

*I Mina'trentai Sais 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>277-36 (COR)</b> As amended by the Committee on Health, Land, Justice, and Culture; and further amended on the Floor	Therese M. Terlaje Telo T. Taitague Sabina F. Perez Telena Cruz Nelson Christopher M. Dueñas Joanne Brown	AN ACT TO ADD A NEW ARTICLE 2 TO CHAPTER 75A OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE CHAMORRO LAND TRUST COMMISSION (CLTC) TO ENTER INTO COMMERCIAL SUBMERGED LANDS LICENSE AGREEMENTS AND TO BE KNOWN AS THE GUAM UNDERSEA ACCESS FOR HOMES ACT (GUAHA).	3/15/22 2:44 p.m.	3/21/22	Committee on Health, Land, Justice, and Culture	4/22/22 3:30 p.m.	9/13/22 8:59 a.m. As amended by the Committee on Health, Land, Justice, and Culture	Request: 3/21/22  3/25/22	
	<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>	
	9/23/22	AN ACT TO ADD A NEW ARTICLE 2 TO CHAPTER 75A OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE CHAMORRO LAND TRUST COMMISSION (CLTC) TO ENTER INTO COMMERCIAL SUBMERGED LANDS LICENSE AGREEMENTS; AND TO BE KNOWN AS THE GUAM UNDERSEA ACCESS FOR HOMES ACT (GUAHA).	9/26/22	9/27/22	10/8/22	36-108	9/29/22	Received: 9/29/22 Mess and Comm. Doc. No. 36GL-22-2555	

LOURDES A. LEON GUERRERO  
GOVERNOR



JOSHUA F. TENORIO  
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN  
OFFICE OF THE GOVERNOR OF GUAM

September 29, 2022

**HONORABLE THERESE M. TERLAJE**

*Speaker*

*I Mina'trentai Sais Na Liheslaturan Guāhan*

36<sup>th</sup> Guam Legislature

Guam Congress Building

163 Chalan Santo Papa

Hagåtña, Guam 96910

Doc Type: 36GL-22-2555

OFFICE OF THE SPEAKER  
THERESE M. TERLAJE

~~09~~ 29 2022

Time: 4:56 PM

Received: \_\_\_\_\_

Re: **BILL NO. 277-36 (COR) - AN ACT TO ADD A NEW ARTICLE 2 TO CHAPTER 75A OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE CHAMORRO LAND TRUST COMMISSION (CLTC) TO ENTER INTO COMMERCIAL SUBMERGED LANDS LICENSE AGREEMENTS; AND TO BE KNOWN AS THE GUAM UNDERSEA ACCESS FOR HOMES ACT (GUAHA)**

*Hafa Adai* Madame Speaker,

The establishment of standardized lease terms for all commercial submerged lands leases for the construction, installation and operation of fiber optic cable telecommunications systems creates a level playing field for any company interested in making use of Guam's critical location when connecting the United States and Asia. The landing fees and licensing fees will establish a long-term funding source for the Chamorro Land Trust Survey and Infrastructure Fund which will directly benefit our citizens by aiding in the construction of additional infrastructure to CLTC lease holders. Therefore, I hereby sign Bill No. 277-36 into law as *Public Law No. 36-108*.

*Senseremente,*

**JOSHUA F. TENORIO**

*Ākto Maga'lāhen Guāhan*

Acting Governor of Guam

COMMITTEE ON RULES

RECEIVED:

September 29, 2022

5:20 P.M.


Enclosure: Bill No. 277-36 (COR) *nka P.L. No. 36-108*

cc via email: *Honorable Lourdes A. Leon Guerrero, Governor of Guam*  
Compiler of Laws

**I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN**  
**2022 (SECOND) Regular Session**

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

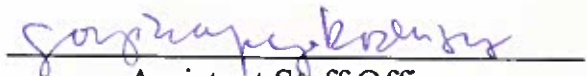
This is to certify that **Bill No. 277-36 (COR)**, "AN ACT TO ADD A NEW ARTICLE 2 TO CHAPTER 75A OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE CHAMORRO LAND TRUST COMMISSION (CLTC) TO ENTER INTO COMMERCIAL SUBMERGED LANDS LICENSE AGREEMENTS; AND TO BE KNOWN AS THE *GUAM UNDERSEA ACCESS FOR HOMES ACT (GUAHA)*," was on the 26<sup>th</sup> day of September 2022, duly and regularly passed

  
**Therese M. Terlaje**  
**Speaker**


Attested:

  
**Tina Rose Muña Barnes**  
**Acting Legislative Secretary**

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This Act was received by *I Maga'hågan Guåhan* this 27<sup>th</sup> day of September, 2022, at 5:08 o'clock P.M.

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

APPROVED:

  
**JOSHUA F. TENORIO, ACTING GOVERNOR OF GUAM**  
**Lourdes A. Leon Guerrero**  
***I Maga'hågan Guåhan***

Date: 9/29/22

Public Law No. 36-108

**OFFICE OF THE GOVERNOR**  
**CENTRAL FILES**  
**Evelyn Fejeran**  
RECEIVED BY  
TIME 5:08 pm DATE 9/29/22

**I MINA'TRENTAI SAIS NA LIHESLATURAN GUÁHAN  
2022 (SECOND) Regular Session**

**Bill No. 277-36 (COR)**

As amended by the Committee on Health, Land,  
Justice, and Culture; and further amended on the Floor.

