



OFFICE OF THE GOVERNOR
TERRITORY OF GUAM

MAY 30 1995

The Honorable Don Parkinson
Speaker
Twenty-Third Guam Legislature
424 West O'Brien Drive
Julale Center - Suite 222
Agana, Guam 96910

OFFICE OF THE GOVERNOR	
Date:	5.31.95
Time:	4:30 PM
Received By:	Alicia Guzman
Dist. Name:	Alicia Guzman

Dear Speaker Parkinson:

Enclosed please find a copy of Substitute Bill No. 22 (LS), "AN ACT TO ADD A NEW CHAPTER 68 AND A NEW §5001(e) TO TITLE 5, GUAM CODE ANNOTATED, TO REQUIRE GOVERNMENT AGENCIES TO MAKE MAXIMUM USE OF FRESH LOCAL FARM AND FISH PRODUCTS AND OTHER FOODSTUFFS", which I have signed into law today as **Public Law No. 23-18**.

Very truly yours,

Madeleine Z. Bordallo
Madeleine Z. Bordallo
Acting Governor of Guam

Attachment

230475

OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT RECEIPT	
Received By:	<i>OC</i>
Time:	2:57 PM
Date:	6-1-95

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 22 (LS), "AN ACT TO ADD A NEW CHAPTER 68 AND A NEW §5001(e) TO TITLE 5, GUAM CODE ANNOTATED, TO REQUIRE GOVERNMENT AGENCIES TO MAKE MAXIMUM USE OF FRESH LOCAL FARM AND FISH PRODUCTS AND OTHER FOODSTUFFS," was on the 13th day of May, 1995, duly and regularly passed.



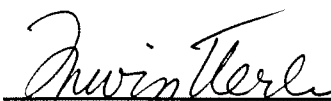
TED S. NELSON
Acting Speaker

Attested:



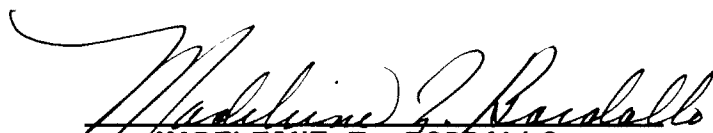
JUDITH WON PAT-BORJA
Senator and Legislative Secretary

This Act was received by the Governor this 19th day of May,
1995, at 9:25 o'clock 9 .M.



Assistant Staff Officer
Governor's Office

APPROVED:



MADELEINE Z. BORDALLO
Acting Governor of Guam

Date: May 30, 1995

Public Law No. 23-18

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

Bill No. 22 (LS)

As substituted by the Committee
on Economic-Agricultural
Development and Insurance and as
further substituted on the floor.

Introduced by:

T. S. Nelson
J. T. San Agustin
A. C. Blaz
V. C. Pangelinan
C. Leon Guerrero
J. P. Aguon
F. P. Camacho
S. L. Orsini
T. C. Ada
E. Barrett-Anderson
J. M. S. Brown
M. C. Charfauros
H. A. Cristobal
M. Forbes
A. C. Lamorena V
L. Leon Guerrero
D. Parkinson
A. L. G. Santos
F. E. Santos
A. R. Unpingco
J. Won Pat-Borja

AN ACT TO ADD A NEW CHAPTER 68 AND A NEW
§5001(e) TO TITLE 5, GUAM CODE ANNOTATED, TO
REQUIRE GOVERNMENT AGENCIES TO MAKE
MAXIMUM USE OF FRESH LOCAL FARM AND FISH
PRODUCTS AND OTHER FOODSTUFFS.

1

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

1 **Section 1. Legislative Intent.** The Department of Education is required
2 to provide a hot breakfast and hot noon meal to the students in the public
3 schools. The Department of Youth Affairs is required to feed their clients
4 daily. The Guam Memorial Hospital is required to provide nutritional food
5 for its patients. The Department of Corrections must provide three meals a
6 day to each of its inmates. To carry out these mandatory tasks, each of these
7 organizations must procure enormous quantities of fresh fruits and
8 vegetables, as well as other foodstuffs, on a daily recurring basis. To stay
9 within their approved budgets, they each make almost superhuman efforts to
10 obtain this produce from any available source, either from on island or from
11 off island. Since it is the goal of the department of agriculture to promote the
12 efforts of all local farmers and fishermen and to ensure the expansion of the
13 local agricultural, fishing and aquacultural industries, markets must be
14 established and maintained to ensure that the farmers and the fishermen
15 have a viable continuing market for the results of their hard labor. The
16 Department of Agriculture must continue to find local markets for the local
17 produce. Therefore, the department shall be required to work with the
18 various Procurement Officers of the Government of Guam and non-profit
19 organizations which are in the business of feeding people, to maintain a
20 market all year round for the crops of the farmers, fishes from the fishermen,
21 and other local producers of foodstuffs.

22 **Section 2.** A new Chapter 68 is added to Title 5, Guam Code
23 Annotated, to read:

24 **"Chapter 68**

25 **Procurement of Local Products**

26 **§68101.** Procurement of local produce from local farmers and fish from
27 local fishermen. The Department of Agriculture shall, on a continuing basis,

1 make every effort to ensure that the crops of the farmers and the fish
2 products of the fishermen of Guam are first procured by agencies of the
3 government, such as Department of Education, Department of Youth Affairs,
4 Department of Corrections, the Guam Memorial Hospital, and the
5 Government House, unless the farmer or fisherman has made previous
6 arrangements for sale to other users.

7 The Department shall facilitate the negotiation of prices, amounts and
8 availability of local produce and fish with the farmers and fishermen for the
9 sale to other Government Agencies and shall assist in securing payment from
10 fiscal officers of the respective Agencies. The Department shall provide the
11 necessary advice and assistance to ensure that the crops and fishes are
12 delivered to the particular agency in the best possible condition. All
13 participating Government of Guam Agencies are mandated to give
14 preference to local farmers and fishermen prior to purchasing from off island
15 and other markets or fishing industries owned by foreign countries.

16 The Director shall adopt operational procedures relative to establishing
17 a list of qualified local farmers and fishermen and to assist those qualified
18 local farmers and fishermen in establishment of pricing, variety, quantity,
19 quality, availability, and other related logistics to facilitate acquisition of local
20 produce and fish by other Government Agencies consistent with the needs of
21 those agencies.

22 **§68102.** All Government of Guam Agencies mentioned in §68101 above,
23 will include in their budget request a plan for purchase of farm and fish
24 products from local farmers and fishermen. No funds shall be expended for
25 off island purchases of farm or fish products unless preference is first given to
26 local farmers and fishermen. All participating agencies are mandated to
27 establish a system where payment for these products will be made in an

1 expeditious manner with a minimum delay of no longer than two working
2 days. The Department of Agriculture shall establish and maintain a
3 computerized match making system which would provide the farmers and the
4 fishermen with a listing of prospective buyers, the products, and the amount
5 needed. The Department shall also provide a listing of all farmers and
6 fishermen to prospective buyers indicating the types of produce and fish
7 available, the quantity, and when the produce and fish can be made available.

8 §68103. Local farmers and fishermen shall be exempt from the
9 requirement of the Government of Guam local preference laws which would
10 disqualify them in the procurement process. In addition, all local laws which
11 outline the methods of procurement of local farm and fish products shall be
12 reviewed and amended to provide methods for the purchase of local produce
13 commodities."

14 **Section 3.** A new subsection (e) is added to §5001 of Article 1, Title 5,
15 Guam Code Annotated, to read:

16 "(e) Procurement of local produce and fish from local farmers and
17 fishermen may be made without competition provided that the farmers
18 or fishermen are registered with the Department of Agriculture and
19 further provided that the prices offered do not exceed the standard of
20 pricing as negotiated by the Department of Agriculture. Any farmer or
21 fisherman awarded a contract pursuant to this section shall not be
22 required to post any of the bonds required under Article 5 of Chapter 5,
23 Title 5, Guam Code Annotated, the Guam Procurement Act."

TWENTY-THIRD GUAM LEGISLATURE

1995 (FIRST) Regular Session

6

Date: 5/13/95

VOTING SHEET

Bill No. 22

Resolution No. _____

Question: _____

NAME	AYE	NO	NOT VOTING/ ABSTAINED	ABSENT/ OUT DURING ROLL CALL
ADA, Thomas C.	✓			
AGUON, John P.	✓			
BARRETT-ANDERSON, Elizabeth	✓			
BLAZ, Anthony C.	✓			
BROWN, Joanne S.	✓			
CAMACHO, Felix P.	✓			
CHARFAUROS, Mark C	✓			
CRISTOBAL, Hope A.	✓			
FORBES, MARK	✓			
LAMORENA, Alberto C., V	✓			
LEON GUERRERO, Carlotta	✓			
LEON GUERRERO, Lou	✓			
NELSON, Ted S.	✓			
ORSINI, Sonny L.	✓			
PANGELINAN, Vicente C	✓			
PARKINSON, Don	✓			
SAN AGUSTIN, Joe T.	✓			
SANTOS, Angel L. G.	✓			
SANTOS, Francis E.	✓			
UNPINGCO, Antonio R.	✓			
WONPAT-BORJA, Judith	✓			

TOTAL

21 0 _____



Committee on Economic Agricultural
Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

May 10, 1995

The Honorable don Parkinson
Speaker
Twenty-Third Guam Legislature
Suite 218, Julale Shopping Center
424, W. O'Brien Drive
Agana, Guam 96910

Dear Mr. Speaker:

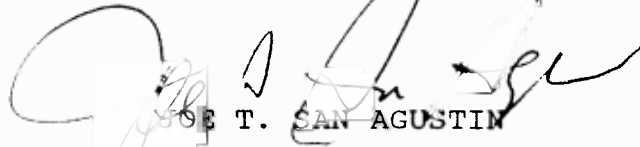
The Committee on Economic-Agricultural Development and Insurance to which was referred Bill #22, has had the same under consideration and now wishes to report back the same with the recommendation to do pass.

The Committee votes are as follows:

To Do Pas	- 10
Not To Pass	- 0
Absent	- 1

A copy of the Committee's Report and other pertinent Documents are enclosed for your reference and information.

Sincerely Yours,



JOE T. SAN AGUSTIN

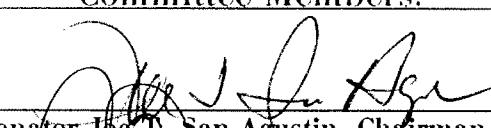
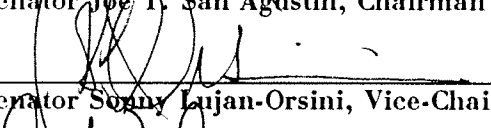
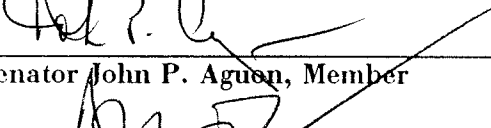
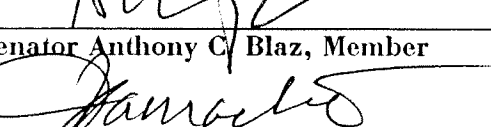
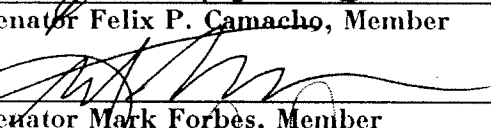
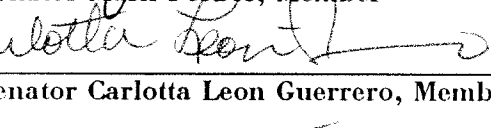
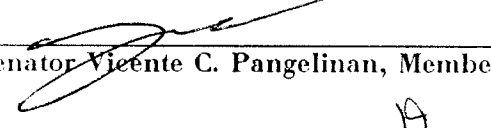
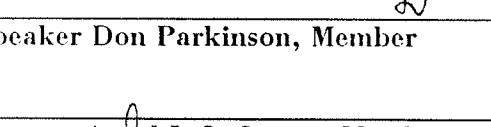
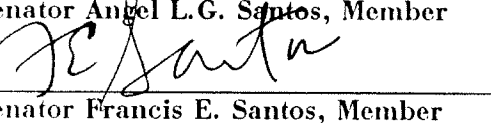
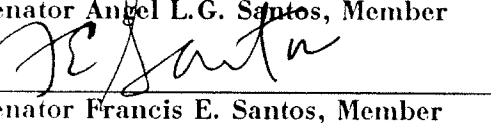
**Committee on Economic- Agricultural
Development and Insurance**
Twenty-Third Guam Legislature
Senator Joe T. San Agustin, Chairman

Vote Sheet

ON

BILL #22 AS AMENDED

AN ACT TO ADD A NEW SUBSECTIONS 62107 THROUGH 62110 TO TITLE 5,
GCA TO REQUIRE THE DEPARTMENT OF EDUCATION, CORRECTIONS, YOUTH
AFFAIRS, GOVERNMENT HOUSE AND THE GUAM MEMORIAL HOSPITAL TO MAKE
MAXIMUM USE OF THE LOCAL PRODUCE AND OTHER FOODSTUFFS.

Committee Members:		TO DO PASS:	NOT TO PASS:	ABSTAIN:	INACTIVE FILE:
1.	 Senator Joe T. San Agustin, Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	 Senator Sonny Lujan-Orsini, Vice-Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	 Senator John P. Aguen, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	 Senator Anthony C. Blaz, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	 Senator Felix P. Camacho, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	 Senator Mark Forbes, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	 Senator Carlotta Leon Guerrero, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	 Senator Vicente C. Pangelinan, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	 Speaker Don Parkinson, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	Senator Angel L.G. Santos, Member	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.	 Senator Francis E. Santos, Member	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

TWENTY-THIRD GUAM LEGISLATURE

1995 (FIRST) REGULAR SESSION

Bill No. 22

As amended by the Committee on Economic-Agricultural
Development and Insurance

Introduced by:

T.S. NELSON

AN ACT TO ADD NEW SECTIONS 62107 THROUGH 62110 TO TITLE
5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS
OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS, GOVERNMENT
HOUSE AND GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF
FRESH LOCAL FARM AND FISH PRODUCTS AND OTHER FOODSTUFFS.

ACB LA 2
JKB
Carlootta Leon
FPCAMACHO

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

2 Section 1. Legislative Intent. The Department of
3 Education is required to provide a hot breakfast and hot
4 noon meal to the students in the public schools. The
5 Department of Youth Affairs is required to feed their
6 clients daily. The Guam Memorial Hoospital is required
7 provide nutritional food for its patients. The
8 Departmentment of Corrections must provide three meals a
9 day to each of its inmates. To carry out these
10 mandatory tasks, each of these organizations must
11 procure enormous quantities of fresh fruits and
12 vegetables, as well as other foodstuffs, on a daily
13 recurring basis. To stay within their approved budgets,
14 they each make almost superhuman efforts to obtain this
15 produce from any available source, either from on island
16 or from off island. Since it is the goal of the

1 department of agriculture to promote the efforts of all
2 local farmers, and **fishermen** and to ensure the expansion
3 of the local agricultural, **fishing** and aquacultural
4 industries, markets must be established and maintained
5 to ensure that the farmers **and the fishermen** have a
6 viable continuing market for the results of their hard
7 labor. The Department of Agriculture must continue to
8 find local markets for the local produce. Therefore,
9 **the department** shall be required to work with the
10 various Procurement Officers of the Government of Guam
11 and non-profit organizations which are in the business
12 of feeding people, to maintain a market all year round
13 for the crops of the farmers, **fishes from the fishermen**
14 and other local producers of foodstuffs.

15 **Section 2.** New Title 5 GCA, Sections 62107, **62108,**
16 **62109, and 62110.** The following paragraphs are added to
17 the Guam Code Annotated, Sections 62107, **62108, 62109**
18 **and 62110,** of Title 5, Chapter 62.

19 **Section 62107.** Procurement of local produce from
20 local farmers and **fish from local fishermen,** the
21 Department of Agriculture shall, on a continuing
22 basis, make every effort to ensure that the crops of the
23 farmers and **the fish products of the fishermen of Guam**
24 are first procured by agencies of the government, such
25 as Department of Education, Department of Youth Affairs,
26 Department of Corrections, the Guam Memorial Hospital
27 and the Government House, unless the farmer and **the**

1 fishermen has made previous arrangements for sale to
2 other users. ~~The Department shall assist the farmers~~
3 ~~in negotiating prices, amounts, and payment with the~~
4 ~~Procurement Officers involved.~~

5 The Department shall facilitate the negotiation of
6 prices, amounts and available with the farmers for the
7 resale to other Government Agencies and assist in
8 securing of payment with fiscal officers of the
9 respective Agencies. ~~However, the prices must be kept~~
10 ~~competitive with prices of produce offered by~~
11 ~~commercial importers.~~ The Department shall provide the
12 necessary advice and assistance to ensure that the crops
13 and fishes are delivered to the particular agency in the
14 best possible conditions. All participating Government
15 of Guam Agencies are mandated to give preference to
16 local farmers and fishermen prior to purchasing from off
16 island and other markets of fishing industries owned by
17 foreign countries.

