

*I Mina'trentai Singko Na Liheslaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
<b>217-35 (COR)</b> As substituted on the Floor.	James C. Moylan	AN ACT TO ADD § 58104(r) TO CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO CREATING A QUALIFYING CERTIFICATE FOR THE ENTICEMENT AND POTENTIAL ESTABLISHMENT OF A COMMERCIAL DRONE INDUSTRY ON GUAM.	10/9/19 9:29 a.m.	11/20/19	Committee on Economic Development, Agriculture, Maritime Transportation, Power and Energy Utilities, and Emergency Response	2/11/20 9:00 a.m.	10/20/20 4:37 p.m.	11/18/19	
	<b>SESSION DATE</b>	<b>TITLE</b>	<b>DATE PASSED</b>	<b>TRANSMITTED</b>	<b>DUE DATE</b>	<b>PUBLIC LAW NO.</b>	<b>DATE SIGNED</b>	<b>NOTES</b>	
	11/16/20	AN ACT TO ADD A NEW § 58104(r) TO ARTICLE 1 OF CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING A QUALIFYING CERTIFICATE FOR THE ENTICEMENT AND POTENTIAL ESTABLISHMENT OF A COMMERCIAL DRONE INDUSTRY ON GUAM.	12/1/20	12/1/20	12/12/20	35-118	12/11/20	Received: 12/11/20 Mess and Comm. Doc. No. 35GL-20-2501	

LOURDES A. LEON GUERRERO  
MAGA'HAGA • GOVERNOR



JOSHUA F. TENORIO  
SIGUNDO MAGA'IAHI • LIEUTENANT GOVERNOR

December 11, 2020

35-20-2501

**HONORABLE TINA ROSE MUÑA BARNES**

*Speaker*

*I Mina'trentai Singko Na Liheslaturan Guahan*

35<sup>th</sup> Guam Legislature  
Guam Congress Building  
163 Chalan Santo Papa  
Hagåtña, Guam 96910

Speaker Tina Rose Muña Barnes

DEC 11 2020

Time 5:25 (YES) PM  
Initiated By: [Signature]

**Re: Substitute Bill No. 217-35 (COR) – An Act to *Add* a New § 58104(r) to Article 1 of Chapter 58, Title 12, Guam Code Annotated, Relative to Authorizing a Qualifying Certificate for the Enticement and Potential Establishment of a Commercial Drone Industry on Guam**

**Substitute Bill No. 218-35 (COR) – An Act to *Amend* § 58104(f) of Article 1, Chapter 58, Title 12, Guam Code Annotated, Relative to Creating a Qualifying Certificate for the Enticement and Potential Establishment of a Processing Trade Company, and a Distribution, Transformation, or Fulfillment Center Industry on Guam**

Dear Madame Speaker:

Before taking office, our Administration identified the opportunities that could be presented by developing a distribution and fulfillment center industry and encouraging the establishment of processing trade companies in Guam. Our location seems prime for satisfying orders for delivery in Asia and throughout the Pacific. The inclusion of this industry in Substitute Bill No. 217-35, as well as the commercial drone industry in Substitute Bill No. 218-35, as eligible endeavors for the Qualifying Certificate program administered by the Guam Economic Development Authority are welcome statutory changes to the provisions of Qualifying Certificate program.

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To: Speaker Barnes  
Fr: Governor of Guam  
Dated: December 11, 2020  
Re: Substitute Bill No. 217-35 (COR) nka P.L. 35-118  
Substitute Bill No. 218-35 (COR) nka P.L. 35-119

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I want to thank Senator Moylan for this bipartisan effort to advance this Administration's goals to diversify our economy. As we have learned during this public health emergency, while tourism cannot be replaced as a significant driver of our economy, it is imperative that we expand our industry base to be less dependent on any single enterprise. Substitute Bill Nos. 217-35 and 218-35, which are now known as **Public Law Nos. 35-118 and 35-119**, will assist in this effort.

*Senseramente,*



**LOURDES A. LEON GUERRERO**

*I Maga'hågan Guåhan*

Governor of Guam

Enclosure: Substitute Bill No. 217-35 (COR) *nka P.L. 35-118*  
Substitute Bill No. 218-35 (COR) *nka P.L. 35-119*

cc via email: *Sigundo Maga'låhen Guåhan*  
*Compiler of Laws*

*I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN*  
2020 (SECOND) Regular Session

**CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'HÅGAN GUÅHAN***


This is to certify that **Substitute Bill No. 217-35 (COR) "AN ACT TO ADD A NEW § 58104(r) TO ARTICLE 1 OF CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING A QUALIFYING CERTIFICATE FOR THE ENTICEMENT AND POTENTIAL ESTABLISHMENT OF A COMMERCIAL DRONE INDUSTRY ON GUAM,"** was on the 1<sup>st</sup> day of December 2020, duly and regularly passed.

  
\_\_\_\_\_  
**Tina Rose Muña Barnes**  
Speaker

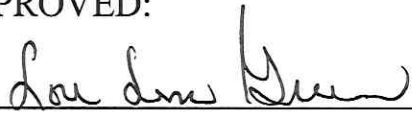
Attested:

  
\_\_\_\_\_  
**Amanda L. Shelton**  
Legislative Secretary

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This Act was received by *I Maga'hågan Guåhan* this 1<sup>st</sup> day of December,  
2020, at 4:32 o'clock P.M.

