

*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
224-35 (COR)	Telena Cruz Nelson	AN ACT TO AMEND § 2505(a)(2) OF ARTICLE 5 OF CHAPTER 2, TITLE 4, GUAM ADMINISTRATIVE RULES AND REGULATIONS, RELATIVE TO ADJUSTING THE AIR CARRIER SERVICES CHARGE TO MEET THE BUDGETARY NEEDS OF THE GUAM CUSTOMS AND QUARANTINE.	10/23/19 2:28 p.m.						

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

Bill No. **224**-35 (COR)

Introduced by:

Telena Cruz Nelson 

**AN ACT TO *AMEND* § 2505(a)(2) OF ARTICLE 5 OF CHAPTER 2, TITLE 4, GUAM ADMINISTRATIVE RULES AND REGULATIONS, RELATIVE TO ADJUSTING THE AIR CARRIER SERVICES CHARGE TO MEET THE BUGETARY NEEDS OF THE GUAM CUSTOMS AND QUARANTINE.**

2019 OCT 23 PM 2:28 JF

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

**Section 1. Legislative Findings and Intent.**

*I Liheslaturan Guåhan* finds that substance abuse continues to be a growing problem on Guam. According to a report on Guam's Strategy for Drug Control by the Bureau of Statistics and Plans, substances such as crystal methamphetamine continues to be the most commonly abused illegal drug on Guam. *I Liheslatura* finds that the primary means in which illicit drugs are transported to the island is via commercial airline flights. *I Liheslatura* also finds that because of Guam's strategic location, the island is vulnerable to various methods of smuggling from the mainland, and countries around Asia and the Pacific.

*I Liheslaturan Guåhan* finds that although the Customs and Quarantine Agency (CQA) has been a first line of defense at our borders and is responsible for the seizure of thousands of grams in amphetamines, the agency still faces a shortage of manpower. *I Liheslatura* further finds that (CQA) is largely funded

1 by the Customs, Agriculture and Quarantine Inspection Services Fund (CQA  
2 Inspection Fund). Because the CQA Inspection Fund has been tracking shorter  
3 than anticipated, appropriations are supplemented by the General Fund.

4 It is therefore the intent of *I Liheslaturan Guåhan* to properly fund the  
5 island's first line of defense against drugs by increasing revenue streams to  
6 support CQA operations and to decrease reliance on local taxpayer money from  
7 the General Fund.

8 **Section 2. §2505(a)(2) of Article 5 of Chapter 2, Title 4, Guam**  
9 **Administrative Rules and Regulations, is amended to read:**

10 (2) Charges. In order to calculate the service charges reasonably  
11 attributable to each air carrier for the service associated with that carrier, the  
12 Director shall determine the service charge to the several air carriers by the  
13 following methodology. The Director shall first estimate the current annualized  
14 costs of providing, maintaining, and operating the service charge facilities as  
15 they relate to air carrier operations, excluding air cargo operations, and then that  
16 annualized amount shall be divided by 12. The GIAA shall apportion such  
17 monthly amount among the several carriers in proportion to each carrier's  
18 revenue passenger volume subject to the services, times the cost per passenger  
19 determined below. Such monthly percentage of passenger volume shall be  
20 determined by reference to the monthly activity reports of passenger arrivals to  
21 be submitted to the GIAA by the air carriers. This apportionment methodology  
22 corresponds to the methodology used by the Agency, pursuant to a long-standing

1 agreement with the air carriers, to apportion among the air carriers the Charges  
2 for Services of Customs and Quarantine Officers for the cost of using Agency  
3 personnel on an overtime basis.

4 Pursuant to a periodic review and this methodology, the Director has  
5 determined such total anticipated annualized costs of providing, maintaining,  
6 and operating the service charge facilities as they relate to air carrier operations,  
7 excluding air cargo operations, is approximately ~~\$9,082,394~~ Fifteen Million  
8 Eighty-Two Thousand Three Hundred Ninety-Four Dollars (\$15,082,394). In  
9 accordance with periodic adjustments under § 2506(a)(5), the monthly charge  
10 will be adjusted to recover both the remaining annualized monthly charges, as  
11 well as those charges under-collected during the period of October 1, 2012~~9~~  
12 through ~~April~~ March 31, 2013~~20~~. Thus, the monthly charge attributable to all  
13 carriers is ~~\$875,609~~ shall be calculated by GIAA for which each air carrier shall  
14 be responsible for remitting to the GIAA its assessed pro rata service charge as  
15 determined by the GIAA under these rules and regulations. The effective date of  
16 this adjustment will begin ~~August~~ April 1, 2013~~20~~ and whereby the monthly  
17 charge shall be converted to a cost per passenger for purposes of the  
18 apportionment methodology and air carrier ticketing and advertising by dividing  
19 the monthly charge by the average number of monthly revenue passengers  
20 during the preceding three years. In subsequent annual service charge reviews,

1 the monthly charge shall be divided by the average number of revenue  
2 passengers during the July 1 through June 30 period preceding the fiscal year. In  
3 accordance with § 2506(a)(4) of these rules and regulations, the GIAA Airport  
4 Tariff Schedule will be amended to reflect these charges accordingly.

5 **Section 3.** Nothing in these rules shall be construed to prohibit the  
6 Director of Customs and Quarantine from reviewing or adjusting the service  
7 charges, or on an annual basis as may be deemed appropriate as prescribed in §  
8 2505(a)(1) of Article 5, of Chapter 2, Title 4 GARR.

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