



Office of the Governor of Guam

Office of the People's Speaker
vicente (ben) c. pangelinan

P.O. Box 2950 Hagåtña, Guam 96932
TEL: (671) 472-8931 • FAX: (671) 477-4826 • EMAIL: governor@mail.gov.gu

MAY 03 2004

TIME: 7:43 () AM () PM
RECEIVED BY: 

Felix Perez Camacho
Governor

Kaleo Scott Moylan
Lieutenant Governor

03 MAY 2004

The Honorable Vicente C. Pangelinan
Speaker
Mina' Bente Siete Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

Dear Mr. Speaker:

Transmitted herewith is Bill No. 231 (LS), "AN ACT TO AMEND SECTION 28 OF PUBLIC LAW 27-29 TO INCLUDE AN EXEMPTION FOR THE "SCHOOLS AND LIBRARIES UNIVERSAL SERVICE SUPPORT MECHANISM," OR "E-RATE" PROGRAM FROM THE PROHIBITION AGAINST GOVERNMENT SPENDING ON WIRELESS COMMUNICATIONS", which I signed into law on April 30, 2004 as Public Law No. 27-83.

Sincerely yours,

FELIX P. CAMACHO
I Maga' Låhen Guåhan
Governor of Guam

Attachment: copy attached of signed bill

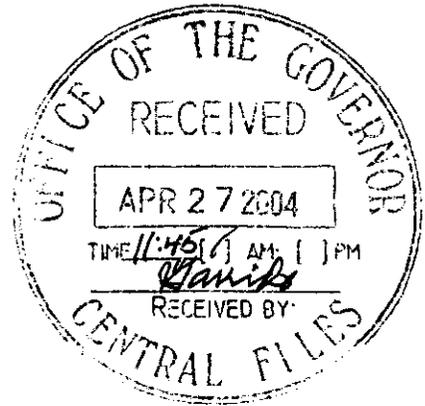
cc: The Honorable Tina Rose Muna-Barnes
Senator and Legislative Secretary



MINA' BENTE SIETE NA LIHESLATURAN GUÅHAN
TWENTY-SEVENTH GUAM LEGISLATURE
155 Hessler Place, Hagåtña, Guam 96910

April 27, 2004

The Honorable Felix P. Camacho
I Maga'lahaen Guåhan
Ufisinan I Maga'lahi
Hagåtña, Guam 96910



Dear *Maga'lahi* Camacho:

Transmitted herewith are Bill Nos. 178(LS), 193(COR), 256(LS), 261(LS) and 277(COR), and Substitute Bill Nos. 17(LS), 115(COR), 119(COR), 146(LS), 172(LS), 175(LS), 177(LS), 183(COR), 220(COR), 230(LS), 231(LS), 249(COR), 255(LS) and 258(LS) which were passed by *I Mina' Bente Siete Na Liheslaturan Guåhan* on April 23, 2004.

Sincerely,


TINA ROSE MUNA BARNES
Legislative Secretary

Enclosures (19)

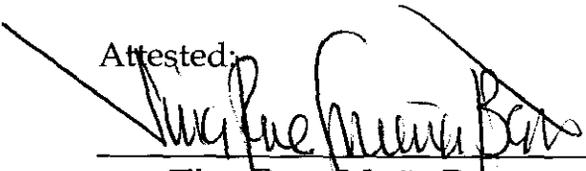
CFI- 0404- 2294

I MINA'BENTE SIETE NA LIHESLATURAN GUÅHAN
2004 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN

This is to certify that Substitute Bill No. 231 (LS), "AN ACT TO EXEMPT SCHOOLS AND LIBRARIES FROM THE PROHIBITION AGAINST GOVERNMENT SPENDING ON WIRELESS COMMUNICATIONS, AS CONTAINED IN PUBLIC LAW 27-29:V:28, FOR THE 'SCHOOLS AND LIBRARIES UNIVERSAL SERVICE SUPPORT MECHANISM,' OR 'E-RATE' PROGRAM," was on the 23rd day of April, 2004, duly and regularly passed.

Attested:


Tina Rose Muña Barnes
Senator and Legislative Secretary

vicente (ben) c. pangelinan
Speaker

This Act was received by I Maga'lahaen Guåhan this 27 day of April, 2004,
at 11:45 o'clock A. .M.