  
\_\_\_\_\_  
Assistant Staff Officer  
*Maga'håga's Office*

APPROVED:

  
\_\_\_\_\_  
Lourdes A. Leon Guerrero  
*I Maga'hågan Guåhan*

Date: 12/11/2020

Public Law No. 35-118

Jessica Cruz

RCUD AT CENTRAL FILES  
DEC 1 '20 PM 4:32  
2020-1258



***I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN***  
**2019 (FIRST) Regular Session**

**Bill No. 217-35 (COR)**

As substituted on the Floor.

Introduced by:

James C. Moylan  
William M. Castro  
Régine Biscoe Lee  
Kelly Marsh (Taitano), PhD  
Louise B. Muña  
Tina Rose Muña Barnes  
Telena Cruz Nelson  
Sabina Flores Perez  
Clynton E. Ridgell  
Joe S. San Agustin  
Amanda L. Shelton  
Telo T. Taitague  
Jose "Pedo" Terlaje  
Therese M. Terlaje  
Mary Camacho Torres

**AN ACT TO *ADD* A NEW § 58104(r) TO ARTICLE 1 OF CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING A QUALIFYING CERTIFICATE FOR THE ENTICEMENT AND POTENTIAL ESTABLISHMENT OF A COMMERCIAL DRONE INDUSTRY ON GUAM.**

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

2        **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that with Guam's proximity to Asia and being under the jurisdiction of the laws of  
4 the United States, we have become an ideal destination for industries that focus on  
5 technology, aviation, and aeronautics. Enticing entities in these industries to  
6 consider investing on Guam would not only be beneficial in terms of stimulating our

1 economy, but it could allow for great prospects of job creation and global  
2 opportunities.

3 Earlier in the year, the Federal Aviation Administration (FAA) released its  
4 forecast for the next two (2) decades in terms of what is to be anticipated in the  
5 aviation world. What is noteworthy in their report is that the market for the  
6 commercial drone industry is growing faster than anticipated and could triple  
7 between now and 2023, while the market for non-commercial drones appears to be  
8 slowing down.

9 Commercial drones have expanded into an array of industries, many of which  
10 exist here on Guam. These industries include construction, agriculture, survey  
11 engineering, utilities, and telecommunications. With the U.S. Marines relocation and  
12 the military buildup, the opportunities to attract such entities to seek commercial  
13 activity on Guam has never been more ideal, as commercial drone entities have also  
14 been contracted to conduct infrastructure development and maintenance at costs that  
15 would result in a significant savings for all entities.

16 The drone industry is more than just about providing drones for aerial views  
17 and has evolved into training, aviation, logistics, transportation and research, and  
18 encompasses many other industries. Entities are setting up operations on a regional  
19 basis to enhance training and manufacturing, and thus with Guam's proximity to  
20 Asia, we may be in an ideal location to attract such entities who can participate in  
21 and help to advance Guam's economy.

22 It is vital that Guam seeks ways to attract such industries to invest here on  
23 Guam; and considering certain logistical disadvantages, it is crucial that incentives  
24 be created and offered to offset such operational expenses; and the Qualifying  
25 Certificate program of the Guam Economic Development Authority (GEDA) is an  
26 ideal tool that can be catered towards the needs or benefits of an entity, while  
27 ensuring that job creation and other community contributions are prioritized.

1 This Act does not dictate the benefits to be offered to investors, rather it  
2 includes a new industry into the matrix of qualified trades for available incentives  
3 that can help establish additional economic activity on Guam. Ultimately, what is  
4 negotiated for benefits to attract the industry to the island would be a discussion  
5 between the applicant and the Guam Economic Development Authority.

6 Further, allowing such industries to apply for incentives may give local  
7 companies the option to either invest in such ventures or seek outside entities to do  
8 the same. The greatest marketing tool to help manifest new industries on Guam  
9 would be the commerce community on Guam.

10 **Section 2.** A new § 58104(r) is hereby *added* to Article 1 of Chapter 58,  
11 Title 12, Guam Code Annotated, to read as follows:

12 “(r) commercial drone industry.

13 For the purposes of this Subsection:

14 (1) Commercial drones are defined as unmanned aerial  
15 vehicles (UAV) or unmanned aircraft systems (UAS), which can be  
16 flown, remotely-controlled, or fly autonomously through software-  
17 controlled flight plans in their embedded systems, working in  
18 conjunction with onboard sensors and GPS.

19 (2) The commercial drone industry shall encompass the  
20 research, development, training, education, manufacturing, wholesale,  
21 retail, or the utilization in logistics of commercial drones conducted on  
22 Guam.

23 (3) To avail of a Qualifying Certificate under this Chapter, the  
24 beneficiary shall be legally licensed to conduct business on Guam, and  
25 any benefits awarded by the Guam Economic Development Authority  
26 (GEDA) shall only be utilized on direct business activities associated  
27 with the use of commercial drones.



1                   (4) The beneficiary shall conform with all local and federal  
2 laws and regulations associated with the use of commercial drones, and  
3 failure to conform may result in the revoking of any benefits awarded  
4 under this Chapter.”

5           **Section 3. Severability.** If any provision of this Act or its application to any  
6 person or circumstance is found to be invalid or contrary to law, such invalidity shall  
7 not affect other provisions or applications of this Act that can be given effect without  
8 the invalid provision or application, and to this end the provisions of this Act are  
9 severable.

10           **Section 4. Effective Date.** This Act shall be effective upon enactment.