



*Office of the Governor of Guam*

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Felix Perez Camacho  
*Governor*

Kaleo Scott Moylan  
*Lieutenant Governor*

Office of the Governor  
Hagåtña, Guam

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31 DEC 2004

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

Dear Mr. Speaker:

Transmitted herewith is Bill No. 242 (COR), "AN ACT TO AMEND §75107(a), §75108(c), AND §75108(d) OF CHAPTER 75 OF TITLE 21 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADDING AQUACULTURE TO THE ACCEPTABLE USES OF CHAMORRO HOMELANDS," now designated as **Public Law 27-133**.

*Sinseru yan Magåhet,*

FELIX P. CAMACHO  
*I Maga'låhen Guåhan*  
Governor of Guam

Attachment: copy attached of signed bill

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

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

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

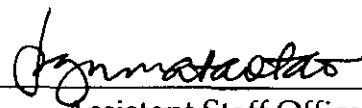
This is to certify that Substitute Bill No. 242 (COR), "AN ACT TO AMEND §75107(a), §75108(c), AND §75108(d) OF CHAPTER 75 OF TITLE 21 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADDING AQUACULTURE TO THE ACCEPTABLE USES OF CHAMORRO HOMELANDS," was on the 20<sup>th</sup> day of December, 2004, duly and regularly passed.

Attested:


  
Tina Rose Muña Barnes  
Senator and Legislative Secretary

  
vicente (ben) c. pangelinan  
Speaker

This Act was received by *I Maga'lahaen Guåhan* this 20 day of December, 2004,  
at 5:50 o'clock P.M.

  
Assistant Staff Officer  
*Maga'lahi's Office*

APPROVED:

  
FELIX P. CAMACHO  
*I Maga'lahaen Guåhan*

Date: December 30, 2004

Public Law No. 27-133

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

**Bill No. 242 (COR)**

As substituted by the Committee  
on Utilities and Land, and amended  
on the Floor.

Introduced by:

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

**AN ACT TO AMEND §75107(a), §75108(c), AND §75108(d) OF  
CHAPTER 75 OF TITLE 21 OF THE GUAM CODE  
ANNOTATED, RELATIVE TO ADDING AQUACULTURE  
TO THE ACCEPTABLE USES OF CHAMORRO  
HOMELANDS.**

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

2        **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*  
3 finds that "Aquaculture" is not included as an acceptable purpose for lease of  
4 *Chamorro* Homelands.

1            *I Liheslaturan Guåhan* recognizes that aquaculture farming has the  
2 potential to be a significant industry on Guam. It is the intent of *I Liheslaturan*  
3 *Guåhan* to include aquaculture as a “best use” purpose for which *Chamorro*  
4 Homelands are to be leased.

5            **Section 2. §75107(a) of Chapter 75, Subpart E, Title 21 of the Guam**  
6 **Code Annotated, is hereby *amended* to read as follows:**

7            “(a) The Commission is authorized to lease to native *Chamorros*  
8 the right to the use and occupancy of a tract or tracts of *Chamorro*  
9 homelands within the following acreage limits per each lessee:

- 10            (1) *not less than* one quarter (0.25) acre, *nor more than* one half  
11            (0.50) acre for subsistence agricultural or aquaculture  
12            farming;
- 13            (2) *not less than* one half (0.50) acre, *nor more than* twenty (20)  
14            acres for commercial agricultural or aquaculture use;
- 15            (3) *not less than* one (1) acre, *nor more than* twenty (20) acres for  
16            grazing use; and
- 17            (4) *not more than* one (1) acre for any class of land to be used as a  
18            residential lot.”

19            **Section 3. §75108(c) of Chapter 75, Subpart E, Title 21, of the Guam**  
20 **Code Annotated, is hereby *amended* to read as follows:**

21            “(c) The lessee shall occupy and commence to use or cultivate the  
22 tract as his home or farm within one (1) year after the lease is made.

- 23            (i) The lessee of agricultural lands shall plant and maintain  
24            *not less than* five (5), ten (10), fifteen (15) and twenty (20) trees per  
25            acre of land leased and lessee of grazing lands shall plant and

1 maintain *not less than* two (2), three (3), four (4), and five (5) trees  
2 per acre of land leased during the first (1<sup>st</sup>), second (2<sup>nd</sup>), third (3<sup>rd</sup>)  
3 and fourth (4<sup>th</sup>) years, respectively, after the date of the lease. Such  
4 trees shall be of types approved by the Department of Agriculture  
5 and at locations specified by the Department of Agriculture's  
6 agent. Such planting and maintenance shall be by or under the  
7 immediate control and direction of the lessee. Such trees shall be  
8 furnished by the Department of Agriculture free of charge.

9 (ii) The lessee of aquaculture lands shall install and  
10 maintain *not less than* three hundred (300) square foot pond, tank  
11 or pool per acre of land leased. Such pond, tank or pool shall be at  
12 a location and of a type approved by the appropriate agencies.  
13 Such aquaculture farming and maintenance shall be by or under  
14 the immediate control and direction of the lessee and is subject to  
15 local and Federal permit requirements and regulations. The  
16 *Chamorro* Land Trust Commission may refer applicants to the  
17 appropriate agencies including, *but not limited to*: the United States  
18 Army Corps of Engineers, the Department of Public Works, the  
19 Department of Land Management, the Guam Environmental  
20 Protection Agency, the Bureau of Planning, the Department of  
21 Agriculture, the Department of Parks and Recreation, the  
22 Department of Revenue and Taxation, the Guam Power Authority,  
23 the Guam Waterworks Authority and the University of Guam,  
24 College of Natural and Applied Sciences, for resources such as  
25 permitting, planning assistance, industry information and

1 financial assistance. The University of Guam, College of Natural  
2 and Applied Sciences is the lead agency for aquaculture  
3 development, technical assistance, training and resources. Such  
4 species suitable for aquaculture may be furnished by the  
5 University of Guam Hatchery (Guam Aquaculture Development  
6 and Training Center-GADTC) for a nominal fee, as available.”

7 **Section 4. §75108(d) of Chapter 75, Subpart E, Title 21, of the Guam**  
8 **Code Annotated, is hereby *amended* to read as follows:**

9 “(d) The lessee shall thereafter, for at least such part of each year  
10 as the Commission shall by regulation prescribe, so occupy and use or  
11 cultivate the tract on his own behalf. The Administrative Director of the  
12 Commission, or the Director of Land Management with respect to non-  
13 Commission land, shall approve all requests for the extension of power,  
14 water, or telephone services to a qualified applicant on such applicant’s  
15 request. As used in this Subsection, qualified applicant shall mean:

16 (1) Any person occupying land pursuant to a lease, land  
17 use permit issued, or other permission from the government of  
18 Guam, or from any agency thereof to the person occupying the  
19 land, to a relative of the person occupying the land, or to an  
20 ancestor of the person occupying the land, which land is claimed  
21 by the government of Guam and/or the Commission; or

22 (2) Any person who, on the effective date of the  
23 amendment to this Subsection, is actually occupying land which is  
24 claimed by the government of Guam and/or the Commission and

1           who has actually occupied such land for more than six (6) months  
2 immediately last past.

3           (3) As used in this Subsection, government of Guam shall  
4 include all of the government of Guam, its agencies and  
5 instrumentalities, including autonomous agencies, except for the  
6 Commission.

7           Water shall be metered for both private and  
8 agricultural/aquaculture use. Approval by the Administrative Director  
9 of the Commission, or the Director of Land Management, does *not*  
10 waive any of the utilities' requirements or restrictions for the installation  
11 of the utilities, and the qualified applicant shall be responsible for  
12 paying the actual connection fees. The application, issuance, and  
13 connection of utilities shall *not* prejudice anyone in any ejectment action,  
14 quiet title action, litigation or claim relating to the property, nor shall it  
15 be construed as an admission, nor shall it create any presumptions.

16           (A) The application for a utility extension pursuant to this  
17 Subsection and the connection of utilities shall in no way prejudice the  
18 qualified applicant in any way as to any claim or litigation relating to  
19 ownership of the land in question, the validity of any lease or land use  
20 permit, the right of the qualified applicant to occupy the property, or the  
21 qualified applicant's use of the property. By so applying for utilities, the  
22 qualified applicant is in no way admitting, recognizing or ratifying any  
23 claim which the government of Guam or the Commission may have to  
24 the land in question.

1           (B) The granting of a utility extension pursuant to this  
2           Subsection and the connection of utilities shall in no way prejudice the  
3           government of Guam or the Commission in any way as to any claim or  
4           litigation relating to ownership of the land in question, the validity of  
5           any lease or land use permit, the right of the qualified applicant to  
6           occupy the property, or the qualified applicant's use of the property. By  
7           so granting such a clearance, neither the government of Guam nor the  
8           Commission is in any way admitting, recognizing or ratifying any claim  
9           which the qualified applicant may have to the land in question."