Assistant Staff Officer
Maga'lahaen's Office

APPROVED:


FELIX P. CAMACHO
I Maga'lahaen Guåhan

Date: April 30, 2004

Public Law No. 27-83

I MINA'BENTE SIETE NA LIHESLATURAN GUÅHAN
2003 (FIRST) Regular Session

Bill No. 231 (LS)

As substituted by the Committee on
Appropriations & Budgeting, General
Governmental Operations, Reorganization &
Reform and amended on the Floor.

Introduced by:

T. R. Muña Barnes
v. c. pangelinan
F. B. Aguon, Jr.
J. M.S. Brown
F. R. Cunliffe
C. Fernandez
Mark Forbes
L. F. Kasperbauer
R. Klitzkie
L. A. Leon Guerrero
J. A. Lujan
J. M. Quinata
R. J. Respicio
Toni Sanford
Ray Tenorio

**AN ACT TO EXEMPT SCHOOLS AND LIBRARIES FROM
THE PROHIBITION AGAINST GOVERNMENT
SPENDING ON WIRELESS COMMUNICATIONS, AS
CONTAINED IN PUBLIC LAW 27-29:V:28, FOR THE
"SCHOOLS AND LIBRARIES UNIVERSAL SERVICE
SUPPORT MECHANISM," OR "E-RATE" PROGRAM.**

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*
3 finds that the prohibition against government spending on wireless
4 communications contained in Section 28 of Chapter V of Public Law 27-29

1 may jeopardize the Guam Department of Education E-Rate Network
2 (GENET) project which funds the provision of wireless services for schools
3 and libraries, for which the Federal government will fund eighty-four
4 percent (84%) of the project cost through a reimbursement to Guam via the
5 Universal Service Fund. GovGuam's share, of what is likely to cost only
6 Twenty Thousand Dollars (\$20,000), is a mere Three Thousand Two
7 Hundred Dollars (\$3,200), an insignificant amount when compared to the
8 benefit that the schools will receive from this project.

9 It is therefore the intent of *I Liheslaturan Guåhan* that an exemption is
10 necessary for the GENET project.

11 **Section 2. Authorization to use E-Rate Funds for Wireless**
12 **Communications.** Notwithstanding the provisions of Section 28 of
13 Chapter V of Public Law 27-29, education agencies may use government of
14 Guam funds for any wireless communications that are reimbursed by the
15 Schools and Libraries Universal Service Support Mechanism or the Guam
16 Department of Education E-Rate Network (GENET) program or spent
17 pursuant to the Guam Department of Education E-Rate Network (GENET)
18 program, not to exceed Three Thousand Two Hundred Dollars (\$3,200) in
19 local matching costs for Fiscal Year 2004.



FRANK B. AGUON, JR.

Vice Speaker

April 2, 2004

The Honorable ben c. pangelinan
Speaker, I Mina' Bente Siete Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

Via: Honorable Senator Lou Leon Guerrero, Committee on Rules & Health

Dear Speaker pangelinan:

The Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform, to which was referred, Bill No. 231 (LS) as substituted, – An Act to exempt Schools and Libraries from Section 28 of Chapter V. of Public Law 27-29 for the "Schools and Libraries Universal Service Support Mechanism," or "E-Rate" Program from the Prohibition Against Government spending on Wireless Communications., has had the same under consideration, and now wishes to report back the same with the recommendation TO DO PASS.

The voting record is as follows:

TO PASS

8

NOT TO PASS

0

TO ABSTAIN DUE TO POTENTIAL CONFLICT

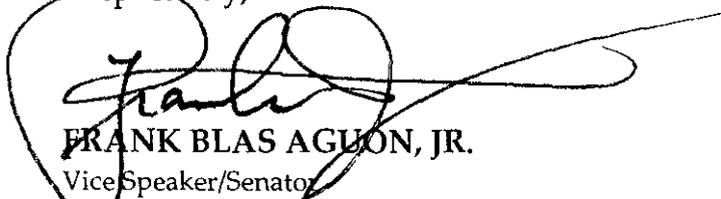
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TO PLACE IN INACTIVE FILE