18 The Director shall adopt operational procedures relative
19 to establishing a list of qualified local farmers and
20 fishermen and to assist those qualified local farmers
21 and fishermen in establishment of pricing, variety,
22 quantity, quality, availability, and other related
23 logistics to facilitate acquisition of local lproduce
24 and fish by other Government Agencies consistent with
25 the needs of those agencies.

26 Section 62108. All Government of Guam Agencies

TWENTY-THIRD GUAM LEGISLATURE
1995 (First) Regular Session

Bill No. 22

Introduced by:


T.S. NELSON

AN ACT TO ADD A NEW §62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

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

2 **Section 1. Legislative Intent.** The Department of Education is
3 required to provide a hot breakfast and hot noon meal to the students in the
4 public schools. The Department of Youth Affairs is required to feed their clients
5 daily. The Guam Memorial Hospital is required to provide nutritional food for
6 its patients. The Department of Corrections must provide three meals a day to
7 each of its inmates. To carry out these mandatory tasks, each of these of these
8 organizations must procure enormous quantities of fresh fruits and vegetables, as
9 well as other foodstuffs, on a daily recurring basis. To stay within their
10 approved budgets, they each make almost superhuman efforts to obtain this
11 produce from any available source, either from on island or from off island.
12 Since it is the goal of the Department of Agriculture to promote the efforts of all
13 local farmers, and to ensure the expansion of the local agricultural and
14 aquacultural industries, markets must be established and maintained to ensure that

1 the farmers have a viable continuing market for the results of their hard labor.
2 The Department of Agriculture must continue to find local markets for the local
3 produce. Therefore, they shall be required to work with the various
4 Procurement Officers of the government of Guam and non-profit organizations
5 which are in the business of feeding people, to maintain a market all year round
6 for the crops of the farmers and other local producers of foodstuffs.

7 **Section 2. New Title 5 GCA §62107.** The following paragraph is
8 added to the Guam Code Annotated, §62107 of Title 5, Chapter 62.

9 “§62107. Procurement of local produce from local farmers. The
10 Department of Agriculture shall, on a continuing basis, make every effort
11 to ensure that the crops of the farmers of Guam are first procured by
12 agencies of the government, such as Department of Education, Department
13 of Youth Affairs, Department of Corrections, and the Guam Memorial
14 Hospital, unless the farmer has made previous arrangements for sale to
15 other users. The Department shall assist the farmers in negotiating prices,
16 amounts, and payment with the Procurement Officers involved. However,
17 the prices must be kept competitive with prices of produce offered by
18 commercial importers. They shall make every effort to assist in expediting
19 payment to the farmers, as well as providing necessary advice and
20 assistance to ensure that the crops arrive at the particular agency in the best
21 possible condition.”

**Committee on Economic- Agricultural
Development and Insurance**

Twenty-Third Guam Legislature
Senator Joe T. San Agustin, Chairman

Witness Sign in Sheet

February 28, 1995

(Date)

Subject: Bill No. 22

Name Please Print:	Representing Agency:	Testimony	
		Oral/ Written:	For/ Against:
<u>Benny San Nicolas</u>	<u>NRB Board</u>	<u>oral</u>	<u>for</u>
<u>Perenzil C. Aflague</u>	<u>GSA DOA</u>	<u>✓</u>	<u>for</u>
<u>Greg Cruz</u>	<u>Cotising.</u>	<u>oral</u>	<u>for</u>
<u>MANUEL DUENAS</u>	<u>G.F.C.A.</u>	<u>ORAL</u>	<u>FOR</u>
<u>RICHARD McCORD</u>	<u>G.F.C.A.</u>	<u>ORAL</u>	<u>FOR</u>
<u>Mike Kuhlmann</u>	<u>Dept of Ag</u>	<u>written</u>	<u>for</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**Committee on Economic- Agricultural
Development and Insurance**

Twenty-Third Guam Legislature

Senator Joe T. San Agustin, Chairman

Attendance Sheet

February 28, 1995

(Date)

Subject: Public Hearing 7 p.m., Mangilao Community Center; Bill Nos.
1, 22, 66, 69, 78, & 102.

<u>Committee Members:</u>	<u>Present:</u>	<u>Absent</u>	<u>Off-island:</u>
1. Senator Joe T. San Agustin, Chairman	/ ✓	/ /	/ /
2. Senator Sonny J. Orsini, Vice-Chairman	/ ✓	/ /	/ /
3. Senator John P. Aguon, Member	/ /	/ /	/ /
4. Senator Anthony C. Blaz, Member	/ /	/ / ●	/ /
5. Senator Felix P. Camacho, Member	/ /	/ /	/ /
6. Senator Mark Forbes, Member	/ /	/ /	/ /
7. Senator Carlotta Leon Guerrero, Member	/ ✓	/ /	/ /
8. Senator Vicente C. Pangelinan, Member	/ ✓	/ /	/ /
9. Speaker Don Parkinson, Member	/ /	/ /	/ /
10. Senator Angel L.G. Santos, Member	/ /	/ /	/ /
11. Senator Francis E. Santos, Member	/ /	/ /	/ /



COMMITTEE ON ECONOMIC-AGRICULTURAL
DEVELOPMENT AND INSURANCE
TWENTY-THIRD GUAM LEGISLATURE
424 O'Brien Dr., Julale Shopping Center, Suite #218

COMMITTEE REPORT

ON

BILL #22

SPONSOR: T.S. NELSON

AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5, GCA TO
REQUIRE THE DEPARTMENT OF EDUCATION, CORRECTIONS, YOUTH
AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM
USE OF THE LOCAL PRODUCE AND OTHER FOODSTUFFS.

COMMITTEE MEMBERS

Chairman: Joe T. San Agustin
Vice Chairman: Sonny L. Orsini

John P. Aguon	Vicente C. Pangelinan
Anthony C. Blaz	Lou Leon Guerrero
Mark Forbes	Francis E. Santos
Angel L.G. Santos	Carlotta Leon Guerrero
Don Parkinson	

I. BACKGROUND

Senator Joe t. San Agustin, Chairman for the Committee on Economic-Agricultural Development and Insurance conducted a public hearing on Bill #22, at 7:00 P.M., February 28, 1995, at the Mangilao Community Center.

Committee Members Present Were:

Senator J.T. San Agustin, Chairman
Senator S.L. Orsini
Senator V.C. Pangelinan
Senator C. Leon Guerrero

Other Senators Present Were:

Senator H. Cristobal

Senator L. Leon Guerrero
Senator M. Charfauros

II. SUMMARY OF TESTIMONY

TESTIMONY was offered and submitted by the following:

Benny San Nicolas	NRC Board
Lorenzo C. Aflague	GSA, Department of Administration
Greg Cruz	Citizen
Manuel P. Duenas	Guam Fishermen's Cooperative
Richard McCord	Guam fishermen's Cooperative
Michael W. Kuhlmann	Department of Agriculture
David M. Dell'Isola	Department of Youth Affairs

MR. GREGORIO CRUZ, private citizen provided the Committee with an oral testimony stating that he supports Bill #22, however, his main reason for testifying was to bring up to the Committee the poor appearance of the former Department of Agriculture Administration Offices which are dilapidated since Typhoon Ross. He stated that after Typhoon Ross, the office buildings sustained some damages and since then new offices are were built across the street leaving the old building as an eye sore. He also indicated that he has seen very little improvement provided by the Department of Agriculture in the area of agriculture. Instead of planting foodstuff, the Department of Agriculture is planting flowers. He mentioned furthers that there are more Government of Guam Agencies located in his village, Mangilao than any other village on Guam and he feels his village is getting very crowded. He list the following: Department of Agriculture, the Department of Youth Affairs, the Department of Corrections, University of Guam, Guam Community College, Public Health and Social Services, and he would like the Committee to do something about the deplorable sight of the old Department of Agriculture office buildings.

MR. BENNY SAN NICOLAS, Inarajan School Teacher, farmer, Chairman of the Southern District Soil and Water Conservation Board provided an oral testimony. He stated that he is testifying on behalf of the Southern District Soil and Water Conservation Board in favor of Bill #22. He indicated that many times farmers have experienced and did their best to grow as much as they can, fighting all obstacles such as the weather, insects and other natural disasters and worked very hard to produce good crops. However, when harvesting their crops, they would find out that they can not sell their produce because most to the buyers had already ordered produce from off island. The farmers would end up selling their produce at a lower prices by 100 to 200 per cent and many times they would throw or give them away or give them to the pigs. He commended the Committee for their foresight in introducing this Bill and he hoped that it will pass because



Mr. Aflague noted that past experience shows that local farmers do not understand procurement requirements and many lacks administrative capabilities to carry out these requirements specially mandates by law requiring all businesses to be duly licensed to do business on Guam. He question whether the Bill would give local farmers **preferential treatment** and therefore exempt from following the existing Guam's laws.

He suggested that since the Bill deals primarily with ensuring that local farm produce be purchased by government agencies, to include to local fisherman who relies on the fishes they catch for their livelihood. He pointed out that if the Government is to assist the local farmers in marketing their produce, it should also provide the same assistance and opportunity to the local fisherman. He further recommended to include the Government House in the list of Government Agencies to buy fresh farm and fish products from local farmers and local fisherman.

MR. MICHAEL W. KUHLMANN, Acting Director, Department of Agriculture presented a written testimony to the Committee in support of Bill #22. However, he indicated that there are existing problems that must be considered and improved. He related that Bill #22 is an expansion of Executive Order #94-10, which required the Department of Agriculture to administer a plan for the Department of Education to purchase local farm produce and fish. However, he stated that the plan has not worked well, and he does not believe that the proposed Bill will have better results. His reasoning for this is that local farmers do not participate knowing that they will not be paid as quickly as they would like to upon delivery of their produce.

He stated that requiring the Department of Agriculture to make every effort that Government Agencies purchase local farm produce may not be a problem, however, the Department has very little influence beyond persuasion to ensure that other agencies comply with this effort. He suggested that a more effective means of accomplishing this purpose is for the Bill to mandate all agencies who are prospective buyers.

Mr. Kuhlmann also indicated that requiring the Department of Agriculture to assist farmers in negotiating prices would develop into a large and expensive administrative operation. This operation involves numerous commodities, fluctuation in prices, quality and quantity of produce, season of year, off island prices competition and delivery arrangements. With this additional responsibilities, Mr. Kuhlmann stated that it would exceed the Department of Agriculture's present or foreseeable capabilities.

He also feels that there would be a built-in conflict of interest for the Department of Agriculture to be protecting

the interests of the government, to ensure the Government pay lower price and the same time seek higher prices for the local farmers. He mentioned that presently under Executive Order 94-10, the reason farmers are selling to DOE is that the prices are set to be paying significantly more than private sector buyers pays in the open market. He feels that this is a disadvantage to DOE, the General Funds and the taxpayers.

Mr. Kuhlmann proposes that the Department of Agriculture develop a system that would help bring together the producers and prospective buyers of local farm products. The system is for the Department to maintain an updated computerized listing of buyers and the product they need, how much and when the product is needed. A listing of the farmers and what they can produce, the quantity and when can it be available for market. With this arrangement, the Department of Agriculture would be a matchmaker, bring together the sellers and the buyers, and not a deal maker negotiating prices or other transactions.

Mr. Kuhlmann reiterate that although he supported Bill #22, he emphasizes that unless the Government Agencies are mandated to resolve the problem of delayed payments, it will still cause problem to the farmers.

MR. MANUEL P. DUENAS, President, Guam Fishermen's Cooperative Association, made an oral presentation, testifying on his own behalf in support of Bill #22. He indicated, however, that there are several things he would like the Committee to look at in amending the Bill:

1. That the Bill include the fishermen on the same category as the farmers when implementing the provision of the Bill.
2. That the provisions in lines #16, 17, and 18, Section 2, which read as follows be deleted:

"Line 16. amounts, and payment with the Procurement Officers involved. However, the prices
Line 17 must be kept competitive with prices of
Line 18 produce offered by commercial importers."

Mr. Duenas feels that the language is unfair and gave the following example: To sell mahi-mahi to DOE at \$2.00 per pound at Taiwan's price to him is unreasonable. Also to lower the U.S. prices for fish from other country is also unreasonable and unfair competition. As for delivering the local fish, the Co-Op has no problem. The Government is reluctant to buy local fish because it is cheaper to pay \$3.00 per pound from outside companies than to pay \$4.00 per pound from the Co-Op. It is true that the Government would save \$1.00 per pound, but the freshness is not there,

according to Mr. Duenas. He also mentioned that fish product are far better for the children, but the schools menu would have meat product on a daily basis where fish would be serve only nine time in three months. Mr. Duenas further indicated that this kind of competition is not for the best interest for the survival of the local fisherman and farmers. Presently the Co-Op have ample supply of fresh fish but unable to compete with outside company because they are selling their product at a lower price.

MR. DAVID M. DELL'ISOLA, Deputy Director, Department of Youth Affairs submitted a written testimony, however, he was not present to testify. The letter basically indicated that the Department supports the Bill. It indicated that the Department is mandated to provide three wholesome, nutritional meals daily to its clients. The letter also indicated that although the clients maintains a small vegetable garden within the compound for their subsistence, it must be supplemented by fruits and vegetables bought from the local markets and grocery stores on a weekly basis.

While the Guam Public School System provides breakfast and lunch during school days, Department staff must prepare and serve dinner meals and three meals during the weekends, holidays and summer vacations.

The letter further indicated that the Department is looking forward to hear from the Department of Agriculture and to ensure that fresh fruits and vegetables are made available to their clients.

SENATOR LOU LEON GUERRERO question if there are problems with local fishermen and farmers selling their product. Mr. San Nicolas responded that the problem has always been there. He gave an example that when local farmers harvest cucumbers, it is hard for them to sell because venders have an established system which would be easier for them to order and purchase from off island. There are other obstacles facing the local farmers. It seems that the Government failed to realize who they are actually serving whether the people of Guam or the people from Thailand. However, this Bill will make Government Agencies aware why they are there and would benefit the people of Guam. Although there are many laws which protects the farmers, but this Bill is the key for the farmers to be able to succeed in their farming industry.

Senator Leon Guerrero presented the following questions to Mr. Duenas: Why is it that the local fish are more expensive than the import fish? Mr. Duenas responded that off island fish are cheaper because the labors and other resources are cheap on the third world countries, which in turns made it possible for fish to be sold at a considerable cheaper price. On Guam, the fishermen has to comply with U.S. standard, such as fuel cost and pay taxes. The fishermen from other outside

countries have big ships that withstand rough seas and can spent months at sea fishing and the ship crew's salary are very cheap. Senator Leon Guerrero asked if the fishermen from other countries operating cost less than that of the local fishermen? Mr. Duenas replied that the operating cost for the other countries is minimal compared to the Co-Op's operating cost. He stated that a loneliner operating on Guam can sell mahi-mahi on Guam at 20 cents per kilo (2 1/2 pounds), whereas the Co-Op must sell its mahi-mahi at \$4.00 per pound. The Co-Op fish are handled properly without any abuse and the fish are inspected by the Health Department, but he has not seen any USDA inspection on fish from Taiwan.

Senator Leon Guerrero asked if the local vegetable are expensive as the import vegetable. Mr. San Nicolas replied that normally it is because when producing in volume, farmers had to buy fertilizer and also include labor, labor on Guam are expensive. According to San Nicolas those are some of the factors involved which makes the price for local products more expensive than that of other countries.

Mr. Kuhlmann commented that there are demands on the island for local supplies, the demands are greater than the supplies. The problem is getting the supplies to the markets who would buy the produce. Guam has not yet put in place an efficient mechanism to get the suppliers and buyers together. He believe that the price is competitive in that imports have waste in shipping fresh produce and shipping cost. However, there is the problem of seasonal fluctuation locally because more farmers are producing different commodities which may last 60-90 days then the supplies will go down.

Senator Leon Guerrero stated that during the confirmation hearing, her main concern was what incentive does the Department of Agriculture provides to attract more people to get into agriculture or the fishing industry. She believe in free enterprise but she feels that the Government should help the local people. As far as preferential treatment, she thinks that would have to balance out with competitive pricing and the quality of the product. She also stated that the Government must take care of our own people then put the incentive in to start attracting more people so that the industry can improve. She also mentioned that the Committee should look into that to see if there is something can be done to provide an initial start for the local farmers to move on to get the volume thereby the prices can be competitive.

Mr. Kuhlmann responded that he would not disagree with Senator Leon Guerrero, but he wanted to point out that in most things, there are trade offs. When dealing with foodstuff in larger basis and in greater area, the Department would use the United States as comparison. What happens is that the farmers produces and then sell to a broker who in

turns sells to a larger broker who puts it on the exchange and at a certain point, the process starts breaking down again into smaller pieces. The farmers does have a price and stays on the farm, but the off set for that is that he gets about 10 cents out of the consumer's dollar. In Guam, the farmer goes right to the retailer who gets about 60-65 percent of the consumer's dollar which makes a lot of difference. He further stated that most of the producers in Guam as small scale producers, not large plantations. As a consequences, because they are small scale it is difficult for any one of them to make contact with as many buyers that are available.