10          **Section 5. Severability.** *If any provision of this Law or its application*  
11 *to any person or circumstances is found to be invalid or contrary to law, such*  
12 *invalidity shall not affect other provisions or applications of this Law which*  
13 *can be given effect without the invalid provisions or applications, and to this*  
14 *end the provisions of this Law are severable.*





Mina' Bente Siete Na Liheslaturan Guåhan

vicente (ben) c. pangelinan  
Speaker

Committee on Utilities and land  
Chairman

The 27<sup>th</sup> Guam Legislature  
*I MINA BENTE SIETE NA LIHESTURAN GUAHAN*  
155 Hesler Street  
Hagåtña, GU 96910

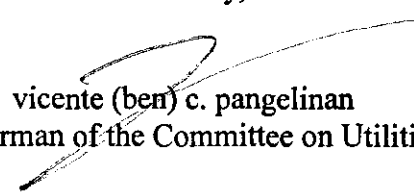
The Committee on Utilities and Land, to which was referred **Bill 242 (COR)**, "AN ACT TO AMEND §75107, ADD A SUBSECTION (c)(1) OF §75108, AND AMEND (d)(3) OF §75108, CHAPTER 75 OF TITLE 21 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADDING AQUACULTURE LICENSURE AS A RIGHT TO LEASE CHAMORRO HOMELANDS," has had the same under consideration, and wishes to report back the same with the **recommendation to do pass.**

The Committee votes are as follows:

<u>10</u>	To Do Pass
<u>0</u>	Not to Pass
<u>0</u>	Abstain
<u>0</u>	Inactive File

A copy of the Committee Report and other pertinent documents are attached for your immediate reference and information.

Sincerely,

  
vicente (ben) c. pangelinan  
Speaker & Chairman of the Committee on Utilities and Land

enclosure

**Committee on Utilities and Land**  
*I Mina'Bente Siete Na Libeslaturan Guahan*

**VOTING SHEET ON**

**Bill 242 (COR): "AN ACT TO AMEND §75107, ADD A SUBSECTION (c)(1) OF §75108, AND AMEND (d)(3) OF §75108, CHAPTER 75 OF TITLE 21 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADDING AQUACULTURE LICENSURE AS A RIGHT TO LEASE CHAMORRO HOMELANDS."**

COMMITTEE MEMBER	INITIAL	TO PASS	NOT TO PASS	ABSTAIN	INACTIVE FILE
vicente (ben) c. pangelinan Chairman		✓			
Carmen Fernandez Vice Chairperson		✓			
Frank Aguon, Jr. Member		✓			
Randy Cunliffe Member		✓			
Lou Leon Guerrero Member		✓			
Rory Respicio Member		✓			
Toni Sanford Member		✓			
Joanne Brown Member		✓			
Mark Forbes Member		✓			
Ray Tenorio Member		✓			

**Committee on Utilities and Land**  
*I Mina Bente Siete Na Liheslaturan Guahan*

**REPORT ON**

**BILL 242 (COR)**

“AN ACT TO AMEND §75107, ADD A SUBSECTION (c)(1) OF §75108, AND AMEND (d)(3) OF §75108, CHAPTER 75 OF TITLE 21 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADDING AQUACULTURE LICENSURE AS A RIGHT TO LEASE CHAMORRO HOMELANDS.”

**February 16, 2004**

**Public Hearing**

The Committee on Utilities and Land, to which was referred **Bill 242 (COR)**, “**AN ACT TO AMEND §75107, ADD A SUBSECTION (c)(1) OF §75108, AND AMEND (d)(3) OF §75108, CHAPTER 75 OF TITLE 21 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADDING AQUACULTURE LICENSURE AS A RIGHT TO LEASE CHAMORRO HOMELANDS,**” conducted a public hearing on Monday, February 16, 2004, at the Guam Legislature Public Hearing Room. **Speaker vicente (ben) c. pangelinan** conducted the legislative hearing as Chairman on Utilities and Land. Also in attendance were **Vice-Speaker F. B. Aguon, Jr., L. Leon Guerrero, T. Sanford, R. Klitzkie, L. Kasperbauer, T. Muna-Barnes**. Seven of ten members were present.

**Summary of Testimonies**

**Speaker/Chairman:** We would like to go ahead then and proceed with the second item on the agenda, which is Bill 242. An act to amend 75107, add a new subsection (c) (1) of 75108, and amend (d) (3) of 75108, Relative to adding aquaculture licensure as a right to lease chamorro homelands. We have signed up Mr. Manny Cruz, Mr. John Brown, and Mr. Rufo Lujan, Mr. David Crisostomo and Mr. Francis Torres...oh I'm sorry Mr. Felix Dungca and Mr. Francis Toves. I like to go ahead and proceed in order of sign-up Mr. Manny Cruz.

**Mr. Manny Cruz:** Mr. Speaker and Chairman of the committee and committee members, good morning and hafa dai. My name is Manny Cruz I am the director of the Bureau of Statistics and Plans, I'm here today to testify on Bill number 242. Even though it may appear that Bill No. 242 may simply be addressing the addition of aquaculture as a right to lease Chamorro Homelands, the amendment to section 75108, which adds conditions in the leases has presented a new perspective and may require the sponsors of the bill to consider adding a few more amendments to the bill. For example, the construction of an aquaculture facility on Guam may require a series of permits, both local and federal, depending upon the location and the type of aquaculture facility being built the agency issuing the permit

application before approval or denial to see if there is any major contradiction to that agency's policy. My agency, the Bureau of Statistics and Plans serves as a reviewing agency of permits when requested. However, if an aquaculture project requires for example the Army Corps of Engineers or is wholly or partially federally funded, then a finding of consistency with the Guam Coastal Zone and a Management Program GCMP is required.

This means that the policies of the GCMP must be complied with to the maximum extent practicable. The Bureau of Statistics and Plans is the lead agency in the implementation of the GCMP. However, this would not involve an issuance of a permit by the bureau, but instead recommends an approval or denial of an application for a permit as to whether the application complies with the GCMP's resource and development policies. As far as other agencies are concerned, the Department of Parks and Recreation serves as a review agency that examines permits and environmental impact statements (EIS) from the Territorial Planning and Seashore Protection Commission and the U.S. Army Corps of Engineers. On the other hand, DPR is the issuing agency for a permit that involves the erection of facilities within a unit of the Guam Territorial Park System or affects a cultural or historical resource. The construction of earthen ponds or pools requires an excavation permit from the Department of Public Works.

The construction of structures, such as water storage tanks and concrete wall ponds, would also require a building permit from DPW. The Guam Environmental Protection Agency would be involved with the permits of for a sewer line connection or septic tank construction. The Department of Land Management must also issue a permit denoting that the proposed that the proposed construction does not violate the Guam zoning laws. All building construction requires a permit from the Guam Fire Department. The Guam Power Authority must inspect the premises before installing electrical power outlets. If a power line and power poles are required into private property, an easement must be signed by the owner of property. To obtain potable water the Guam Waterworks Authority must inspect the premises. Also, reduced agricultural water rates are available. Aquaculture is a relatively new and potentially significant industry on Guam. And all of our people deserve to be given the opportunity to participate in the development of such an industry. But for such an industry to become viable and further expand it's necessary that our people totally understand the many facets of owning an aquaculture facility.

Mr. Speaker and Chairman of the committee and members of the committee, thank you for the invitation to allow me to comment on Bill No. 242. Si Yu'os Ma'ase'.

**Speaker/Chairman:** Si Yu'os Ma'ase' Mr. Curz, Mr. Brown.

**Mr. John Brown:** Ah, Chairman Pangelinan and members of the Committee. Thank you for offering the opportunity to address your Committee. My name is John Brown I am a Professor of Agricultural Economics with the University of Guam. One of my roles at the university is the oversight of the Guam Aquaculture Development and Training Center otherwise known as the Fidian Hatchery. Dean Yudin sends his regards and regrets. Today is the Faculty Development Day for the University he had prior commitments. He asked me to testify in favor of Bill 242. The college considers aquaculture to be a form of agriculture. And as such it should be treated no differently than any other form of agriculture. If a person qualifies for an agricultural lease of Chamorro Homelands because he wants to be a

farmer, then it should make no difference whether he wants to grow vegetables, animals, or fish. Therefore, we support Bill 242. Aquaculture is a form of agriculture, and as such, it should qualify for an agricultural lease. We also realize that each form of agriculture has inherent differences in their nature that require specific performance criteria for the evaluation of a farmer's efforts on his or her lease. The minimum investment of a 100 square feet of pond, tank or pool per acre per year seems to be a little small, but acceptable if the goal is to provide opportunity to limited resource farmers. An acre is 46,000 sq. ft. After four years, the bill's minimum requirement would not cover 1% of the land. This minimum could be met by buying a 12ft. pool per acre per year. I would suggest that while this criteria is acceptable, the Guam Department of Agriculture specifically prohibit the use of children's swimming pools to prevent abuse of the lease program.