Introduced by:

Therese M. Terlaje  
Telo T. Taitague  
Sabina Flores Perez  
Telena Cruz Nelson  
Christopher M. Dueñas  
Joanne Brown  
V. Anthony Ada  
Frank Blas Jr.  
James C. Moylan  
Tina Rose Muña Barnes  
Clynton E. Ridgell  
Joe S. San Agustin  
Amanda L. Shelton  
Jose "Pedro" Terlaje  
Mary Camacho Torres

**AN ACT TO ADD A NEW ARTICLE 2 TO CHAPTER 75A  
OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE  
TO AUTHORIZING THE CHAMORRO LAND TRUST  
COMMISSION (CLTC) TO ENTER INTO  
COMMERCIAL SUBMERGED LANDS LICENSE  
AGREEMENTS; AND TO BE KNOWN AS THE *GUAM  
UNDERSEA ACCESS FOR HOMES ACT (GUAHA)*.**

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

2 **Section 1.** This Act shall be known and may be cited as the *Guam Undersea*  
3 *Access for Homes Act (GUAHA)*.

1           **Section 2.** A new Article 2 is hereby *added* to Chapter 75A of Title 21,  
2 Guam Code Annotated, to read as follows:

3                                   **“ARTICLE 2**

4                                   **GUAM UNDERSEA ACCESS FOR HOMES ACT (GUAHA)**

5           § 75A201. Title.

6           § 75A202. Legislative Findings and Intent.

7           § 75A203. Authorization to Enter into Commercial Submerged Lands  
8 License Agreements with Telecommunication Providers.

9           § 75A204. Compensation for Submerged Lands License Agreements.

10          § 75A205. License Agreement Requirements.

11          § 75A206. Default and Termination.

12          § 75A207. Deposit of Revenues and Fees.

13          § 75A208. Authorization to Adopt New Fees After 2031.

14          § 75A209. Guam Coastal Management to Recommend Optimal Submerged  
15 Cable Landings Sites.

16          § 75A210. Establishment of Fees.

17          § 75A211. Exemption from Commercial Leases and Licenses.

18          § 75A212. Other Submerged Licenses Allowed.

19          **§ 75A201. Title.**

20          This Article shall be known and may be cited as the *Guam Undersea Access*  
21 *for Homes Act (GUAHA)*.

22          **§ 75A202. Legislative Findings and Intent.**

23          *I Liheslaturan Guåhan* finds that it is in the best interest of Guam to support  
24 and facilitate the construction of fiber optic submarine cables between Guam and the  
25 rest of the world to support future and current telecommunication requirements for  
26 its residents and businesses. There are several fiber optic cable systems landing in  
27 Guam providing connectivity to Guam. Several companies and consortiums have

1 expressed an interest to construct additional fiber optic cable systems or to extend  
2 current leases, which will benefit Guam residents and businesses by creating more  
3 connectivity and a more robust infrastructure to support modern commerce.

4 *I Liheslaturan Guåhan* further finds while the government of Guam  
5 recognizes the importance of telecommunications cables and enhanced connection  
6 capability to the future growth of Guam’s economy, the government does not have  
7 a uniform policy to govern the leasing of submerged lands for the purposes of  
8 submarine cables, nor a plan for taking advantage of the placement of these cables  
9 to diversify industry and economic investment fairly.

10 § 1705(a) of the Organic Act of Guam, regarding Tidelands, etc. Conveyed to  
11 Guam, states that “subject to valid existing rights, all right, title, and interest of the  
12 United States in lands permanently or periodically covered by tidal waters up to but  
13 not above the line of mean high tide and seaward to a line three geographical miles  
14 distant from the coastlines of the territories of Guam... are hereby conveyed to the  
15 governments of Guam... as the case may be, to be administered in trust for the  
16 benefit of the people thereof.” The bulk of submerged lands on Guam is currently  
17 under stewardship of the Chamorro Land Trust Commission (CLTC), and this  
18 Article shall apply to CLTC submerged lands.

19 *I Liheslaturan Guåhan* further finds there is a need to update previous cable  
20 License Agreements entered into by the government of Guam to bring all  
21 telecommunications agreements more in line with the global market.

22 Therefore, it is the intent of *I Liheslaturan Guåhan* to authorize CLTC to  
23 negotiate and enter into commercial submerged lands License Agreements for the  
24 purpose of bringing additional telecommunications infrastructure for a period  
25 exceeding the twenty-one (21) year limit authorized in § 75A122(a)(2) of this  
26 Chapter subject to approvals and permits, and concurrence as required by U.S.  
27 federal and local laws including permitting application review and approval from

1 the U.S. Army Corps of Engineers for work in U.S. waters, the Guam Coastal  
2 Management Program Federal Consistency Certification requirements in accordance  
3 with the Coastal Zone Management Act of 1972, and the Guam Territorial Seashore  
4 Protection Commission pursuant to the Guam Territorial Seashore Protection Act of  
5 1974 for work within the seashore reserve, Guam Environmental Protection Agency,  
6 and the National Oceanic and Atmospheric Administration National Marine  
7 Fisheries Service.