SENATOR HOPE CRISTOBAL asked Mr. Duenas why is it that there is no broker with the small scale fishermen? Then she turn her comment to what Mr. Aflague had testified regarding the preferential treatment. She stated that there is nothing to be concern with. She then indicated that she thought that a lot of assistance had been given to the farmers in the past only to learn that at the present time, assistance are still being sought from the Government of Guam. She mentioned that by the Organic Act which was passed by the United States Congress, gave preferential treatment to Chamorros for employment within the Government of Guam, which she thought was Constitutional. She then asked Mr. Duenas how does Co-Op keep their fish fresh because she was concern about the quality of the fish. She mentioned that if there is a broker, quality control can be implemented for the merchandise that is being sold to the Government Agencies.

Mr. Duenas responded that the Co-Op is the broker for the Guam Cooperative Association. As for the sale fly, the maximum Co-Op's policy is three days. However, fish can stay in ice for three days compared to the fish being sold by the side of the road which are approximately two weeks old in ice. After three days the fish are fillet and vacuum packed. Vacuum packed fish sale fly is two years provided there is no holes in the seals. All fishes caught by Co-Op fishermen are treated and process in that manner. Mr. Duenas touched on the economy, stating that for every dollar spent on fish from Taiwan, on that dollar, only about 10% stays on Guam. But when Co-Op sells it s fish to DOE approximately 50% of that dollar stays on Guam.

Senator Cristobal wanted to assure that she highly support the Bill and also the preferential treatment for the farmers and the fishermen for its about time the receive preferential treatment.

Mr. Duenas wanted to let the Committee know that the Government is not supporting the local fishermen and the Co-Op has no one to turn to. Mr. Kuhlmann responded that there is a farmer and fisherman small loan revolving fund administered by the Department of Agriculture, but he was not

sure how many fishermen are aware of the fund.

Senator Cristobal assured Mr. Duenas that she and the other members of the Committee supports the local fishermen. She then asked Mr. San Nicolas if there is a broker for the farmers, because she is concern and wanted to insure that the produce which reaches the consumer is free from an pesticide or other spray and are ready for consumption. Mr. San Nicolas replies that there in on broker and the farmers deals directly with the buyers.

Senator Cristobal suggested that the Department of Agriculture develop a centralize distribution center where the buyers would know where to purchase fresh produce and the farmers can be assured that they can sell their produce. She mentioned the problems which was brought up by Mr. Aflague regarding price negotiation and in Mr. Kuhlmann earlier testimony that the Department of Agriculture would have problem in providing that type of services due to the lack of man power. Mr. Kuhlmann replied that not only that the Department lacks the manpower, but if the Bill is successful as they hope, it will involve many tons of produce and many transaction had to be made daily with as many agencies that can get involved in the system. He mentioned the problem with DOE where it would pay more because of the preestablished set price than in the open market. He also mentioned as previously testified that this type of situation would put the Department in a conflict between serving the tax payers and maintaining the farmer's interest.

Senator Cristobal then asked Mr. Kuhlmann where would the buyer go to find the farmer if he wants to purchase directly? Mr. Kuhlmann indicated that the Department would set up a computer matching system as previously testified. He emphasize that, that is precisely the problem being encountered trying to bring the farmers and the buyers together.

SENATOR CARLOTTA LEON GUERRERO began her comments by saying that the most convincing argument she heard during this hearing is the one which Mr. Duenas proposed that the dollars that stays here from support of the local industry. Although the prices might be slightly higher than buying from bigger volume producers, but its the dollar that stays on Guam. She indicated that she has a problem with Section of the Bill (Section 2 line 15) which requires the Department of Agriculture in negotiating the prices of which she doe not agree. She agrees with Mr. Kuhlmann that it would a conflict of interest if the Department of Agriculture tries to get lower prices for the Government and at the same time the farmers would be trying to get higher prices for their products. She thinks there will be a problem there. She further indicated that the Department of Agriculture should not be negotiating the prices. However, she stated that

there is a need to give support for the farmers and the fishermen toward the goal to build up these industries and mandate the Government Agencies from buying from the large volume producers from other countries. She believe it is important in keeping the dollar circulating in Guam.

SENATOR SONNY ORSINI wholeheartedly support both Bills but particularly Bill #22. However he has two amendments which he would like to include in Bill #22. One which both Mr. McCord and Mr. Duenas has pointed out is very important to include the fishing industry in the Bill. Two, which is also very important because the Bill will not be successful and perhaps the connection in making Bill #22 extremely successful is that the Government expedite the payment.

With respect to the preferential treatment which GSA had mentioned earlier, he do not see why legislature can not protect the infant industries if a country like Japan in the early 1950s can restrict themselves from buying goods from other countries while at the same time encouraging their local industries in producing the same goods. Also when the United States itself, a country which spouses free trade is actually practice manage trade in restricting certain products from certain countries from coming in to the United States. He does not know why the legislature can not give the local farmers and fishermen a fighting chance to carve out a niche in these growing market. Senator Orsini stated that leaders and members of this community must adopt a "buy Guam first" over imported goods. As Mr. Duenas pointed out beside tourism, what other leading export industry does Guam has. What he would like to see in the future is that one of Guam's export industry is aquaculture and followed by agriculture. Senator Orsini emphasize that what the legislature need to do is to protect Guam's infant industry, that is agriculture and aquaculture. By giving them that protection to become competitive, they can then achieve and economy of scale. Then they will be able to achieve a mass production and lower pert unit cost, giving the farmers a competitive advantage over imported good and services. This will reduce the cost of living on Guam.

Senator Orsini further emphasize that its about time the legislature support the local farmers. He recommended to Mr. McCord and Mr. Duenas to get together with Mr. Kuhlmann in implementing or incorporating the match making computer system and get their products to a greater market access. Mr. McCord inform Senator Orsini that Co-Op have been doing business with the hotels, restaurants and markets on the island. The problem is not marketing, the problem is convincing the buyers to buy Co-Op fish. As cited by Mr. Duenas earlier, the Co-Op's is up against foreign competition. The Co-Op can not compete because the buyers do not want to buy from Co-Op. It should be noted that it's not only fish being imported in but fish being exported from the

port.

SENATOR BEN PANGELINAN directed his opening comments to Mr. Aflague in reference to preference. He indicated that even GPA has recently instituted a 15 percent local preference provision of the existing law. So He sees no problem in giving preferential to local producers. He suggested that the government should give local producers a 25 percent preference.

His second comment was directed to Mr. Kuhlmann, stating that he more he hear him talk, the more disturb he become in regards to exactly what his role is as Director of Agriculture. Senator Pangelinan stated that the job of a Director of Agriculture is to advocate or become an advocate of the local farmers. He also stated that he will never agree that the interest of the farmers may be contrary to the general interest of this government. He informed Mr. Kuhlmann that if he wants to protect the interest of the Government of Guam, then he should be Governor instead of Director of the Department of Agriculture. That his job as Director is to advance the interest of the farmers. He cited Mr. Kuhlmann's earlier testimony that the payment is the problem even if the legislature implement this law. Senator Pangelinan feels that as Director of the Department of Agriculture, he should advocate and look for a way in speeding up payment.

Senator Pangelinan stated that the other think that disturbs him is if Mr. Kuhlmann is saying that his role as the Director of Agriculture in advocating the best price for the farmers from the vendors and different agencies of this government maybe a conflict with the general welfare and interest of the government in general. Yet at his confirmation hearing when Senator Pangelinan asked Mr. Kuhlmann if he thinks there is a conflict of interest with him having approval to lease government land with his role as the Director of Agriculture, he answered that he does not see any conflict of interest. Senator Pangelinan pointed out that now Mr. Kuhlmann sees a conflict of interest in advocating the farmers interest in terms of negotiating better prices for them is contradictory, (it does not jive).

Senator Pangelinan further informed Mr. Kuhlmann that he is quit disturb with regards the position that Mr. Kuhlmann seem to be taking in terms of what the Department of Agriculture should be doing and for whom it should be doing it for. He encourages Mr. Kuhlmann to really take a look at what are the mission of the Department of Agriculture is and what are the roles of the Director in fulfilling that mission and that is what he should go after.

Senator Pangelinan stated that he supports Bill #22 although he feels there are modifications that should be made in

regards to including the locally caught fish. Her does not see any problem with the local preference provision and to include the local preference provision as it is clearly allowed for in the law.

He indicated that his is quit disturb with regards to the position that government officials are taking with regards to advocating the interest of the local farmers and fishermen. He thinks that everyone should rally behind them. Senator Pangelinan stated that he did not see the commitment from government officials towards that end. He further stated that he do not think that there will ever come a time or there will be a time when protecting the interest of local farmers and local fishermen is contrary to the general welfare of the government.

Mr. Kuhlmann asked if he could make an observation. He stated that in his testimony, he did recommend that within the legislature there will be a new process for expediting payments so farmers can bet involve. But the bureaucracy and the process seems so clumsy and drawn out not only for the farmers but for all vendors.

SENATOR MARK CHARFAUROS has two thing he wants to discuss and one is the support the Bill as written and as recommended amendments to include the fishermen. However, he want to recommend to take one step further, to undo the competition with foreign longliners and drift net operations within Guam's EEZ. Anything the legislature can do to ensure that the farmers and the fishermen are protected if it means that this territory basically outlaws the operation of longline and drift net vessel ls that are harvesting the island's resources which the local fishermen are also harvesting. He also stated that harvesting the resources by local fishermen is conducive with the preservation of resources, however, the longliner would deplete fish resources in any area that they go. Senator Charfauros stated that by providing such restrictions, it would give the local fishermen advantage in harvesting that resources.

Senator Charfauros mentioned that every time a farmer or fisherman would seek capital assistance from the Department of Agriculture, they will be told that there is no funds. Mr. Kuhlmann was asked if he knew how much funds is available in the fishermen and farmers revolving fund. Mr. Kuhlmann responded that as of January 1995, there was \$100,000.00, however, just recently a farmer's loan of \$40,000.00 was approved by the Governor. There are other applications that are pending. Mr. Kuhlmann also stated that if anyone had been turned away, it is not to his knowledge. Senator Charfauros then asked who was awarded the \$40,000.00 loan and is it a farmer or a fisherman? Mr. Kuhlmann replied that the loan was awarded to a farmer named Carl Sgambilluri. He also stated that to his knowledge, no one has been turned away nor

has the funds in its five year been depleted.

SENATOR SAN AGUSTIN support the idea about preference and he does not see anything wrong with preference nor giving opportunity to local people to develop. He indicated that he wants to go further on the Bill that a budgeting process legislation would require the agency to plan their menus for their activities. In submission of the budget, they should anticipate how much money is needed to buy certain things and to list their plan purchases in the budgeting process. By estimating that over a period of years, the agency would buy the different commodities that can be allocated by stating that no funds should be expend for off island purchases for these commodities unless the maximum use be paid and preference be given to the local people. In anticipating the requirements of an agency in the budget, the farmers can plan the amount of produce needed to supply the agency. The government agencies should know based on experience, the amount of produce it would needed, using the data from previous years. Based on these criteria, the agencies should be able to anticipate and be able to plan.

Mr Aflague responded that the local preference law should be looked at because there are requirements that are very stringent which may not qualify the local farmers. He recommended that the legislature can amend the law to exclude the farmers from those requirements. Aflague stated that to qualify local preference under the law, vendors must have \$100,000.00 of inventory to establish a back up supply. The other concern which should be addressed is the methods of procurement for local produce and fish because the law does not provide the methods to be able to procure those commodities.

III. ROUND TABLE DISCUSSION

Senator Joe T. San Agustin, conducted a round table discussion on Bill #22, at 6:00 P.M., March 30, 1995, at the Guam Legislature Public Hearing Room, Agana, Guam.

Committee Members Present Were:

Senator J.T. San Agustin, Chairman
Senator S.L. Orsini, Vice Chairman
Senator D. Parkinson

Other Senator Present Were:

Senator T.S. Nelson

TESTIMONY was offered and submitted by some of the following:

* Karen Caldwell	GMHA
E. McDonald	GMHA
* Juan G. Quinata	Farmer from Merizo
* Ed Bitanga	Department of Correction
Ed Chargualaf	DYA
* M. Kuhlman	Dept. of Agriculture
R. Lujan	Dept. of Agriculture
* L. C. Aflague	GSA (DOA)
* J.M. Pangelinan	DOE
J. Blas	GSA (DOE)
* M.P. Duenas	Guam Fishermen's Co-OP

* Signifies those who participated in the round table discussion.

SENATOR JOE T. SAN AGUSTIN opened the discussion by stating that the round table discussion was brought about by the request of the farmers that are involved in trying to do business with the Government of Guam. He indicated that it is unfortunate to have this kind of legislation that would mandate the government agencies to cater to the local farmers and local produce. He also indicated that there was previous hearing in Mangilao and he feels that since this is an encompassing proposed legislation that all the agencies that are involved should be particularly cognizant that there is a concern that charity begin at home. He also mentioned that there is a concern that the government should start catering to the local people first before it start catering to others. San Agustin stated that the people should look at Bill #22 and he asked how is it going to work. How the government and the people should maximize the potential of our local produce that are develop on island. He also asked how can the people take full advantage and made sure that this type of produce gets to the table of the various government agencies whether cafeteria or other areas. He further stated that after reviewing the proposed Bill, one of the things that was being discussed was to mandate each agency involve to tie in the procurement to the operational budget of the agencies that are procuring the produce. He informed the participants that this proposal has been tested by the example that was done with the building of the Leguan Terrace Baseball Diamond and the Department of Parks and Recreation refused to entertain the law because they are more concern with the sport complex. In order to make sure that Parks and Recreation adhere to the law that establishes the baseball diamond, there was a provision in the budget law that until such time as any commitment is made to build the Leguan Terrance Baseball Diamond, not a single penny of the Department of Parks and Recreation's budget would be spent. The Attorney General's Office has indicated that it is perfectly legitimate for the Legislature to set up such criteria. Senator San Agustin also stated that he would like to get comments on Section 2 of the Bill which is going to be amended to include the

budgetary format. He also stated that the first paragraph, line 10 which reads: "The Department of Agriculture shall, on a continuing basis, **make every effort** to ensure that the crops of the farmers of Guam are first procured by agencies of the government---" he does not feel whether that statement is strong enough to mandate the agencies to buy from the farmers. The Bill stated that the Department of Agriculture shall, but does not mandate on the agencies to buy from the local farmers. He indicated that he would include in the Bill language that would mandate the agencies, that they can not buy from off island produce unless they consider local produce first.

In reference to the language that the Department of Agriculture shall be the negotiator for the process and the amount and the prices must be kept competitive by prices afford by commercial importer, Senator San Agustin stated that it is very difficult to compete with the cost of imported produce because of the volume.

Mr. Kuhlmann reiterate that the Department of Agriculture will do all it can however, he would like to bring the attention to the Committee of the sentence on line #18 and 19 which reads:

"They shall make every effort to assist in expediting payment to the farmers, ---"

That language seem to be one of the biggest problem, since the farmers just do not get paid in a timely manner. He also stated that he had coordinating with Department of Administration for some means to expediting payment for small purchases.

Senator San Agustin responded that seems to be a universal problem. However, he would like to know who does the word "**they**" referring to, the Department of Agriculture or all the agencies involved. Mr. Kuhlmann stated that the word "**they**" means the Department of Agriculture. Senator San Agustin stated that it (they) should be changed to read "**the department**".

MR. ED BITANGA, Director, Department of Correction suggested that the language in line # 19 should start with the word "**as well**". He thinks that it should be reworded to read as follows:

"the Department of Agriculture shall provide the necessary advice and assistance to ensure that the crops arrive at the particular agency in the best possible condition as well as ensuring that payments are made."

MR. MIKE PANGELINAN, Procurement Office, DOE, commented that

line #15 and #16 which reads:

"The Department shall assist the farmers in negotiating prices, amounts, and payment with the Procurement officers involved."

The procurement officer do not get involved in the fiscal aspect (payment) and to imply here as it stated, to what degree can they assist in getting the farmers paid, when that is a fiscal management responsibility rather than a procurement responsibility. Mr. Pangelinan also commented that even if all the documents were in order, the problem is the availability of funding to be issued against the checks issued. In that respect, even when all the documents were available, however, it is a matter of having the actual funds available so it becomes a cash disbursement problem rather than a procurement related problem.

Mr. Kuhlmann stated that in previous hearing he testified that the Department of Agriculture has now set up a telephone system for buyers and sellers and is now trying to get the agencies to list their needs so that the farmers can call in and inquire what agency wants to buy what commodities. Any agency, restaurant and hotels can call in and would identify the types of produce needed and find out which farmer would be able to provide such produce. Through the telephone system, the Department of Agriculture can inform the caller who are the contact people. Mr. Kuhlmann informed that the Department of Youth Affairs is already listed and the DOC is being encouraged to be included in the list. In addition, Guam Memorial Hospital was also contacted.