Finally it is the policy of the college and the Guam Aquaculture Development Center and Training Center to provide seed at nominal cost and to provide support to all aquacultural farms of Guam. We do our best to support the development of the industry.

Once again, thank you for the opportunity to be here today.

**Speaker/Chairman:** Thank you very much ah... Mr. Brown, Ah... Mr. Dungca.

**Mr. Felixberto Dungca, Jr.:** Good morning Mr. Speaker, Chairman of the Committee and members of the Committee. My name is for the record my name Felixberto R. Dungca, Jr. I'm the acting Administrator at the Chamorro Land Trust Commission. On the bill 242 I'll go ahead read my written testimony for the record. I'm here before you today to provide testimony on legislative bill 242. Relative to adding aquaculture licensure as a right to lease Chamorro homelands. On behalf of the commission, please allow me to commend the sponsors of bill 242 in recognizing aquaculture as a viable industry for Guam and as an acceptable purpose for the lessees to develop and utilize Chamorro land trust properties. Mr. Chairman you could be rest assured that the commission had been very responsive to its applicants interested in leasing property for this type of venture. Just for the record I just share with you some figures if that um... to date we have had 15 serious inquiries. On this particular activity and we referred these potential parties to UOG the Small Business Corporation. Which specializes in packaging the financial plans and things of that nature. So I just thought you should know that Mr. Chairman that there has been some serious inquiries to this activity.

We have been conservative in our review of applicants interested in commercial farming. In the process of such applicant's prior and subsequent to issuance of agricultural leases, the Commission has taken advantage of various resources by referring its applicants to entities such as the small business development corporation. For business planning assistance, Department of Agriculture for industry information, the Economic Development and Commerce Authority for financial assistance. And for those interested in the commercial development of an aquaculture farm. The University of Guam's cooperative extension service as a result applicants become more aware of the industry's potential as well as the risk involved and provide the commission some level of confidence for the success of the commercial venture. In view of this Mr. Chairman we take great pleasure in support of the bill um... and our position of course is on the land side of the house is to work with those agencies. That we feel have the expertise in this type of business not part of my testimony

but I like to throw it in obviously our position in awarding lands for this activities to ensure that the applicants have some level of training, expertise, and possibly certification. So that as we award... uh the trust properties we want to ensure that the property is used properly and to piggyback on Mr. Cruz's position. Being a veteran of land management I respect the permitting process and some may argue its tidies but there is good cause for permitting to ensure the environmental laws. The zoning laws and all land use laws are complied within this type of activities.

So in nutshell Mr. Speaker we support it um... ah in the financial side of the house I think if this bill goes through. The trust stands to read the rewards of financial awards from this type of activity obviously when you have commercial activities then it'll fall under a commercial branch within the trust. And there already a procedure in set... in place to... appraise rather the property in the award process. Thank you Mr. Chairman.

**Speaker/Chairman:** Thank you very much Mr. Dungca, Mr. Lujan.

**Mr. Rufo Lujan:** Thank you Mr. Speaker, when I first um... I guess read the heading of the bill. I thought that it require some sort of licensure to upgrade a facility and I was going to come down and testify against it and that was my primary reason for my coming down here. But after reading the bill I'm support of the ah... bill I just heard the um... the Director of Chamorro Land Trust saying. That he would like to see some sort of licensure requirement and I would be against that, you don't require a farmer to be licensed. There are very few businesses that require to be license... yea. I mean not license to operate business but in order for you to let's say go ah... retail you don't need you know to be licensed for that. Why should we require that of ah... farmers or aquaculture operators...yea. And also when your looking at quarter acre or half acre or even an acre that's to you know to small for a commercial facility. Your talking about subsistence farming and you know to require that a subsistence farmer be licensed to me is petted bureaucracy. You know the Department of Agriculture pioneered and in particular the division of fish and wildlife then, which is now the division of aquatic and wildlife resources. Aquaculture in 1972 at that time the leased property down in Talofof from the Quitugua family and started an el farm. And then a malaysia pond or mackerel rosenberg pond farm... yes. They did this to show that it is feasible to into agriculture here on Guam.

Aquaculture falls under the definition of agriculture and I agree with Dr. Brown that you know it, it already falls under the definition of agriculture. But if the intent of this bill is to clarify and to ensure that aquaculture you know is a qualified activity under the Chamorro Land Trust then you know whole heartily support the intent of the bill. I think that it is commendably to clarify it. Something that needs to be looked at and we already have one practitioner here on the island is integrated farming. Ah... Mr. I don't know with or whether ah... Mr. John Taitano better known as, "Johnny Atulai." He still has he farm up in ah... Mangilao and he practices integrated farming this is where. He raises talapia in a tank takes the influent from that tank and uses it to ere gate his taro farm, that's something that we need to look at. Yes there are a lot of federal requirements on ah... influent but I think that you know this is something that we should look at seriously. And find a way to mitigate the granting of a permit or eliminate the requirements of a permit for integrated farming. In an island that's very small and land being scare resource and I don't care how an area... or country is... land is always a scares resources. You know we should be looking at ways to

maximize use of the property and so we should look at integrated farming. I've already touched on subsistence farming and quarter acre, half acre is too small for any licensure requirement. And I hope that we try to make it as easy as possible for people to benefit from the chamorro land trust lease rather than trying to make it hard for them. To either subsist or to supplement their subsistence from leasing chamorro land trust lands again I would like to say. That I wholeheartedly support the bill and also the intent of the bill and if I maybe permitted Mr. Speaker I was five minutes late for Mr. Delfin Damian. But I like to go on record ah... supporting his nomination confirmation for the chamorro land trust board.

**Speaker/Chairman:** Thank you very much Mr. Lujan. Senator Leon Guerrero did you have any questions or comments on the testimony provided by the panel?

**Sen. L. Leon Guerrero:** Ah... no.

**Speaker/Chairman:** Okay, thank you very much.

**Sen. L. Leon Guerrero:** I would just like to say thank you very much for coming to support this bill and just for your information. That when we started thinking about what we can do to help our people and looking at our internal resources to get livelihood for them. You know aquaculture was certainly a very potential and viable and I... and upon meeting with the chamorro land trust um... it was Joe Borja. Felix before you and other members of UOG and the commerce side everybody is really excited towards that direction and certainly my goal here is to make sure that. When we do provide this to our potential aquaculture farmers that it be incorporated with the training from the Department... the College of Agriculture and Life Sciences. We've been speaking um... the Speaker and I have been speaking very closely with Jeff Barcinas and other members even your federal counterparts. And they're all very much supportive of making aquaculture a very strong viable industry for our local people here and certainly my democratic colleagues when I speak to them are very much supportive of this issue. How can we provide for our people a subsistence kind of living and then from that training move on to better commercial kind of industry. So I would like to thank you guys I mean you guys are the stakeholders and expertise to make it happen so thank you very much for your comments.

**Mr. John Brown:** Ah... yes Senator were very great full for your support and in agreement with you on that.

**Speaker/Chairman:** Thank you very much ah... again the main thrust of the bill of course is to. Clarify for the record just in case there are differing interpretations with regards to what exactly aquaculture is. That it is a qualified activity under the agricultural lease program of the chamorro land trust. And of course bringing in the additional expertise with the Department of Agriculture and the University of Guam in terms of insuring that there is support for individuals wishing to conduct this activity. And there for maximize the potential for success on this so. Senator Klitzkie did you have any have comments or questions?

**Sen. Robert Klitzkie:** Ah... thank you Mr. Speaker I don't.

**Speaker/Chairman:** Okay um... Senator Muna-Barnes.

**Sen. T. Muna-Barnes:** Thank you Mr. Speaker I really don't know I like for the record to comment that I support the bill. This is a very good bill it's a pro-active bill it gets, it will get revenue stimulated into our economy when we get to give our people the opportunity to venture into these leases. And do good for their aquaculture investments and I did on a side bar I ask the good author of this legislation to highly consider this collage on this side on her left side. To see if I could be a co-sponsor?