0

Copies of the Committee Report and other pertinent documents are attached. Thank you for your attention to this matter. **Dangkolo' Na Si Yu'os Ma'ase.**

Respectfully,


FRANK BLAS AGUON, JR.
Vice Speaker/Senator
I Mina' Bente Siete Na Liheslaturan Guåhan

Respetu Para Todu (Respect for All)

I Mina Bente-Siete Na Liheslaturan Guåhan * Twenty-Seventh Guam Legislature
Suite 101-A * Ada's Commercial and Professional Center * 118 East Marine Drive * Hagåtña, Guam 96910
Phone (671) 479-4GUM (4486/4828) * Fax (671) 479-4827





FRANK B. AGUON, JR.

Vice Speaker

April 2, 2004

MEMORANDUM

TO: Members, Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform

FROM: Vice Speaker Frank B. Aguon, Jr. Chairman, Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform

SUBJECT: Committee Report – Bill No. 231 (LS) as substituted

Transmitted herewith for your information and action is the report on Bill No. 231 (LS) as substituted, – An Act to exempt Schools and Libraries from Section 28 of Chapter V. of Public Law 27-29 for the "Schools and Libraries Universal Service Support Mechanism," or "E-Rate" Program from the Prohibition Against Government spending on Wireless Communications., from the Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform.

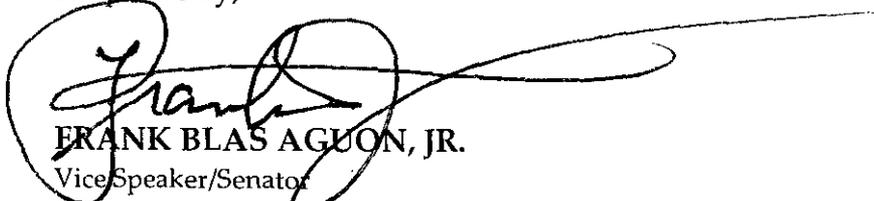
This memorandum is accompanied by the following:

1. Committee Voting Sheet
2. Committee Report
3. Bill No. 231 (LS) as substituted
4. Public Hearing Sign-in Sheet
5. Notice of Public Hearing

Please take the appropriate action on the attached voting sheet. Your attention and cooperation in this matter is greatly appreciated.

Should you have any questions regarding the report or accompanying documents, please do not hesitate to contact me. **Dangkolo' Na Si Yu'os Ma'ase.**

Respectfully,



FRANK BLAS AGUON, JR.
Vice Speaker/Senator

I Mina' Bente Siete Na Liheslaturan Guahan

Respetu Para Todu (Respect for All)

I Mina Bente-Siete Na Liheslaturan Guahan * Twenty-Seventh Guam Legislature
Suite 101-A * Ada's Commercial and Professional Center * 118 East Marine Drive * Hagåtña, Guam 96910
Phone (671) 479-4GUM (4486/4828) * Fax (671) 479-4827





FRANK B. AGUON, JR.

Vice Speaker

Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform VOTING SHEET

Bill No. 231 (LS) as substituted, – An Act to exempt Schools and Libraries from Section 28 of Chapter V. of Public Law 27-29 for the “Schools and Libraries Universal Service Support Mechanism,” or “E-Rate” Program from the Prohibition Against Government spending on Wireless Communications.

Committee Members	To Pass	Not to Pass	To Abstain due to potential Conflict	To place in Inactive File
 FRANK B. AGUON, JR. Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 ANTOINETTE D. SANFORD Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 LOU LEON GUERRERO Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 TINA R. MUÑA-BARNES Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 JOHN M. QUINATA Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 RORY J. RESPICIO Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 CARMEN FERNANDEZ Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 MARK FORBES Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
 LAWRENCE F. KASPERBAUER Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Respetu Para Todu (Respect for All)

I Mina Bente-Siete Na Liheslaturan Guåhan * Twenty-Seventh Guam Legislature
Suite 101-A * Ada's Commercial and Professional Center * 118 East Marine Drive * Hagåtña, Guam 96910
Phone (671) 479-4GUM (4486/4828) * Fax (671) 479-4827





FRANK B. AGUON, JR.

