

MINA' TRENTAI UNU NA LIHESLATURAN GUÅHAN
2011 (FIRST) Regular Session

Bill No. 57-31 (col)

Introduced by:

T.R. Muna Barnes
J. T. Won Pat, Ed.D.

2011 JAN 28 PM 2:04

**AN ACT TO AMEND §1013 OF CHAPTER 10 OF TITLE
1 OF THE GUAM CODE ANNOTATED; RELATIVE TO
DELEGATING ALL LIBERATION FESTIVITIES TO
THE MAYOR'S COUNCIL OF GUAM, AND TO
ADDING A NEW §1013.1 OF CHAPTER 10 OF TITLE 1
OF THE GUAM CODE ANNOTATED; RELATIVE TO
ENSURING FISCAL ACCOUNTABILITY FOR ALL
FUNDS EARNED DURING LIBERATION DAY
FESTIVITIES**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Intent:

I Liheslaturan Guåhan finds that in her December 2010 performance audit of the Liberation Day Committee, the Public Auditor found that, “for the past six years, from 2004 to 2009, the Guam Island Fair Committee, better known as the Liberation Day Committee (LDC), was not held accountable for the funds raised during the annual Liberation Day festivities. Since committee membership is subject to change annually, each LDC is distinct from its predecessor. Without oversight and continuity, the LDCs were lax about accountability and transparency. We found no evidence that proper financial reports were prepared and submitted to any oversight body.”

1 The Public Auditor also found that, “the lack of oversight has allowed
2 for poor record-keeping, negligence regarding tax-exempt filing
3 requirements, and failure to comply with orders to establish a special
4 textbook fund.”

5 *I Liheslaturan Guåhan* finds that during these difficult financial times
6 all entities empowered by the laws of Guam, must function within the
7 boundaries of proper management and fiscal control. It is necessary to enact
8 laws which ensure this outcome and safeguard the public trust.

9 **Section 2.** §1013 of Chapter 10 of Title 1, Guam Code Annotated is
10 hereby amended to read:

11 **“§1013 Guam Island Fair Committee.**

12 The ~~Governor~~ Mayor's Council of Guam is, authorized and requested
13 to annually appoint a and maintain oversight of the Guam Island Fair
14 Committee to plan and make appropriate arrangements for the celebration of
15 this Fair.

16 The Committee shall be composed of members of patriotic, religious,
17 or other civic organizations. In lieu of such Committee, the ~~Governor~~
18 Mayor's Council of Guam may designate one or more such civic
19 organizations as sponsors to plan and arrange for the Fair.

20 All net proceeds shall be donated to a worthy public cause or causes
21 as the committee or the sponsoring organization(s), as the case may be,
22 determine.

23 The government may furnish a suitable site, if needed, but neither it
24 nor any agencies, instrumentalities, nor employees may otherwise participate
25 in the planning and preparation for the Island Fair during work hours or use
26 government supplies or equipment; provided, that employees or participating
27 departments or agencies may be given a limited time to prepare departmental

1 or agency floats for the designated parades. Unless appropriated by the
2 Legislature, or approved by the governing board of applicable autonomous
3 agencies, no government funds or materials shall be used in the preparation
4 of these floats."

5 **Section 3.** A new §1013.1 is hereby *added* to Chapter 10 of Title 1,
6 Guam Code Annotated to read:

7 **“§1013.1 Financial Reporting and Accountability.**

8 The Island fair committee shall annually, and by no later than sixty
9 (60) business days after the close of Liberation Day festivities submit a
10 financial report relative to the status and activities of the Island Fair
11 Committee. The annual report shall be submitted to the office of the
12 Governor and to the Speaker. The Island Fair Committee shall maintain all
13 financial records related to the operation of Liberation Day festivities, and
14 forward a copy of the same to the Governor of Guam. The annual report
15 shall, at a minimum, contain:

16 (a) All expenditures and encumbrances' (year-to date);

17 Funds received and source(s);

18 (b) Status of accounts payable and receivable for outstanding debts and/or
19 delinquent payment obligations owed by and to the Island Fair
20 Committee; &

21 (c) The amount donated to the charitable cause required under §1013 of
22 this chapter; &

23 (d) Any and all other pertinent information relative to the Fund."