**Speaker/Chairman:** Thank you very much, Senator Sanford.

**Sen. T. Sanford:** I just wanted to applaud the author for this bill I, I'm in full support of trying to develop additional industries on Guam. And aquaculture is definitely headed in the right direction I think that ah... it's a diversification of our economy here. And we should do everything in our power to help it to get off the ground and become successful, but you know Senator. On, on section 4 here you make mention of metering of water for private and agricultural use. I hope that maybe we could explore going a little bit further? I received several phone calls from farmers about their water rates you know their fuel rates and all that. And in consistent with the intent of this law to help develop this and allow them to succeed in this effort. I would like to explore the opportunity to look at whether or not the rates that were giving them are still extremely high for their success stories. I written a little to Mr. Craddick and I have not received any response on what the existing rates are and how they compare to other areas in the mainland. Where there trying to develop some industry and I'm hoping that are... the author of this bill take the opportunity at this time and maybe if not in this bill. Then will have to a look at another bill but I'm really wanting to look at the rates and see if we can't be of further assistance to our farmers on their basic water rates and fuel rates. So that they can ah... can survive and not have to close shop I've, I've received at least three phone call on trying to get assistance. And maybe this is not the place, but anywhere where I see that were talking about water and metering and all of that. An opportunity to help diversify our economy here and to try and help our very own succeed. I would like to explore that opportunity so maybe the author of the bill, the authors of the bill and I could sit down. And see how we can work this into, into some consideration, thank you Mr. Speaker.

**Speaker/Chairman:** Thank you very much Senator Sanford, Senator Kasperbauer.

**Sen. L. Kasperbauer:** Ah... thank you Mr. Speaker this is getting very close to interest other interest of mine besides education and that's agriculture. Certainly it's amazing to me that aquaculture wasn't included in the original chamorro land trust programs because we've talked about it. It's been around long time on Guam and so it's amazing that it wasn't there in the first place. Following up on the good Senator from Agana Heights concern about the metering of water and whether waterworks needs to be re-evaluate the rate that's offered now for agriculture. That's a very valid point I I'm not sure if simply inserting the word aquaculture in here automatically makes aquaculture eligible for agriculture rates I suspect it's included somewhere else in the code. That may need to be look at and of course I think we need to be sure about that. That would automatically make aquaculture eligibly for agriculture rates there are some very good parts points that have been brought and I noticed two of you. Dr. Brown from the university have provided testimony, we also have



testimony from David Crisostomo, which is very detailed and I think we need to look at it very carefully also. And he makes the point that several of you I think have made that the criteria should not be the same for subsistence farming as well as for commercial farming. It's been a long time since I took my algebra in fact my fifth high school reunion is coming up this year. But I think pie R Square is the area of a circle is not to the some that affect, so I don't know that if ah... a five-foot swimming pool qualifies for a quarter acre here or a ten-foot swimming pool. I don't think Dr. Brown your concern was that it's a swimming pool you just felt that maybe there should be some control as to somebody for their kids and calling it aquaculture. I'm not quite sure what there isn't any problem in using a pool for your fish?

**Dr. John Brown:** Well for the kids, not for the fish.

**Sen. L. Kasperbauer:** Ah... I'm sorry?

**Dr. John Brown:** Excuse me I was making a bit of a joke.

**Speaker/Chairman:** I don't think raising kids can be considered agriculture.

**Sen. L. Leon Guerrero:** You can't use the plastic swimming pool...

**Dr. John Brown:** No my concern was the durability if your going to do something commercial ah... you got to the K-Mart and buy a \$200 Dollar tank. And it qualifies you for an acre you do it four times and you got a ninety-nine year lease on that acre.

**Sen. L. Kasperbauer:** No but that's a different kind of issue isn't? There isn't any problem in using a swimming pool to raise fish... is there?

**Dr. John Brown:** No.

**Sen. L. Kasperbauer:** No, okay so that's kind of opinion whether we should allow swimming pools to be used or...what, what are we... really get at here?

**Dr. John Brown:** Ah... the minimum size pool...

**Sen. L. Kasperbauer:** Right...

**Dr. John Brown:** Is for the acre that your specifying is a six-foot diamond or...

**Sen. L. Kasperbauer:** Well it says ah... a quarter acre to a half acre for subsistence agriculture so actually it could be even smaller than that is what I was getting at...

**Dr. John Brown:** Could be.

**Sen. L. Kasperbauer:** But anyway my point there was that your not saying that swimming pools cannot be used for this purpose. You were concerned about a different issue here and I think that's a good point. But the issue I think that we really need to talk about is. What would be a minimum size pond or pool to be considered commercial to qualify that

somebody would be given twenty acres or more? And could tie up twenty acres or more of chamorro land trust land and only put on a um... a ten-foot pool. I think that's the issue and I think that's also what the university through Dave Crisostomo is pointed out from the extension. That you know maybe we need to have larger, larger ponds or something specified in here and I'm sure the good Senator after reviewing this in mark up committee will look at that and section 75108, conditions of the lease... yes.

**Mr. Felixberto Dungca, Jr.:** Oh I'm sorry Senator I was just going to jump in because I...actually you took the words out of my mouth. Is there remember that there is three separate programs at chamorro land trust residential, you have your agriculture, and the commercial. Now the respect to the issue of farming there's subsistence farming, which is govern by a certain size of property then you have your commercial. My interpretation of this and I stand to be correct is, is for the commercial agriculture...

**Sen. L. Kasperbauer:** No. It amends each section the subsistence it incorporates aquaculture and the commercial it incorporates in the grazing. Where I don't think appropriated actually I don't, I think the grazing is an alternative... number three here is an alternative for number two on page two. Grazing is an alternative to other kinds of crop farming the, the number two the half-acre to twenty acres for commercial agriculture. I suspect what was in mind was, was crop farming or trees or citrus fruits number three acre for twenty-acres of grazing would be for open range for cattle or carabao or whatever. Although carabao don't really go open range and so but it incorporates it in all four of these and I think what I hear you saying Mr. Dungca. Is that you were under the impression that this was only for commercial agriculture.

**Mr. Felixberto Dungca, Jr.:** Yea... we were looking along those lines that this was a commercial type of venture that would add on another user. Because on the commercial license that's for twenty-one years where as on the residential awards that for ninety-nine so I, I think we need some clarification. Are we including this use on all three agriculture, residential, commercial or was the intent?

**Speaker/Chairman:** Just the agricultural.

**Mr. Felixberto Dungca, Jr.:** Just the agricultural... not the residential?

**Speaker/Chairman:** No.

**Mr. Felixberto Dungca, Jr.:** You got a residential lease you buy a pool you can't do this stuff.

**Speaker/Chairman:** No you cannot.

**Sen. L. Leon Guerrero:** No it's for agricultural.

**Sen. L. Kasperbauer:** But on subsistence agriculture, which is a quarter acre to half acre...

**Mr. Felixberto Dungca, Jr.:** I just want to clarify.

**Speaker/Chairman:** You can do... .

**Sen. L. Kasperbauer:** You could do aquaculture?

**Speaker/Chairman:** Yes.

**Sen. L. Leon Guerrero:** Yea.

**Sen. L. Kasperbauer:** And I think that ah... size of the pond under the criteria it would be very appropriate there. I guess the question is whether that's still appropriate when we talk about tying up to twenty acres of land for commercial and I sure the author of the bill during mark up will look into that. The other concern I think that has been raised and perhaps you... we need to comment on that is from the university's point of view is says... oh I'm sorry. On line twenty-two it talks about... a such ponds, tanks or pools shall be a type approved by the Department of Agriculture and that location specified by the Department of Agriculture. Dave Crisostomo points out that, Department of Agriculture no longer has any personal that deal with agriculture and so if we intend to fund the Department if Agriculture to be able to do this. We might have a little problem here and... or we do have a problem here and that also at the Fadian Station the University of Guam only deals with four species a fish. And it's suggested that perhaps since this bill would require that species suitable for aquaculture shall be furnished by University of Guam Hatchery Program. That they only have really data for four species and it probably should be legislature should be probably be considerate for a much boarder potential of... or boarder list of types of fish. That might be included for this type of aquaculture so I think we need to tighten up that section a little more.

**Mr. Francis Toves:** Excuse Senator actually I was suppose to read Mr. Cisostomo's testimony.

**Speaker/Chariman:** Did you have a resolution from Mr. Crisostomo that you can do that?

**Mr. Francis Toves:** I was the one that brought the testimony here.

**Speaker/Chairman:** I'm just kidding Francis otherwise...

**Sen. L. Leon Guerrero:** Are you representing ah... University of Guam or DOE?

**Mr. Francis Toves:** I am here as Francis Toves the president of the Guam Aquaculture Grower's Association.

**Sen. L. Leon Guerrero:** Okay, just make sure for the record...

**Speaker/Chairman:** Well I think will let Senator Kasperbauer conclude his questioning and then ah... you are on the list to testify.