8 **§ 75A203. Authorization to Enter into Commercial Submerged Lands**  
9 **License Agreements with Telecommunication Providers.**

10 (a) Notwithstanding any other provision of law, rule, or regulation, *I*  
11 *Liheslaturan Guåhan* authorizes Chamorro Land Trust Commission (CLTC) to enter  
12 into commercial submerged lands License Agreements for submerged lands under  
13 its jurisdiction for the purpose of construction, installation, operation, maintenance,  
14 and use of fiber optic cable telecommunications systems subject to the provisions of  
15 this Article.

16 (b) The submerged lands to be licensed (Licensed Properties) shall extend  
17 from the line of mean high tide and seaward to a line three (3) geographical miles  
18 distant from the coastline and may include an approximate ten (10+/-) feet wide  
19 corridor starting from the mean high tide watermark to the exit offshore for  
20 underground conduit infrastructure that would consist of such number of submerged  
21 cable ducts and landing pipes as necessary to operate its cable landing station;  
22 provided, that the licensee shall not locate more than six (6) submarine cables and  
23 landing pipes within the Licensed Property. The landing pipes may be installed using  
24 the Horizontal Directional Drilling construction method, if required permits and  
25 approvals, and concurrence allow. Cut and cover methods on the reef crest and  
26 forereef are discouraged.



1 (c) Licensee shall provide to CLTC and Department of Land Management  
2 the Global Positioning System [GPS] Survey Depiction of the final permitted  
3 conduit infrastructure.

4 (d) Term. The License Agreement may be for a term of up to twenty-five  
5 (25) years. Licensee may be afforded up to two (2) five (5)-year options to renew  
6 such License Agreement at its election upon written notification to CLTC at least  
7 one hundred eighty (180) days prior to the end of the twenty-fourth (24th) year of  
8 the original term and one hundred eighty (180) days prior to the end of the first (1st)  
9 five (5)-year option period. The License Agreement shall be subject to termination  
10 by Licensee in the event that Licensee is unable to procure the necessary permits,  
11 approvals, and concurrence for the construction and operation of the submarine and  
12 terrestrial facilities to support the proposed submarine cable landing activity of  
13 Licensee within three (3) years of the start of the term of the initial License  
14 Agreement.

15 (e) Such License Agreement, subject to the terms stated herein, shall be  
16 binding and enforceable in all respects on the CLTC upon execution.

17 (f) Non-Exclusivity and Non-Interference. Licensee acknowledges that the  
18 Cable Easement is non-exclusive. However, CLTC may not unreasonably interfere  
19 with the continued operation and maintenance of the Licensee's landing pipes and  
20 manholes and will notify Licensee of any proposed crossing or parallel installation  
21 at least sixty (60) calendar days (Notice Period) prior to any proposed installation,  
22 unless installation is required due to an emergency. Licensee shall notify CLTC  
23 within the Notice Period if they object to CLTC's intention to place conduit, utility  
24 lines or any other structure or line within the subject easement and shall support with  
25 plans and specifications to the satisfaction of CLTC the basis for any contention that  
26 there is an unreasonable interference with Licensee's conduit. CLTC shall at its sole  
27 discretion determine whether there is an unreasonable interference with Licensee's



1 landing pipes. CLTC shall be authorized to install any parallel or crossing  
2 installation if it reasonably determines there is no unreasonable interference with  
3 Licensee's landing pipes.

4 **§ 75A204. Compensation for Submerged Lands License Agreements.**

5 In exchange for those rights granted under the Submerged Land License  
6 Agreement for up to six (6) cables, Licensee shall pay CLTC landing fees and annual  
7 license fees according to the following schedule:

8 (a) For the first cable system: A landing fee of One Hundred  
9 Thousand Dollars (\$100,000) shall be paid within thirty (30) days of approval  
10 of the Bureau of Statistics & Plans Guam Coastal Management Program when  
11 the construction, installation, or repair/upgrade of conduit infrastructure or  
12 cables is required. In addition, an initial annual license payment in accordance  
13 with § 75A204(h) shall be paid within thirty (30) days of the System  
14 Operational Date (as defined in § 75A204(g) of this Article) of the first cable  
15 system (First System Operational Date); and thereafter, an annual license  
16 payment adjusted in accordance with § 75A204(i) shall be paid beginning on  
17 the first anniversary of the First System Operational Date and continuing  
18 annually for the term of the License Agreement. If no construction,  
19 installation, or repair/upgrade of conduit infrastructure or cables is required,  
20 only license payments in accordance with § 75A204(h), (i), and § 75A208  
21 shall apply.

22 (b) For the second cable system: A landing fee of One Hundred  
23 Thousand Dollars (\$100,000) shall be paid within thirty (30) days of approval  
24 of the Bureau of Statistics & Plans Guam Coastal Management Program when  
25 the construction, installation, or repair/upgrade of conduit infrastructure or  
26 cables is required. In addition, an initial annual license payment in accordance  
27 with § 75A204(h) shall be paid within thirty (30) days of the System

1 Operational Date (as defined in § 75A204(g) of this Article) of the second  
2 cable system (Second System Operational Date); and thereafter, an annual  
3 license payment adjusted in accordance with § 75A204(i) shall be paid  
4 beginning on the first anniversary of the Second System Operational Date and  
5 continuing annually for the term of the License Agreement. If no construction,  
6 installation, or repair/upgrade of conduit infrastructure or cables is required,  
7 only license payments in accordance with § 75A204(h), (i), and § 75A208  
8 shall apply.

