Elizabeth P. Arriola
P.O. Box 776
Agana, Guam 96910

February 6, 1997

The Honorable Tony Blaz
Vice Speaker, 24th Guam Legislature
155 Hesler
Agana, Guam 96910

**RE: Bill Number 1 - AN ACT FOR THE REVERSION OF THE GAMBLING DEVICE
FUND TO THE GENERAL FUND AND TO RE-ENACT SECTION 64.20 OF TITLE 9,
GUAM CODE ANNOTATED**

Dear Mr. Chairman and Members of the Committee:

My name is Elizabeth P. Arriola. I bring with me greetings abundantly to all of you Senators and on behalf of myself and Linala Sin Casino, Hafa Adai and Si Yuus Maase for the introduction and now Public Hearing of Bill #1.

While I relish in talking about the perils of gambling, I cannot help but notice the carelessness and the insensitivity with which this issue surfaced, what I call "backdoor legislation," especially in light of the just finished battle with the Initiative, Prop B. These actions demonstrated callous disregard for the will of the people. Such maneuverings only show that we must always be vigilant for our people and most especially for the children that follow our footsteps.

I need not dwell too long on the history of legalized casino gambling, as its ugliness surfaces on our island time and time again, since 1970, 1972, 1976 with a referendum, piecemeal admittance of poker gambling machines; 1984 when we finally banned those machines, and 1996 the Proposal B initiative, by an overwhelming 3-1 victory. Our people have spoken numerous times and in great numbers. Their will is irrefutable and compelling. Why must shadowy maneuverings continue to ignore the people's voice.

People of Guam, wake up and scrutinize the work and machinations of our elected officials. Reason why the people of Guam do not want casino gambling on Guam! Poker machines are proven to be the worst, most addictive type of gambling. One need little intellectual capacity, lots of money and scant winnings.

There are several reasons why gambling is bad for our people and our island.

1. *Loss of family values:* Gambling takes away friendships, relationships and camaraderie among family members and friends. Today we talk about communications, goals and objectives, strategy for operations of family affairs where society and community could be better served. That is likely to be lost by the attracting of gambling by family members.

2. *Loss of Property:* To gamble, one often sells his goods instead of using those goods for the family. Cars, homes, lands may be sold, pawned, or used as collateral to fulfill one's need to gamble, an addiction.

3. *Loss of Human Dignity:* When one is addicted to gambling, loss of individual human dignity by scraping resources, by stealing, even prostitution (of oneself and perhaps children) follow to satisfy this disease.

4. *Loss of Society and Community Values, and Ultimately the Nation:* As the individuals lose their dignity, spiritual and moral values, so goes the community and indeed the nation. We may be the model community, the paradise in the Pacific, but where gambling is legal and rampant, the individuals come and settle in and take over the trades, economy, and even the political structure of a people in our island will be affected.

5. *The most important aspect of gambling risk is the addiction that people have.* Once hooked, we need more counseling centers, more psychiatrists, more jails for the criminal, etc.

Myths of Legalizing Poker Machine Gambling

1. *That businesses will flourish even greater with gambling.* People's buying power diminishes as gambling increases because only the operators win in this game, preventing people from buying food, clothing & houses. It is bad for business on Guam where our people divert their resources to satisfy their addiction.

2. *That the government will realize so much money from taxing the industry and selling services and other goods.*

A) If the gambling industry is established, the government will provide infrastructure - water, power, roads, etc.

B) The government must provide police protection, more public health services etc., more corrections jails, services for the criminal and the delinquents. More people on

Page Three
Bill #1
February 6, 1997

welfare will be looming on the horizon.

C) That the tourists will flood to the island to gamble. The average tourist who comes to Guam, is young or older and maybe not have the luxury of more money to spare, and is more island oriented. The gambler attracted to Guam because of gambling is the scumbag of society. Let us improve our cultural offerings to include other facilities for plays, cultural centers, facilities that inspire the human soul and spirit, beauty that sends people to greater heights of inspiration and aspiration, peace and tranquility.

Senators, not many communities now have the power to create and maintain a community with the closeness and familial ties we share. We are in a situation where decisions have a compelling effect for our future and those of our children and grandchildren. Discuss this issue intelligently; debate it professionally and arrive at your decision frankly. We can shape and mold our community to be **AS THE PEOPLE HAVE CHOSEN.**

Senators, I thank you for this opportunity and ask for your support. We all serve people of Guam - Let us now listen to and heed their will.

Sincerely,


ELIZABETH P. ARRIOLA