**Sen. L. Kasperbauer:** Well yes I've already read it so you don't need to read it back to me again.

**Mr. Francis Toves:** Okay.

**Sen. L. Kasperbauer:** But I think those are very valid questions we need to take into account and as we move forward on this. There doesn't seem to be any question and I don't know why there would be to include aquaculture and the definition for the use of this land. But then we get down to the nitty-gritty's here we don't want to ah... place some limitations that won't make it work and I'm sure that'll be cleared up. Thank you Mr. Speaker.

**Speaker/Chairman:** Thank you very much Senator Kasperbauer, Senator Aguon.

**Vice-Speaker Aguon:** Thank you very much Mr. Speaker. Just a couple of questions as it relates to the legislation um... Mr. Dungca if I can get you to respond to this. You said that there have been approximately 15 series interested individuals in procuring property primarily to invest in aquaculture. Now my question to you is... has those inquires gone unheard in terms of not being able to move to step two with the application and being able to give them property because of restrictions in the law or have these applications or inquiries been seen in light of aqua falling under agriculture?

**Mr. Felixberto Dungca, Jr.:** Ah no... to my knowledge was because the, the, the word aquaculture is not recognized as a permitted use under this program. What we've told these interested parties is to at this point at time we cannot proceed to it to any license or award them. But we referred them to the UOG cooperative extension. You know to start packaging their plan I believe that the interest is still there so I'm pretty sure that they welcome this bill.

**Vice-Speaker Aguon:** So you referred then to UOG on the premise that to start packaging a program and then subsequent legislation would be introduced to address this? Is that how the trust has handled that? Because I'd say if I had 10 or 15 interested inquires in the last two or three years I would certainly push and be aggressive. In terms of being able to try address it and say okay, this legislation should have been passed two years ago, unfortunately it's being entertained, or fortunately it's being entertained now.

**Mr. Felixberto Dungca, Jr.:** Yea okay. Well, well little comment a little bit on that I guess coming from land management were you know you dealing with zoning law that very general. You know we want to be careful first of all to follow the law and not to question it this issue whether aquaculture falls under agriculture I'm not in authority to speak on that. You know if it says aquaculture and it's not cleared in the law to say to permit a user recognized then I'm not about to proceed an award trust properties unless it's clear that is, it's recognized.

**Vice-Speaker Aguon:** It's a permitted use, yes.

**Mr. Felixberto Dungca, Jr.:** But the fact that was interest you know show's that obvious the potential's there. So we want to work with these 15 individual parties I apologize I don't have the names of these people you know at the moment.

**Vice-Speaker Aguon:** No, no that's fine my only concern is that if in fact in the last two, three years inquires about developing using homelands under the chamorro land trust for aquaculture purposes perhaps my question would be why hasn't this been address

previously. But back in... I can also get an additional response from other personnel under your supervision Mr. Director but another issue I like to bring up. Is and I certainly hope that the good sponsor of the legislation would be open to this is that on lines 24, 25 pages 2. And I think that Mr. Crisostomo highlights this in his testimony such species suitable for aquaculture shall be furnished by the University of Guam I certainly hope that this can be expanded to allow the individuals. That are given aquaculture property under the chamorro land trust can also be given the flexibility to perhaps farm other species and I certainly don't want to look at this as something being restrictive to that extent. And so I certainly hope that Senator Leon Guerrero that we can discuss issues on that. But outside of the aquaculture industry I know Dr. Brown that the Guam Aquaculture Development and Training Center has seen some progress. Since transferring it over to the University of Guam it's good to hear that in fact there some activities taking place up there. And then there's additional efforts towards acquiring federal grants there's just I would just like to identify. One individual in the back room who apparently has been with the Guam Aquaculture Development Training Center since 1995 or even prior to that. And Mr. Camacho is in the back room and thank you very much for supporting that particular program and certainly hope that in the next several years. We will be able to see an expansion of the aquaculture industry because certainly like Senator Leon Guerrero highlighted a little earlier. It's an industry perhaps that needs to be perhaps supported a bit more so that it can grow and expand and support our island community. So I thank you all for your testimony this morning. Thank you Mr. Speaker.

**Speaker/Chairman:** Thank you very Senator Aguon, Mr. Francis Toves did you want to present testimony?

**Mr. Francis Toves:** Thank you Mr. Speaker um...

**Speaker/Chairman:** Just um... before you proceed. Just for the record also I like to just mention that GEDCA submitted written testimony in favor of the bill... please proceed Mr. Toves.

**Mr. Francis Toves:** Thank you Mr. Speaker...

**Speaker/Chairman:** With the understanding that we all read already Dave Crisostomo's...

**Mr. Francis Toves:** I was thinking on for the audience since they had not read the um... his testimony. But I come as the as I've said as the president of GAGA as well as the industry representative for the center for tropical-subtropical aquaculture. Which is a regional organization that supports aquaculture and funded by USDA and in fact tomorrow I travel back to Hawaii. I do this on an annual basis just to put in for grants that support aquaculture on Guam in fact STSA has funded a recent talapia project that is on going fidian hatchery. Now... given Mr. Crisostomo's bill or ah... testimony on Bill 242 I just wanted to emphasize a few things relative to his testimony. Before that Senator Sanford has asked a question about water rates are they to high? Though I don't use potable water for my aquaculture purposes I tap the Hagatna River for that. Many subsistence farmers use, that are in the aquaculture business do use tap water for that purpose. As they get into large commercial enterprises way past an acre, two, three that's when there efforts are focused. On trying to find other sources of water because it gets way to expensive to try and do that

you could probably do it at half an acre. Maybe an acre but after that it's way too expensive and it's already expensive now in terms of the agricultural water rate. I know the as Senator Aguon was asking about the restrictions and the land utilization, one of the complaints we constantly hear from our farmers. Is we hear of somebody saying that they're going to do 10, 20 acres in chamorro land trust and then find out they didn't even do one. And in terms of looking at somebody's ability to do aquaculture the utilization or expected use of that property for that purpose. Is probably more important whether somebody is certified because when I started back in 1998 I didn't go through a certification process, but I went through eighteen months before that. Trying to figure out if I can actually make this business work and how do actually to that business, how to actually grow talapia but doesn't mean I can produce talapia eggs. And, and start them from a hatchery but I can grow it just like I may not produce seeds for any number of growing plants. But you could grow that plant, so utilization has always been a difficult issue kind of a torn inside of a lot of farmers. I agree with Dr. Brown and Mr. Crisostomo on line 21, 22 and 24 and 25...

\*END OF TAPE 1 SIDE B OF BILL 242

\*CONTINUATION OF BILL 242

**Mr. Francis Toves:** Requirements, I think we do have enough regulation in place and especially as, as it involves subsistent farmers it's not always necessary to over regulate everything before they even get a chance to spend a dime to try and produce one talapia fish. And you know Mr. Lujan brings up an excellent example as well as Dr. Brown. In that for some reason there's this, there's this different look at somebody doing aquaculture as if for some reason, we're bastard stepchild of agriculture and you know I look at our brothers and sisters in Hawaii. Were... through has been something that has been done there for centuries. Where you actually grow within a reef area, fish well it's just like what we do here. You know our above ground or in ground ponds. And for some reason within certain regulatory agencies that we have on island and it, I think it has something to do with how we, how some of those agencies relate to the federal government. But, there is definitely some over regulation in terms of how they perceive aquaculture. And...

**Speaker/Chairman:** Well that's what we're trying to clear up here. To just allow it under that...

**Mr. Francis Toves:** Yes, and so, and so that an issue that I wish the legislature would look at as how we can lessen the burden on aquaculture farmers as a whole.

**Speaker/Chairman:** After this you won't be bastards, you'll be legally adopted...

**Mr. Francis Toves:** Okay, I'll mention that to Juan Atulai. And you know that Mr. Speaker one of the, the reason why I bring that issue up is, in my back yard is the Agana swamp. A previously farmed land that was once, rice fields. And to this date you know different people tried, tried different things to try and do in that previously once used area as a rice field. And every time they move, even we're talking subsistence farming they cut off in different areas and so that's why I use that example.

**Speaker/Chairman:** Okay, thank you any other questions for the panel. If not...

**Mr. Florencio Ramirez:** Can I testify on 242.

**Speaker/Chairman:** Yes, Larry. Will just... once we

**Mr. Rufo Lujan:** Can I make a comment, you know in considering other species, I hope that steps are taken to insure that these are species that will not become problems if they accidentally become introduced, into our island.

