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**MINA'BENTE OCHO NA LIHESLATURAN GUÅHAN**  
**2005 (FIRST) Regular Session**    2005 MAY -5 AM 8:06

Bill No. 129 (E) (C)

Introduced by:

L.A. Leon Guerrero *LJR*

**AN ACT TO PROVIDE A SOURCE OF CONTINUOUS FUNDING FOR MAYORS FOR THE BEAUTIFICATION AND MAINTENANCE OF VILLAGE ROADS; AND FOR THE REPAIR AND CONSTRUCTION OF VILLAGE RECREATIONAL/SPORTS FACILITIES.**

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

2            **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guahan*  
3 finds that the hotel occupancy tax was established for the sole purpose  
4 of ensuring that the island remains attractive for tourists to enjoy.  
5 However, proceeds from this tax collection are mainly used only for  
6 certain parts of the island that is most visible to tourists, and ignores the  
7 fact that in order to truly market Guam as a beautiful island, we must  
8 maintain the whole island, and not just parts of it. There are many  
9 tourists who are no longer staying within the so-called "tourist spots"  
10 and are venturing out to the "other parts" of the island. These "other  
11 parts" of the island have unmaintained secondary roads, including ugly  
12 sites of eroding asphalt, overgrowing weeds, and potholes. For tourists  
13 to appreciate the entire island, these problems must be addressed.

14            *I Liheslaturan Guahan* further finds that the island lacks the much-  
15 needed sports/recreational facilities within some villages, and for those  
16 villages who currently have such facilities, they lack the funding for  
17 proper maintenance and repair. While some residents continue to deal

1 with dilapidated facilities when playing sports or doing their  
2 recreational activities, others have to commute to the nearest village that  
3 offers the recreational/sports facilities that they need. Establishing and  
4 maintaining these types of facilities in every village would not only  
5 benefit our island residents, but also, it will provide several options of  
6 facilities for off island sports teams, which in the end, may promote  
7 sports tourism.

8 Therefore, it is the intent of *I Liheslatura* to earmark one percent of  
9 the eleven percent hotel occupancy tax to ensure that the island of Guam  
10 can be marketed as an "entire" island as well as promote the concept of  
11 sports tourism.

12 **Section 2.** Section 30107 of Chapter 30 of Division 2 of Title 11,  
13 Guam Code Annotated, is hereby *amended* to read as follows:

14 **“§30107(a). Creation of Tourist Attraction Fund.** There is  
15 hereby created, separate and apart from other funds of the  
16 government of Guam, a fund known as the Tourist Attraction  
17 Fund (hereinafter TAF). The TAF shall not be commingled  
18 with the General Fund and shall be kept in a separate bank  
19 account. All proceeds from taxes collected under this Chapter  
20 shall be deposited in the TAF and shall be expended  
21 exclusively for purposes authorized in §9107 and §9113 of Title  
22 12, Guam Code Annotated. The TAF may also be used to fund  
23 the following projects:

24 ~~(a)~~ (i) The creation, improvement or beautification  
25 of roads, avenues, boulevards, parkways, intersections,  
26 bicycle paths, motor bike trails, footpaths, biking trails,  
27 stairways, rivers, streams, estuaries, lagoons, or other  
28 means of access and transportation;

1           ~~(b)~~ (ii) The development and restoration of points of  
2 natural beauty or historic social or cultural significance,  
3 including means of access, parking, safety devices,  
4 concessions, restrooms, view points and information  
5 pavilions;

6           ~~(c)~~ (iii) The construction of monuments, memorials,  
7 statues, fountains, arches, and similar projects;

8           ~~(d)~~ (iv) The construction of buildings to be used for  
9 public purposes including zoos and aquariums,  
10 museums, athletic facilities, cultural centers, and  
11 performing arts complexes;

12           ~~(e)~~ (v) Landscaping, provision of decorations or the  
13 enhancement of beauty of any of the projects listed in this  
14 Section;

15           ~~(f)~~ (vi) Accessory projects reasonably necessary to  
16 projects listed in this Section;

17           ~~(g)~~ (vii) Projects and programs identified in the  
18 Tumon Bay Master Plan.

19           Except as provided in subparagraph (i)(a) of 5 GCA  
20 §1504(d) and 5 GCA §40137, all expenditures of the TAF shall  
21 be made exclusively by appropriation of the Legislature. No  
22 further appropriations shall be made of monies in the TAF  
23 which have been pledged for the payment of any debt or debts  
24 created pursuant to said 5 GCA §1504 and such monies may be  
25 used for payment of such debt or debts without further  
26 appropriations. The TAF shall not be used for any purposes  
27 other than those enumerated or reasonably inferred herein or  
28 for purposes other than those relating to Guam tourism.

1 Specifically, the TAF shall not be used as a pledge of security or  
2 as collateral for government loans without prior authorization  
3 by the Legislature.

4 (b) Ten percent (10%) of the eleven (11%) percent hotel  
5 occupancy tax collected, after payment is made pursuant to 5  
6 GCA §1505(d)(i)(a), is hereby continuously appropriated from  
7 the TAF to the Village Improvement Fund, as established in 5  
8 GCA §40137.”

9 **Section 3.** A new Section 40137 is hereby added to Chapter 40 of  
10 Division 4 of Title 5, Guam Code Annotated, to read as follow:

11 **“§40137. Creation of the Village Improvement Fund.**

12 There is hereby created, separate and apart from other funds of the  
13 government of Guam, a fund known as the Village Improvement  
14 Fund (hereinafter ‘VIF’). The VIF shall not be commingled with  
15 the General Fund and shall be kept in a separate bank account,  
16 administered by the Mayors Council of Guam. The Mayors  
17 Council of Guam shall approve expenditure from the Fund by  
18 resolution. Funds from VIF shall be expended exclusively for the  
19 repair, maintenance and beautification of village roads; and repair,  
20 maintenance and construction of village recreational and/or  
21 sports facilities. The VIF shall not be used for personnel or  
22 operations. The VIF shall be divided among the Village Mayors as  
23 follows:

- 24 (i) Each Mayor shall equally be allocated a base  
25 amount, as determined by the Mayors Council of  
26 Guam; and  
27 (ii) The remaining balance of the VIF shall be  
28 distributed to each Mayor on a *pro rata* basis,

1 based on the proportion between the population  
2 of that village and the total population of the  
3 island. The figures for population shall be based  
4 on the most recent U.S. Census Report.”

5 **Section 4.** Section 1505(d)(i) of Article 5 of Chapter 1 of Division 1  
6 of Title 5, Guam Code Annotated, is hereby *amended* to read:

7 “(i) Revenues constituting the Tourist Attraction Fund  
8 shall be expended in accordance with the terms of the  
9 indenture pursuant to which the debt or debts will be issued so  
10 that

11 (a) The first priority shall be to meet all  
12 requirements of the repayment of debt or debts  
13 created in this section; and

14 (b) The second priority shall be to provide funds  
15 for the Village Improvement Fund, pursuant to  
16 11 GCA §30107(b).

17 ~~(b)~~ (c) The second third priority shall be to provide  
18 operating funds for the Guam Visitors Bureau  
19 at a level the Legislature deems appropriate.”

20 **Section 5. Severability.** If any of the provisions of this Act or the  
21 application thereof to any person or circumstance is held invalid, such  
22 invalidity shall not affect any other provision or application of this Act  
23 which can be given effect without the invalid provision or application,  
24 and to this end the provisions of this Act are severable.