I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN 2021 (FIRST) Regular Session VOTING RECORD

Bill No. 2-36 (LS) As amended on the Floor.	Speaker Antonio R. Unpingco Legislative Session Ha Guam Congress Buildin April 30, 202						
NAME	Aye	Nay	Not Voting/ Abstained	Out During Roll Call	Absent	Excused	
Senator V. Anthony Ada	$\sqrt{}$						
Senator Frank Blas Jr.	$\sqrt{}$						
Senator Joanne Brown	V						
Senator Christopher M. Dueñas	V						
Senator James C. Moylan	1						
Vice Speaker Tina Rose Muña Barnes	V						
Senator Telena Cruz Nelson	V						
Senator Sabina Flores Perez	V						
Senator Clynton E. Ridgell	V						
Senator Joe S. San Agustin							
Senator Amanda L. Shelton							
Senator Telo T. Taitague	V						
Senator Jose "Pedo" Terlaje	$\sqrt{}$						
Speaker Therese M. Terlaje	$\sqrt{}$. 4	
Senator Mary Camacho Torres	$\sqrt{}$						
TOTAL	15	0					
	Aye	Nay	Not Voting/ Abstained	Out During Roll Call	Absent	Excused	

I = Pass

Clerk of the Legislature

I MINA'TRENTAI SAIS NA LIHESLATURAN GUAHAN 2021 (FIRST) Regular Session

Bill No. 2-36 (LS)

As amended on the Floor.

*

Introduced by:

1

Tina Rose Muña Barnes
Jose "Pedo" Terlaje
V. Anthony Ada
Telena Cruz Nelson
Mary Camacho Torres

AN ACT TO *ADD* A NEW ARTICLE 5 TO CHAPTER 50 OF DIVISION 2, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO DEVELOPING A PLAN TO IMPLEMENT A TRANSSHIPMENT INDUSTRY THROUGH THE CREATION OF A TRANSSHIPMENT TASK FORCE.

BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. I Liheslaturan Guåhan finds 3 that on October 16, 2020, the Office of the Speaker, in collaboration with members of the 35th Guam Legislature, issued a letter to the Office of Intergovernmental 4 5 Affairs and the U.S. Department of Interior, Office of Insular Affairs to express their concern about the recent disruption to America's supply chain caused by the 6 7 COVID-19 pandemic. In December 2020, the Guam Chamber of Commerce developed a white paper report entitled, Proposed Economic Diversification 8 9 Initiatives for Guam. The report identified potential industries that would allow 10 Guam to expand its current economic model, along with a list of implementation 11 recommendations and potential benefits. On December 29, 2020, the Office of the 12 Governor announced the creation of the Economic Diversification Working Group

to establish new industries to rebound from the adverse effects of the COVID-19 pandemic. Although not mentioned in the white paper, Guam is geographically and politically well-positioned to be a transshipment hub for the United States and the

4

15

16

17

18

19

20

21

22

23

24

25

26

protected."

region.

5 As noted in a report issued by the U.S. Department of Homeland Security on 6 May 29, 2020, entitled, National Strategy for Transportation Security (NSTS), Maritime Transportation Systems (MTS) is the "economic lifeblood of the global 7 economy" and is a vital component to U.S. military logistics and operations. The 8 9 MTS is an integrated network consisting of twenty-five thousand (25,000) miles of 10 coastal and inland waters and rivers that serves up to three hundred sixty-one (361) ports. Moreover, the report indicated that "Any significant disruption to the MTS" 11 12 can have devastating implications for "the global supply chain, as well as America's 13 National Security." Thus, maritime elements of the global supply chain are considered by Homeland Security to be "critical assets and systems that must be 14

As America's "tip of the spear" in the Pacific, Guam's location allows the United States to secure our nation, protect our allies, and easily access the manufacturing hubs in the Asia-Pacific supply chain; however, *I Liheslaturan Guåhan* finds that the global COVID-19 pandemic threatens the existing supply chains that sustain the United States security apparatus. As noted in the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) report published on September 30, 2020, on *The Impact of the Covid-19 Pandemic on Shipping and Port Sector in the Asia and the Pacific*, supply-chain access across Asia has become "compromised" due to limited manufacturing, port congestion, port closures, lack of adequate medical production and inventory, as well as having single source supply-chains during the pandemic. The report further stated that

manufacturing firms might withdraw from Asia to regions that promote "re-shoring" in response to the global pandemic.

I Liheslaturan Guåhan finds that Guam can take a more active role in the current Maritime Transportation System framework by serving as a viable and secure port for goods to flow from manufacturing hubs in the Indo-Pacific region and into the United States. Furthermore, unlike most seaports in Asia, the Jose D. Leon Guerrero Commercial Port has an opportunity to be further developed during this changing environment. With the passage of Bill No. 360-35 (COR), now Public Law 35-105, the Guam Legislature has enabled the Guam Customs and Quarantine Agency to streamline its procedures through automation and update its manifest requirements that date back to the 1970s. According to the ESCAP report, measures such as these improve operational and cost efficiencies during the pandemic while digitalization and automation ensure that maritime transportation remains uninterrupted.

