



CARL T.C. GUTIERREZ
GOVERNOR OF GUAM

DEC 05 1995

The Honorable Ted S. Nelson
Acting Speaker
Twenty-Third Guam Legislature
Guam Legislature Temporary Building
155 Hesler Street
Agana, Guam 96910

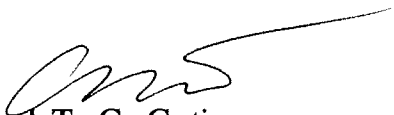
OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT	
Received By	<i>J. Belfer</i>
Time	<i>11:10</i>
Date	<i>12/6/95</i>

Dear Speaker Nelson:

Enclosed please find a copy of Amended Bill No. 102 (LS), "AN ACT TO ADD A NEW SECTION 47065 TO THE GOVERNMENT CODE OF GUAM TO CREATE A GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER REVOLVING FUND WITHIN THE GUAM DEPARTMENT OF COMMERCE FOR THE PURPOSE OF PURCHASING ESSENTIAL EQUIPMENT, MATERIALS, AND SUPPLIES FOR THE GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER", which I have **signed** into law today as **Public Law No. 23-56**.

The creation of a revolving fund to operate the Guam Aquaculture Development and Training Center of the Department of Commerce will facilitate quick reaction to the business necessities of handling the hatchery facility for small and fragile organisms. This should result in greater efficiencies of this facility.

Very truly yours,


Carl T. C. Gutierrez

Attachment

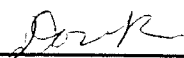
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OFFICE OF THE LEGISLATIVE SECRETARY	
ACKNOWLEDGMENT	
Received By	<i>Belfer</i>
Time	<i>11:10</i>
Date	<i>12-6-95</i>

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill No. 102 (LS), "AN ACT TO ADD A NEW SECTION 47065 TO THE GOVERNMENT CODE OF GUAM TO CREATE A GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER REVOLVING FUND WITHIN THE GUAM DEPARTMENT OF COMMERCE FOR THE PURPOSE OF PURCHASING ESSENTIAL EQUIPMENT, MATERIALS, AND SUPPLIES FOR THE GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER," was on the 22nd day of November, 1995, duly and regularly passed.



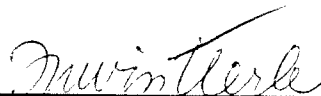
DON PARKINSON
Speaker

Attested:




JUDITH WON PAT-BORJA
Senator and Legislative Secretary

This Act was received by the Governor this 29th day of November,
1995, at 4:55 o'clock P.M.



Assistant Staff Officer
Governor's Office

APPROVED:



CARL T. C. GUTIERREZ
Governor of Guam

Date: 12-5-95

Public Law No. 23-56

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

Bill No. 102 (LS)

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

Introduced by:

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

AN ACT TO ADD A NEW SECTION 47065 TO THE GOVERNMENT CODE OF GUAM TO CREATE A GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER REVOLVING FUND WITHIN THE GUAM DEPARTMENT OF COMMERCE FOR THE PURPOSE OF PURCHASING ESSENTIAL EQUIPMENT, MATERIALS, AND SUPPLIES FOR THE GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER.

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

2 **Section 1. Legislative Findings.** The Legislature finds that previous
3 studies have indicated that the Territory of Guam has great potential in the
4 field of Aquaculture. In addition to providing for local farmers and the local
5 markets, there is the market of islands within the Western Pacific Region that
6 we may be able to expand to.

7 In 1985, the government of Guam took over the Guam Aqua Research
8 Incorporated and changed the name to the Guam Aquaculture Development
9 and Training Center (GADTC). Since then, the Department of Commerce
10 has supervised the operations of the GADTC, which today provides seedlings
11 of shrimp and a variety of fish to local farmers. Furthermore, the GADTC
12 consists of an indoor hatchery, a broodstock maturation room, a
13 phytoplankton laboratory, a feed preparation room, living quarters, and an
14 office. The outdoor facilities include seven (7) concrete raceways, six (6)
15 cement ponds, and thirty (30) 1-metric ton tanks.

