

SEP 3 0 1997

Refer to Legislative Secretary

The Honorable Antonio R. Unpingco Speaker Twenty-Fourth Guam Legislature Guam Legislature Temporary Building 155 Hesler Street Agana, Guam 96910

OFFICE OF THE LEGISLATIVE SECRETARY
ACKNOWLEDGMENT SECEIPT
Received By Jone Gunnalester
Time 3 f.m.
Date 9-30-97

Dear Speaker Unpingco:

Enclosed please find a copy of Substitute Bill No. 319 (COR), "AN ACT TO ADD A NEW CHAPTER 56 TO TITLE 22 OF THE GUAM CODE ANNOTATED, RELATIVE TO REGULATING EXPORT-DRIVEN MANUFACTURING IN GUAM AND TO PROHIBIT THE USE OF TEMPORARY ALIEN LABOR IN EXPORT-DRIVEN MANUFACTURING IN GUAM.", which I have signed into law today as Public Law No. 24-75.

Guam has never had the practice of importing large numbers of foreign workers to work in export-driven manufacturing businesses. The business community on Guam has sought for many years to hire local persons into their businesses, and it has been the stated policy of the government that local persons be as fully employed as possible in the local economy.

Guam does not want sweatshops to try to locate on our island. This legislation makes it the official policy of our government and our island that we wish the quality standard of living of our residents to be maintained. There is now, and will not be in the future, any businesses on Guam which utilize low paid foreign labor at the expense of making jobs available to local residents at a proper living wage.

Very truly yours,

Carl T. C. Gutierrez. Governor of Guam

Attachment

00450

cc: The Honorable Joanne M. S. Brown Legislative Secretary

Office of the speaker ANTONIO R. UNPINGCO Date: 1300 Time. 1300

Print Name: Char

TWENTY-FOURTH GUAM LEGISLATURE 1997 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 319 (COR), "AN ACT TO ADD A NEW CHAPTER 56 TO TITLE 22 OF THE GUAM CODE ANNOTATED, RELATIVE TO REGULATING EXPORT-DRIVEN MANUFACTURING IN GUAM AND TO PROHIBIT THE USE OF TEMPORARY ALIEN LABOR IN EXPORT-DRIVEN MANUFACTURING IN GUAM," was on the 12th day of September, 1997, duly and regularly passed.

Acting Speaker Attested: JOANNE M.S. BROWN Senator and Legislative Secretary This Act was received by the Governor this ______ day of ___ 2:47 o'clock 1 .M. Governor's Office APPROVED: CARL T. C. GUTIERREZ Governor of Guam Date: <u>9-30-97</u>
Public Law No. <u>24-75</u>

TWENTY-FOURTH GUAM LEGISLATURE 1997 (First) Regular Session

Bill No. 319 (COR)

As substituted by the Committee on Agriculture, Land, Housing, Community and Human Resources Development and as amended on the Floor.

Introduced by:

Mark Forbes T. C. Ada F. B. Aguon, Jr. E. Barrett-Anderson A. C. Blaz J. M.S. Brown Felix P. Camacho Francisco P. Camacho M. C. Charfauros E. J. Cruz W. B.S.M. Flores L. F. Kasperbauer A. C. Lamorena, V C. A. Leon Guerrero L. Leon Guerrero V. C. Pangelinan J. C. Salas A. L.G. Santos F. E. Santos A. R. Unpingco J. Won Pat-Borja

AN ACT TO ADD A NEW CHAPTER 56 TO TITLE **GUAM** 22 OF THE CODE ANNOTATED, RELATIVE TO REGULATING EXPORT-DRIVEN **MANUFACTURING** IN **GUAM** AND TO PROHIBIT THE USE OF TEMPORARY ALIEN LABOR IN EXPORT-DRIVEN MANUFACTURING IN GUAM.

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

Section 1. A new Chapter 56 is hereby added to Title 22 of the Guam Code Annotated to read as follows:

"CHAPTER 56.