MR. JUAN G. QUINATA, farmer from umatac, referred to line #11,13, and 13, which reads:

"to ensure that the crops of the farmers of Guam are first procured by agencies of the government, such as Department of Education, Department of Youth Affairs, Department of Corrections, and Guam Memorial Hospital,"

and asked if there is any restrictions to the farmers that their priority must first be to DOE, GMH, DOC rather than to sale their product elsewhere other than the government agencies mentioned in the section.

Senator San Agustin responded that Mr. Quinata has raised a point and said that line #14, the implication of the Bill that the farmers will make every effort to sale their produce some place else. Also that the Department of Agriculture will help in selling the crops but only if the farmers cannot sale to any body else and he can not sale it at a higher price. However, if the farmers would go to a higher bidder and not sale to the government agencies, then the agencies will have to go elsewhere and not buy from the farmers.

Mr. Quinata suggested that there should be some kind of restriction placed on the government agencies to buy from the local farmers first before they buy from off island. He also suggested that the farmers should be mandated to sale to the government agencies first before they sale to others.

Mr. Bitanga stated that he does not have any problem when a farmer would ask DOC to buy their produce, if DOC sees the need for the produce. However, he is partial to the seller who would sale at a lower price. He inquire if the situation is that bad that the process must be made as a Bill.

Senator San Agustin responded that because the public hearing held a Mangilao did not provide all the needed information, the farmers suggested there should be a round table discussion with the agencies. He stated that he is aware that the Departments has the responsibility to operate with certain budget and to make sure the prices meets the budget. However, he pointed out that the money which was budgeted to the departments came from the economy which in turns will generate the economy.

Mr. Kuhlmann commented that it seems necessary because it is much easier for large supermarket to just fill out a form for imports and submit it, but it cut the local producers out of the market because they would be getting their produce from one source rather than six sources.

Mr. Bitanga stated that if a farmer is a vendor number comes to the department with his produce which is needed, more than likely the department will buy from him. He reiterate that he does not think it should go this far to pass a Bill to make sure that the local farmers get their share of the government money.

Mr. Pangelinan commented that he can empathized where the farmers stand on this issue, basically one of the primary problem is that there are too many farmers growing the same crops. He stated that even DOE has a certain needs and once those needs are met, then the situation which probably what spawn this particular Bill. DOE does not want to buy produce which it has already in abundance of. He pointed out that the market does not have the variety of available produce to meet the needs.

MRS. KAREN CALDWELL, GMHA indicated that GMH has the same issue as DOE in that there is a need for certain produce on a weekly basis such as cucumbers, cherry tomatos. She also indicated that GMH has 31 items on the menu list of produce, fruits, and vegetables, but so far GMH was able to work out an agreement for cherry tomatos and cucumbers and mostly cucumbers that can be bought locally because when GMH call, the produce are not in stock and the need has to be met.

Mrs. Caldwell mentioned that seven (7) percent of GMH's food dollar goes for produce on any given month that translate to about \$3,500.0 - 4,500.00. She pointed out that if the produce GMH buys is going to be 25 percent higher, would this Bill justify exceeding a given budget? She suggest that a Co-Op would be ideal because invoices creates a large volume of paper work, if there is a one-stop shopping and only use one document, that would provide for the purchase of at least five items, it would be helpful.

Senator San Agustin suggested that each agency establish a plan anticipated purchase requirement by commodities to be made available to the Department of Agriculture, this way it would provide a list of what the farmers needs to produce for the next six months or the next year.

Mr. Kuhlmann responded that the Department of Agriculture has already established such a system to identify the needed items and then inform the farmers of the particular needs.

MR. LORENZO AFLAGUE, GSA, Department of Administration commented on what Mr. Kuhlmann ha previously stated about establishing a want list from each agency and he thinks that is an excellent idea because he will be able to know which agency will be needing certain quantity of produce at a given time. With all the research on the farmers, the agencies will be able to know what is available thereby providing a feed back that way the agencies can order consistently.

Senator San Agustin stated that availability is base on anticipated needs so that the farmers can plant accordingly. That will be the only way the farmers will know he is getting the information from the agencies so they can anticipate the type of produce the agencies will need.

Mr. Pangelinan stated that DOE accomodate the farmers based on their projected harvest, which means DOE will enter into a contractual agreement with the farmers based on what they project to harvest and when. DOE in turns decide whether or not it will be sufficient to meet DOE's needs. If it will not meet the need, DOE will solicit another farmer who can off set the difference base on their projection and harvest date. DOE will in turn provide an allocation to each of the farmer. The allocation is basically stipulates how much of their produce will go to a certain school base on the student population. In essence, DOE accomodates the existing market with the farmers on a contractual bases for as long as the purchase order is (available.) At this point in time base on their new projection, DOE would renew the purchase order based on DOE's needs. So the needs of the farmers are currently being accomodated. DOE do have a system in place that basically accomodates the farmers harvest and delivery time and DOE fix its menus in according to what the farmers have available. Yes, DOE does have a working plan with the

farmers in an effort to accomodate them. The problems all reverts back to how much does DOE need, because DOE can only buy so much.

Senator San Agustin asked Mr. Aflague, do we need this law or can this be done through the procurement regulations? Mr. Aflague stated that the procurement regulations restrict GSA to a minimum that it can buy, other than bidding, is \$5,000.00. Mr. Aflague recommended that the Bill be amended that GSA should wave the bidding requirement for the farmers and fishermen because a \$5,000.00 purchase is very minimal especially for the hospital and DOE who are the largest consumer of local produce. He also suggested that the procurement regulations be limited to about \$25,000.00. At present DOE and the hospital has a minimum of \$15,000.00, single transaction purchase.

Mr. Pangelinan brought up another point about the word "local" as oppose to off island. The law differs in policy in favor of local procurement. The law only distinguish either on island or off island. Therefore the issue must be clarified because as an example, J&G Payless is a local supplier, and purchases from off island but J&G constitute a local vendor and it is not define in the procurement policy.

Mr. Aflague further recommended that line #15 be amended to read:

"amount and payment with the fiscal officer of the agencies involve."

Those are the people that can assist in expediting payment.

Senator San Agustin asked Mr. Terlaje, a farmer from Dededo, how would the farmers be able to meets the demands needed to provide produce to the hospital, DOE, and DOC? Mr. Terlaje for some reason failed to directly answer the question, instead he related to how the University of Guam and the Department of Agriculture must get together to educate the farmers. He also related that there is a need to pull the farmers and the Department of Agriculture together because somehow it is not going in the right direction. During his testimony, Mr. Terlaje did not address the question imposed on him by the senator.

SENATOR DON PARKINSON asked for the procedures on how a farmer could sale his already harvested produce which are ready for delivery? Mr. Pangelinan responded by saying if the funds are available and the need existed and the quality of the produce was such that it would be acceptable for the department, and if the farmers is an established vendor with an appropriate vendor number, then DOE would go ahead an issue a purchase order to procure the produce. Speaker Parkinson then asked how do DOE determine the price of the

produce? Mr. Pangelinan explained that prices are predetermined by the farmers during a meeting with the Department of Agriculture which negotiated prices were reached in concurrence with the farmers that were available. During the negotiation, one of the things that was needed to be understood that the price has to be competitive. Therefore a reasonable amount was negotiated for certain commodities that were anticipated to be harvested. Mr. Pangelinan also explained that there was an established acceptable price listing and if the farmers are willing to sale their produce at that price or lower then DOE would have no problem going ahead and purchase. Speaker Parkinson then stated that DOE would go ahead and purchase without having to go through an elaborate bidding procedures. Mr. Pangelinan and Mr. Aflague both agreed. Speaker Parkinson asked how would the agency go about procuring farm produce (tomatos) from J&G or from Guam Real Fresh or whoever sales these produce? Mr. Pangelinan responded that if the need arose and the local farming market was not able to meet the demands, then DOE would be opt to purchase from a local retailer.

Speaker Parkinson then asked a hypothetical question that if San Miguel School Cafeteria decided to serve the students with tomato sandwich and it needs 40 pounds of tomatos, how do they go about getting that 40 pounds of tomatos? Mr. Pangelinan answered by saying that he would hope that the school would have a planned procurement in which the menu evolved around the available commodities rather than trying to meet a menu in which the commodity was not readily available. Speaker Parkinson feels that his question was not properly answered, so he asked the question, how do the school go about purchasing the tomatos assuming that there is no tomatos available on the local market? Mr. Pangelinan responded that DOE would solicit from available sources on the island. Speaker Parkinson then asked, how far in advance and Mr. Pangelinan answered, currently six months.

Speaker Parkinson after a lengthy discussion, asked Mr. Pangelinan to get together with DOE legal counsel and draft a working model general legislation which would apply not only to DOE but to everybody relative to simplifying the process for buying routine items in the market rate with specific provision for agricultural and fish products.

Senator San Agustin introduces Mr. Manuel Duenas, President, Guam Fishermen's Cooperative Association, who would also like to be included in the procurement process with the government agencies. Mr. Duenas mentioned that the Fishermen's Co-Op presently have several thousand pounds of fish for DOE but some how DOE do not want to pick them up. Mr. Pangelinan responded that DOE does not have the money to get the fish. He also stated that in the beginning of the year, DOE did in fact issue a purchase order for \$24,000.00 for fish to the

Co-Op, and there was to have been a subsequent order issued last month, but DOE just does not have the money.

MR. MANUEL DUENAS stated that the Co-Op does not have the problem the farmers have about not meeting the demands, because the Co-Op do have the supply available at any time DOE wants to pick up the fish. He also stated that the Co-Op do not wish to lose the dealing with DOE so the supply is kept readily available. He further stated that in the past, DOE would pick up their supply of fish every other month, now every four months. The Co-Op is committed to supply DOE because DOE is the Co-Op's continuous market. Mr. Duenas indicated that he would like to supply other government agencies with the local Co-Op fish.

VI FINDINGS:

After hearing all the testimonies presented, questions and comments made by the Committee Members, the Committee finds that there are problems with the Bill as written which needs to be addressed. The Committee also finds that amendments, deletions, and additions are also needed to certain sections of the Bill. Some of the problems are listed as follows:

1. The local farmers are having difficulties selling their products because of the following:
 - a. Local vendors would rather order and purchase from off island producers.
 - b. Government Agencies would rather purchase from off island producers because of cheaper prices.
 - c. Government Agencies has a history of long delays in paying for the produce.
 - d. Farmers and buyers have no centralized means of communicating to each other to identify their needs except on a direct contact on a one to one basis.
2. The local fishing industries are having problems selling their products because of the following:
 - a. Off island longliners are selling to local vendors, hotels and restaurants at a considerable lower prices compared to Co-Op's prices.
 - b. Government Agencies would rather purchase from the off island fishing industries because the prices are lot cheaper than Local fishermen.
 - c. Hotels and restaurants are also buying from off

- island fishing industries because of cheaper prices as compared with Co-Op's prices.
- d. the operating cost for the local fishing industries are regulated by United States Federal standards which in turns causes the selling prices to be higher than off island companies who are not required to comply with U.S. Standard.
 3. The present Bill deals primarily to the local farmers and no provision was directed towards the welfare of the local fishing industries which should be addressed.
 4. All interested persons who were present to testify, fully supports the Bill with some addition, deletion, amendments and the inclusion of the fishing industries at the same level as the farmers.
 5. DOE accomodate the farmers based on their projected harvest, which means that DOE will enter into a contractual agreement with the farmers based on what they project to harvest and when. DOE in turns decide whether or not it will be sufficient to meet DOE's needs. If it will not meet the needs, DOE will solicit another farmer who can off set the difference base on their projection and harvest date.
 6. The local procurement regulations and the procurement law differ on the definition the word "local" as oppose to "off island" when dealing with purchases of farm commodities. The law only distinguish either "on island" or "off island".
 7. The procurement regulations is found to be too cumbersome and very restrictive when dealing with purchases of local farmers and fishermens product.

V. RECOMMENDATIONS

After reviewing all written and considering all oral testimonies presented during the public hearing, the Committee recommends that the Bill be passed to include in its provision the local fishing industries (Guam Fishermen's Cooperative Association in the same category as the local farmers when implementing the provision of the Bill. It is also recommended that the following be included in the Bill:

1. That all participating Government of Guam Agencies be mandated to give preference to local farmers and fishermen first prior to purchasing from other sources or from off island and other fishing

industries owned by foreign countries.

2. That Government of Guam Agencies will include in their budget request a plan purchase from local farmers and fishermen.
3. A provision in the Bill be include to mandate that no funds will be expended for off island purchases of farm and fish products unless preference must first be given to local farmers and fishermen.
4. A provision in the Bill should also be include that all Government of Guam Agencies participating in the purchase of local farm and fish products be mandated to establish a system where payments for these products be made in an expeditious manner.
5. That a computerized match making system be establish and maintained by the Department of Agriculture which would provide the farmers and fishermen with a listing of prospective buyers, the products needed, and the amount. Also provide a listing of all farmers and fishermen to prospective buyers indicating the types of produce available, the quantity, and when the produce can be made available.
6. To delete the following provisions as listed in lines number 16, 17, and 18 of this Bill which reads as follows:

" However, the prices must be kept competitive with prices of produce offered by commercial importers."
7. That the local farmers and fishermen be exempt from the requirement of Government of Guam local preference laws which may not qualify them in the procurement process.
8. In addition to the Government Agencies already listed in the Bill, the Government House should be included on the list to buy fresh farm produce and fish from the local farmers and fishermen.
9. The local law which outlines the methods of procurement local farm produce and fish should be reviewed and amended because at its present form, it does not provide the method for procurement of such commodities.
10. To change the word "Procurement" in line #16 to the words "Fiscal".

11. That the DOE's Legal Counsel and the Procurement Officer draft a working model general legislation to simplify the process for buying routine items in the market rate with specific provision for agricultural and fish products.
12. To change the word "they" in line #18 to the words "The Department".
13. Section 2, page 2, line 15, amend the entire sentence beginning with "The...."

"The Department shall facilitate the negotiations of prices, amounts, and availability with the farmers for the resale to other Government Agencies and assist in securing of payment with fiscal officers of the respective agencies."
14. Add the following to a new subsection of Section 2:

"The Director shall adopt operational procedures relative to establishing a list of qualified farmers and fisherman and to assist those qualified local farmers and fishermen in establishment of pricing, variety, quantity, quality, availability, and other related logistics to facilitate acquisition of local produce and fish by other Government Agencies consistent with the needs of those agencies."
15. Add new 5 GCA Article 1 Section 5001(e) Procurement form local farmers and fishermen, to read:

"5001(e). Procurement of local produce and fish from local farmers and fishermen may be made without competition provided that the farmers or fishermen are registered with the Department of Agriculture and further provided that the prices offered does not exceed the standard of pricing as negotiated by the Department of Agriculture. Any Farmer or fisherman awarded a contract pursuant to this section shall not be required to post any of the bonds required under Article 5 of Chapter 5 of the Guam Procurement Act."

DRAFT

Re: Bill No. 22
Round Table Meeting
Thursday, March 30, 1995

OVERVIEW:

Most of the Government Agency Representative's in attendance appeared to be in favor of the 'general intent' of Bill No. 22, that is to support the efforts of the local farmers and to provide an avenue to allow Government Agencies to be the primary consumers of their endeavors.

Many of those Agencies, however limited, currently deal with local farmers in the acquisition of fresh local produce in the preparation of daily meals and that these Agencies find the need to be better able to support this effort if some 'central point of transaction' were established and that procurement restrictions be eased for the facilitation of the process.

CONCERNS:

During the course of the discussion there were numerous concerns that was brought to the table by the Agency Representatives. Some of these were:

Most Government Agencies have and currently deal with local farmers in the acquisitions of local produce, however, there is limited variety on the market which in turn reflects the limited support.

What constitutes a 'bona-fide' farmer under this Bill? Can anyone who desires to grow and sale self-grown local produce qualify as a participant?

Mandate should provide that the support does not compromise the customers discretion on when and how much should be acquired.

That the quality of the produce meets the quality requirements of the Agency's programs.

Variety, quantity, quality, availability, pricing, and other related logistics were available from a central control/focal point to draw upon to facilitate acquisition of the commodity in need;

Variety, quantity, quality, availability, pricing, and other related logistics were available from a central control/focal point to draw upon so that continued support, based on plans and projections by both consumer and provider can be initiated;

That the long-term goal be to create a market based on 'demand' rather than 'supply' (based on 'Agency needs' rather than 'market availability').

RECOMMENDED CHANGES TO BILL NO. 22:

In order to reinforce the position of the Department of Agriculture to promote and assist the farmers in securing a viable and continuing market it is recommended that Bill No. 22 be amended as follows:

Section 2, page 2, line 15, amend the entire sentence beginning with "The..":

"The Department shall facilitate the negotiations of prices, amounts and availability with the farmers for the resale to other Government Agencies and assist in securing of payment with fiscal officers of the respective Agencies."

Section 2, page 2, amend to add the following:

"The Director shall adopt operational procedures relative to establishing a list of qualified local farmers and fisherman and to assist those qualified local farmers and fishermen in establishment of pricing, variety, quantity, quality, availability, and other related logistics to facilitate acquisition of local produce and fish by other Government Agencies consistent with the needs of those Agencies."