9 (c) For the third cable system: A landing fee of One Hundred  
10 Thousand Dollars (\$100,000) shall be paid within thirty (30) days of approval  
11 from the Bureau of Statistics & Plans Guam Coastal Management Program  
12 when the construction, installation, or repair/upgrade of conduit infrastructure  
13 or cables is required. In addition, an initial annual license payment in  
14 accordance with § 75A204(h) shall be paid within thirty (30) days of the  
15 System Operational Date (as defined in § 75A204(g) of this Article) of the  
16 third cable system (Third System Operational Date); and thereafter, an annual  
17 license payment adjusted in accordance with § 75A204(i) shall be paid  
18 beginning on the first anniversary of the Third System Operational Date and  
19 continuing annually for the term of the License Agreement. If no construction,  
20 installation, or repair/upgrade of conduit infrastructure or cables is required,  
21 only license payments in accordance with Section § 75A204(h), (i), and §  
22 75A208 shall apply.

23 (d) For the fourth cable system: A landing fee of One Hundred  
24 Thousand Dollars (\$100,000) shall be paid within thirty (30) days of approval  
25 of the Bureau of Statistics & Plans Guam Coastal Management Program when  
26 the construction, installation, or repair/upgrade of conduit infrastructure or  
27 cables is required. In addition, an initial annual license payment in accordance

1 with § 75A204(h) shall be paid within thirty (30) days of the System  
2 Operational Date (as defined in § 75A204(g) of this Article) of the fourth  
3 cable system (Fourth System Operational Date); and thereafter, an annual  
4 license payment adjusted in accordance with § 75A204(i) shall be paid  
5 beginning on the first anniversary of the Fourth System Operational Date and  
6 continuing annually for the term of the License Agreement. If no construction,  
7 installation, or repair/upgrade of conduit infrastructure or cables is required,  
8 only license payments in accordance with § 75A204(h), (i), and § 75A208  
9 shall apply.

10 (e) For the fifth cable system: A landing fee of One Hundred  
11 Thousand Dollars (\$100,000) shall be paid within thirty (30) days of approval  
12 of the Bureau of Statistics & Plans Guam Coastal Management Program when  
13 the construction, installation, or repair/upgrade of conduit infrastructure or  
14 cables is required. In addition, an initial annual license payment in accordance  
15 with § 75A204(h) shall be paid within thirty (30) days of the System  
16 Operational Date (as defined in § 75A204(g) of this Article) of the fifth cable  
17 system (Fifth System Operational Date); and thereafter, an annual license  
18 payment adjusted in accordance with § 75A204(i) shall be paid beginning on  
19 the first anniversary of the Fifth System Operational Date and continuing  
20 annually for the term of the License Agreement. If no construction,  
21 installation, or repair/upgrade of conduit infrastructure or cables is required,  
22 only license payments in accordance with § 75A204(h), (i), and § 75A208  
23 shall apply.

24 (f) For the sixth cable system: A landing fee of One Hundred  
25 Thousand Dollars (\$100,000) shall be paid within thirty (30) days of approval  
26 of the Bureau of Statistics & Plans Guam Coastal Management Program when  
27 the construction, installation, or repair/upgrade of conduit infrastructure or

1 cables is required. In addition, an initial annual license payment in accordance  
2 with § 75A204(h) shall be paid within thirty (30) days of the System  
3 Operational Date (as defined in § 75A204(g) of this Article) of the sixth cable  
4 system (Sixth System Operational Date); and thereafter, an annual license  
5 payment adjusted in accordance with § 75A204(i) shall be paid beginning on  
6 the first anniversary of the Sixth System Operational Date and continuing  
7 annually for the term of the License Agreement. If no construction,  
8 installation, or repair/upgrade of conduit infrastructure or cables is required,  
9 only license payments in accordance with § 75A204(h), (i), and § 75A208  
10 shall apply.

11 (g) The “System Operational Date” of each cable system shall be  
12 that date at which the cable system is fully installed, the associated system-  
13 wide testing is completed, and the cable system is approved to carry  
14 commercial traffic. Licensee shall notify CLTC within thirty (30) days after  
15 the establishment of the System Operational Date of each cable landing within  
16 its submerged License Agreement. In the case of existing installed and  
17 operational cable systems, the system operational date shall mean the start of  
18 the term of the new License Agreement.

19 (h) Annual license fees for cable systems that have a System  
20 Operational Date, from the enactment of this Article through December 31,  
21 2031, shall be applied as follows:

22	(1)	Enactment - December 31, 2022	\$100,000
23	(2)	January 1 - December 31, 2023	\$102,000
24	(3)	January 1 - December 31, 2024	\$104,040
25	(4)	January 1 - December 31, 2025	\$106,121
26	(5)	January 1 - December 31, 2026	\$108,243
27	(6)	January 1 - December 31, 2027	\$110,408

1	(7)	January 1 - December 31, 2028	\$112,616
2	(8)	January 1 - December 31, 2029	\$114,868
3	(9)	January 1 - December 31, 2030	\$117,165
4	(10)	January 1 - December 31, 2031	\$119,509

5 (i) The annual fees for each cable system set forth in this Section  
6 shall be adjusted annually on the anniversary of the System Operational Date  
7 of each cable system, and for the remainder of the term. All recurring fees  
8 shall be adjusted and increased annually for inflation at a fixed rate of two  
9 percent (2%) per annum.