EXPORT-DRIVEN MANUFACTURING.

Section 56101. Legislative Intent. It is the Guam Legislature's intent to regulate any potential future establishment of manufacturing business in Guam whose primary purpose is to manufacture products intended for export to the United States of America and elsewhere. While the expansion of Guam's economy to include export manufacture is indeed welcomed, it is the intent of the Guam Legislature that such enterprises be prohibited from degenerating into improper working conditions. It is the policy that employees in such business not consist of temporary foreign workers imported into Guam specifically to work in such factories.

Section 56102. Definition of Export-Driven Manufacture. A business which manufactures a product intended primarily or in part for export beyond Guam is engaged in export-driven manufacturing for the purposes of this Chapter.

Section 56103. Prohibition Against Use of Temporary Foreign Labor in Export-Driven Manufacturing in Guam. Notwithstanding any other provision of law, the use of any individual who is not either a permanent resident alien, as defined by the Immigration and Naturalization Service and is in possession of valid documentation to that effect, or a citizen of a nation in free association with the United

States expressly permitted to enter the United States for the purpose of employment, or a citizen of the United States, as an employee in a manufacturing enterprise in Guam whose product is intended primarily, or in part, for export beyond the borders of Guam, is illegal. Any business or enterprise applying for licensing in Guam to engage in manufacturing of products wholly, or in part, for export shall attest, in writing, to their intended compliance with the provisions of this Section. Any willful violation of the provisions of this Section by a relevant manufacturing business shall result in the suspension of the enterprise's license to do business in Guam for a period of no less than six (6) months."



COMMITTEE ON AGRICULTURE, LAND, HOUSING, COMMUNITY & HUMAN RESOURCES DEVELOPMENT

SENATOR JOHN CAMACHO SALAS CHAIRMAN

September 9, 1997

The Honorable Antonio R. Unpingco Speaker Twenty-Fourth Guam Legislature 155 Hesler Street Agana, Guam 96910

Dear Mr. Speaker:

The Committee on Agricultural, Land, Housing, Community & Human Resources Development to which was referred Bill No. 319, has had the same under consideration and now wishes to report back the same with the recommendation TO DO PASS

To Do Pass

To Do Pass

Not To Pass

Abstain

Other (Off-Island)

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

Sincerely,

Senator John Camacho Salas

Chairman

Attachments



SENATOR JOHN CAMACHO SALAS CHAIRMAN

COMMITTEE ON AGRICULTURE, LAND, HOUSING, COMMUNITY AND HUMAN RESOURCES DEVELOPMENT

VOTING SHEET

Bill Number 319

Title An Act to add a new Chapter 56 to 22 GCA to regulate export-driven manufacturing in Guam and to prohibit the use of temporary alien labor in export-driven manufacturing in Guam.

	TO DO PASS	NOT TO PASS	ABSTAIN	INACTIVE FILE
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John Camacho Salas, Chairman				
Edwardo J. Cruz M.D., Vice Chairman				
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Elizabeth Barrett-Anderson, Member				
Larry F. Kasperbauer, Member	<u> </u>			
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Carlotta M. Leon Guerrero, Member				
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Thomas C. Ada, Member				
William B.S.M. Flores, Member				
Frank B. Aguon, Jr., Member				



BUREAU OF BUDGET & MANAGEMENT RESEARCH

OFFICE OF THE GOVERNOR, Post Office Box 2950, Againa, Guam 96910

CARL T.C. GUTTERREZ

MADELEINE Z. BORDALLO

AUG Z 2 1897

JOSEPH E. RIVERA

PRANCES J. BALAJAI DEPUTY DIRECTOR

The Bureau requests that Bill No(s). 319 (COR) be granted a waiver pursuant to Public Law 12-229 for the following reasons:

Bill No. 319 (COR) is an Acr to add a new Chapter 56 to 22GCA to regulate export-driven manufacturing in Guam and to prohibit the use of temporary alien labor in export-driven manufacturing in Guam and prevent the establishment of so-called "sweatshops" in Guam. Bill No. 319 (COR) is administrative in nature and poses no fiscal impact on the General Fund.

