

## **TERRITORY OF AMERICAN SAMOA**

OFFICE OF THE GOVERNOR FAGATOGO 96799

A. P. LUTALI
GOVERNOR
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LIEUTENANT GOVERNOR

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EXECUTIVE ORDER NO. 04-1988

ESTABLISHMENT OF A BONDED WAREHOUSE SYSTEM FOR CERTAIN FISHING VESSELS AND CRUISE SHIPS

By the authority vested in the Governor of American Samoa under the Revised Constitution and laws of American Samoa, it is hereby ordered as follows:

Section 1. Bonded warehouse system established.

There is established a bonded warehouse system to provision commercial fishing vessels supplying raw fish to tuna canneries operating in American Samoa or to cruise ships calling at American Samoa with or to sell to passengers and crew of such cruise ships, beer, alcoholic beverages, tobacco products and smoking accessories, and soft drinks or nonalcoholic carbonated beverages free of the excise taxes imposed by 11.1002(a)(1) and (6) ASCA.

Section 2. Bonded warehouse location.

The Treasurer shall establish one or more secure areas within premises owned or controlled by the American Samoa Government in which the items identified in Section 1 may be stored without entry for consumption in American Samoa and from which those items may be removed and sold at retail for consumption at sea or elsewhere outside of American Samoa only to commercial fishing vessels supplying raw fish to tuna canneries operating in American Samoa or to cruise ships calling at American Samoa, or to the passengers and crew of such cruise ships.

## Section 3. Bonded warehouse operation and control.

- (a) Except as provided in subsection (b), the Treasurer shall operate the bonded warehouse areas designated under Section 2. The Treasurer shall at all times have the authority and responsibility for control over the storage in and removal from these areas of the items identified in Section 1. The Treasurer's controls shall be designed to prevent entry of those items for consumption in American Samoa.
- (b) The Treasurer may designate, underconcession contracts signed by the Governor and operator and awarded competitively, private entities to operate bonded warehouse areas designated under Section 2: provided that the terms and conditions of any such concession contract shall:
  - (1) limit the amount by which the wholesale prices of the items identified in Section 1 sold by the private entity operator to the retail sellers to commercial fishing vessels or to cruise vessels, or to the passengers and crew of cruse vessels, may exceed the private entity operator's cost prices, and
  - (2) preclude the private entity operator from selling directly, or from having any direct or indirect in the retail sellers' business selling to, commercial fishing vessels or to cruise ships, or the passengers and crew of such cruise ships. In no event shall private entity concession contracts be awarded to less than the number of bonded warehouse areas designated under this section.
- (c) Preference shall be given to American Samoans and permanent residents, as defined by 41.0202 ASCA, and U.S. nationals and citizens in granting concession contracts under this section to encourage the economic development of American Samoa.

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Section 4. Rules.

The Treasurer Task Force on Bonded Warehouses, established by General Memorandum No. 75-1986, shall within 45 days of the effective date of this Executive Order submit to the Governor proposed rules to govern the implementation and administration of this Executive Order for promulgation by the Governor pursuant to the Administrative Procedures Act, 4.1001 ASCA et seq.

Section 5. Effective date.

This Executive Order is effective immediately.

Dated: 9/9/88, 19 88.

A. P. LUTALI

Governor of American Samoa

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