NOTE: The current Director, Mr. Mike Kuhlman, has in fact established an operational procedure that is consistent with this requirement, provided a few refinements are made.

DRAFT

RECOMMENDED ADDITION TO THE GUAM PROCUREMENT ACT (Chapter 5, 5GCA)

In an effort to mandate Government Agencies to support and procure from the local farmers and fishermen, it becomes necessary to amend the law which dictates procurement policy. Such changes will ease the restrictions currently imposed by requirement to 'bid' any procurement in excess of established ceilings.

A NEW 5 Guam Code Annotated Article 1 Section 5001(e) Procurement from Local Farmers and Fishermen, is added to read:

"5001(e). Procurement of local produce and fish from local farmers and fishermen may be made without competition provided that the farmers or fishermen are registered with the Department of Agriculture and further provided that the prices offered does not exceed the standard of pricing as negotiated by the Department of Agriculture. Any farmer or fisherman awarded a contract pursuant to this section shall not be required to post any of the bonds required under Article 5 of Chapter 5 of the Guam Procurement Act."

Item No.	Description	*** Bid Price	Retail Price	Percentage Savings to Govt
25	Onions Dry, Fresh Yellow U.S. No.1	0.58 lb	0.59 lb	-0-
27	Potatoes, 90 ct/cs Fresh Russet U.S. Medium No.1	0.59 lb	0.59 lb	0%
28	Apple Delicious, Fresh 40/cs U.S. Fancy 125 count	0.78 lb	1.19 lb	52%
29	Banana, Fresh Eating (Central America) Chita	1.29 lb	1.40 lb	09%
30	Pears, Fresh U.S. No.1 extra 90-113 cnt/cs (Bartlett)	0.89 lb	1.19 lb	34%
31	Orange, Fresh Western or Florida U.S. Grade A. 125 ctn/cs.	0.77 lb	0.99 lb	29%
35	Sugar, Granulated 10/5# Bag U.S.	0.48 lb	0.77 lb	60%
36	Juice, Apple 100% Juice, Unsweetened U.S. Grade A.	3.46 gal	6.69 gal	93%
48	Corn, Whole Kernel 6/10# Vacuum packed canned U.S. Grade A. drained wt. 72-oz.	28.94/cs (4.82/cn) (.065/oz)	0.99 15.25oz/cn (.065/oz)	0% (Retail is not drained weight) (?)
56	Vinegar, White (Distilled) plastic containers U.S. 4-gal/1-case	8.98 cs (2.25/gal)	3.85 gal	71%
57	Salt, Table Iodized 24/26oz box per case. U.S. Grade	13.45/cs (.52/bx)	0.85 26-oz	63%

Item No.	Description	*** Bid Price	Retail Price	Percentage Savings to Govt
58	Soy Sauce, Kikkoman Japan gal/pail	33.84 cs	4.59 1.6-ltr	
59	Mayonnaise, 4/1 gal. U.S. Govt. standards & labeled shall read, "Mayonnaise"	22.74/cs (5.69/gal)	13.95 gal	145%
63	Corn Starch, 24/1# U.S.	19.42/cs (.81/lb)	1.49 lb	84%
70	Sugar, Brown 24/1# U.S.	19.87/cs (.83.lb)	0.97 lb	17%
74	Baking Powder, 12/1# U.S.	18.90 cs	2.65 14 oz.	143%
108	Eggs, U.S., 30-dz/cs	1.54/dz	2.99/dz	94%
***	NOTE: COMPUTATION FORMULA: Retail Price - Bid Price = X (Bid Price) = % Saving (Rounded to nearest ten(th).			

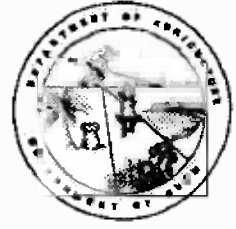


MICHAEL W. KUHLMANN
DIRECTOR

Department of Agriculture Dipattamenton Agrikoturra

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Aquatic & Wildlife Resources	734-3944/45; Fax 734-6570
Forestry & Soil Resources	475-3975/6; Fax 734-0111
Plant Industry	734-3949
Plant Protection & Quarantine	646-1651; 649-7822



JOHN M. PALOMO
DEPUTY DIRECTOR

April 25, 1995

To: Mike Pangelinan, Administrator, Supply Management
Department of Education

From: Mike Kuhlmann, Director
Department of Agriculture

Subj: DOE local produce purchase system

In furtherance of our conversations and the March 30 Legislature meeting on the system of DOE purchases of island-grown produce, the present arrangement could be refined as described below.

Agriculture's primary interests are to facilitate more purchases of island-grown produce; allow participation by more growers; have mutually fair pricing; and timely payments to growers.

DOE benefits would be more flexibility in ordering through the year; realistic prices; and an orderly method of ordering, receiving, accounting and paying.

1. Each Friday, DOE would post a notice of produce needs and prices offered for the sixth week in the future. (Agriculture can provide current wholesale prices weekly. Prices fluctuate through a season, but are not particularly volatile week-to-week.)

Farmers should have a good idea of their production expectations this far in advance. The current six months is too much for most farmers. Similarly, harvesting and then looking to arrange a sale is unrealistic. It also allows DOE flexibility on a weekly basis to allow for school holiday periods, summer school, etc.

2. Farmers would offer to provide one or more of the commodities listed, probably first-come, first served. So a few producers would not dominate the system, no one producer would be signed up for more than 30-40 percent of a commodity at this point (Perhaps less if it is a large quantity and there are many providers for a particular commodity.) A producer wanting to provide more than the initial allowed maximum can be entered on an excess registry.

3. Each farmer would be allocated an amount to be delivered for the future week in question, told which school to deliver it to



Commonwealth Now!

and issued a multi-copy (at least three) order. (It would be helpful to vendors if deliveries are in their growing areas, when possible, and DOE central should assign the schools to minimize any grower-school sweetheart arrangements.)

4. After a given list has been posted for two weeks, any unfilled remainder could be filled first from the excess registry and then ordered from off-island.

5. When the farmer delivers, someone at the school would sign for the delivery and take two copies. The school would keep one copy and at the end of the week forward the second copies to DOE.

6. After two weeks, the farmer could take the delivery receipt to DOE, where it could be matched up with the original order and the copy from the school and the grower could be paid. During the two-week period, checks could be cut based on delivery receipts from schools so checks could be ready at the end of the two weeks. This would allow a more even intra-DOE work flow.

I would appreciate knowing your thoughts on these changes at your earliest opportunity. If exceptions to normal procurement regulations, etc. are necessary, they could be made sufficiently early to allow full implementation by the start of the 1995-96 school year.

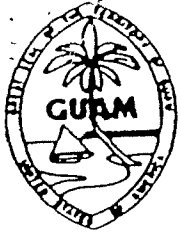


MIKE KUHLMANN

DRAFT

The following is cost comparative between current retail prices and prices currently paid by the Department through sealed bid solicitation. The items are randomly selected from bid document. This submittal is as requested from the 3/30/95 meeting.

Item No.	Description	*** Bid Price	Retail Price	Percentage Savings to Govt
6	Beef, Ground U.S. Frozen (IMPS #136) no more than 24% fat contents.	1.33 lb	2.49 lb	53%
10	Ham, Pullman 6/10# can per case cooked U.S. (no picnic or shoulder) no more than 10% fats.	2.06 lb	3.00 lb	31%
16	French Fries, 6/5#/cs U.S. regular crinkle cut potato 3 to 5 inch long. Grade A	0.49 lb	1.63 2-lb/bg .82/lb	67%
17	Broccoli, spears 24/2# U.S. Frozen, Grade A Longitudinally Fresh 3 1/2 to 6" cut.	0.81 lb (.05/oz)	2.59 9oz (.16/oz)	220%
18	Peas & Carrots 12/2# U.S. frozen ratio is 60% peas and 40% diced carrots.	0.74 lb	1.79 lb	158%
19	Mixed veg. 12/2-1# cases U.S. Grade A (5-mixture) 30% green peas, 22% corn, 10% 1/2" cut green beans, 8% baby lima beans.	0.77 lb	1.99 lb	158%
20	Cabbage, Head Green Fresh U.S. Grade No.1 (Medium)	0.54 lb	0.79 lb	46%
21	Celery, Fresh stalk trimmed & prepacked U.S. Grade No.1	0.55 lb	1.09 lb	50%
22	Carrots, Fresh cello wrapped selected, Regular U.S. No.1	0.54 lb	0.69 lb/bag	27%



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Plant Industry	734-3949
Plant Protection & Quarantine	646-1651; 649-7822
Soil & Water Cons. Dist. Office	734-3681

MICHAEL W. KUHLMANN
Acting Director

TESTIMONY OF
MICHAEL W. KUHLMANN
ACTING DIRECTOR, DEPARTMENT OF AGRICULTURE
BEFORE THE
COMMITTEE ON ECONOMIC-AGRICULTURAL DEVELOPMENT AND INSURANCE
23RD GUAM LEGISLATURE

ON BILL NO. 22

MR. CHAIRMAN: As the Government of Guam department with the mission of helping farmers develop a greater island agriculture industry, the Department of Agriculture fully supports the intent of Bill No. 22, for Government of Guam agencies which serve food to procure more production of Guam farmers, but there is one unavoidable basic problem and some specifics which should be considered and, possibly, improved. There also may be a possible ready alternative which could serve the ends of this bill more easily, to the benefit of island food producers and Government of Guam agencies with less administrative cost to the Department of Agriculture.

Bill No. 22 is an expansion of Executive Order 94-10, which required the Department of Agriculture to administer a plan for the Department of Education to purchase local produce and fish.

✓ It has not worked well, and there is no reason to believe this proposed legislation would have better results. Farmers do not participate, knowing they will not be paid for at least several months.

For most part, they are accustomed to cash on delivery. That might be unreasonable in selling to any governmental buyer, but even in the best of times the Government of Guam is a slow payer.

Legislative assistance that could be useful is some means of authorizing Government of Guam agencies to expedite payments for goods received. Although there now is a severe government cash problem, even if the system worked as intended, it takes many weeks, even months, for vendors to receive payment.

He refers to Mr. Affler's example on the issue

It does not go unnoticed by farmers that they can deliver to the largest food store chain in Guam, where accountability, audit trail and care in spending is as great as for the Government of Guam, and receive full payment within minutes of delivery.



Bill 22 would require the Department of Agriculture to "make every effort to ensure" locally produced food is bought by Government of Guam agencies. This is not a problem for the Department of Agriculture, but it should be kept in mind that the Department of Agriculture has little influence beyond persuasion to "ensure" other departments pay any attention to this effort, and least influence with autonomous agencies such as Department of Education and Guam Memorial Hospital. Possibly a more effective means of accomplishing this purpose is to put requirements on the agencies which are prospective purchasers.

The bill also requires the Department of Agriculture to assist farmers in negotiating prices, amounts and payments with the procurement officers involved. This could develop into a large and expensive administrative operation.

Numerous commodities would be involved and for each there are various regularly fluctuating prices, depending on quality, quantity, season of year, prices of off-island competition, delivery arrangements, etc.

If the results of this proposed legislation are as great as proponents, and the Department of Agriculture, hope they would become, the administrative requirements of negotiating prices, amounts and payments by agencies and ensuring shipments for a very large number of transactions would exceed the Department of Agriculture's present or foreseeable capabilities.

There also would be a built-in conflict of interest for the Department of Agriculture to be protecting the interests of the government, which would be better served by lower prices, and also those of farmers, whose interests are best served by higher prices. The result is almost certain to be unsatisfactory to one or the other. Presently, under Executive Order 94-10, the reason any farmers sell to the Department of Education is that prices set for this year have DOE paying significantly more than private sector buyers pay in the open market, to the disadvantage of DOE, the General Fund and taxpayers.

Mr. Chairman, there is a potential alternative which could help serve the laudable purposes of Bill No. 22.

During Farmer's Appreciation Month, in March, the Department of Agriculture is starting a service to help bring together producers and prospective buyers of island farm products. The Department would maintain a constantly updated computerized listing of buyers and what they want to buy, how much and when, and producers and what they have or project to have on the market. Members of either group could call and receive information on current listing in the other group.

The Department would be a matchmaker, helping to bring together sellers and buyers, not a dealmaker negotiating prices or individual transactions. As in any other commercial

arrangement, it would be left to the vendors and buyers to work out specific arrangements.

While initially it was intended to provide access for farmers to the many islands restaurants, participation would not be limited to that group. Government of Guam agencies also could participate. In fact, it would help ensure the success of the service and greater participation by producers if they knew Government of Guam agencies were required to list their planned purchases with the service.

It must be kept in mind, however, that this system will not help with the problem of delayed payments to farmers. That is a problem greater than this situation and involves basic administrative requirements and processes of the government.

Mr. Chairman, as much as the Department of Agriculture appreciates and supports the purposes of Bill No. 22, it is respectfully requested that the Legislature instead require relevant Government of Guam agencies to actively utilize and support this new service as soon as it is available; that legislation be considered which would authorize expedited payment processing; and that requirements such as Bill No. 22, be held in abeyance to allow sufficient time for the service to be implemented, developed and proven effective.

Be assured that we at the Department of Agriculture fully concur that a key to developing to our agriculture industry is greater and easier access to markets for farmers. This new service is but a first step. You also can be assured that we are ready at all times to do whatever we can to assist in matters such as this, with or without statutory requirements.

Thank you, Mr. Chairman.

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Department of Youth Affairs

GOVERNMENT OF GUAM

P.O. BOX 23672

GUAM MAIN FACILITY 96921

(671) 784-8911/12,13,14,15

FAX: (671) 734-7336

CARL T.C. GUTIERREZ
Governor of Guam

MADELINE Z. BORDALLO
Lieutenant Governor

ED FORTIER
Acting Director

DAVID M. DELL'ISOLA
Deputy Director

February 28, 1995

Senator Joe T. San Agustin
Chairman, Committee on Economic-Agricultural
Development and Insurance
23rd Guam Legislature
424 West O'Brien Drive
Julale Shopping Center, Suite #218
Agana, Guam 96910

Good evening Senator San Agustin and members of your honorable committee!

My name is David Dell'Isola, Acting Director of the Department of Youth Affairs. Thank you for allowing me to present favorable written testimony on Bill No. 22, an act to add a new subsection 62107 to Title 5 of the Guam Code Annotated to require the Departments of Education, Corrections, Youth Affairs and the Guam Memorial Hospital to make maximum use of fresh local produce and other foodstuffs.

As a 24-hour residential facility for youth, we are mandated to provide three wholesome, nutritional meals daily to the clients we serve. In order to provide fresh vegetables, and also as a valuable learning experience, our clients have a small garden where they grow their own vegetables. These fresh vegetables, however, only augment the fruit and vegetables we purchase weekly from one of the many grocery stores on island.

While the Guam Public School System provides breakfast and lunch during schooldays, our culinary staff serves the meals provided. In addition, our staff prepares and serves dinner to our clients every night, as well as all three meals on weekends, holidays and during summer vacation. While we cannot control the contents of the meals provided by the Guam Public School System, we look forward to being able to serve more local fresh fruit and vegetables than are currently available to us.




Commonwealth Now!

Senator Joe T. San Agustin - Testimony on Bill No. 22
February 28, 1995
Page 02

In the interest of providing the highest nutritional meals possible to our clients, while simultaneously supporting our local farmers and their agricultural endeavors, we hereby wholeheartedly support the intent of this bill. In addition, we look forward to hearing from the Department of Agriculture on a continuing basis, to ensure that the fresh fruit and vegetables are made available to us.

Thank you for allowing me the opportunity to offer this testimony supporting Bill No. 22.

Sincerely,



DAVID M. DELL'ISOLA



GENERAL SERVICES AGENCY

(Ahensian Setbision Hinirat)

Government of Guam

P.O. box FG, Agana, Guam 96910

Tel: 477-8836 ~ 8 • Telefax: 472-4217

Accountability • Impartiality • Competence • Openness • Value

February 28, 1995

Senator Joe T. San Agustin
Chairman, Economic-Agricultural
Development and Insurance
Twenty-Third Guam Legislature
424 W. O'Brien Dr.
Julale Shopping Center, Suite 218
Agana, Guam 96910

Dear Senator:

The following comments and recommendations are provided on Bill No. 22:

On its face, the intent of the bill is good. However, as generally happens to pieces of legislation that give preferential treatment to certain groups or classes of individuals the impact of such legislation sometimes is counterproductive. Following this argument, since the local farmers will more or less corner the market for large scale purchases of produce (Government of Guam), other entrepreneurs that are engaged in the same business of supplying fresh produce (imported, not locally-grown) will not be given the same opportunity to compete with the local farmers who holds the first preference for selling. In affect, this procedure kills the spirit of free enterprise.