16 **Section 2.** A new Section 47065 is added to the Government Code of
17 Guam to read as follows:

18 **"Section 47065. Creation of the Guam Aquaculture Development and**
19 **Training Center Revolving Fund.** There is hereby created the Guam
20 Aquaculture Development and Training Center Revolving Fund. This Fund
21 shall be used exclusively for the administration, operation, maintenance and
22 improvement of the Guam Aquaculture Development and Training Center.
23 The Guam Aquaculture Development and Training Center Revolving Fund
24 shall be maintained separate and apart from any other funds of the
25 government of Guam. Independent records and accounts shall be maintained
26 in connection therewith. All revenues received from the gross sales by the

1 GADTC shall be deposited into this Fund. Such Fund shall be under the
2 control of the Guam Department of Commerce for the GADTC."

TWENTY-THIRD GUAM LEGISLATURE

1995 (FIRST) Regular Session

6

Date: 11/22/95

VOTING SHEET

Bill No. 102

Resolution No. _____

Question: on the passage

NAME	YEAS	NAYS	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

19 0 0 2

CERTIFIED TRUE AND CORRECT:

Recording Secretary



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

April 6, 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 #102, 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 Pass	11
Not To Pass	0
Absent	0

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

Sincerely yours,

JOE T. SAN AGUSTIN

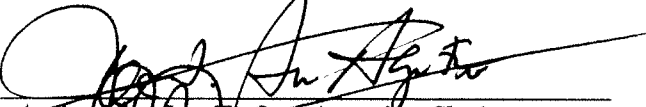
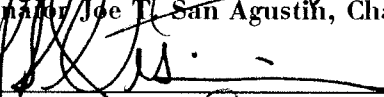


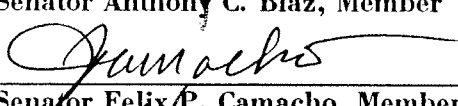
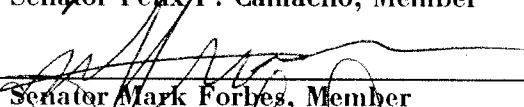
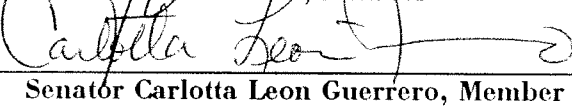
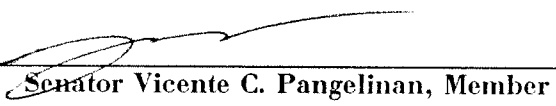

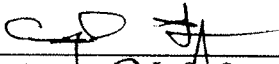
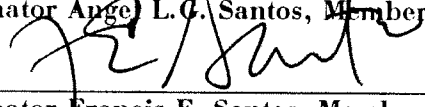
**Committee on Economic- Agricultural
Development and Insurance**
Twenty-Third Guam Legislature
Senator Joe T. San Agustin, Chairman

Vote Sheet

ON

BILL #102 *per Amended* —

AN ACT TO CREATE A GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER 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.

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. Aguon, 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 Ange L.G. Santos, Member	<input checked="" 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. 102

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

Introduced by:

S.L. Orsini

ACBLAZ
FP CAMACHO

~~AN ACT TO ESTABLISH A CAPITAL OUTLAY~~ (CREATE A
GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER)
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.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM
2 Section 1. Legislative Findings. The legislature
3 finds that previous studies have indicated that the
4 Territory of Guam has great potential in the field of
5 aquaculture. In addition to providing for local
6 farmers and the local markets, there is the market of
7 islands within the Western Pacific Region that we may be
8 able to expand to.

9 In 1985, the Government of Guam took over the Guam
10 Aqua Research Incorporated and changed the name to the
11 Guam Aquaculture Development and Training Center
12 (GADTC). since then, the Department of Commerce has
13 supervised the operations of the Center, which today
14 provides seedlings of shrimp and a variety of fish to
15 local farmers. Furthermore, the GADTC consist of an
16 indoor hatchery, a broodstock maturation room, a
17 phytoplakton laboratory, a feed preparation room,

18 living quarters and an office. The outdoor facilities
19 include seven (7) concrete raceways, six (6) cement
20 ponds and thirty 1-metric ton tanks.