Vice Speaker

I MINA' BENTE SIETE NA LIHESLATURAN GUÅHAN

Committee on Appropriations and Budgeting,
General Governmental Operations,
Reorganization and Reform

**VICE SPEAKER FRANK B. AGUON, JR.
CHAIRMAN**

Committee Report
On
Bill No.231 (LS) as substituted

BILL NO. 231 (LS) AS SUBSTITUTED, – AN ACT TO EXEMPT SCHOOLS AND LIBRARIES FROM SECTION 28 OF CHAPTER V. OF PUBLIC LAW 27-29 FOR THE “SCHOOLS AND LIBRARIES UNIVERSAL SERVICE SUPPORT MECHANISM,” OR “E-RATE” PROGRAM FROM THE PROHIBITION AGAINST GOVERNMENT SPENDING ON WIRELESS COMMUNICATIONS.

Respetu Para Todu (Respect for All)

I Mina Bente-Siete Na Liheslaturan Guåhan * Twenty-Seventh Guam Legislature
Suite 101-A * Ada's Commercial and Professional Center * 118 East Marine Drive * Hagåtña, Guam 96910
Phone (671) 479-4GUM (4486/4828) * Fax (671) 479-4827



I. OVERVIEW

The Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform to which was referred Bill No. 231 (LS) as substituted, – An Act to exempt Schools and Libraries from Section 28 of Chapter V. of Public Law 27-29 for the “Schools and Libraries Universal Service Support Mechanism,” or “E-Rate” Program from the Prohibition Against Government spending on Wireless Communications. Held a public hearing on Tuesday February 17, 2004. Beginning at 5:30 p.m. in the Public Hearing Room, *Liheslaturan Guåhan*. Public hearing notice was provided to the media on Tuesday February 10, 2004 and Sunday February 15, 2004 in the PDN. And also broadcast on Tuesday February 17, 2004 News Talk K57, Power 98, and The Rock 105 during the hourly newscasts.

Senators present at the public hearing were:

Vice-Speaker Frank Blas Aguon, Jr., Chairman
Senator Lou Leon Guerrero
Senator Carmen Fernandez
Senator Tina Rose Muña Barnes
Senator John “JQ” Quinata
Senator Rory Respicio
Senator Lawrence Kasperbauer
Speaker ben c. pangelinan
Senator Robert Klitzkie
Senator Ray Tenorio

II. SUMMARY OF TESTIMONY

Mr. Franklin Artero, an employee of the Department of Education read a written statement, submitted from Mr. Juan P. Flores, Superintendent of Education, according to the written testimony Mr. Flores has acknowledged that the Department strongly supports Bill 231. (See Attachment 1).

Mr. John M. Borlas, President of IT&E, provided additional written testimony, which also stated that he fully supports the proposed amendments of Bill 231. (See Attachment 2).

III. FINDINGS AND RECOMMENDATION

The Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform finds that Bill No 231 (LS) is a good measure for the Department of Education to benefit from the services offered through the “E-Rate” program, which is an important telecommunication tool for the Departments Administration.

Accordingly, the Committee on Appropriations and Budgeting, General Governmental Operations, Reorganization and Reform, to which Bill No. 231 (LS) was referred does hereby submit its findings and recommendations to *I Mina Bente Siete Na Liheslaturan Guåhan* TO DO **PASS Bill No. 231 (LS) as substituted, – An Act to exempt Schools and Libraries from Section 28 of Chapter V. of Public Law 27-29 for the “Schools and Libraries Universal Service Support Mechanism,” or “E-Rate” Program from the Prohibition Against Government spending on Wireless Communications.**

Attachments: Bill 231 (LS) as substituted
 Written Testimonies:
 Attachment (1)-Mr. Juan P. Flores
 Attachment (2)-Mr. John M. Borlas



DEPARTMENT OF EDUCATION

Office of the Superintendent

P.O. Box DE

Hagåtña, Guam 96932



Juan P. Flores
Superintendent

Tel.: 671-475-0457 • E-mail: juanpflores@doe.edu.gu • Fax: 671-472-5003

TESTIMONY RELATED TO BILL NO. 223(COR):
AN ACT TO ADD A NEW ARTICLE 11 TO CHAPTER 22 OF TITLE 5, GUAM CODE
ANNOTATED RELATIVE TO ESTABLISHING A WIRELESS COMMUNICATION POLICY FOR
THE GOVERNMENT OF GUAM, AND

BILL No. 231(LS): AN ACT TO AMEND SECTION 28 OF PUBLIC LAW 27-29 TO INCLUDE
AN EXEMPTION FOR THE "SCHOOLS AND LIBRARIES UNIVERSAL SERVICE SUPPORT
MECHANISM," OR "E-RATE" PROGRAM FROM THE PROHIBITION AGAINST GOVERNMENT
SPENDING ON WIRELESS COMMUNICATIONS.

