

I Mina'trentai Sais Na Lihelaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
2-36 (LS)	Tina Rose Muña Barnes Jose (Pedo) Terlaje V. Anthony Ada	AN ACT TO ADD A NEW ARTICLE 5 TO CHAPTER 50, DIVISION 2, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO DEVELOPING A PLAN TO IMPLEMENT A TRANSSHIPMENT INDUSTRY THROUGH THE CREATION OF A TRANSSHIPMENT TASKFORCE	1/4/21 10:54 a.m.	1/13/21	Committee on Education, Self-Determination and Historic Preservation, Infrastructure, Border Safety, Federal and Foreign Affairs, and Maritime Transportation	4/22/21 2:00 p.m.	4/27/21 4:09 p.m.	Request: 1/13/21 1/13/21	4/29/21 10:20 a.m. Supplement Document to the Committee Report on Bill No. 2-36 (COR).



Vice Speaker

TINA ROSE MUÑA BARNES

CHAIRPERSON, COMMITTEE ON RULES

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April 29, 2021

MEMO

To: Rennae Meno
Clerk of the Legislature

From: Vice Speaker Tina Rose Muña Barnes
Chairperson, Committee on Rules

Re: Supplemental Testimony to the Committee Report on Bill No. 2-36 (LS)

Buenas yan Håfa adai,

Please include this memo and attached document as a "Supplement to the Committee Report" for the Committee Report on **Bill No. 2-36 (LS)**.

Please make the appropriate indication in your records and forward to MIS for posting on our website. I also request that the same be forwarded to all Senators.

If you have any questions or concerns, please feel free to contact Mary Maravilla, Committee on Rules Director, at 472-2461.

Si Yu'os Ma'åse',


Vice Speaker Tina Rose Muña Barnes
Chairperson, Committee on Rules





Office of the Vice Speaker

TINA ROSE MUÑA BARNES

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COMMITTEE ON
PUBLIC ACCOUNTABILITY
HUMAN RESOURCES
GUAM BUILDUP
HAGÁTÑA REVITALIZATION
REGIONAL AFFAIRS
PUBLIC LIBRARIES
TELECOMMUNICATIONS
TECHNOLOGY

April 29, 2021

MEMORANDUM

To: Mary Maravilla
Director, Committee on Rules

From: Vice Speaker Tina Rose Muña Barnes 

Subject: Request to Append Additional testimony to Bill No. 2-36 (LS)

Buenas yan Håfa Adai!

Please see the attached testimony by GVB president Governor Carl Gutierrez. We are kindly requesting this testimony be appended to the Committee Report of Bill No. 2-36 (LS).

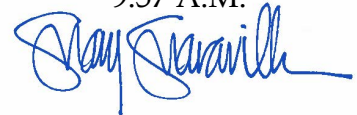
Si Yu'os Ma'åse'!

COMMITTEE ON RULES

RECEIVED:

April 29, 2021

9:57 A.M.





Thursday, April 22, 2021

Vice Speaker Tina Rose Muna Barnes
36th Guam Legislature
163 Chalan Santo Papa Juan Pablo Dos
Hagatna, Guam 96910 USA

Vice Speaker Tina Rose Muña Barnes

APR 26 2021
Time 2:40 ()AM ()PM
Received By: [Signature]

RE: Support for Bill No. 2-36 (LS), “Relative To Developing A Plan To Implement A Transshipment Industry Through The Creation Of A Transshipment Task Force.”

Dear Madam Vice Speaker,

Thank you for welcoming my testimony in support of your intriguing and forward-looking transshipment industry-development legislation. If signed into law and enforced, Bill No. 2-36 (LS) will close critical gaps in Guam’s economic recovery.

Through Governor Lou Leon Guerrero’s integrated engagement of agribusiness, aquaculture, and the Guam Product Seal program, local manufacturing and duty-free exportation remain vital components of her intermodal logistics vision. The governor knows these factors help diversify the economy; increase the production and sale of Guam-made goods; spur employment; lubricate the financial environment with liquidity, credit, savings, and assets; produce new revenue streams; and control reverse logistics costs by helping shipping companies fill up the high number of empty containers constantly departing Guam. Most importantly, she knows sustainable production, green packaging, and efficient delivery systems will go a long way in supporting her vision of a diversified economy.

A critical component

The aim of your Transshipment Task Force would help the Leon Guerrero-Tenorio administration accomplish these diversification goals by establishing Guam as a manufacturing and transshipment hub. Congruently, Bill No. 2-36 encourages the U.S. to make better use of the Jose D. Leon Guerrero Commercial Port and A.B. Won Pat International Airport to help protect the Maritime Transportation System (MTS) from vulnerabilities exposed during the worst throes of the COVID-19 pandemic.

And this makes perfect sense. Guam’s only commercial seaport is a designated U.S. Strategic Port. Our only commercial airport operates the closest U.S. aviation terminal to Southeast Asia. And the Department of Defense has seen fit to build Navy, Air Force, National Guard, and Marine Corps bases here on island, while maintaining active Coast Guard and Merchant Marine operations.

Especially during a global crisis, Guam’s role in an enhanced MTS could limit supply-chain disruptions, maintain medical supply inventories, relieve closures and congestion at regional ports of entry, help prevent food shortages across the Pacific hemisphere, and even provide rations and finished goods for the U.S. Armed Forces and our regional allies. As an established transit hub for centuries, how truly today is Guam described as “America in Asia” and the “Gateway to Micronesia!”