**Speaker/Chairman:** Thank you very much Senator Kasperbauer, did you have...

**Sen. L. Kasperbauer:** Yes, I did I forgot this one. I'm not sure if the author um pattern this one uh line after the existing um requirements the first, second, third, forth year line twenty (20), that apparently the requirement would be that the size of the pond or the amount the area used for aquaculture would be increased. These minimum rates first, second, third, and forth year. Uh currently as I understand the requirement of the trust is that um for trees, like coconut trees and citrus fruits you need to add exnumber of trees each year. And that makes sense, um I'm not quite sure for aquaculture that you would start off with a hundred foot pond the first year square feet, two-hundred the second, three the forth third and forth. If your doing a business plan you would probably built the pond period at the beginning. I'm not sure whether maybe Dr. Brown or any of you could speak to that. Whether there's uh more appropriate way to deal with uh the intent here is to show a commitment. I believe um that your not expected to have your full aquaculture program developed in the first year. And I would suspect that uh to do an adequate aquaculture program, in one year after you get the land. Might even be to little bit to short of period to get really going. Um but does it make sense to require and incremental growth in this pond. First, second, third, forth year.

**Dr. John Brown:** I think so I think the intent is to allow people with limited resources to enter the industry. Uh and uh I think you can add ponds and the way I read it. Say you had a five-acre lease, you can do one pond large enough to cover the hundred square feet per acre per year and then built four more ponds the same size over the next four years. I have no trouble with that part of the...

**Sen. L. Kasperbauer:** But would, the way I read this you would have to do that. You couldn't start out of with the full program at the first year, you'd have to add incremental...

**Dr. John Brown:** No, I think you could as, I read it. You could if you came in and met your four-year requirement the first year your golden.

**Sen. L. Kasperbauer:** All right as long as that's clear, I think then that that's fine. Otherwise I think there's...

**Dr. John Brown:** That's the way I read it, if you came in and met that full requirement the first year Chamorro Land Trust would be happy and you wouldn't have any trouble.

**Sen. L. Kasperbauer:** All right then that sounds good. Si Yu'os Ma'ase'

**Speaker/Chairman:** Thank you very much, thank you gentlemen. Any other member of the audience, that wishes to provide testimony on bill 242, Mr. Ramirez.

**Mr. Florencio Ramirez:** I would like to just introduce myself. My name is Flawrencio T. Ramirez Jr., but for this purpose I would be testifying in behalf of my real name as a Chamoru. I was baptized Tãno' that means you know to plant things. I was looking at *put I tãno'* I will now reverse *ya bai be kuentos gi fino chamoru.* (Translated from here on)...I would say bill 242 is a good bill, but there are places here in our area , just like me when I'm going to plant, The Chamorro Land Trust has yet to plan how it can become in good use for the indigenous Chamoru. These ponds shall be put in partially wetlands. Remember also we have yet to find a place for the closure of Ordot Dump. The cost is much cheaper for you when you're at the river like what Francis Toves has said about the water. I feel that the Chamorro land trust needs to find a place that is suitable for the ten or fifteen who have applied. There are those that are going to built up in Dededo it's not practical, just like they're some that when they plant they don't use their common sense. I think that we as Chamorus need to be helped, to minimize and the Government can put their lands to good use. It's like having land in Tumon and your going to ranch down there. I like this bill 242, I'm not an expert in planting. But, when there's a problem in planting in phase 1, their killing their selves looking for me. Let's get this correct, check with Land Management and all others like the election, we don't know what's going on.

**Speaker/Chairman:** Okay.

**Mr. Florencio Ramirez:** Okay, nothing more ben that's all I want you know.

**Speaker/Chairman:** Si Yu'os Ma'ãse'.

**Mr. Flawrencio Ramirez:** We are all trying to do our best, and sometimes our best is our worst then trying our worst. Si Yu'os Ma'ãse'.

**Speaker/Chairman:** Si Yu'os Ma'ãse'. Okay Si Yu'os Ma'ãse', we're now on bill number 261.

### **Findings and Recommendations**

The Committee on Utilities and Land to which was referred **Bill No. 242 (LS)**, "AN ACT TO AMEND §75107, ADD A SUBSECTION (c)(1) OF §75108, AND AMEND (d)(3) OF §75108, CHAPTER 75 OF TITLE 21 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADDING AQUACULTURE LICENSURE AS A RIGHT TO LEASE CHAMORRO HOMELANDS," reports with its recommendation to do pass.



**Committee on Utilities and Land**  
*I Mina 'Bente Siete Na Libeslaturan Guahan*

**BILL 242 (COR)**

“AN ACT TO AMEND §75107, ADD A SUBSECTION (c)(1) OF §75108, AND AMEND (d)(3) OF §75108, CHAPTER 75 OF TITLE 21 OF THE GUAM CODE ANNOTATED, RELATIVE TO ADDING AQUACULTURE LICENSURE AS A RIGHT TO LEASE CHAMORRO HOMELANDS.”

Public hearing was held by the Committee on Utilities and Land on Monday, February 16, 2004, at the Guam Legislature Public Hearing Room, at 9 a.m.

**Witness Summary**

Name	Representing	Testimony (written or oral)	Testimony (against or for)
Mr. Manny Cruz	Bureau of Statistics & Plans	Written/Oral	For
Mr. John Brown	UOG	Written/Oral	For
Mr. Felixberto Dungca, Jr.	CLTC	Written/Oral	
Mr. Rufo Lujan	Self	Oral	For
Mr. David Crisostomo	UOG	Written	For
Mr. Francis P.G. Toves	GAGA, President	Oral	



**BUREAU OF STATISTICS AND PLANS**  
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**Kaleo S. Moylan**  
Lieutenant Governor

**Manuel Q. Cruz**  
Director

**TESTIMONY ON BILL 242**

Before the Committee on Utilities and Land  
Twenty-Seventh Guam Legislature  
Public Hearing Room, Guam Legislature Building  
Monday, February 16, 2004, 9:00am

Mr. Speaker and Chairman of the Committee and Committee Members, Good Morning and Hafa Adai!

My name is Manny Cruz. I am the Director of the Bureau of Statistics and Plans. I am here today to testify on Bill No. 242, "An Act to amend Section 75107, add a Subsection (c)(1) of Section 75108, and amend (d)(3) of Section 75108, Chapter 75 of Title 21 of the Guam Code Annotated, relative to adding aquaculture licensure as a right to lease Chamorro Homelands."

Even though it may appear that Bill No. 242 may simply be addressing the addition of aquaculture as a right to lease Chamorro Homelands, the amendment to Section 75108, which adds conditions in the leases has presented a new perspective and may require the sponsors of the bill to consider adding a few more amendments to the bill.

For example, the construction of an aquaculture facility on Guam may require a series of permits, both local and federal, depending upon the location and the type of aquaculture facility being built. The agency issuing the permit often calls upon other agencies to review and comment on the permit application before approval or denial to see if there is any major contradiction to that agency's policy.

My agency, the Bureau of Statistics and Plans, serves as a reviewing agency of permits, when requested. However, if an aquaculture project requires any federal permits (e.g. U.S. Army Corps of Engineers) or is wholly or partially federally-funded, then a finding of consistency with the Guam Coastal

Management Program (GCMP) is required. This means that the policies of the GCMP must be complied with to the maximum extent practicable. The Bureau of Statistics and Plans is the lead agency in the implementation of the GCMP. However, this would not involve an issuance of a permit by the Bureau, but instead recommends an approval or denial of an application for a permit as to whether the the application complies with the GCMP's resource and development policies.

As far as other agencies are concerned, the Department of Parks and Recreation (DPR) serves as a review agency that examines permits and environmental impact statements (EIS) from the Territorial Planning and Seashore Protection Commission and the U.S. Army Corps of Engineers (ACOE). On the other hand, DPR is the issuing agency for a permit that involves the erection of facilities within a unit of the Guam Territorial Park System or affects a cultural or historic resource. The construction of earthen ponds or pools requires an excavation permit from the Department of Public Works (DPW). The construction of structures, such as water storage tanks and concrete wall ponds, would also require a building permit from DPW. The Guam Environmental Protection Agency (GEPa) would be involved with permits for a sewer line connection or septic tank construction. The Department of Land Management must also issue a permit denoting that the proposed construction does not violate the Guam Zoning Laws. All building construction requires a permit from the Guam Fire Department (GFD). The Guam Power Authority must inspect the premises before installing electrical power outlets. If a power line and power poles are required into private property, an easement must be signed by the owner of the property. To obtain potable water, the Guam Waterworks Authority (GWA) must inspect the premises. Also, reduced agricultural water rates are available.

Aquaculture is a relatively new and potentially significant industry on Guam. And, all of our people deserves to be given the opportunity to participate in the development of such an industry. But, for such an industry to become viable and further expand, it is necessary that our people totally understand the many facets of owning an aquaculture facility.