Moreover, in addition to providing uninterrupted maritime transportation, Guam has the unique capacity to take in more shipments than other ports in the Pacific. As stated in the 2007 Guam Business Opportunities Report, Guam is home to the largest U.S. deep-water port in the western Pacific. This same report also adequately demonstrates that the Port Authority of Guam has the capacity to move containerized, break-bulk, and fresh fish cargo. Additionally, Guam's Commercial Port has convenient access to the Antonio B. Won Pat International Airport. With the expansion of the airport's runway in 2016, long-haul fully-loaded flights can fly from Guam directly to cities in the mainland United States as far as Los Angeles, California. This will allow major airlines of the United States to adapt to a post-COVID-19 economy and get goods into American communities at a much faster rate.

1	Furthermore, with the growing demand in the international market for
2	American-made products, including Guam's ports as integral parts of the MTS will
3	allow the United States to access the Asian/Pacific markets quickly and efficiently.
4	Guam will be an essential part of the American economy by bringing back
5	manufacturing jobs into the United States, with Guam potentially hosting more
6	assembly plants. American-made products can be quickly assembled on Guam and
7	turned over for sale to consumers in the Asian market quickly. By establishing a
8	manufacturing hub in Guam and pivoting to the Jose D. Leon Guerrero Commercial
9	Port and the Antonio B. Won Pat International Airport for transshipment, the United
10	States can implement a "safer, American approach" to resolve the shortcomings with
11	the current MTS. This approach will not only shore up the deficiencies with the
12	current MTS framework but will assist in Guam's post-COVID-19 recovery and
13	create thousands of new jobs in our island community.
14	Therefore, it is the intent of I Liheslaturan Guåhan to facilitate further
15	economic diversification by creating a task force to review existing local and federal
16	laws and coordinate land use and government resources to implement a
17	transshipment industry.
18	Section 2. A new Article 5 is added to Chapter 50 of Division 2, Title 12,
19	Guam Code Annotated, to read:
20	"ARTICLE 5
21	TRANSSHIPMENT TASK FORCE

21

22 § 50501. Title.

26

This Article shall be known and may be cited as the "Transshipment Task 23 24 Force Act."

Composition. 25 § 50502.

The Transshipment Task Force shall be composed of:

1	(a) the Administrator of the Guam Economic Development
2	Authority or his/her designee;
3	(b) the General Manager of the J.D. Leon Guerrero Port Authority
4	of Guam or his/her designee;
5	(c) the Executive Manager of the A.B. Won Pat International Airport
6	Authority, Guam or his/her designee;
7	(d) the Director of the Guam Customs and Quarantine Agency or
8	his/her designee;
9	(e) the Director of the Department of Land Management or his/her
10	designee;
11	(f) I Maga'låhen/Maga'hågan Guåhan or his/her designee;
12	(g) the Speaker of <i>I Liheslaturan Guahan</i> or his/her designee;
13	(h) the President of the Guam Chamber of Commerce or his/her
14	designee, who shall serve as an ex-officio non-voting member;
15	(i) the President of the Guam Women's Chamber of Commerce or
16	her designee, who shall serve as an ex-officio non-voting member;
17	(j) the President of the Chinese Chamber of Commerce of Guam or
18	his/her designee, who shall serve as an ex-officio non-voting member;
19	(k) the President of the Filipino Community of Guam or his/her
20	designee, who shall serve as an ex-officio non-voting member;
21	(1) the President of the Korean Chamber of Commerce of Guam or
22	his/her designee, who shall serve as an ex-officio non-voting member;
23	(m) the President of the Guam Contractors Association or his/her
24	designee, who shall serve as an ex-officio non-voting member;
25	(n) the Director of the Bureau of Statistics and Plans or his/her
26	designee;

1	(o) the President of the University of Guam or his/her
2	designee; and
3	(p) the Director of the Department of Agriculture or his/her
4	designee.
5	A presiding officer from among the Transshipment Task Force members shall
6	be elected by the members of the Task Force. The members of the Transshipment
7	Task Force shall serve without compensation and shall meet at least once every
8	month.
9	§ 50503. Responsibilities and Duties.
10	The Transshipment Task Force shall meet at the call of the presiding officer
11	and make recommendations concerning transshipment on Guam.
12	In making recommendations, the Transshipment Task Force shall:
13	(a) contact regional shipping partners, manufacturers, the U.S.
14	Department of Homeland Security, the U.S. Customs and Border Protection,
15	and any agencies within the United States government pertinent to
16	transshipment;
17	(b) conduct a feasibility study and provide recommendations
18	involving local tax policy, workforce development, and incentive programs
19	promoting transshipment on Guam;
20	(c) receive reports and testimony from individuals, government of
21	Guam agencies, and any other public and private organizations; and
22	(d) submit an Economic Diversification Plan with its
23	recommendations to I Maga'hågan Guåhan and I Liheslaturan Guåhan within
24	one (1) year of the enactment of this Article.
25	§ 50504. Economic Diversification Plan.
26	The Economic Diversification Plan shall include a review of pertinent federal
27	laws and regulations; a review of local laws and regulations with suggested changes;

- 1 a consideration of land requirements, constraints, and potential zoning issues; and
- 2 specify any and all federal grants available to the Transshipment Task Force to
- 3 implement new industries."
- 4 Section 3. Effective Date. This Act shall be effective upon enactment.