21 **Section 2. Creation of a ~~Capitol Outlay~~ the Guam**
22 **Aquaculture Development and Training Center Revolving**
23 **Fund.**

24 There is hereby created ~~the Department of Commerce~~
25 ~~Capitol Outlay Revolving Fund to purchase essential~~
26 ~~equipments, materials and supplies for the Guam~~
27 ~~Aquaculture Development and Training Center. All~~
28 ~~revenues received from the gross sales of the Center~~
29 ~~shall be deposited into this Fund. Such Fund shall be~~
30 ~~under the control of the Guam Department of Commerce for~~
31 ~~the GADTC.~~ the Guam Aquaculture Development and
32 Training Center Revolving Fund. This fund shall be used
33 exclusively for the administration, operation,
34 maintenance and improvement of the Guam Aquaculture
35 Development and Training Center. The Guam Aquaculture
36 Development and Training Center Revolving Fund shall be
37 maintained separate and apart from any other funds of
38 the Government of Guam. Independent records and
39 accounts shall be maintained in connection therewith.
40 All revenues received from the gross sales of the Center
41 shall be deposited into this Fund. Such fund shall be
42 under the control of the Guam Department of Commerce for
43 the GADTC.

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

COMMITTEE REPORT

ON

BILL #102

SPONSOR: S.L. ORSINI

AN ACT TO ESTABLISH A CAPITAL OUTLAY REVOLVING FUND
WITHIN THE GUAM DEPARTMENT OF COMMERCE FOR THE PURPOSE
OF PURCHASING ESSENTIAL EQUIPMENT, MATERIALS AND SUPPLIES
FOR THE GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER

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 #102, at 7:00 P.M., February 29, 1995, at the Mangilao Community Center.

Committee members Present Were:

Senator J.T. San Agustin, Chairman
Senator S.L. Orsini, Vice-Chairman
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:

Frank Aguon	Department of Commerce
Vic Taisapic	Aquaculture farmer
Bill Fitzgerald	Department of Commerce
Gilbert E. Roblez	GEDA

MR. VIC TAISAPIC, provided an oral testimony which was directed primarily on Bill #1, and did not testify on Bill #102, however, indicated he supports the Bill.

SENATOR SUNNY L. ORSINI, responded that in respect to Bill #102, it is imperative that the legislature establish a capital outlay revolving fund within Guam Aquacultural Development Training Center (GADTC). It would give the Department of Commerce a greater flexibility, right now as it stands if GADTC were to purchase essential equipment and resources to run the operation, it would have to go through a very bureaucratic, very cumbersome process. With respect to aquaculture, it is essential that there is money on hand and he believe that it is stepping on the right direction to push Bill #102 and ask the Committee for their support on the Bill.

MR. FRANK B. AGUON, provided a written testimony and made an oral presentation that the Department of Commerce supports Bill #102. He stated that the Department has been tasked with the responsibility of developing a viable aquaculture industry on Guam through Executive Order #88-23. In order to carry out these responsibilities, it is necessary that the legislature assist in creating a Guam Aquaculture Development Training Center (GADTC) Revolving Fund. The purpose of the revolving fund is to facilitate the deposit of funds from proceeds of service fees such as sale of seedstock, sale of stock for test marketing and facility fees collected through GADTC. These proceeds are to be maintained in a separate account to be utilized in payment of debts, liabilities and obligations in connection with the operation, maintenance and GADTC's facility renovation. This would allow the use of funds generated through GADTC without having to be deposited in the government general funds and it will be in compliance with existing Rules and Regulations governing revolving funds. Mr. Aguon further stated that the revolving fund would allow for improve operational efficiency of GADTC through the purchase of goods and services in a timely manner. He continued that it is essential for the

maintenance and culture of live aquatic species, that goods and services such as feeds, repair of life support system are provided without delays. The normal GSA requisition and purchase order process does not meet these requirements. With the maintenance of live aquatic species, it is critical to have the flexibility to respond quickly to emergencies which require the purchase of parts, materials or supplies that are immediately needed to resolve the emergency situation. In addition, some transactions in carrying out GADTC's projects and programs requires the use of cash or check as payments. For example, the shipping of marine shrimp seedstock to Hawaii or the U.S. Mainland, the air cargo costs must be paid at the time of shipment in cash or check. Therefore, the establishment of the GADTC Revolving Fund with the flexibility to write checks or use cash will greatly facilitate GADTC's operation.

