

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
217-35 (COR)	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.						

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

Bill No. 217-35 (COR)

Introduced by:

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.**

2019 OCT -9 AM 9:29 

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, while we maintain the flag of the United
4 States, we become an ideal destination for industries which focus on technology,
5 aviation and aeronautics. Not only would enticing such entities to consider
6 investing on Guam be beneficial in terms of stimulating our economy, but there
7 would be a great prospect of job creation and global opportunities.

8 Earlier in the year, the Federal Aviation Administration (FAA) released its
9 forecast for the next two decades in terms of what is to be anticipated in the
10 aviation world. What is noteworthy in their report is that the market for the
11 commercial drones industry is growing faster than anticipated, and could triple
12 between now and 2023. This all along while the market for non-commercial
13 drones appears to be slowing down.

~~14 Commercial drones have expanded into an array of industries, many of~~
~~15 which exist here on Guam. Industries such as construction, agriculture, survey~~

1 engineering, utilities and telecommunications are such examples, and with marine
2 relocation and buildup, the opportunities to attract such entities to seek commerce
3 activity on island has never been more ideal. Commercial drone entities have also
4 been contracted to conduct infrastructure development and maintenance at costs
5 that would result in a significant savings for parties.

6 The industry is more than just about providing drones for aerial views, but
7 has evolved into training, aviation, logistics, transportation, research and
8 encompasses many other industries. Entities are setting up operations on a
9 regional basis to enhance training and manufacturing, and thus with Guam's
10 vicinity, we may be in the ideal location to attract such parties who can help
11 participate in Guam's economy.

12 It is vital that Guam seek ways to attract such industries to invest here on
13 Guam, and considering certain logistical disadvantages, it is crucial that incentives
14 be created and offered to offset such operational expenses. The Qualifying
15 Certificate offered by the Guam Economic Development Authority (GEDA) is an
16 ideal tool and can be catered towards the needs or benefits of an entity, while
17 assuring that job creation and other community contributions are prioritized.

18 This legislation does not dictate the benefits to be offered to investors; rather
19 it includes a new industry into the matrix of qualified trades for available
20 incentives that can help establish additional economic activity on island.
21 Ultimately what is negotiated for benefits to attract the industry on island would be
22 a discussion between the applicant and the Guam Economic Development
23 Authority.

24 Further, by allowing such industries to apply for incentives may allow local
25 companies to either invest in such ventures, or seek our outside entities to do the
26 same. The greatest marketing tool to help manifest new industries on Guam would
27 be the commerce community on Guam.

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

3 “(r) commercial drone industry.

4 For the purposes of this Chapter:

5 (1) commercial drones are defined as unmanned aerial vehicles
6 (UAV’s) or unmanned aircraft systems (UAS’s), which can be flown,
7 remotely controlled or fly autonomously through software-controlled
8 flight plans in their embedded systems, working in conjunction with
9 onboard sensors and GPS.

10 (2) the commercial drone industry shall encompass the
11 research, development, training, education, manufacturing, wholesale,
12 retail or the utilization of commercial drones conducted on Guam,
13 nationally or internationally.

14 (3) to avail the qualifying certificate as defined in § 58104(r) of
15 this Chapter, the beneficiary shall be licensed to legally conduct
16 business on Guam, and any benefits awarded by the Guam Economic
17 Development Authority (GEDA) shall only be utilized on direct
18 business activity associated with the use of commercial drones.

19 (4) the beneficiary shall conform with all local and federal laws
20 and regulations associated with the use of commercial drones. Failure
21 to conform may result in the revoking of any benefits awarded under §
22 58104(r) of this Chapter.”

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

1 **Section 5. Effective Date.** The Act *shall* become effective upon enactment.