10 (j) The annual fees for each cable system set forth in this Section  
11 shall be applicable exclusively to License Agreements granted after the  
12 enactment of this Article. All unexpired existing License Agreements signed  
13 before enactment of this Article will be honored within the limits already set  
14 forth in their respective agreement.

15 (k) The Chamorro Land Trust Commission and staff shall also  
16 utilize this Section for operators with existing cable system agreements which  
17 may be expired or expiring who are seeking to renegotiate new Submerged  
18 Lands License Agreements.

19 (l) A cable system is defined as a single end-to-end undersea  
20 communications cable and associated facilities owned by a set of joint  
21 partners which lands in Guam, recognizing that a cable system may either (1)  
22 terminate in Guam via a single cable end, or (2) transit in and out of Guam via  
23 two (2) cable ends interconnected at a local cable landing station. A single  
24 landing fee and annual license would be applied to each cable system as  
25 articulated in Subsections (a), (b), (c), (d), (e), (f), (g), (h) and (i) of this  
26 Section or as provided for in other sections of law.

1           (1) “Undersea Cable” or “Submarine Cable” includes a cable  
2 used to conduct electricity or light that is placed on the submerged or  
3 submersible lands within the territorial sea of Guam.

4           (2) In either case, a single landing fee and annual license  
5 would be applied to each cable system as articulated in Subsections (a),  
6 (b), (c), (d), (e), (f), (g), (h) and (i) of this Section or as provided for in  
7 other sections of law.

8           (3) CLTC reserves the right to modify the Guam Open Access  
9 Link (GOAL) from time-to-time as appropriate. CLTC’s decision will  
10 be in line with standard industry practices while final decisions are at  
11 CLTC’s sole and absolute discretion subject to legislative approval.

12           (m) Existing Agreements set to expire within the six (6) month period  
13 after the effective date of this Article may be extended for one (1) additional  
14 six (6) month period upon written notification by Licensee to the CLTC unless  
15 Licensee provides written notification to the CLTC denouncing such  
16 extension within thirty (30) days of the effective date of this Article. The terms  
17 of the Existing Agreement shall govern the terms of the six (6) month  
18 extension period, except that for cables installed by Licensee prior to the  
19 effective date of this Article, if the associated system-wide testing has not  
20 been completed and cable system has not been approved to carry commercial  
21 traffic prior to such date, it shall be governed by the provisions of this Article.

22           (n) For the purposes of Subsection (a)-(f) of this § 75A204, a landing  
23 fee is required for cables that have been installed by Licensee prior to the  
24 effective date of this Article if the associated system-wide testing has not been  
25 completed and the cable system has not been approved to carry commercial  
26 traffic prior to such date.

27           **§75A205. License Agreement Requirements.**



1 From and after the effective date of this Article, the following requirements  
2 shall apply to and be incorporated in each submerged lands License Agreement  
3 entered into with the CLTC for the construction, installation, operation,  
4 maintenance, and use of fiber optic cable telecommunications systems:

5 (a) Interest for Late Payment. All license fees in arrears shall bear  
6 interest at a rate of four percent (4%) per annum in excess of the prime rate,  
7 calculated daily and compounded monthly, without demand, from the date it  
8 should have been paid to CLTC, until actual payment to CLTC.

9 (b) Taxes. Any and all taxes, fees and assessments, to include taxes  
10 on gross receipts and improvements to the Licensed Property, levied upon the  
11 Licensed Property shall be borne and paid by Licensee upon execution of the  
12 License Agreement.

13 (c) Insurance. The License Agreement shall require Licensee to  
14 have:

15 (1) General Liability Insurance (GLI) that indemnifies and  
16 holds CLTC and the government of Guam harmless, and shall require  
17 Licensee to respond to CLTC requests for information on a timely  
18 basis. Licensee shall procure, at its own cost and expense, and keep in  
19 force during the term of the License Agreement for the mutual benefit  
20 of CLTC and Licensee, a policy of General Liability Insurance with  
21 such insurance company as CLTC shall approve, and in such amounts  
22 as set forth in Subsection (c)(2) of this Section. A copy of such policies  
23 shall be provided to CLTC at CLTC's request. CLTC may review the  
24 foregoing limits of coverage and require increases therein but shall not  
25 require increases more frequently than annually.

26 (2) Licensee shall procure and maintain for the duration of the  
27 License Agreement General Liability Insurance against claims for

1 injuries to persons or damages to property which may arise from or in  
2 connection with exercise of Licensee's rights under the Cable License  
3 Agreement. The GLI shall be of the type, in the amounts, and subject  
4 to the provisions described as follows:

5 (A) Commercial General Liability coverage with a limit  
6 of not less than Two Million Dollars (\$2,000,000) per  
7 occurrence;

8 (B) Business Automobile Liability Insurance with a  
9 limit of not less than One Million Dollars (\$1,000,000) per  
10 accident;

11 (C) Workers Compensation Insurance;

12 (D) Construction Payment and Performance Insurance  
13 or bonding in an amount equal to One Million Dollars  
14 (\$1,000,000). Coverage, however, may be discontinued after  
15 recordation of the Notice of Termination of Construction  
16 Easement.