SENATOR MARK CHARFAUROS, comments were directed to Bill #1 and sympathize with Mr. Taisapic in his effort to trying to obtain a permit to establish an aquaculture farm. He supports Bill #102.

SENATOR LOU LEON GUERRERO, applaud Mr. Taisapic's effort and commented on his sacrifices and determination in his attempts to obtain a permit to establish an aquaculture farm. She also indicated that she supports Bill #102.

SENATOR SAN AGUSTIN, stated that there was a discussion about GEDA sponsoring a \$54,000.00 - \$55,000.00 of experimental project and was given to the University of Guam. He would like to know what is the rational for spending over \$270,000.00 for the Department of Commerce for this particular aquaculture training center at Fadian. Why was the experiment directed towards that group and was it a species or is it cultivation experimentation?

MR. GILBLERT ROBLES, responded that the rational was the system itself, the type of system that UOG is trying to develop at this time. It is a system that the average homeowner can put together in his backyard and use to grow any kind of species of aquaculture.

SENATOR SAN AGUSTIN, asked if that particular environment is not available at the Fadian facility. Mr. Roblez, responded that he does not believe that the kind of system that UOG is experimenting with is available at Fadian.

SENATOR SAN AGUSTIN further question whether GEDA conducted an investigation to find out if the ponding type and a tank farm approach is available at the Fadian Facility. Mr. Bill Fitzgerald answered that these system are available, but the system that GEDA was supporting was basically a close system and the system at Fadian is an open system but can be

modified to serve as a close system to facilitate the backyard aquaculture farmers.

Mr. Frank Aguon through his letter to Senator Orsini requested that the following languages as originally cited in the title and Section 2 of the Bill be changed:

1. To eliminate the words **"capital outlay"** from the proposed legislation.
2. To change the wording regarding the use of the fund to read, **"shall be used exclusively for the administration, operation, maintenance and improvement of the Guam Aquaculture Development and Training Center."**
3. The following language be include in Section 2 of the Bill: **"Guam Aquaculture Development and Training Center Revolving Fund shall be maintained separate and apart from any other funds of the Government of Guam. Independent records and accounts shall be maintained in connection therewith."**

III. FINDINGS:

After hearing all the testimonies presented, questions and comments by the Committee Members, the Committee finds that the following issues are important and should be considered.

1. The Department of Commerce has been tasked with the responsibility of developing a viable aquaculture industry on Guam through Executive Order #88-23.
2. The purpose for the revolving fund is to facilitate the deposit of funds from proceeds of service fees and to maintain a separate account to be utilized in payment of debts, liabilities and obligations in connection with the operation, maintenance and GADTC'S facility renovation.
3. It is necessary that changes be made on the title of the Bill and make an addition in Section 2 of the Bill to satisfy the intended action of the Bill.
4. The revolving fund would give the Department of Commerce a greater flexibility to purchase essential equipment and resources for an efficient aquaculture training center operation.
5. Presently all purchases made or anuy use of funds must first go through the government bureaucratic

channels which would be detrimental for the survival of marine life in the event of an emergency.

6. Payments for shipment of marine seedstocks to Hawaii, U.S. Mainland or other destination outside of the Guam must be made in cash or check at the time of shipment.

IV. RECOMMENDATIONS

After reviewing all the facts and testimonies presented during the public hearing, the Committee finds it necessary to make some changes in the title and the languages of the Bill and to incorporate important issues brought about by the general public. Therefore, the Committee recommends the following:

1. That the title of the Bill be change to read as follows:

AN ACT TO CREATE A GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER REVOLVING FUND WITHIN THE GUAM DEPARTMENT OF COMMERCE FOR THE PURPOSE OF PURCHASING ESSENTIAL EQUIPMENT, MATERIALS AND SUPPLIES FOR THE GUAM AQUACULTURE DEVELOPMENT AND TRAINING CENTER."