Other concerns not addressed by Bill No. 22 include:

Bill No. 22 does not carry adequate verbiage that will ensure that the local farmers deliver only fresh produce to the departments, and that the terms and conditions of the purchase agreement are met, including, but not limited to applicable penalty clauses for non-compliance by the vendor. In short, the bill appears to lack necessary safeguards to protect the Government's interest, which could give rise to local farmers delivering fresh produce that fall below the departments; standards and criteria, or, as what has happened in the past, of vendors dumping inferior produce specifically to Department of Education.

To use Department of Education as an example, this department currently buys fresh produce on an as needed basis, with the option of rejecting produce that does not appear to meet DOE's criteria. This procedure ensure that the produce are fresh and eliminates the



(REPRODUCED AT GOVERNMENT OF GUAM EXPENSE)

cost of storing such produce, which could be a problem due to its highly perishable nature. If Bill No. 22 is passed, this DOE option to buy on an as needed basis may be lost.

In our opinion, Bill No. 22 might pave the way for local farmers to demand that their produce be bought regardless of the condition of products because of the language in Section 2 of the bill that says: "...to ensure that the crops of the farmers of Guam are first procured by agencies of the government..." If our interpretation is correct, the choice of procuring only the best quality of produce is substantially diminished.

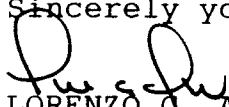
Our experience on this subject was primarily during our tenure with Department of Education. The problems DOE faced with the farmers were unique in itself since many of the farmers do not understand the procurement requirements and many of them did not have the administrative capabilities to carry out these requirements. Such requirement, included the mandate of the law requiring all businesses to be duly licensed to do business on Guam. Again, are we to interpret this bill to mean that local farmers are to be given preferential treatment and, therefore, are exempted from following the existing laws of the territory.

The bill discusses local farmers, but how about local fishermen. The local fishermen relies on the fishes they catch for their livelihood. Through our experience with DOE, it was evident that DOE encountered difficulties in procuring fresh fish for the students primarily because of the limited supply. If the government is to assist the local farmers in cornering the market for local produce, it stands to reason that we provide local fishermen the same opportunity.

We agree that the departments indicated on this bill will greatly benefit in utilizing the local farmers, however, we recommend including the Government House as a user. Based on past experience, we find that the Government House also has a great demand for fresh local produce during the year.

Based on the foregoing reasons, we find that while the intent of Bill No. 22 is good, additional language must be added to the bill to safeguard the best interest of the departments and that procurement rules and regulations are followed to ensure that the spirit of free enterprise is afforded equally to every entrepreneur on Guam.

Sincerely yours,


LORENZO Q. AFLAGUE
Chief Procurement Officer

cc: Director of Adm.

COMMITTEE ON ECONOMIC-AGRICULTURAL DEVELOPMENT AND INSURANCE
TWENTY-THIRD GUAM LEGISLATURE
SENATOR JOE T. SAN AGUSTIN, CHAIRMAN

7 P.M
TUESDAY, FEBRUARY 28, 1995
MANGILAO COMMUNITY CENTER

A G E N D A

- I. Call to Order
- II. Introductions of Committee Members
- III. Testimony of Interested Individuals Relative to Bill Nos. 1 and 102.
- ✓ IV. Bill No. 1 - AN ACT TO CREATE THE AQUACULTURE PERMIT APPLICATION WORK GROUP TO FORMULATE A PLAN FOR THE ESTABLISHMENT OF A ONE-STOP AQUACULTURE PERMIT CENTER AND TO DESIGNATE DEPT. OF COMMERCE AS THE LEAD AGENCY FOR THE DEVELOPMENT OF AQUACULTURE INDUSTRY ON GUAM.
- ✓ V. Bill No. 102 - AN ACT TO ESTABLISH A CAPITOL OUTLAY REVOLVING FUND WITHIN THE GUAM DEPT. OF COMMERCE FOR THE PURPOSES OF PURCHASING ESSENTIAL EQUIPMENTS, MATERIALS AND SUPPLIES FOR THE GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER.
- ✓ VI. Testimony of Interested Individuals Relative to Bill Nos. 22 and 78.
- VII. Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GCA TO REQUIRE THE DEPTS. OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF THE LOCAL PRODUCE AND OTHER FOODSTUFFS.
- VIII. Bill No. 78 - AN ACT ESTABLISHING THE RIGHT TO FARM BY ADDING A NEW SECTION 60353 TO CHAPTER 60, TITLE 5, GCA.
- IX. Testimony of Interested Individuals Relative to Bill Nos. 66 and 69.
- X. Bill No. 66 - AN ACT ADOPTING THE REGIME OF THE UNITED NATIONS CONVENTION ON THE LAW OF THE SEA (UNCLOS) WITH RESPECT TO GUAM'S EXCLUSIVE ECONOMIC ZONE (EEZ) AND OTHER RIGHTS AND RESPONSIBILITIES CONTAINED THEREIN.
- XI. Bill No. 69 - AN ACT TO AMEND AND TO REPEAL AND REENACT SUBSECTION 63101 AND SUBSECTION 63115, TITLE 5, GCA RELATIVE TO GIGAO FISHING.
- XII. Adjournment

COMMITTEE ON ECONOMIC-AGRICULTURAL DEVELOPMENT AND INSURANCE
TWENTY-THIRD GUAM LEGISLATURE
SENATOR JOE T. SAN AGUSTIN, CHAIRMAN

7 P.M
TUESDAY, FEBRUARY 28, 1995
MANGILAO COMMUNITY CENTER

A G E N D A

- I. Call to Order
- II. Introductions of Committee Members
- III. Testimony of Interested Individuals Relative to Bill Nos. 1 and 102.
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- V. Bill No. 102 - AN ACT TO ESTABLISH A CAPITOL OUTLAY REVOLVING FUND WITHIN THE GUAM DEPT. OF COMMERCE FOR THE PURPOSES OF PURCHASING ESSENTIAL EQUIPMENTS, MATERIALS AND SUPPLIES FOR THE GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER.
- VI. Testimony of Interested Individuals Relative to Bill Nos. 22 and 78.
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- XI. Bill No. 69 - AN ACT TO AMEND AND TO REPEAL AND REENACT SUBSECTION 63101 AND SUBSECTION 63115, TITLE 5, GCA RELATIVE TO GIGAO FISHING.
- XII. Adjournment

NOTICE OF PUBLIC HEARING



Twenty-Third Guam Legislature

Senator Joe T. San Agustin

Chairman

*Committee on Economic & Agricultural
Development and Insurance*

Tuesday, February 28, 1995

7:00 p.m.

Mangilao Community Center

Mangilao, Guam

Agenda

- Bill No. 1** AN ACT TO CREATE THE AQUACULTURE PERMIT APPLICATION WORK GROUP TO FORMULATE A PLAN FOR THE ESTABLISHMENT OF A ONE-STOP AQUACULTURE PERMIT CENTER AND TO DESIGNATE DEPT. OF COMMERCE AS THE LEAD AGENCY FOR THE DEVELOPMENT OF AQUACULTURE INDUSTRY ON GUAM.
- Bill No. 22** AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GCA TO REQUIRE THE DEPTS. OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF THE LOCAL PRODUCE AND OTHER FOODSTUFFS.
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- Bill No. 78** AN ACT ESTABLISHING THE RIGHT TO FARM BY ADDING A NEW SECTION 60353 TO CHAPTER 60, TITLE 5, GCA.
- Bill No. 102** AN ACT TO ESTABLISH A CAPITOL OUTLAY REVOLVING FUND WITHIN THE GUAM DEPT. OF COMMERCE FOR THE PURPOSE OF PURCHASING ESSENTIAL EQUIPMENTS, MATERIALS AND SUPPLIES FOR THE GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER.

The public is invited to express their views



Committee on Economic Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

MEMORANDUM

TO: All Members, Committee on Economic-Agricultural
Development and Insurance

FROM: Chairman

SUBJECT: Public Hearing - Bills Nos. 1,22,66,69,78,&102


The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **Tuesday, February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bills:**

- Bill No. 1 - AN ACT TO CREATE THE AQUACULTURE PERMIT APPLICATION WORK GROUP TO FORMULATE A PLAN FOR THE ESTABLISHMENT OF A ONE-STOP AQUACULTURE PERMIT CENTER AND TO DESIGNATE DEPARTMENT OF COMMERCE AS THE LEAD AGENCY FOR THE DEVELOPMENT OF AQUACULTURE INDUSTRY ON GUAM.
- Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.
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- Bill No. 69 - AN ACT TO AMEND AND TO REPEAL AND REENACT SUBSECTION 63101 AND SUBSECTION 63115, TITLE 5, GUAM CODE ANNOTATED RELATIVE TO GIGAO FISHING.
- Bill No. 78 - AN ACT ESTABLISHING THE RIGHT TO FARM BY ADDING A NEW SECTION 60353 TO CHAPTER 60, TITLE 5, GUAM CODE ANNOTATED.

Committee on Economic-Agricultural
Development and Insurance
Public Hearing-February 28, 1995
Page 2

Bill No.102 - AN ACT TO ESTABLISH A CAPITOL OUTLAY REVOLVING
FUND WITHIN THE GUAM DEPARTMENT OF COMMERCE FOR
THE PURPOSE OF PURCHASING ESSENTIAL EQUIPMENTS,
MATERIALS AND SUPPLIES FOR THE GUAM AQUACULTURE
DEVELOPMENT AND TRAINING CENTER.

Your presence at this hearing is appreciated. Thank you for
your attention to this matter.


JOE T. SAN AGUSTIN

cc: Executive Director
Protocol Office
Audio
Archives
Legal
Security
Maintenance
All Senators
Media



Committee on Economic Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. Oscar Edward Fortier
Acting Director
Department of Youth Affairs
P.O. Box 23672
GMF, Guam 96921

Dear Mr. Fortier:

The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **Tuesday, February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bill:**

Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

As this Bill directly affect the development of the Territory, you are cordially invited to testify and present your opinion and comments. A copy of the Bill is enclosed for your disposition. The Committee would appreciate receiving twenty (20) copies of your testimony prior to the hearing.

Thank you and we look forward to seeing you at the hearing.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure



Committee on Economic Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. Lorenzo C. Aflague
Chief Procurement Officer
General Services Agency
P. O. Box FG
Agana, Guam 96910

Dear Mr. Aflague:

The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **Tuesday, February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bill:**

Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

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Sincerely yours


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

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424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Luis L.G. Paulino
Vice-Chairman & Treasurer
Guam Soil and Water Conservation
Southern District Directors
P. O. Box 1189
Agana, Guam 96910

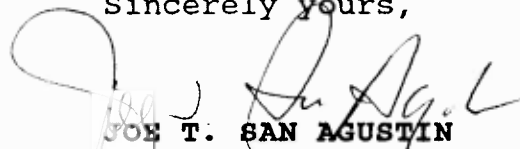
Dear Mr. Paulino:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m., in Guam Legislature Public Hearing Room** for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Joaquin S. N. Flores
Legislative Committee
Guam Soil and Water Conservation
Southern District Directors
P. O. Box 21771
GMF, Guam 96921


Dear Mr. Flores:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m., in Guam Legislature Public Hearing Room** for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Benny San Nicolas
Chairman
Guam Soil and Water Conservation
Southern District Directors
P. O. Box 6265
Inarajan, Guam 96917

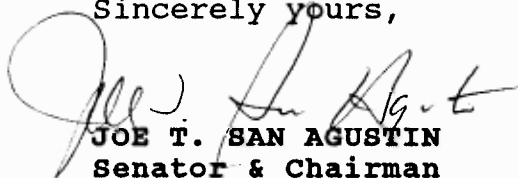
Dear Mr. San Nicolas:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m., in Guam Legislature Public Hearing Room** for the following Bill:

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Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Antonio S. Cruz
Social Committee
Guam Soil and Water Conservation
Southern District Directors
HCR Box 16231
Merizo, Guam 96916

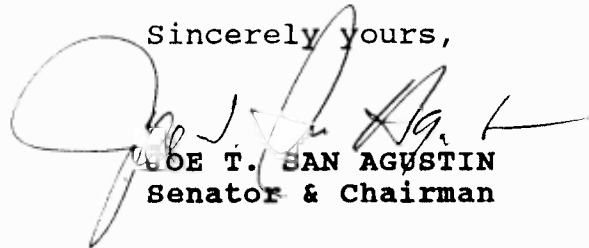
Dear Mr. Cruz:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m., in Guam Legislature Public Hearing Room** for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,



JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Jesus P. San Nicolas
Education Committee
Guam Soil and Water Conservation
Southern District Directors
P. O. Box 6323
Inarajan, Guam 96917

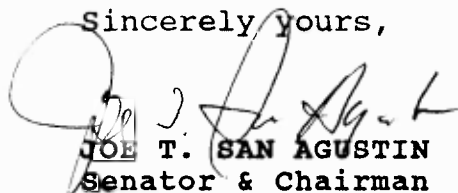
Dear Mr. San Nicolas:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m.,** in Guam Legislature Public Hearing Room for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Robert D. Murphy, Jr.
Legislative Committee
Guam Soil and Water Conservation
Northern District Directors
P. O. Box 20417
GMF, Guam 96921

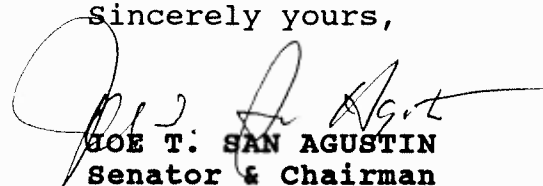
Dear Murphy:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m., in Guam Legislature Public Hearing Room** for the following Bill:

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Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



**Committee on Economic-Agricultural
Development and Insurance**

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Ms. Jesusa Contreras
Treasurer
Guam Soil and Water Conservation
Northern District Directors
P. O. Box 11166
Yigo, Guam 96929

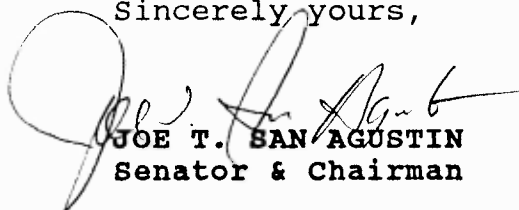
Dear Ms. Contreras:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m.,** in Guam Legislature Public Hearing Room for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Tomas N. Leon Guerrero
Education Committee
Guam Soil and Water Conservation
Northern District Directors
P. O. Box 10356
Sinajana, Guam 96926

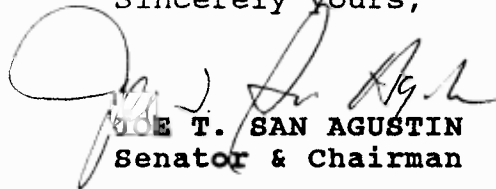
Dear Mr. Leon Guerrero:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m.**, in Guam Legislature Public Hearing Room for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



**Committee on Economic-Agricultural
Development and Insurance**

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Jesus F. Terlaje
Vice-Chairman
Guam Soil and Water Conservation
Northern District Directors
P. O. Box AW
Agana, Guam 96910

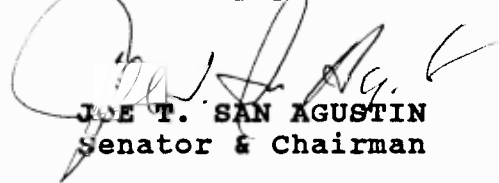
Dear Mr. Terlaje:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m.**, in Guam Legislature Public Hearing Room for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



**Committee on Economic-Agricultural
Development and Insurance**

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424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Felix P. Quan
Chairman
Guam Soil and Water Conservation
Northern District Directors
P. O. Box 12596
Tamuning, Guam 96931

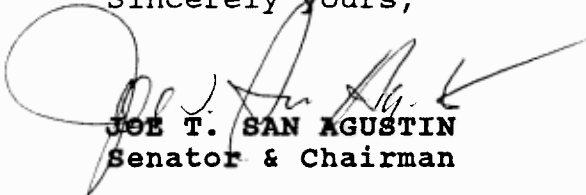
Dear Mr. Quan:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m.**, in Guam Legislature Public Hearing Room for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure

**Committee on Economic- Agricultural
Development and Insurance**

Twenty-Third Guam Legislature
Senator Joe T. San Agustin, Chairman

Witness Sign in Sheet

March 30, 1995

(Date)

Subject: BILL NO. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE
GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH
AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL
PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Name Please Print:	Representing Agency:	Testimony	
		Oral/ Written:	For/ Against:
② KAREN CALDWELL	GMHA	ORAL	FOR
① E. McDONALD	GMHA	ORAL	FOR
ALINGATA, JUAN			FOR
ED BITANCA	Dep Cor		
Ed CHARGUALAF	DYA	ORAL	FOR
MIKE KUHMAN	Dept of Ag	ORAL	FOR
SUTO LUYAU	Agic		
Prunoy c. Oflaque	GSA (DOA)		
J. MICHAEL PANIGUANO	Dept of Ed		
JOHN BLAS	GSA (DOA)		

**Committee on Economic- Agricultural
Development and Insurance**

Twenty-Third Guam Legislature

Senator Joe T. San Agustin, Chairman

Attendance Sheet

March 30, 1995

(Date)

Subject: BILL NO. 22

Committee Members: _____ **Present:** _____ **Absent** _____ **Off-island:** _____

- | | | | |
|--|-----------------|-----------------|-----------------|
| 1. Senator Joe T. San Agustin, Chairman | <u> / / </u> | <u> / / </u> | <u> / / </u> |
| 2. Senator Sonny Lujan Orsini, Vice-Chairman | <u> / / </u> | <u> / / </u> | <u> / / </u> |
| 3. Senator John P. Aguon, Member | <u> / / </u> | <u> / / </u> | <u> / / </u> |
| 4. Senator Anthony C. Blaz, Member | <u> / / </u> | <u> / / </u> | <u> / / </u> |
| 5. Senator Felix P. Camacho, Member | <u> / / </u> | <u> / / </u> | <u> / / </u> |
| 6. Senator Mark Forbes, Member | <u> / / </u> | <u> / / </u> | <u> / / </u> |
| 7. Senator Carlotta Leon Guerrero, Member | <u> / / </u> | <u> / / </u> | <u> / / </u> |
| 8. Senator Vicente C. Pangelinan, Member | <u> / / </u> | <u> / / </u> | <u> / / </u> |
| 9. Speaker Don Parkinson, Member | <u> / / </u> | <u> / / </u> | <u> / / </u> |
| 10. Senator Angel L.G. Santos, Member | <u> / / </u> | <u> / / </u> | <u> / / </u> |
| 11. Senator Francis E. Santos, Member | <u> / / </u> | <u> / / </u> | <u> / / </u> |

Other Senators in Attendance:

- | | |
|-------------------------------|----------|
| 1. <u>Senator Joel Nelson</u> | 2. _____ |
| 3. _____ | 4. _____ |
| 5. _____ | 6. _____ |
| 7. _____ | 8. _____ |



**Committee on Economic Agricultural
Development and Insurance**

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. Ed C. Bitanga
Director
Department of Corrections
P. O. Box 3236
Agana, Guam 96910

Dear Mr. Bitanga:

The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **Tuesday, February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bill:**

Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

As this Bill directly affect the development of the Territory, you are cordially invited to testify and present your opinion and comments. A copy of the Bill is enclosed for your disposition. The Committee would appreciate receiving twenty (20) copies of your testimony prior to the hearing.