17 (E) Evidence of Coverage:

18 (i) Prior to commencement of construction  
19 under the License Agreement, Licensee shall file  
20 certificates of insurance with original endorsements  
21 evidencing coverage in compliance with this Section, and  
22 in a form acceptable to CLTC. The certificate shall be on  
23 an insurer's standard proof of insurance form.

24 (ii) Licensee shall provide to CLTC, upon  
25 request, a complete copy, including all endorsements and  
26 riders, of any applicable insurance policy.

1 (iii) During the Term, Licensee shall maintain  
2 current valid proof of insurance coverage with CLTC at all  
3 times. Proof of renewals shall be filed prior to expiration  
4 of any required coverage and shall be provided on the  
5 insurer's standard proof of insurance form.

6 (F) All insurance coverages shall be provided by  
7 insurers with a rating of A-, VII, or better in the most recent  
8 edition of Best's Key Rating Guide, Property-Casualty Edition.

9 (G) Each insurance policy shall be endorsed to state that  
10 coverage shall not be suspended, voided, or canceled, and shall  
11 not be reduced in coverage or limits, except after thirty (30) days  
12 prior written notice is provided to CLTC. Upon prior request of  
13 the carrier, the notice period may be reduced to ten (10) days in  
14 the event of non-payment of premium.

15 (H) All liability coverages shall name CLTC, and every  
16 elected official, officer, attorneys, agent, and employee of CLTC,  
17 as additional insureds with respect to activities undertaken  
18 pursuant to the Cable License Agreement or the construction  
19 easement.

20 (I) Licensee's insurance and any insurance provided in  
21 compliance with these specifications shall be primary with  
22 respect to any insurance programs covering CLTC.

23 (J) Where available, the insurer shall agree to waive all  
24 rights of subrogation against the CLTC and every officer, agent,  
25 and employee of CLTC.

26 (K) In the event that Licensee does not provide  
27 continuous insurance coverage, CLTC shall have the right, but

1 not the obligation, to obtain the required insurance coverage at  
2 Licensee's cost, and reimbursement of insurance costs shall  
3 become a material obligation of the Cable License Agreement.

4 (L) As an alternative to all other requirements of this  
5 Section, Licensee may provide self-insurance reasonably  
6 satisfactory in kind and amount to CLTC.

7 (M) On or after the fifteenth (15th) anniversary of the  
8 Commencement Date, CLTC may increase the minimum amount  
9 of the required commercial General Liability Insurance to Four  
10 Million Dollars (\$4,000,000) per occurrence by giving written  
11 notice to Licensee within thirty (30) days prior to the expiration  
12 of Licensee's GLI policy.

13 (d) The general public shall have the right to use the seafloor, water  
14 column, and sea surface to enter on or cross any portion of the Licensed  
15 Property for fishing and other recreational purposes. Anchoring or any  
16 destructive activities to the Licensee's infrastructure is prohibited. CLTC  
17 reserves the right to itself and to the agents and representatives of the  
18 government of Guam, to enter on and cross any portion of the Licensed  
19 Property for the purpose of performing any public or official duties; provided,  
20 however, that in the exercise of such rights, CLTC and the general public shall  
21 not unreasonably interfere with Licensee's use and enjoyment of the rights  
22 granted by the License Agreement.

23 (e) The Licensed Property may be occupied and used by Licensee  
24 solely for the activities proposed by Licensee and for incidental purposes  
25 related to the landing of submarine cables. In no event shall Licensee conduct  
26 any activity on the Licensed Property without obtaining all requisite

1 authorizations and permits from the appropriate Guam and federal  
2 government agencies or authorities.

3 (f) Compliance with Environmental Laws. All activities on  
4 Licensed Property shall be in compliance and maintained in accordance with  
5 existing federal and local environmental laws, including permitting  
6 application review and approval from the U.S. Army Corps of Engineers for  
7 work in U.S. waters, the Guam Coastal Management Program (GCMP)  
8 Consistency Certification in accordance with the Coastal Zone Management  
9 Act of 1972, and the Guam Territorial Seashore Protection Commission  
10 pursuant to the Guam Territorial Seashore Protection Act of 1974 for work  
11 within the seashore reserve, Guam Environmental Protection Agency, and the  
12 National Oceanic and Atmospheric Administration (NOAA) National Marine  
13 Fisheries. Failure to comply with environmental laws shall be a material  
14 default by Licensee.

15 (g) Licensee shall comply with all requirements imposed under all  
16 such authorizations and permits and, more generally, shall comply with all  
17 applicable Guam and federal government laws, rules, and regulations relating  
18 to its activities on the Licensed Property. Licensee shall comply with  
19 applicable federal laws, including the Submarine Cable Act of 1921 and the  
20 Communications Acts of 1934, as amended, and rules and regulations of the  
21 Federal Communications Commission applicable to its interstate and  
22 international submarine cable landing authorizations and licensure, including  
23 annual reporting obligations. The rights of Licensee under the License  
24 Agreement are personal to Licensee and may not be transferred or assigned to  
25 any other person, firm, corporation or other entity without the prior written  
26 consent of CLTC, which consent shall not be unreasonably withheld; provided  
27 however, that Licensee may, without CLTC's consent, lease or transfer

1 conduit or duct space to third parties landing submarine cables; and provided  
2 further, that Licensee may, without CLTC's consent, assign its rights to any  
3 person acquiring all of Licensee's assets in Guam on condition that the  
4 assignee assumes all of Licensee's obligations under the License Agreement.