Submitted by Juan P. Flores, Superintendent of Education

Honorable Vice Speaker Aguon and Members of the Committee:

Buenas Yan Hafa Adai! Thank you for the opportunity to provide testimony regarding a wireless communication policy for the Government of Guam and the consideration of an exemption for the Guam Department of Education from the prohibition against spending on wireless communications.

As written, Bill No. 223(COR): AN ACT TO ADD A NEW ARTICLE 11 TO CHAPTER 22 OF TITLE 5, GUAM CODE ANNOTATED RELATIVE TO ESTABLISHING A WIRELESS COMMUNICATION POLICY FOR THE GOVERNMENT OF GUAM, is well intentioned. It will provide a basis for which policies and procedures can be established for wireless communication. As more and more technology enters into our lives, so to shall the rules and regulations that govern that technology.

The Guam Department of Education (Department) concurs with the Legislative Findings and Intent that a wireless communication policy needs to exist for the Government of Guam. The Department intends to fully implement this policy should it be

Attachment 1

enacted. However, as it stands , Bill 223 will repeal Section 28 of Chapter V of Public Law 27-29 and thus negate the intent of Bill 231.The Department must be allowed the opportunity to be exempted from the prohibition against government spending on wireless communications in order to benefit from services offered through the E-Rate program. Bill 231 provides for that exemption. Bill 223 will not.

The Federal Communications Commission (FCC) provides discounted telecommunication services for the Department. The level of the discounts for telecommunication services varies from year to year and is based on an annual survey conducted by the Department to determine the percentage of students the qualify for the School Lunch Program (SLP). Based on the aggregate percentage of students that qualify for the SLP, a discount level is established for telecommunication services for the following year. The Department has worked very hard to obtain the maximum benefits from this program.

The discount level is currently around 84%. This means that for every dollar spent on telecommunication services, including basic telephones services, long distance calls, and pagers, the Department only has to pay about 16 cents. Further, since the FCC requires competitive bids from the telecommunication carriers, the Department has received very good discounts for these services.

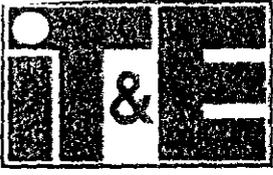
With respect to the importance of cellular telephone services, the FCC and the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) made cellular telephones a part of the program because cellular telephone services are seen as important telecommunication tools for administrators, principals, and teachers.

There are several reasons why the Department strongly supports Bill 231. First, as mandated by the SLD, cellular phones will be used to support instruction in the schools. Second, schools should have cellular telephones to ensure that school personnel

can be contacted when necessary and especially for emergency communications. Third, residents and businesses of Guam pay into the universal service fund through pass-through costs of telecommunication carriers. Guam should always seek to maximize its return from the universal service fund by participating in the program to the maximum extent possible. The exemption from the prohibition of cellular telephones by the GDOE increases the return of this money to the island. This money is then re-circulated back into Guam's economy.

The Department requests that a revision of Bill 223 be made so that the Department of Education can utilize the benefits that the Schools and Libraries Universal Service Support Mechanism allows. A merging of the two bills may be applicable in this instance as both bills seek changes to Section 28 of Public Law 27-29.

In closing, I would like to thank the Speaker, Vice Speaker Aguon and Senator Tina Muña-Barnes for introducing Bill 231 and request the amendments to Bill 223. I also thank the Committee for providing the opportunity to testify.



OVERSEAS, INC.