JOSEPH E. RIVERA

Acting





Commuttee on Land, Housing, Agriculture, Planning, Community & Human Resource Development Committee Report on Bill 319 Publicly Heard July 31, 1997

Bill 319 - An act to add a new chapter 56 to 22 GCA to regulate export-driven manufacturing in Guam and to prohibit the use of temporary alien labor in export-driven manufacturing in Guam and prevent the establishment of so-called "sweatshops" in Guam.

I. ATTENDANCE:

- Senator John C. Salas, Chairman
- Senator Edwardo J. Cruz, Vice-Chairman
- Senator Tom C. Ada, Member
- Senator Frank B. Aguon, Jr., Member
- Senator Mark Forbes, Guest
- Senator Angel L.G. Santos, Guest

II. MAIN SPONSOR:

Senator Mark Forbes

III. BILL SYNOPSIS:

This act will make illegal the use of any temporary alien labor in the manufacturing of all goods for export out of Guam. Only resident aliens, as defined by the Immigration and Naturalization Service, a citizen of a nation in free association with the United States or a citizen of the United States are allowed to work in these export-driven manufacturing operations. The penalty for violation is the suspension of an enterprise's license to do business on Guam for a period not less than 6 months.

IV. TESTIMONY:

Senator Mark Forbes, the author of the bill, gave an overview of Bill 319. He noted that the bill was created to prevent the potential abuse of labor in export driven businesses. Although Guam follows federal wage and labor standards, should there be a time that Guam has autonomous control of these issues, there should already be in place laws and regulations that will prevent the use and abuse of alien labor in this industry. He further added that this bill, should it be enacted into law, would help to satisfy the federal government in relation to Guam's quest for commonwealth status and self determination.

Ms. Barbara Blaz, Vice President of the Guam Federation of Teacher read for the committee a written testimony of Mr. Paul Zerzan of the University of Guam. Mr. Zerzan felt that this bill is only a superficial attempt at ensuring Guam does not suffer labor abuses. Ms. Blaz further noted that the bill would not and could not ensure the well being of alien employees in other sectors of the economy. She further added that Guam does not have sweatshops nor would the union groups allow for such a thing.

Senator Forbes explained that this bill is meant to only address the export industry and nothing else, nor does it attempt to do so. He noted that if it would satisfy the witnesses and the committee, he would be amenable to amending the bill and deleting any references to word "sweatshops".

Chairman Salas noted for the committee that Senator Mark Forbes, with this bill, would place preventive measures as Guam strives for control of its immigration. Further he agreed that if the word "sweatshop" could be deleted out of the bill, the committee would entertain it during its mark-up.

V. COMMITTEE FINDINGS

The committee finds that while Bill 319 does not address the entire island's economy when it comes to alien labor abuses, it does address the export industry, a potential industry should Guam secure control over its immigration through the commonwealth. Further, this bill will assist Guam in its ongoing process of securing commonwealth status. However, the term "sweatshop" as used in the bill implies that Guam could encourage such working conditions. It is the committee's belief that Guam's labor groups will not allow such a thing to happen. The witnesses that testified found this reference to a sweatshop insulting and the bill's author agreed to delete the word from the title and body of the bill.

VI. COMMITTEE RECOMMENDATION

Therefore, the committee agreed to amend the bill to delete the term "sweatshop" and recommends **TO DO PASS**, as substituted.

COMMIT. LE ON LAND, AGRICULTURE, HOUSING, COMMUNITY & HUMAN RESOURCES DEVELOPMENT

PUBLIC HEARING AGENDA

Legislature Public Hearing Room Thursday, July 31, 1997 6:00 P.M.