Thank you and we look forward to seeing you at the hearing.

Sincerely yours


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure



**Committee on Economic Agricultural
Development and Insurance**

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Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. John S. Salas
Hospital Administrator
Guam Memorial Hospital Authority
850 Gov. Carlos G. Camacho Rd.
Oka, Tamuning, Guam 96911

Dear Mr. Salas:

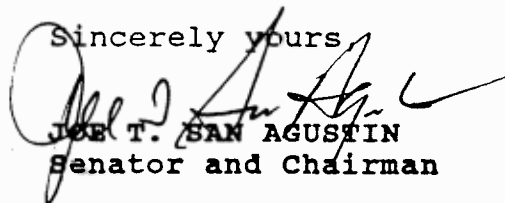
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Sincerely yours



JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure



**Committee on Economic-Agricultural
Development and Insurance**

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. Ed C. Bitanga
Director
Department of Corrections
P. O. Box 3236
Agana, Guam 96910

Dear Mr. Bitanga:

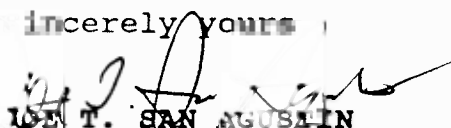
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Sincerely yours,


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure



**Committee on Economic Agricultural
Development and Insurance**

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. John S. Salas
Hospital Administrator
Guam Memorial Hospital Authority
850 Gov. Carlos G. Camacho Rd.
Oka, Tamuning, Guam 96911

Dear Mr. Salas:

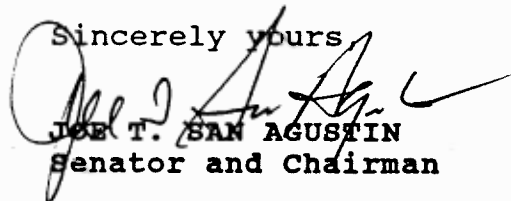
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JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

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424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 14, 1995

Memorandum

To: Director, Department of Corrections

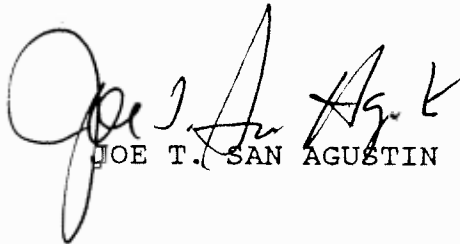
From: Chairman, Committee On Economic-Agricultural
Development and Insurance

Subject: Bill #22

Attached is Bill #22, "An Act to add a new subsection 62107, to Title 5, GCA to require the Department of Education, Corrections, Youth Affairs and Guam Memorial Hospital to maximum use of the local produce and other foodstuffs", for your review. A public hearing on the Bill was conducted at 7:00 P.M., February 28, 1995, at the Mangilao Community Center. Your office was informed of the schedule of the hearing and I requested for your presence with any input which would assist the Committee on the needs of your department with regards to the issues addressed in the Bill.

Since neither you nor any representative from your department were present at the hearing and since your department was listed as one of the Government of Guam Agencies to be included in the program, we request you provide the Committee with your input before the Bill is reported out on the legislative floor.

Your immediate response to this matter is greatly appreciated.



JOE T. SAN AGUSTIN

Attachments

cc: Lieutenant Governor
(Legislative Review Committee)
All Senators



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. Ed C. Bitanga
Director
Department of Corrections
P. O. Box 3236
Agana, Guam 96910

Dear Mr. Bitanga:

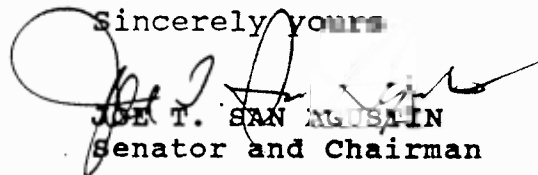
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Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

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Thank you and we look forward to seeing you at the hearing.

Sincerely yours



JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure

TWENTY-THIRD GUAM LEGISLATURE
1995 (First) Regular Session

Bill No. 22

Introduced by:


T.S. NELSON

AN ACT TO ADD A NEW §62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

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

2 **Section 1. Legislative Intent.** The Department of Education is
3 required to provide a hot breakfast and hot noon meal to the students in the
4 public schools. The Department of Youth Affairs is required to feed their clients
5 daily. The Guam Memorial Hospital is required to provide nutritional food for
6 its patients. The Department of Corrections must provide three meals a day to
7 each of its inmates. To carry out these mandatory tasks, each of these of these
8 organizations must procure enormous quantities of fresh fruits and vegetables, as
9 well as other foodstuffs, on a daily recurring basis. To stay within their
10 approved budgets, they each make almost superhuman efforts to obtain this
11 produce from any available source, either from on island or from off island.
12 Since it is the goal of the Department of Agriculture to promote the efforts of all
13 local farmers, and to ensure the expansion of the local agricultural and
14 aquacultural industries, markets must be established and maintained to ensure that

1 the farmers have a viable continuing market for the results of their hard labor.
2 The Department of Agriculture must continue to find local markets for the local
3 produce. Therefore, they shall be required to work with the various
4 Procurement Officers of the government of Guam and non-profit organizations
5 which are in the business of feeding people, to maintain a market all year round
6 for the crops of the farmers and other local producers of foodstuffs.

7 **Section 2. New Title 5 GCA §62107.** The following paragraph is
8 added to the Guam Code Annotated, §62107 of Title 5, Chapter 62.

9 “§62107. Procurement of local produce from local farmers. The
10 Department of Agriculture shall, on a continuing basis, make every effort
11 to ensure that the crops of the farmers of Guam are first procured by
12 agencies of the government, such as Department of Education, Department
13 of Youth Affairs, Department of Corrections, and the Guam Memorial
14 Hospital, unless the farmer has made previous arrangements for sale to
15 other users. The Department shall assist the farmers in negotiating prices,
16 amounts, and payment with the Procurement Officers involved. However,
17 the prices must be kept competitive with prices of produce offered by
18 commercial importers. They shall make every effort to assist in expediting
19 payment to the farmers, as well as providing necessary advice and
20 assistance to ensure that the crops arrive at the particular agency in the best
21 possible condition.”



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

MEMORANDUM

TO: All Members, Committee on Economic-Agricultural
Development and Insurance

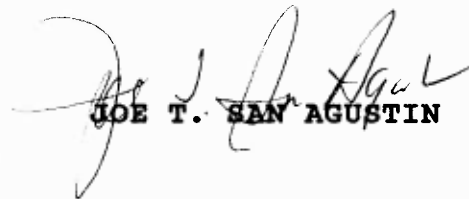
FROM: Chairman

SUBJECT: Round Table Discussion on Bill No. 22

The Committee on Economic-Agricultural Development and Insurance is holding a round table discussion on **Thursday, March 30, 1995, at 6 p.m. in the Legislative Public Hearing Room** on the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Your presence at this discussion is appreciated. Thank you for your attention to this matter.


JOE T. SAN AGUSTIN

Attachment

cc: Executive Director
Protocol Office
Audio
Archives
Legal
Security
Maintenance
All Senators
Media



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Michael W. Kuhlmann
Acting Director
Department of Agriculture
P.O. Box 2950
Agana, Guam 96910

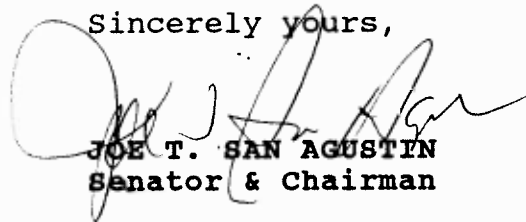
Dear Mr. Kuhlmann:

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Thank you and we look forward to seeing you at this discussion.

Sincerely yours,



JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Ed C. Bitanga
Director
Department of Corrections
P. O. Box 3236
Agana, Guam 96910

Dear Mr. Bitanga:

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JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Ms. Helen Ripple
Hospital Administrator
Guam Memorial Hospital Authority
850 Gov. Carlos G. Camacho Rd.
Oka, Tamuning, Guam 96911

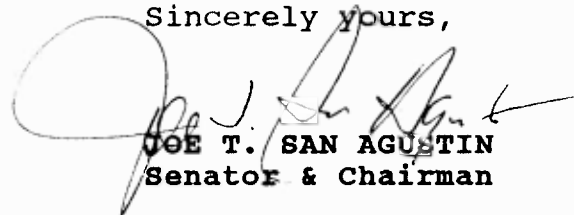
Dear Ms. Ripple:

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JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Roland L.G. Taimanglo
Director
Guam Public School Systems
P. O. Box DF
Agana, Guam 96910

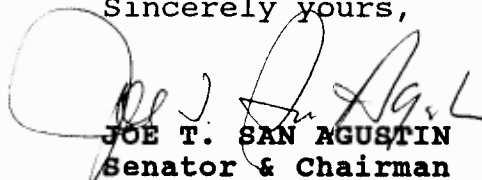
Dear Mr. Taimanglo:

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Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Lorenzo C. Aflague
Chief Procurement Officer
General Services Agency
P. O. Box FG
Agana, Guam 96910

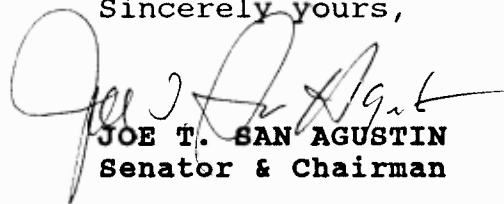
Dear Mr. Aflague:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m., in Guam Legislature Public Hearing Room** for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Richard E. McCord
General Manager
Guam Fishermen's Cooperative
Association
P. O. Box 24023
GMF, Guam 96921

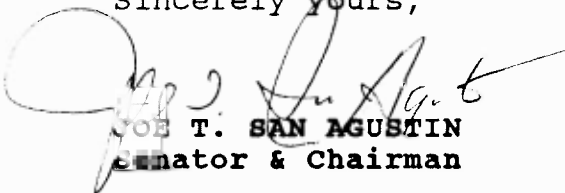
Dear Mr. McCord:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m., in Guam Legislature Public Hearing Room** for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

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Agaña, Guam 96910
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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Robert Camacho
Government House Manager
Government House
P. O. Box 2950
Agana, Guam 96910

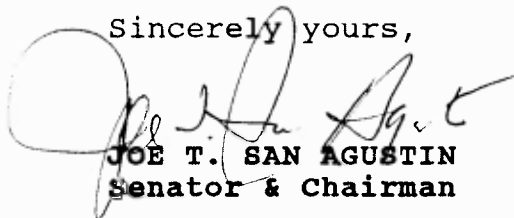
Dear Mr. Camacho:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m., in Guam Legislature Public Hearing Room** for the following Bill:

Bill No. 22 **AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)**

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,



JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

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424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 23, 1995

Mr. Oscar Edward Fortier
Director
Department of Youth Affairs
P. O. Box 23672
GMF, Guam 96921

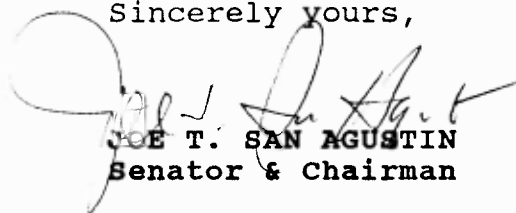
Dear Mr. Fortier:

The Committee on Economic-Agricultural Development and Insurance is conducting a round table discussion on **Thursday, March 30, 1995, at 6 p.m., in Guam Legislature Public Hearing Room** for the following Bill:

Bill No. 22 AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS. (Introduced by T. S. NELSON)

Thank you and we look forward to seeing you at this discussion.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator & Chairman

Enclosure



**Committee on Economic Agricultural
Development and Insurance**

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. Robert Klitzkie
Director
Guam Public School System
P. O. Box DE
Agana, Guam 96910

Dear Mr. Klitzkie:

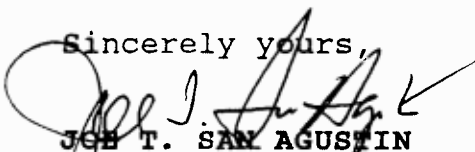
The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **Tuesday, February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bill:**

Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

As this Bill directly affect the development of the Territory, you are cordially invited to testify and present your opinion and comments. A copy of the Bill is enclosed for your disposition. The Committee would appreciate receiving twenty (20) copies of your testimony prior to the hearing.

Thank you and we look forward to seeing you at the hearing.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 10, 1995

Mr. Joaquin S. N. Flores
Legislative Committee
Southern Guam Soil and Water
Conservation District Directors
P. O. Box 21771
GMF, Guam 96921

Dear Mr. Flores:

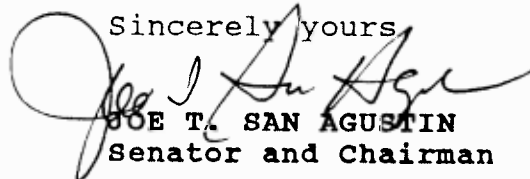
The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bills:**

- Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.
- Bill No. 78 - AN ACT ESTABLISHING THE RIGHT TO FARM, BY ADDING A NEW SECTION 60353 TO CHAPTER 60, TITLE 5, GUAM CODE ANNOTATED.

As these Bills directly affect the development of the territory, you are cordially invited to testify and present your opinion and comments. Copies of the Bills are enclosed for your disposition. The Committee would appreciate receiving twenty (20) copies of your testimony prior to the hearing.

Thank you and we look forward to seeing you at the hearing.

Sincerely yours


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures



Committee on Economic Agricultural Development and Insurance

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Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 10, 1995

Ms. Jesusa Contreras
Treasurer
Northern Guam Soil and Water
Conservation District Directors
P. O. Box 11166
Yigo, Guam 96929

Dear Ms. Contreras:

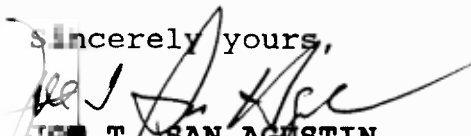
The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bills:**

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As these Bills directly affect the development of the territory, you are cordially invited to testify and present your opinion and comments. Copies of the Bills are enclosed for your disposition. The Committee would appreciate receiving twenty (20) copies of your testimony prior to the hearing.

Thank you and we look forward to seeing you at the hearing.