5 (h) Improvements to CLTC Property. The License Agreement shall  
6 require that any improvements made to or upon Licensed Property shall  
7 belong in title to the CLTC upon termination or expiration of the License  
8 Agreement, and that any removal required by the CLTC of improvements or  
9 items remaining on the property shall be the responsibility of Licensee at no  
10 cost to the CLTC; provided, however, that upon a finding by the CLTC, in  
11 consultation with the GCMP, that removal of any improvements will cause  
12 more environmental damage than to abandon such improvements in place,  
13 Licensee may be permitted to abandon such improvements, or any portion  
14 approved by the CLTC, without any further financial or legal responsibility  
15 for such abandoned improvements.

16 **§75A206. Default and Termination.**

17 From and after the effective date of this Article, the following provisions shall  
18 apply to and be incorporated into any submerged lands License Agreement entered  
19 into with the CLTC:

20 (a) Any failure to comply with this Article, the License Agreement,  
21 or a material term of the conditions of any government approval, permit, and  
22 concurrence shall be considered a material breach of the License Agreement.  
23 The party aggrieved by such breach may deliver a "Notice of Default" to the  
24 party in breach specifying such noncompliance and the appropriate cure.  
25 Except as otherwise provided in this Article, if the breach has not been  
26 corrected within a period of ninety (90) days after receipt of the Notice of  
27 Default, then the aggrieved party may terminate the License Agreement.



1 Notwithstanding the foregoing, if the breach cannot reasonably be corrected  
2 during its applicable cure period, then the aggrieved party may not terminate  
3 the License Agreement if the breaching party begins to correct such  
4 noncompliance during the cure period and diligently pursues corrective  
5 measures to completion.

6 (b) Upon termination or expiration of the License Agreement, unless  
7 extended pursuant to the terms of the License Agreement, the License  
8 Agreement shall become null and void, except that CLTC may enforce any  
9 and all obligations of Licensee arising out of acts or omissions occurring prior  
10 to such termination or expiration.

11 (c) Without limiting any other remedies the CLTC may have arising  
12 out of the License Agreement or at law in respect of any default in the  
13 performance of Licensee's obligations under the License Agreement, the  
14 CLTC shall have the right, in the case of any default and without any re-entry  
15 or termination of the License Agreement, to enter upon the Licensed Property  
16 and cure or attempt to cure such default (but this shall not obligate the CLTC  
17 to cure or attempt to cure any such default or, after having commenced to cure  
18 or attempt to cure such default, prevent the CLTC from ceasing to do so) and  
19 Licensee shall promptly reimburse to the CLTC any expense incurred by the  
20 CLTC in so doing and the same shall be recoverable.

21 (d) The License Agreement may be terminated in any of the  
22 following events (each an "Event of Default"):

23 (1) If license fees or any part thereof shall not be paid on any  
24 day when such payment is due, CLTC may, at any time thereafter, give  
25 notice of such failure to Licensee, and if the failure is not remedied by  
26 Licensee within five (5) days after the giving of such notice; or

1           (2) If Licensee fails or neglects to perform or comply with any  
2 of the terms, covenants or conditions contained in the License  
3 Agreement (other than the covenants to pay license fees) on the part of  
4 Licensee to be performed or observed, CLTC may, at any time  
5 thereafter, give notice of such failure or neglect to Licensee:

6           (A) if the matter complained of in such notice is capable  
7 of being remedied by the payment of money, has not corrected  
8 the matter complained of within a period of five (5) days after  
9 the giving of such notice; or

10          (B) if the matter complained of in such notice is not  
11 capable of being remedied by the payment of money has not  
12 corrected the matter complained of within a period of twenty (20)  
13 days after the giving of such notice, or if a period of more than  
14 such twenty (20) days is reasonably required to remedy, with  
15 reasonable diligence, the matters complained of in such notice,  
16 has not forthwith commenced to remedy the same and diligently  
17 prosecute the remedying of the same to completion; or

18          (C) if an event of insolvency shall have occurred with  
19 respect to Licensee; or

20          (D) a breach of an obligation by Licensee which has  
21 resulted in cancellation of insurance coverage where Licensee  
22 has not prior to or concurrent with such cancellation replaced  
23 such coverage with comparable coverage or breach of an  
24 obligation where there has been a notice of cancellation of  
25 insurance coverage which has not been cured and where  
26 Licensee has not, within the period of time set out in such notice,  
27 or within ten (10) days where no period is set out therein,

1 replaced such coverage with comparable coverage or which is  
2 otherwise a breach of the obligations respecting insurance; or

3 (E) abandonment of the project by Licensee; the CLTC,  
4 at its option, may terminate the License Agreement by notice to  
5 Licensee, in which event such termination shall be effective  
6 immediately upon the delivery of such notice and may enter upon  
7 the Licensed Property with or without process of law and take  
8 possession thereof.