Mr. Speaker and Chairman of the Committee, and members of the Committee, thank you for the invitation to allow me to comment on Bill No. 242.

Si Yu'os Ma'ase'.

Chairman Pangelinan and other members of the Committee,

Thank you for offering this opportunity to address your Committee. My name is John Brown and I am a Professor of Agricultural Economics with the Agriculture Experiment Station of the College of Natural and Applied Sciences of the University of Guam. One of my roles at the University is the oversight of the Guam Aquaculture Development and Training Center otherwise known as the Fidian Hatchery.

Dean Yudin sends his regards and regrets. Today is the Faculty Development Day for the University and Dean Yudin had committed to attend. He asked me to testify in favor of Bill 242.

The College considers aquaculture to be a form of agriculture, and as such, it should be treated no differently than any other form of agriculture. If a person qualifies for an agricultural lease of Chamorro Homelands because he wants to be a farmer, then it should make no difference whether he wants to grow vegetables, animals or fish. Therefore, we support Bill 242. Aquaculture is a form of agriculture, and as such, it should qualify for an agricultural lease.

We also realize that each form of agriculture has inherent differences in their nature that require specific performance criteria for the evaluation of a farmer's efforts on his or her lease. The minimum investment of a 100 square foot pond, tank or pool per acre per year seems to be a little small, but acceptable if the goal is to provide opportunity to limited resource farmers.

An acre is 46,500 square feet. After four years, the Bill's minimum requirement would not cover 1% of the leased land. The minimum could be met by buying a 12 foot diameter pool for each acre each year. I would suggest that while this criteria is acceptable, the Guam Department of Agriculture specifically prohibit the use of children's swimming pool in meeting this objective to prevent abuse of the lease program.

Finally, it is the policy of the College and of the Guam Aquaculture Development and Training Center to provide seed at nominal cost and to provide support to all of the aquacultural farms of Guam. We do our best to support the development of the industry.

Once again, thank you for the opportunity to be here today.



# Chamorro Land Trust Commission

P.O. Box 2950 Hagatna, Guam 96932

Phone: (671) 475-4251

Felix Perez Camacho  
Governor

Kaleo Scott Moylan  
Lieutenant Governor

Felixberto R. Dungca Jr.  
Administrative Director, Acting

---

TESTIMONY  
OF  
MR. FELIXBERTO R. DUNGCA JR.  
ACTING ADMINISTRATIVE DIRECTOR  
CHAMORRO LAND TRUST COMMISSION  
BEFORE THE COMMITTEE ON UTILITIES AND LAND  
TWENTY-SEVENTH GUAM LEGISLATURE  
ON  
LEGISLATIVE BILL NO. 242  
AN ACT TO AMEND SECTION 75107, ADD A SUBSECTION (C)(1) OF SECTION  
75108, AND AMEND (D)(3) OF SECTION 75108, CHAPTER 75 OF TITLE 21 OF THE  
GUAM CODE ANNOTATED, RELATIVE TO ADDING AQUACULTURE LICENSURE  
AS A RIGHT TO LEASE CHAMORRO HOMELANDS.

GOOD MORNING MR. CHAIRMAN AND ESTEEM MEMBERS OF THE COMMITTEE ON UTILITIES AND LAND. MY NAME IS FELIX DUNGCA AND I AM THE ACTING ADMINISTRATIVE DIRECTOR OF THE CHAMORRO LAND TRUST COMMISSION. I AM HERE BEFORE YOU TODAY TO PROVIDE TESTIMONY ON LEGISLATIVE BILL 242 RELATIVE TO ADDING AQUACULTURE LICENSURE AS A RIGHT TO LEASE CHAMORRO HOMELANDS.

ON BEHALF OF THE COMMISSION, PLEASE ALLOW ME TO COMMEND THE SPONSORS OF BILL 242 IN RECOGNIZING AQUACULTURE AS A VIABLE INDUSTRY FOR GUAM AND AS AN ACCEPTABLE PURPOSE FOR LESSEES TO DEVELOP AND UTILIZE CHAMORRO LAND TRUST PROPERTIES.

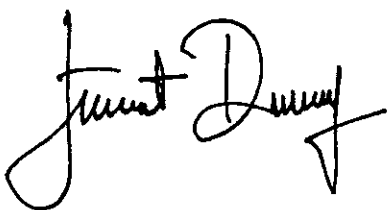
MR. CHAIRMAN YOU CAN BE REST ASSURED THAT THE COMMISSION HAS BEEN VERY RESPONSIVE TO ITS APPLICANTS INTERESTED IN LEASING PROPERTY FOR THIS TYPE OF VENTURE. ALTHOUGH WE HAVE BEEN LIBERAL FOR APPROVING SUBSISTENCE FARMING ACTIVITIES, WE HAVE BEEN MORE CONSERVATIVE IN OUR REVIEW OF APPLICANTS INTERESTED IN COMMERCIAL FARMING.

IN THE PROCESS OF SUCH APPLICANTS PRIOR AND SUBSEQUENT TO ISSUANCE OF AGRICULTURAL LEASES, THE COMMISSION HAS TAKEN ADVANTAGE OF VARIOUS RESOURCES BY REFERRING ITS APPLICANTS TO ENTITIES SUCH AS THE SMALL BUSINESS DEVELOPMENT CORPORATION FOR BUSINESS PLANNING ASSISTANCE, DEPARTMENT OF AGRICULTURE FOR INDUSTRY INFORMATION, THE GUAM ECONOMIC DEVELOPMENT AND COMMERCE AUTHORITY FOR FINANCIAL ASSISTANCE, AND FOR THOSE INTERESTED IN THE COMMERCIAL DEVELOPMENT OF AN AQUACULTURE FARM, THE UNIVERSITY OF GUAM'S COOPERATIVE EXTENSION SERVICE. AS A RESULT, APPLICANTS BECOME MORE AWARE OF THE INDUSTRY'S POTENTIAL AS WELL AS RISKS INVOLVED AND PROVIDE THE COMMISSION SOME LEVEL OF CONFIDENCE FOR THE SUCCESS OF THE COMMERCIAL VENTURE.

IN VIEW OF THIS, WE TAKE GREAT PLEASURE IN SUPPORT OF THE COMMENTS MADE REGARDING SECTION 75108 OF THE PROPOSED BILL BY THE UNIVERSITY OF GUAM'S COOPERATIVE EXTENSION SERVICE REPRESENTATIVE MR. DAVID CRISOSTOMO. THE UOG'S COOPERATIVE EXTENSION SERVICE HAS BEEN MOST RESOURCEFUL AND EFFECTIVE IN PROVIDING OUR APPLICANTS THE NECESSARY ASSISTANCE IN PREPARING A REALISTIC AND SOUND FARM PLAN FOR COMMERCIAL AQUACULTURE.

IN CLOSING, I WOULD LIKE TO EXPRESS THE COMMISSION'S WILLINGNESS TO WORK WITH PEOPLE INTERESTED IN THE DEVELOPMENT OF OUR AQUACULTURE INDUSTRY. I AM SURE YOU WILL ALL AGREE WITH THE ECONOMIC POTENTIAL THAT THIS MAY PROVIDE FOR OUR ISLAND'S COMMUNITY.

SI YUUS MAASE.

A handwritten signature in cursive script, appearing to read "Janet Denny". The signature is written in black ink on a white background.

Aturidad Inadilanton



Ikunumihan Guahan

Governor  
Felix R. Camacho


Lieutenant Governor  
Kalen S. Moylan

February 16, 2004

Speaker Vicente Pangelinan  
Chairman, Committee on Utilities and Land  
27<sup>th</sup> Guam Legislature  
Hagatña, Guam 96910

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

FEB 16 2004

TIME: 9:25 (1) AM ( ) PM  
RECEIVED BY: 

Re: Testimony on Bill #242

Dear Speaker Pangelinan,

I am not able to attend the hearing on Bill #242 this morning, but submit herewith supporting testimony for its enactment into law.

This bill, which will amend the current Guam code to include aquaculture as an acceptable purpose for leasing Chamorro Homeland properties, supports the continuing effort to grow Guam's aquaculture industry. Moreover, it has the potential for providing another source of employment for displaced workers and put idle land into productive use as well.

GEDCA remains available to serve the needs of Guam's aquaculture farmers through our Agriculture Development Fund program. The program offers low interest, flexible term financing to qualified Guam farmers and aquaculture growers. Additionally, larger scaled farms may also find use of GEDCA's Qualifying Certificate (QC) program.

If GEDCA can be of further assistance to the effort this bill intends to benefit, please contact either myself or Dave Silva directly at 647-4332.