Headnote 3(a) and GSP

Madam Vice Speaker, approximately two years ago, you and your team enterprisingly reached out to me and my Office of Economic Development, National and International Affairs for guidance in optimizing Guam's under-cultivated territorial eligibility for participation in the federal General Headnote 3(a)(iv) program and duty-free Generalized System of Preferences (GSP). My researchers and I answered in writing your thoughtful questions about what it would take for interested businesses to leverage these manufacturing and export programs designed for the economic advantage of small territories and possessions like Guam.

Today, I remind this committee that during this era of upheaval and adjustment witnessing the great Pacific Pivot, Force Realignment, the Military Buildup in Guam and Tinian, and the COVID-19 pandemic engulfing our planet that Guam need not be a pawn but can be a player in this season of change and opportunity.

Defense Manufacturing

In particular, the federally certified Defense Manufacturing Community Support Program may offer keen insight and substantial grant support for resourceful entrepreneurs who are open to supplying niche defense-manufacturing imperatives. I encourage aspiring local assemblers and exporters to explore such opportunities with Director Vera Topasna and her team at the Community Defense Liaison Office in Hagatna.

Governor Leon Guerrero's strategic vision

Under the broad vision of Governor Leon Guerrero and the cooperative efforts of local stakeholders, "Destination Guam USA" continues to lay the groundwork for a revitalized economy. And within the governor's unfolding strategy, local agribusiness, aquaculture, and manufacturing stand to generate new export markets and finally fill up all those outbound cargo holds that leave Guam daily. Right in sync with this trend, an integrated new network of state-of-the-art hardware and software will close the gaps on lost inspection time, Illicit drug smuggling, tax evasion, human trafficking, and invasive species.

Once fully operational, this nexus will connect our ports of entry with customs officials, tax collectors, and shipping companies— all on demand, via a common cloud-based interface. This emerging system will digitally track passengers, crew, and freight from embarkation through arrival. And it will protect our borders with real-time data analysis while capturing the taxable accounts receivable necessary to help keep our airport, seaport, and landfalls fully funded and border secure.

Thanks to a collaborative effort between the Office of the Governor, Guam Customs and Quarantine Agency, Guam International Airport Authority, and Guam Visitors Bureau, the intake of electronic passenger declaration forms is already operational at the airport. The elimination of paper forms even allows travelers to fill in requisite passenger data online well before boarding their flights. This hastens the safe processing of arrivals and will slash long lines once package tour groups begin arriving from Guam's Asian source markets again.



Furthermore, thanks to Governor Leon Guerrero's October 2020 approval of legislation proffered by Senators Mary Camacho Torres and Joe S. San Agustin and yourself, Madam Vice Speaker, Guam law now requires the electronic submission of aircraft and ship manifests well in advance of arrivals.

The governor's logistics strategy seeks to improve and protect Destination Guam's intermodal profile as an efficient critical link in the vast network connecting and conveying passengers and freight across the Pacific and safely getting them to our shores.

Likeminded legislation

Bill No. 2-36 (LS) "Relative To Developing A Plan To Implement A Transshipment Industry Through The Creation Of A Transshipment Task Force" is among recent legislation whose 'programming content' will give rise to the new logistical subindustries to be built over the new digital landscape.

Last December, Governor Leon Guerrero signed two of Senator James Camacho Moylan's logistics industry impetus bills into law. One of them offers Qualifying Certificate incentives to entice the establishment of transformation, distribution, and fulfillment center operations in Guam. The other offers QCs to hasten the compliant development of the burgeoning drone (unmanned aircraft) industry on island.

For the last couple of years and longer, several entities have been actively engaged in modernizing Guam's infrastructures and onboarding new technologies, including:

The Office of the Governor, Guam State Clearing House, Community Defense Liaison Office, Guam Legislature, Office of Congressman Michael F.Q. San Nicolas, Department of Administration, Department of Revenue and Taxation, Office of Technology, Guam Customs and Quarantine Agency, Guam International Airport Authority, Port Authority of Guam, Port Users Group of Guam, and various other public and private collaborators.

Together, we are integrating cloud-based platforms for faster, security-enhanced throughputs that improve the screening of passengers and contraband; that enhance threat detection; and that assure higher tax-revenue capture. In support of capital improvements and digitalization, GovGuam offices, divisions, departments, and agencies are also actively identifying and retaining federal funding sources to efficiently underwrite the costs of our concerted efforts.

In deftly recognizing the need diversify our economy for post-pandemic recovery, Bill 2-36 takes the next logical step in the modernization and productive output of Guam's ports of entry.

Membership of the Transshipment Task Force

Yet, inasmuch as the draft legislation now under review seeks to "sell to consumers in the Asian market quickly," I suggest that the composition of the Transshipment Task Force include representation from Guam's Chinese Chamber of Commerce, the Guam Korean Chamber of Commerce, and Filipino Community of Guam. This would be in addition to the bill's specified representation from the Guam Chamber of Commerce and Guam Women's Chamber of Commerce. While the GCOC and the GWCC boast impressive memberships from broad cross-sections of our



community, there can be no substitute for open dialog with the local organizations most closely tied to trade across China, Hong Kong, Kowloon, Macau, Taiwan, South Korea, and the Philippines while attempting to understand Asian demands, engage unfolding Asian trends, and gain rapid access to niche Asian markets.

Madam Vice Speaker, please notify me whenever I may be of further assistance to the legislature in making additional worthwhile progress in the areas of trade, commerce, and maritime transportation.

Senseramente,

Honorable Carl T.C. Gutierrez
President & CEO, Guam Visitors Bureau
Chairman, Governor's Economic Strategy Council
Permit Czar