Sincerely yours,



JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures



Committee on Economic-Agricultural Development and Insurance

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Agaña, Guam 96910
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February 10, 1995

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

Mr. Benny P. San Nicolas
Chairman
Southern Guam Soil and Water
Conservation District Directors
P. O. Box 6265
Inarajan, Guam 96917

Dear Mr. San Nicolas:

The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bills:**

- Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.
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Thank you and we look forward to seeing you at the hearing.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures



Committee on Economic Agricultural Development and Insurance

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424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 10, 1995

Mr. Robert D. Murphy, Jr.
Legislative Committee
Northern Guam Soil and Water
Conservation District Directors
P. O. Box 20417
GMF, Guam 96921

Dear Mr. Murphy:

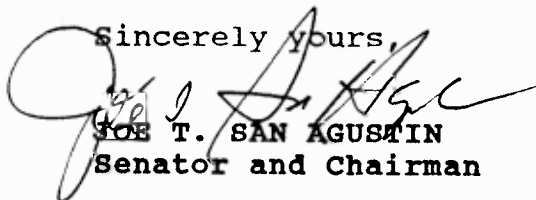
The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bills:**

- Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.
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Thank you and we look forward to seeing you at the hearing.

Sincerely yours,



JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures



**Committee on Economic-Agricultural
Development and Insurance**

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Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 10, 1995

Mr. Jesus P. San Nicolas
Education Committee
Southern Guam Soil and Water
Conservation District Directors
P. O. Box 6323
Inarajan, Guam 96917

Dear Mr. San Nicolas:

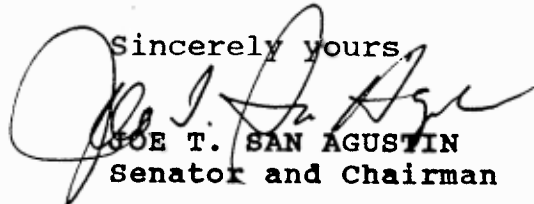
The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **February 28, 1995**, at 7 p.m., in the Mangilao Community Center on the following Bills:

- Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.
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Sincerely yours,



JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures



Committee on Economic-Agricultural Development and Insurance

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424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 10, 1995

Mr. Luis L. G. Paulino
Vice-Chairman & Treasurer
Southern Guam Soil and Water
Conservation District Directors
P. O. Box 1189
Agana, Guam 96910

Dear Mr. Paulino:

The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bills:**

Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

Bill No. 78 - AN ACT ESTABLISHING THE RIGHT TO FARM, BY ADDING A NEW SECTION 60353 TO CHAPTER 60, TITLE 5, GUAM CODE ANNOTATED.

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Thank you and we look forward to seeing you at the hearing.

Sincerely yours


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures



**Committee on Economic Agricultural
Development and Insurance**

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 10, 1995

Mr. Antonio S. Cruz
Social Committee
Southern Guam Soil and Water
Conservation District Directors
HCR Box 16231
Merizo, Guam 96916

Dear Mr. Cruz:

The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bills:**

- Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.
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Sincerely yours,


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures



Committee on Economic Agricultural Development and Insurance

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 10, 1995

Mr. Tomas N. Leon Guerrero
Education Committee
Northern Guam Soil and Water
Conservation District Directors
P. O. Box 10356
Sinajana, Guam 96926

Dear Mr. Leon Guerrero:

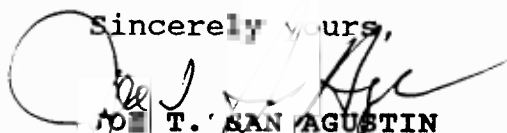
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- Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.
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Thank you and we look forward to seeing you at the hearing.

Sincerely yours,



JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures



Committee on Economic-Agricultural Development and Insurance

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 10, 1995

Mr. Jesus F. Terlaje
Vice-Chairman
Northern Guam Soil and Water
Conservation District Directors
P. O. Box AW
Agana, Guam 96910

Dear Mr. Terlaje:

The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bills:**

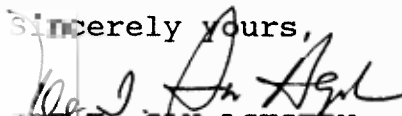
Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

Bill No. 78 - AN ACT ESTABLISHING THE RIGHT TO FARM, BY ADDING A NEW SECTION 60353 TO CHAPTER 60, TITLE 5, GUAM CODE ANNOTATED.

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Thank you and we look forward to seeing you at the hearing.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures



**Committee on Economic-Agricultural
Development and Insurance**

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Agaña, Guam 96910
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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 10, 1995

Mr. Felix P. Quan
Chairman
Northern Guam Soil and Water
Conservation District Directors
P. O. Box 12596
Tamuning, Guam 96931

Dear Mr. Quan:

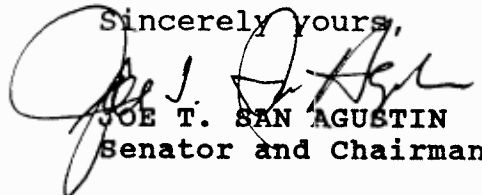
The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bills:**

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As these Bills directly affect the development of the territory, you are cordially invited to testify and present your opinion and comments. Copies of the Bills are enclosed for your disposition. The Committee would appreciate receiving twenty (20) copies of your testimony prior to the hearing.

Thank you and we look forward to seeing you at the hearing.

Sincerely yours,



JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures



Committee on Economic-Agricultural Development and Insurance

TWENTY-THIRD GUAM LEGISLATURE

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Agaña, Guam 96910

Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

February 9, 1995

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

Mr. Michael W. Kuhlmann
Acting Director
Department of Agriculture
P. O. Box 2950
Agana, Guam 96910

Dear Mr. Kuhlmann:

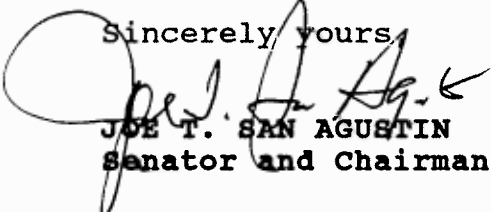
The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bills:**

- Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.
- Bill No. 69 - AN ACT TO AMEND AND TO REPEAL AND REENACT SUBSECTION 63101 AND SUBSECTION 63115, TITLE 5, GUAM CODE ANNOTATED RELATIVE TO GIGAO FISHING.
- Bill No. 78 - AN ACT ESTABLISHING THE RIGHT TO FARM, BY ADDING A NEW SECTION 60353 TO CHAPTER 60, TITLE 5, GUAM CODE ANNOTATED.

As these Bills directly affect the development of the territory, you are cordially invited to testify and present your opinion and comments. Copies of the Bills are enclosed for your disposition. The Committee would appreciate receiving twenty (20) copies of your testimony prior to the hearing.

Thank you and we look forward to seeing you at the hearing.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosures

February 10, 1995

Memorandum

To: Senator San Agustin
From: Consultant
Subject: Project Report
Ref: Bills #22 and 78

At 0800 hours, February 9, 1995, you requested that I review the following Bills and make an analysis of each:

Bill #22 - An act to add a new Section #62107 to Title 5, GCA, to require the Departments of Education, Correction, Youth Affairs and the Guam Memorial Hospital to make maximum use of fresh local produce and other foodstuffs.

Bill #78 - An Act establishing the right to farm, by adding a new Section #60353 to Chapter 60, Title 5 GCA.

After reviewing the above mentioned Bills, the following analysis are submitted:

Bill #22, the intent of the bill is two fold, one is that the following departments, Department of Education, Department of Corrections, Department of Youth Affairs and the Guam Memorial Hospital are required to procure large quantity of foodstuffs from any available sources to meet their daily operations in feeding people under their care.

Two, Since the Department of Agriculture is primarily the leading agency in promoting the effort to local farmers and to ensure the expansion of the local agricultural and aquacultural industries, market must be established and maintain to ensure that the local farmers have a viable continuing market for their produce.

The proposed Bill mandates the agencies listed above and all other Government of Guam Agencies to procure their needed foodstuff supplies through the Department of Agriculture. At the same time the Bill also mandates the Department of Agriculture to continue to make every effort to ensure that the produce from local farmers are first procured by these Government agencies. The Bill further mandates the Department of Agriculture assist local farmers in negotiating sale prices for their produce in accord with the competition with the commercial importers. The Department of Agriculture must also provide the necessary advice and assistance to ensure that produce are delivered to these agencies fresh and in good condition,

Bill #78, the intent of the Bill primarily is to encourage and protect farming in Guam and to provide safeguard to farmers from being force to relocate or encroachment because of development in the surrounding lands. However, there are some concern over the propose "I Tanota Plan" designating certain portion of land as commercial or residential where there are farmers presently farming the land. The question is, "does this Bill override the propose I Tanota Plan?" I think it does. As cited in the Bill which read:

"No person who is engaged in farming on such land may be forced or be required to stop such farming activities because of changes in the usages of the surrounding lands, nor because of zone changes."

What about the so call farmers who only grew a very small amount of plants such as coconut, bananas, peppers, are they covered under this Bill? It is believe that the Bill should identify the types of farming and the amount of produce harvested during a given period to satisfy the intent of the Bill.

Does the Bill refer to any land in the Territory of Guam? Or does it refer to only government owned land being use for farming by local farmers? How does this Bill apply to privately owned land? The Bill did not specify.

Please note that Section #60353, Chapter 60, Title 5 GCA, as cited in Bill #78 as a new section is erroneous. There is an existing Section #60353, subject title "Assets & Liabilities Transferred".

Submitted for your information.


J.A. Torre

QUESTIONS
BILL #22/SEN. T.S. NELSON

An act to add a new Section #62107 to Title 5, GCA to require the Department of Education, Corrections, Youth Affairs and the Guam Memorial Hospital to make Maximum use of fresh local produce and other foodstuffs.

1. How much of the foodstuffs new being purchased by any of any or all of the agencies listed in the Bill from the local farmers through the Department of Agriculture?
2. Does the Department of Agriculture have ever made any effort to get involve in providing the local farmers assistance in marketing their produce?
3. From previous knowledge or records, are the local farmers capable of providing the quantity of produce needed to supply all four agencies listed in the bill with fresh produce?
4. Are there any restrictions or regulatory mandates which prohibits or prevents any of the agency listed in the Bill from procuring their foodstuffs from the local farmers? (Such as health inspections, contaminations)
5. Since commercial importers must pay extra costs for shipment of their goods to Guam and the local farmers do not, is it fair for the price of the local produce to be competitive with the imported produce taking into consideration the farmers has to buy the seed, fertilizer and other materials needed to grow his produce?



**Committee on Economic-Agricultural
Development and Insurance**

TWENTY-THIRD GUAM LEGISLATURE
424 W. O'Brien Dr., Julale Shopping Center, Suite #218
Agaña, Guam 96910
Tel: (671) 477-8527/9120 • Fax: (671) 477-5570

SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. Lorenzo C. Aflague
Chief Procurement Officer
General Services Agency
P. O. Box FG
Agana, Guam 96910

Dear Mr. Aflague:

The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **Tuesday, February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bill:**

Bill No. 22 - AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

As this Bill directly affect the development of the Territory, you are cordially invited to testify and present your opinion and comments. A copy of the Bill is enclosed for your disposition. The Committee would appreciate receiving twenty (20) copies of your testimony prior to the hearing.

Thank you and we look forward to seeing you at the hearing.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure



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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. Oscar Edward Fortier
Acting Director
Department of Youth Affairs
P.O. Box 23672
GMF, Guam 96921

Dear Mr. Fortier:


The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **Tuesday, February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bill:**

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 14, 1995

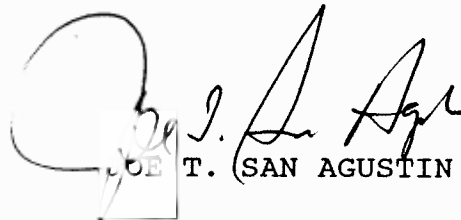
Memorandum

To: Hospital Administrator, Guam Memorial Hospital
From: Chairman, Committee On Economic-Agricultural
Development and Insurance
Subject: Bill #22

Attached is Bill #22, "An Act to add a new subsection 62107, to Title 5, GCA to require the Department of Education, Corrections, Youth Affairs and Guam Memorial Hospital to maximum use of the local produce and other foodstuffs", for your review. A public hearing on the Bill was conducted at 7:00 P.M., February 28, 1995, at the Mangilao Community Center. Your office was informed of the schedule of the hearing and I requested for your presence with any input which would assist the Committee on the needs of your department with regards to the issues addressed in the Bill.

Since neither you nor any representative from your department were present at the hearing and since your department was listed as one of the Government of Guam Agencies to be included in the program, we request you provide the Committee with your input before the Bill is reported out on the legislative floor.

Your immediate response to this matter is greatly appreciated.



JOE T. (SAN AGUSTIN

Attachments

cc: Lieutenant Governor
(Legislative Review Committee)
All Senators



Committee on Economic-Agricultural Development and Insurance

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. John S. Salas
Hospital Administrator
Guam Memorial Hospital Authority
850 Gov. Carlos G. Camacho Rd.
Oka, Tamuning, Guam 96911

Dear Mr. Salas:

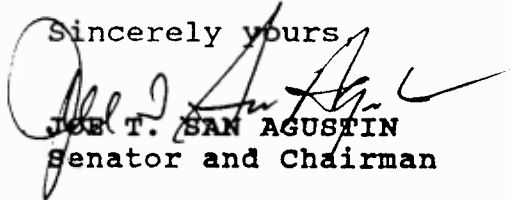
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Thank you and we look forward to seeing you at the hearing.

Sincerely yours,


JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure

TWENTY-THIRD GUAM LEGISLATURE
1995 (First) Regular Session

Bill No. 22

Introduced by:



T.S. NELSON

AN ACT TO ADD A NEW §62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

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

2 **Section 1. Legislative Intent.** The Department of Education is
3 required to provide a hot breakfast and hot noon meal to the students in the
4 public schools. The Department of Youth Affairs is required to feed their clients
5 daily. The Guam Memorial Hospital is required to provide nutritional food for
6 its patients. The Department of Corrections must provide three meals a day to
7 each of its inmates. To carry out these mandatory tasks, each of these of these
8 organizations must procure enormous quantities of fresh fruits and vegetables, as
9 well as other foodstuffs, on a daily recurring basis. To stay within their
10 approved budgets, they each make almost superhuman efforts to obtain this
11 produce from any available source, either from on island or from off island.
12 Since it is the goal of the Department of Agriculture to promote the efforts of all
13 local farmers, and to ensure the expansion of the local agricultural and
14 aquacultural industries, markets must be established and maintained to ensure that

1 the farmers have a viable continuing market for the results of their hard labor.
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3 produce. Therefore, they shall be required to work with the various
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6 for the crops of the farmers and other local producers of foodstuffs.

7 **Section 2. New Title 5 GCA §62107.** The following paragraph is
8 added to the Guam Code Annotated, §62107 of Title 5, Chapter 62.

9 "§62107. Procurement of local produce from local farmers. The
10 Department of Agriculture shall, on a continuing basis, make every effort
11 to ensure that the crops of the farmers of Guam are first procured by
12 agencies of the government, such as Department of Education, Department
13 of Youth Affairs, Department of Corrections, and the Guam Memorial
14 Hospital, unless the farmer has made previous arrangements for sale to
15 other users. The Department shall assist the farmers in negotiating prices,
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17 the prices must be kept competitive with prices of produce offered by
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Committee on Economic-Agricultural Development and Insurance

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

March 14, 1995

Memorandum

To: Director, Department of Education

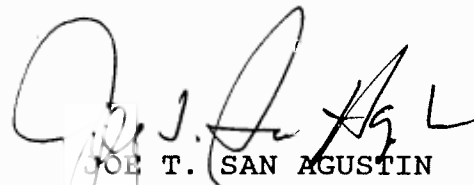
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Committee on Economic-Agricultural Development and Insurance

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SENATOR JOE T. SAN AGUSTIN (D)
CHAIRMAN

February 9, 1995

Mr. Robert Klitzkie
Director
Guam Public School System
P. O. Box DE
Agana, Guam 96910

Dear Mr. Klitzkie:

The Committee on Economic-Agricultural Development and Insurance is conducting a public hearing on **Tuesday, February 28, 1995, at 7 p.m., in the Mangilao Community Center on the following Bill:**

Bill No. 22 - **AN ACT TO ADD A NEW SUBSECTION 62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.**

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JOE T. SAN AGUSTIN
Senator and Chairman

Enclosure

TWENTY-THIRD GUAM LEGISLATURE
1995 (First) Regular Session

Bill No. 22

Introduced by:


T.S. NELSON

AN ACT TO ADD A NEW §62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

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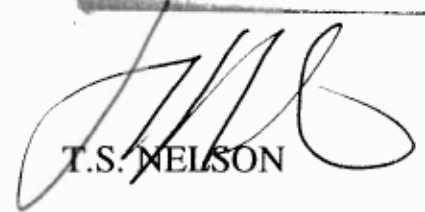
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MAR 13 1995

TWENTY-THIRD GUAM LEGISLATURE
1995 (First) Regular Session

Bill No. 22 (19)

Introduced by:


T.S. NELSON

AN ACT TO ADD A NEW §62107 TO TITLE 5 OF THE GUAM CODE ANNOTATED TO REQUIRE THE DEPARTMENTS OF EDUCATION, CORRECTIONS, YOUTH AFFAIRS AND THE GUAM MEMORIAL HOSPITAL TO MAKE MAXIMUM USE OF FRESH LOCAL PRODUCE AND OTHER FOODSTUFFS.

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