Respectfully Submitted,

Gerry Perez  
Administrator

cc: Sen. Toni Sanford

Guam USA - The Ultimate Destination





Felix P. Camacho  
Governor

Kaleo S. Moylan  
Lt. Governor

Department of Agriculture  
Dipattamenton Agrikottura

192 Dairy Road, Mangilao, Guam 96913

Director's Office	734-3942/43; Fax 734-6569
Agricultural Dev. Services	734-3946/47; Fax 734-8096
Animal Health	734-3948 / 735-3950
Aquatic & Wildlife Resources	735-3955/56; Fax 734-6570
Forestry & Soil Resources	735-3949/51; Fax 734-0111
Plant Nursery	734-3949
Plant Protection & Quarantine	475-1427; Fax 477-9487



Paul C. Bassler  
Director

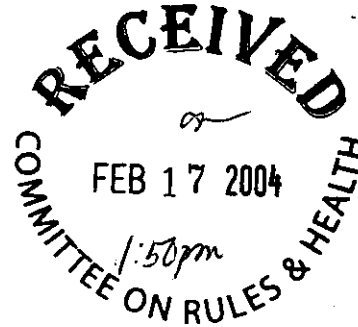
February 16, 2004

MEMORANDUM

To: Senator Leon Guerrero

From: Director, Department of Agriculture

Subject: Written Testimony on Bill No. 242



I am submitting this written testimony very much in favor of Bill No. 242, and am grateful to you, Senator Leon Guerrero, and to Speaker Pangelinan for working to enhance agriculture on Guam. Over the years, food production on Guam has continued to decline in favor of more industrial endeavors. Like no time in our past, Guam has become overly dependent on imports which could have devastating results if something were to interrupt the flow of boats and planes to Guam. At a time when terrorism and war have brought global instability, Guam should be working to reverse our trend away from self sufficiency in the area of food production and encourage those seeking development of the agricultural industry.

There are, however, a few changes in the bill I would like to suggest:

- Under Section 75107, line 12, "and aquaculture" is not really needed, as the maximum 20 acres is already mentioned in subsection (2).
- Under Section 75108, lines 19 and 21, the term "pond" should be removed and substituted with "above ground". Since aquaculture is normally performed near wetlands and rivers, ponds dug in the ground are not acceptable facilities due to sentiment and wastewater management, which seep into the wetlands and rivers.
- Under Section 75108, after line 20, insert "Prior to the leasing of any lands intended for use as aquaculture lands, the Chamorro Land Trust Commission shall submit a map of the proposed lots to the Department of Agriculture and the Guam Environmental Protection Agency, along with a farm plan that describes operational facilities, species to be cultured and specifics concerning discharge and maintenance of site, for review and approval. Any change to the farm plan after a lease has been granted must be pre-approved by the Department of

Agriculture and the Environmental Protection Agency. The lessee shall also be responsible for ensuring that all associated environmental permits (federal and local) have been obtained before constructing any facilities or beginning business on the leased property. The Department of Agriculture shall develop a set of best management practices to act as guidance to a potential lessee in pursuing an aquaculture venture.”

It is important that lessees interested in aquaculture are assured that aquaculture will be allowed on the property they are leasing prior to their acquisition of the lease. Not all agricultural land is acceptable for aquaculture.

Thank you for allowing me the opportunity to provide testimony on this bill. If you have any questions or if there is any way I can help you flush out this bill, please call me or email me at [guamagriculture@yahoo.com](mailto:guamagriculture@yahoo.com).



PAUL BASSLER

cc: Speaker, Vicente Pangelinan

# Guam senator pushes for aquaculture industry

By Mar-Vic Cagurangan

*Variety News Staff*

**HAGÁTÑA** — Guam needs to start developing industries based on its own natural resources instead of relying on tourism, which is highly dependent on the status of external economies, Sen. Lou Leon Guerrero said.

The senator specifically mentioned aquaculture as a potential industry that can develop Guam's edge over Asian exporters of marine resources such as shrimp and tilapia.

"The government should look at investing in this area. Aquaculture can stimulate our economy and provide livelihood and jobs for our people," Leon Guerrero, D-Tamuning, said.

She added that aquaculture could be an option for high school graduates who want to pursue business instead of a college degree. Providing the infrastructure is a step toward the development of aquaculture industry on island, the senator added.

In line with this proposal, Leon Guerrero has introduced a bill that would authorize the Chamorro Land Trust Commission to designate parcels of land for aquaculture, where the needed infrastructure such as incubators for shrimp and fish would be built by the government.

The designated aquaculture areas would be leased at affordable rates to anyone interested in aquaculture business, Leon Guerrero said. "The land trust commission said this industry has big potential here," she added.

The species suitable for aquaculture would be provided by the University of Guam's Hatchery or Guam Aquaculture Development and Training Center "for a nominal fee as available," according to Bill 242, co-sponsored by Speaker Vicente Pangelinan, D-Barrigada.

UOG would also provide the aquaculture technology orientation and training for prospective investors. Leon Guerrero said UOG's College of Agriculture has developed an aquaculture technology that provides an environment for pathogen-free shrimp fry.

"UOG is trying to be designated as a pathogen-free area. Since we follow U.S. regulations, we can be considered a pathogen-free region," Leon Guerrero said.

"We can look at it in the global level. We're right here in a strategic position that gives us the capability to access the Asian market," the senator told *Variety*.

"I think it's about time we took advantage of our internal resources — human beings, our lands, the ocean and our marine resources," she said. "Tourism is our big thing, which is dependent on external resources."

Global events in the past three years have taken their toll on Guam's tourism-fueled economy. World travelers stopped moving at the height of global terrorist activities and the SARS scare early last year.

"We don't have a stable source of economy that we can rely on. We don't export anything. Why do we have to buy bananas for two dollars each when we have the capability to produce our own?" Leon Guerrero said. "When a society is not doing well, they should look into what they have in their own internal resources. I think we should start looking the right way."

Bill 242 is among the bills that will be tackled at a public hearing to be held by the Legislative Committee on Utilities and Land chaired by Pangelinan.



Aturidad Inadilanton

Ikunumihan Guahan

Governor  
Felix R. Camacho

Lieutenant Governor  
Kalen S. Moylan

February 16, 2004

Speaker Vicente Pangelinan  
Chairman, Committee on Utilities and Land  
27<sup>th</sup> Guam Legislature  
Hagatña, Guam 96910

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

FEB 16 2004

TIME: 9:25 (AM) (PM)  
RECEIVED BY: 

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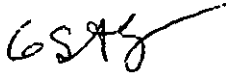
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If GEDCA can be of further assistance to the effort this bill intends to benefit, please contact either myself or Dave Silva directly at 647-4332.

Respectfully Submitted,



Gerry Perez  
Administrator

cc: Sen. Toni Sanford

Guam USA - The Ultimate Destination

## rade rade

# Aquaculture bill endorsed

By Mar-Vic Cagurangan

*Variety News Staff*

**HAGÁTÑA** — Officials and agriculture experts have endorsed Sen. Lou Leon Guerrero's bill that would build the foundation for the development of an aquaculture industry on Guam.

At Monday's public hearing held by the Legislative Committee on Utilities and Lands chaired by Speaker Vicente Pangelinan, D-Barrigada, agency and university officials who testified for Bill 242 assured the government that they would extend their support for the promotion of aquaculture should the proposed measure become law.

Bill 242 would authorize the Chamorro Land Trust Commission to designate parcels of land for aquaculture. The bill would mandate the government to build infrastructure, which would be leased to those interested in venturing into aquaculture.

In introducing the bill, Leon Guerrero, D-Tamuning, stressed the need for Guam to start developing industries based on its own natural resources instead of relying on tourism, which is highly dependent on the status of external economies.

Felix Dungca, acting administrative director of the land trust commission, agreed that aquaculture could be a viable industry for the island. "The commission has been very responsive to applicants interested in leasing property for this type of venture," Dungca told the committee members.

Manny Cruz, director of the Bureau of Statistics and Plans, reminded senators that the construction of an aquaculture facility may require local and federal permits. "My agency serves a reviewing agency of permits when requested," Cruz said at the public hearing. "However, if an aquaculture project requires any federal permits from the U.S. Army Corps of Engineers, or is wholly and partially federally funded, then a finding of consistency with the Guam Coastal Management Program is required."

At any rate, he said the people of Guam "deserve to be given the opportunity to participate in the development of such an industry."

For his part, David Crisostomo, head of the University of Guam's Cooperative Extension Service, said the provision on pond size needs to be amended. "The minimum is very small and is appropriate for subsistence leases," Crisostomo said. "Commercial leases should be dedicated to persons serious about commercial production of agricultural or aquaculture items. He suggested that the minimum for a commercial lease be increased to 5,000 square feet from the current 100 sq. ft.