2. That Section 2, of the Bill be changed as follows:

After the word created, add the following:

"the Guam Aquaculture Development and Training Center Revolving Fund. This fund shall be used exclusively for the administration, operation, maintenance and improvement of the Guam Aquaculture Development and Training Center. The Guam Aquaculture Development and Training Center Revolving Fund shall be maintained separate and apart from any other funds of the Government of Guam. Independent records and accounts shall be maintained in connection therewith. All revenues received from the gross sales of the Center shall be deposited into this fund. Such Fund shall be under the control of the Guam Department of Commerce for the GADTC."

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

Bill No. 102
As amended by the Author

Introduced by:

S. L. Orsini

AN ACT TO CREATE A GUAM AQUACULTURE DEVELOPMENT
AND TRAINING CENTER REVOLVING WITHIN THE GUAM
DEPARTMENT OF COMMERCE FOR THE PURPOSE OF
PURCHASING ESSENTIAL EQUIPMENT, MATERIALS AND
SUPPLIES FOR THE GUAM AQUACULTURE DEVELOPMENT AND
TRAINING CENTER.

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

Section 1. Legislative Findings. The Legislature finds that previous studies have indicated that the Territory of Guam has great potential in the field of Aquaculture. In addition to providing for local farmers and the local markets, there is the market of islands within the Western Pacific Region that we may be able to expand to.

In 1985, the Government of Guam took over the Guam Aqua Research Incorporated and changed the name to the Guam Aquaculture Development and Training Center (GADTC). Since then, the Department of Commerce has supervised the operations of the Center, which today provides seedlings of shrimp and a variety of fish to local farmers. Furthermore, the GADTC consist of an indoor hatchery, a broodstock, maturation room, a phytoplankton laboratory, a feed preparation room, living quarters and an office. The outdoor facilities include 7 concrete raceways, 6 cement ponds and thirty 1-metric ton tanks.

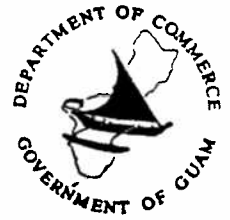
Section 2. Creation of the Guam Aquaculture Development and Training Center Revolving Fund. There is hereby created the Guam Aquaculture Development and Training Center Revolving Fund ~~shall be maintained separate and apart from any other funds of the Government of Guam. Independent records and accounts shall be maintained in connection therein.~~ This Fund shall be used exclusively for the

1 administration, operation, maintenance and improvement of the Guam Aquaculture
2 Development and Training Center. The Guam Aquaculture Development and Training
3 Center Revolving Fund shall be maintained separate and apart from any other funds of the
4 Government of Guam. Independent records and accounts shall be maintained in
5 connection therewith. All revenues received from the gross sales of the Center shall be
6 deposited into this Fund. Such Fund shall be under the control of the Guam Department
7 of Commerce for the GADTC.



DEPARTMENT OF COMMERCE

DIPATTAMENTON KUMETSIO
GOVERNMENT OF GUAM



Carl T.C. Gutierrez
Governor
Madeleine Z. Bordallo
Lt. Governor

Frank B. Aguon, Jr.
Acting Director

make proper amend. ments.
T.A.
T.B.
Sony

DC-EDP-021-95c

COMMITTEE ON RULES

Rec'd by: *[Signature]* Date: *3/15/95* Time: *8:15*

March 14, 1995

Senator Sonny L. Orsini
23rd Guam Legislature
155 Hesler St.
Agana, Guam 96910

Routing:	Date:	Sen's Ini.
Jackie Blas	_____	_____
_____	_____	_____
_____	_____	_____

Action: _____

Dear Senator Orsini:

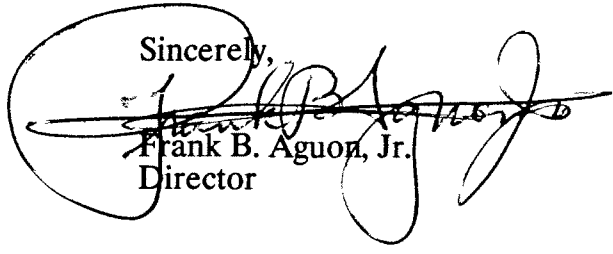
I want to thank you again for your initiative in drafting Bill No. 102 to establish the Guam Aquaculture Development and Training Center Revolving Fund. Further to my testimony in support of the legislation, there are some changes to the bill that I would suggest to strengthen the bill and usefulness of the Fund. These are as follows:

- The elimination of "capitol outlay" from the proposed legislation, since capital outlay is narrowly interpreted in the Government of Guam budgetary terms as applying to "equipment costing \$250 or more..." This would legally be interpreted in narrow terms and unduly restrict the use of the Fund.
- A change in wording regarding the use of the Fund. The new wording would state that it "shall be used exclusively for the administration, operation, maintenance and improvement of the Guam Aquaculture Development and Training Center." This is preferential to the current wording of "to purchase essential equipments, materials and supplies for the Guam Aquaculture Development and Training Center." The reason for this is that the preferred wording allows broader flexibility in the use of the funds to carry out the GADTC program. Furthermore, the ultimate goal of GADTC is to become self-sufficient in generating its funding through sales for the operational costs. Therefore, the fund has to have the flexibility to cover all aspects of GADTC's operations. This broader terminology was used in Bill No. 513 from the 22nd Legislature.
- Wording should be included as follows: "Guam Aquaculture Development and Training Center Revolving Fund shall be maintained separate and apart from any other funds of the Government of Guam. Independent records and accounts shall be maintained in connection therewith." This assures that the Fund is maintained separately and a bank account can be established to facilitate the writing of checks. Our Chamorro Village Revolving Fund



currently operates under this preferential structure. This is critical to the usage of the Revolving Fund, since the purchase of supplies and equipment without the delays (often months) associated with the processing of purchase orders through GSA sharply which would limit the usefulness of the Revolving Fund.

Your support of the aquaculture industry and the Department's efforts to develop the industry is greatly appreciated. If you have questions regarding the above recommendations on Bill No. 102, please do not hesitate to contact me or Bill FitzGerald of my staff. I look forward to working closely with you in expanding the aquaculture industry on Guam.

Sincerely,

Frank B. Aguon, Jr.
Director

TESTIMONY REGARDING BILL 102

COMMITTEE ON ECONOMIC-AGRICULTURAL DEVELOPMENT AND INSURANCE

FEBRUARY 28, 1995

AN ACT TO ESTABLISH A CAPITAL 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

Good evening, Mr. Chairman and distinguished members of the Committee. My name is Frank B. Aguon, Jr. I am the Acting Director of Commerce and I am here to testify in favor of Bill 102.

The Department of Commerce fully supports Bill No. 102 which creates the Guam Aquaculture Development and Training Center Revolving Fund. This is a responsibility that the Department has been tasked with through Executive Order 88-23. The legislation will assist the Department in carrying out the responsibilities of developing a viable aquaculture industry for Guam.

The purpose of the Revolving Fund is to facilitate the deposit of funds from proceeds of service fees (e.g., sale of seedstock, sale of stock for test marketing, facility fee, etc.) collected through GADTC. These proceeds are maintained in a separate account to be utilized in payment of debts, liabilities and obligations in connection with the operation, maintenance and renovation of the GADTC facility.



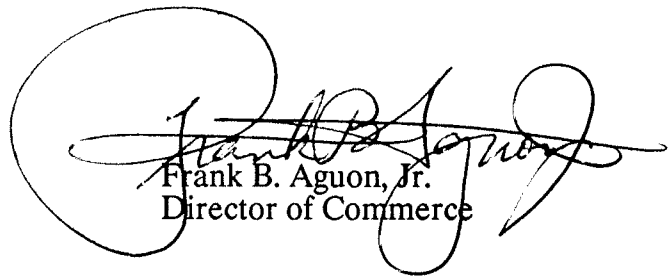
This allows the use of funds generated through the operation of GADTC to be directly utilized by GADTC without being deposited in the government general fund. Standard operating procedures would be followed in compliance with government rules and regulations concerning revolving funds.