Bill 102 - An act to repeal and reenact Section 2 of Public Law 23-146 relative to the land registration
proceedings for the land reserved to implement the program for the "Inarajan Land for the Landless
Subdivision act of 1990."

Main Sponsors:

A.L.G. Santos, M.C. Charfauros, Felix P. Camacho

P.L. 20-189 directed the Department of Land Management (DLM) to identify and survey land within Inarajan to be used for the "Inarajan Land for the Landless Subdivision act of 1990." DLM designated 120.5 acres of Tract No. 3734 in Ija Inarajan, but the land was never registered. Even though the land was not registered, DLM subdivided 120.5 acres into 305 lots and conveyed 28 of the lots to the program applicants. P.L. 23-146 tried to rectify this situation by directing DLM to initiate land registration proceedings for the lots by representing the Ija Subdivision lot owners in a class action lawsuit.

According to the bill's authors, a class action lawsuit by the government of Guam on behalf of private interests in a land registration proceeding is a legal impossibility. The Land Registration Act contained in Title 21 GCA requires an applicant for registration to be an owner of an estate or interest in the land which is subject of the registration proceeding. The authors state that unless title to the 28 lots is returned to DLM, DLM has no standing to register the subdivided lots.

This act authorizes DLM to enter into contract with Ija Subdivision landowners for the sole purpose of registering the land. Upon the return to the government of all subdivided lots that have been conveyed, DLM will proceed with the registration. Upon completion of registration, DLM shall immediately reconvey the same subdivided lots to the lot owners. DLM will bear all expenses associated with the registration.

Bill 257 - An act relative to extending the time period requirement for the initial use of the Chamorro Land
Trust Commission residential leased properties by individuals and families, to allow for basic
infrastructure development and other lessee preparation activities.

Main Sponsor:

F.B. Aguon, Jr.

This act extends lease holders time requirement to construct a dwelling on CLTC land from 1 year to 3 years. This extension, according to the bill's author, is to allow for the installation of various infrastructure as well as ample time to secure financing and construct a home.

• Bill 319 - An act to add a new chapter 56 to 22 GCA to regulate export-driven manufacturing in Guam and to prohibit the use of temporary alien labor in export-driven manufacturing in Guam and prevent the establishment of so-called "sweatshops" in Guam.

Main Sponsor:

M. Forbes

This act will make illegal the use of any temporary alien labor in the manufacturing of all goods for export out of Guam. Only resident aliens, as defined by the Immigration and Naturalization Service, a citizen of a nation in free association with the United States or a a citizen of the United States are allowed to work in these export-driven manufacturing operations.

The penalty for violation is the suspension of an enterprise's license to do business on Guam for a period not less than 6 months.



SENATOR JOHN CAM. JHO SALAS CHAIRMAN

COMMITTEE ON AGRICULTURE, LAND, HOUSING, COMMUNITY AND HUMAN RESOURCES DEVELOPMENT

TESTIMONY SIGN IN SHEET

Bill Number 319

Title An Act to add a new Chapter 56 to 22 GCA to regulate export-driven manufacturing in Guam and to prohibit the use of temporary alien labor in export-driven manufacturing in Guam and prevent the establishment of so-called "sweatshops" in Guam.

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BILL 319 IS A TRICK! It does not prevent labor abuse.

IT DOES NOT PROTECT MAIDS OR HOTEL WORKERS! [In Saipan maids work 72 hrs/wk at 64¢/hr!]

Bill 319 purports to ban the use of temporary alien labor in export manufacturing. THAT IS NOT THE ISSUE!

THE ISSUE IS FAIR WAGES AND DECENT HOURS!
THESE RIGHTS CAN ONLY BE PROTECTED BY COLLECTIVE BARGAINING!

Mark Forbes is anti-union. Bill 319 is part of his scheme to end collective bargaining on Guam so that employees in the hotel industry can be over-worked and under-paid. BILL 319 IS A TRICK!

P.O. Box 5167 40G Mangilao Guam 96923 Paul Zerzan 734-0768