9 (F) if a cable is decommissioned by Licensee, Licensee,  
10 at its option, may terminate the License Agreement by providing  
11 written notice to the CLTC, in which event such termination shall  
12 be effective twelve (12) months after the delivery of such notice  
13 and CLTC may enter upon the Licensed Property and take  
14 possession thereof. Upon termination by Licensee, all fees  
15 (landing and annual) shall cease for the decommissioned cable.

16 **§ 75A207. Deposit of Revenues and Fees.**

17 Revenues from fees and interest generated from any commercial submerged  
18 lands License Agreement(s) authorized in this Article shall be deposited into the  
19 Chamorro Land Trust Survey and Infrastructure Fund to be used for all authorized  
20 purposes of that Fund.

21 **§ 75A208. Authorization to Adopt New Fees After 2031.**

22 The CLTC shall adopt new landing fees and license fees for submerged lands  
23 License Agreements beginning January 1, 2032, and may amend landing and license  
24 fees thereafter, subject to the provisions of the Administrative Adjudication Act. The  
25 new landing fees shall not be less than One Hundred Thousand Dollars (\$100,000)  
26 and license fees shall not be less than One Hundred Twenty-one Thousand Eight  
27 Hundred Ninety-nine Dollars (\$121,899) per cable system with a minimum two

1 percent (2%) annual escalation per cable system beginning January 1, 2032, and  
2 thereafter. License Agreements entered into after 2032 shall begin at no less than the  
3 corresponding annual escalated rate.

4 In the absence of and pending the adoption of new landing fees and license  
5 fees pursuant to this Section, the landing fee of One Hundred Fifty Thousand Dollars  
6 (\$150,000) shall apply, and the license fees for 2032 shall begin at One Hundred  
7 Twenty-one Thousand Eight Hundred Ninety-nine Dollars (\$121,899) per cable  
8 system with a minimum two percent (2%) annual escalation per cable system and  
9 shall begin at the corresponding annual escalated rate for that year for agreements  
10 entered into after 2032.

11 **§ 75A209. Guam Coastal Management to Recommend Optimal**  
12 **Submerged Cable Landing Sites.**

13 Within twelve (12) months of the enactment of this Article, the Guam Coastal  
14 Management Program (GCMP) shall establish guidelines for initial and periodic  
15 review of optimal areas for the landing of submarine cables, and make  
16 recommendations to the CLTC which shall be compatible with and minimize  
17 adverse impacts to the surrounding coastal area's environment, aesthetic quality, and  
18 beach accessibility for fishing and recreation. The areas shall include options for  
19 safety corridors, cable landing zones, and multiple access points to strengthen  
20 telecommunications connectivity through redundancy in the face of adverse events,  
21 including natural disasters and inadvertent breaks to cables caused by human error,  
22 as well as provide for the orderly sitings of future cable landings for Guam. The  
23 recommendations shall be consistent with the guidelines set forth by federal and  
24 local law, including, but not limited to, the Coastal Zone Management Act of 1972  
25 and the Guam Territorial Seashore Protection Act of 1974, as well as be consistent  
26 with rules promulgated by the Guam Environmental Protection Agency and the  
27 Department of Agriculture. CLTC may consult with GCMP, the NOAA National

1 Marine Fisheries Service, and the U.S. Army Corps of Engineers prior to finalizing  
2 any future leases of submerged lands. GCMP and CLTC shall consider employing  
3 the International Cable Protection Committee’s Government Best Practices for  
4 Protecting and Promoting Resilience of Submarine Telecommunications Cables.

5 **§ 75A210. Establishment of Fees.**

6 The Bureau of Statistics and Plans may establish a schedule of fees, in  
7 accordance with the Administrative Adjudication Law (Title 5 GCA Chapter 9), to  
8 be charged for applications when the construction, installation, or repair/upgrade of  
9 conduit infrastructure or cables is required. The schedule of fees shall be sufficient  
10 to recover the costs associated with the review and approval of applications, the  
11 initial and periodic review of optimal areas for the landing of submarine cables, and  
12 other costs incurred from ensuring compliance and the monitoring of submarine  
13 cables landed on Guam.

14 **§ 75A211. Exemption from Commercial Leases and Licenses.**

15 Submerged Lands License Agreements pursuant to this Article shall not be  
16 subject to § 75A122 of Chapter 75A and § 75122 of Chapter 75, both of Title 21,  
17 Guam Code Annotated.

18 **§ 75A212. Other Submerged Licenses Allowed.**

19 Nothing herein shall prevent the CLTC from leasing, licensing, or reserving  
20 submerged lands for other purposes, including aquaculture, consistent with law and  
21 environmental concerns.”

22 **Section 3.** The Guam Compiler of Laws is authorized to designate 21 GCA  
23 Chapter 75A as Article 1.

24 **Section 4. Exemption from Appraisals.** § 2107(b) of Chapter 2, Title 2,  
25 Guam Code Annotated, and Section 6.04(c)(1) of the Standing Rules of *I*  
26 *Mina'trentai Sais Na Liheslaturan Guåhan* relative to land appraisals, shall not apply  
27 to this Act or License Agreements pursuant to this Act.

1           **Section 5. Effective Date.** This Act shall be effective upon enactment.

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