P.O. Box 24881 GMF, Guam 96921 • Tel: (671) 646-8886 • Fax: (671) 646-4723

17 February 2004

VIA HAND DELIVERY

The Honorable Vicente (Ben) C. Pangelinan
Speaker, 27th Guam Legislature
Chairman, Committee on Utilities and Land
155 Hesler Street
Hagatna, Guam 96910

Office of the People's Speaker
Vicente (ben) c. pangelinan

FEB 17 2004

TIME: 2:27 (AM) (7PM)
RECEIVED BY: *[Signature]*

Subject: **Wireless Communications - Public Hearing on Proposed Bills
231 and 223**

Dear Speaker Pangelinan,

On 17 February 2004, the Legislature will be convening a public hearing on two Bills pertaining to Wireless Communications: Bill 231, an Act to amend Section 28 of Public Law 27-29 to include an exemption for the "Schools And Libraries Universal Service Support Mechanism," or "E-Rate" program from the prohibition against government spending on wireless communications; and Bill 223, an Act to add a new Article 11 to Chapter 22 of Title 5, Guam Code Annotated relative to establishing a wireless communication policy for the Gov Guam.

In reference to proposed Bill 231, IT&E fully supports the proposed Amendment.

In reference to proposed Bill 223, although IT&E applauds the initiative to establish a Wireless Communications Policy for Gov Guam, the proposed bill falls short in addressing all wireless communications, such as those provided via hand-held devices (Personal Digital Assistants), Wireless Fidelity and Wireless Broadband technologies. In addition, I am concerned with the administrative burden and the associated costs that will be required for Gov Guam agencies to validate and then collect from employees a reimbursement for utilizing government resources for "personal use". More importantly, in order to ensure there is fair and open competition extended to all telecom providers of wireless services, IT&E supports an approach where those Gov Guam agencies, who are currently on contract for wireless services, have the opportunity to terminate their existing contracts by 30 Sep 04, while in the summer-time frame RFPs are issued for wireless services under a new Wireless Communications Policy, to come in effect at the beginning of FY 2005. Lastly, since Section 2 of the proposed Bill would repeal Section 28 of Chapter V of

Attachment 2



OVERSEAS, INC.

The Honorable Vicente (Ben) C. Pangelinan
Speaker, 27th Guam Legislature
Chairman, Committee on Utilities and Land
17 February 2004
Page 2

Public Law 27-29 in its entirety, Bill 223 should make reference to Gov Guam's support for funding of wireless services to be provided under the Schools And Libraries Universal Service Support or E-Rate programs. In conclusion, **IT&E does not support the wording of Bill 223 in its current form for the above-stated reasons, and, therefore, recommends a dialogue be initiated in the next few months to better refine a Wireless Communications Policy to become effective on 1 October 2004 (i.e. FY 2005).**

Since IT&E is in favor of the establishment of a comprehensive Wireless Communications Policy for Gov Guam, I would like to offer our services to provide input on a policy that will be fair for all wireless providers, as well as create a policy that will foster competition with the aim to achieve favorable rates for Gov Guam agencies in the best interest of the taxpayers.

I respectfully invite you to enter IT&E's position on the proposed Bills 231 and 223, as stated in this letter, as IT&E's formal testimony to the public hearing on the aforementioned Bills. Furthermore, please extend my appreciation to Vice-Speaker Aguon and Senators Kasperbauer, Barnes and Tenorio for their foresight and interest in addressing wireless communications. Should your colleagues or you have any questions on IT&E's position on the proposed Bills, I stand ready to provide you with any clarification.

Thank you for your kind attention to this very important matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'John M. Borlas'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

JOHN M. BORLAS, P.E.
President



Committee on Appropriations and Budgeting, General Governmental Operations,
Reorganization and Reform

Vice Speaker Frank B. Aguon, Jr., Chairman

Public Hearing: Wednesday, February 17, 2004 • 5:30 p.m.

I Liheslaturan Guahån, Hagåtña

Witness sign in sheet

Bill 231 - An Act To Amend Section 28 Of Public Law 27-29 To Include An Exemption For The "Schools And Libraries Universal Service Support Mechanism," Or "E-Rate" Program From The Prohibition Against Government Spending On Wireless Communications.

NAME (Please print)	AGENCY/ ORGANIZATION	ORAL TESTIMONY	WRITTEN TESTIMONY	IN FAVOR	NOT IN FAVOR	CONTACT NUMBER
Franklin Artwo	DOE		✓			475-0457