The Revolving Fund would allow for improved operational efficiency of GADTC through the purchase of goods and services in a timely manner. It is essential, with the maintenance and culture of live aquatic animals, that goods and services (e.g., feed, repair of life support systems) are provided without delays. Unfortunately, the normal GSA requisition/purchase order process does not meet this need. In addition, one of the long-term goals is to strive toward self sufficiency in operating costs. This is tied to the expansion of the commercial aquaculture sector. As the commercial sector grows, GADTC will be able to generate increased revenue which would be utilized to defray operational costs.

With the maintaining of live aquatic animals, it is critical to have the flexibility to respond quickly to emergencies which require the purchase of parts, materials or supplies that are immediately needed to resolve the emergency situation. In addition, some transactions in carrying out projects and programs of GADTC requires the use of cash or checks as payment. For example, in the shipping of marine shrimp seedstock to Hawaii or the U.S. mainland, the air cargo costs must be paid at the time of shipment and in cash or by check. Therefore, the establishment of the GADTC Revolving Fund with the flexibility of establishing a bank account with the ability to write checks against it will greatly facilitate the operations at GADTC.

In summary, Bill No. 102 reaffirms through legislation the role and functions that the Department of Commerce has been fulfilling. Specifically, the GADTC Revolving Fund will add the necessary flexibility to carry out the daily functions and emergency needs of GADTC in fulfilling its goals. The Department, with the assistance of this legislation, will continue to aggressively support the development of the commercial aquaculture industry on Guam.

I would like to thank the Committee for the opportunity to testify before you today. If you have questions regarding this testimony, I would be pleased to answer them.



Frank B. Aguon, Jr.
Director of Commerce



SONNY LUJAN ORSINI SENATOR



Chairman, Committee on Rules
Twenty-Third Guam Legislature
155 Hesler Street
Agana, Guam 96910
(671) 472-3407

*Ki Tom
Guam*

RECEIVED
COMMITTEE ON ECONOMIC, AGRICULTURAL
DEVELOPMENT, INSURANCE
DATE: 3/20/95
TIME: 4:50 PM
REC'D BY: [Signature]

March 20, 1995

The Honorable Joe T. San Agustin
Senator
155 Hesler St.
Agana, Guam 96910

Joe M
What Happens Here

Dear Senator San Agustin:

Please find attached Bill No. 101 which contains amendments as requested by the Director of Commerce. Feel free to make additional amendments should the Committee desire.

Sincerely,

[Signature]
SONNY LUJAN ORSINI

Attachments

*Do we not have a
P/Han on the Bill?*


*P. de...
2/20/95*

[Signature]

TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session

Bill No. 102

Introduced by

S. L. Orsini 

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.

1 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:
2

3 **Section 1. Legislative Findings.** The Legislature finds that
4 previous studies have indicated that the Territory of Guam has great
5 potential in the field of aquaculture. In addition to providing for
6 local farmers and the local markets, there is the market of islands
7 within the Western Pacific Region that we may be able to expand to.
8

9 In 1985, the Government of Guam took over the Guam Aqua
10 Research Incorporated and changed the name to the Guam
11 Aquaculture Development and Training Center (GADTC). Since then,
12 the Department of Commerce has supervised the operations of the
13 Center, which today provides seedlings of shrimp and a variety of
14 fish to local farmers. Furthermore, the GADTC consist of an indoor
15 hatchery, a broodstock, maturation room, a phytoplankton
16 laboratory, a feed preparation room, living quarters and an office.
17 The outdoor facilities include 7 concrete raceways, 6 cement ponds
18 and thirty 1-metric ton tanks.
19


20 **Section 2. Creation of a Capitol Outlay Revolving Fund.**
21 There is hereby created the Department of Commerce Capitol Outlay
22 Revolving Fund to purchase essential equipments, materials and
23 supplies for the Guam Aquaculture Development and Training Center.
24 All revenues received from the gross sales of the Center shall be
25 deposited into this Fund. Such Fund shall be under the control of the
26 Guam Department of Commerce for the GADTC.

MAR 13 1995

**TWENTY-THIRD GUAM LEGISLATURE
1995 (FIRST) Regular Session**

Bill No. 102 (LS)

Introduced by

S. L. Orsini 

AN ACT TO ESTABLISH A CAPITOL OUTLAY REVOLVING
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