

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
287-35 (COR)	Joe S. San Agustin Jose "Pedro" Terlaje Clynton E. Ridgell	AN ACT TO ADD A NEW ITEM (1) TO § 10102(a); A NEW SUBSECTION (q) TO § 10102; A NEW § 10108.1, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND SUBITEM (A) OF § 7120(b)(2) OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF THE GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES.	2/10/20 4:17 p.m.	3/5/20	Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor	7/11/20 1:00 p.m.	7/24/20 3:24 p.m. As amended by the Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor	3/6/20	



**COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR**

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

July 15, 2020

Senator Régine Biscoe Lee

Chairperson

The Honorable Tina Rose Muña Barnes

Speaker

I Mina'trentai Singko na Liheslaturan Guåhan

163 Chalan Santo Papa

Hagåtña, Guam 96910

Via: The Honorable Régine Biscoe Lee

Chair, Committee on Rules

Subject: Committee Report on Bill No. 287-35 (COR), As amended by the Committee

Dear Speaker Muña Barnes,

Buenas yan Håfa adai! Transmitted herewith is the Committee Report on **Bill No. 287-35 (COR), As amended by the Committee – “AN ACT TO ADD A NEW ITEM (1) TO § 10102(a); A NEW SUBSECTION (q) TO § 10102; A NEW § 10108.1, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND SUBITEM (A) OF § 7120(b)(2) OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF THE GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES,”** and which was referred to the Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor.

Committee votes are as follows:

- 4 TO DO PASS
- 0 TO NOT PASS
- 0 TO REPORT OUT ONLY
- 0 TO ABSTAIN
- 0 TO PLACE IN INACTIVE FILE

COMMITTEE REPORT

RECEIVED:

JULY 15, 2020

2:34 P.M.

Respectfully,

Senator Régine Biscoe Lee

Chair





COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

COMMITTEE REPORT

Bill No. 287-35 (COR)

As amended by the Committee

Introduced by Senator Joe S. San Agustin,
Senator Jose "Pedo" Terlaje, and Senator Clynton E. Ridgell

"AN ACT TO *ADD* A NEW ITEM (1) TO § 10102(a); A NEW SUBSECTION (q) TO § 10102; A NEW § 10108.1, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO *AMEND* § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO *AMEND* SUBITEM (A) OF § 7120(b)(2) OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF THE GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES."





**COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR**

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

July 1, 2020

Senator Régine Biscoe Lee

Chairperson

MEMORANDUM

To: All Members
Committee on Federal and Foreign Affairs,
Telecommunications, Technology, and Labor

From: Senator Régine Biscoe Lee
Chair

Subject: Committee Report on Bill No. 287-35 (COR), As amended by the Committee

Buenas yan Håfa adai! Transmitted herewith for your consideration is the Committee Report on Bill No. 200-35 (COR), As amended by the Committee – “AN ACT TO ADD A NEW ITEM (1) TO § 10102(a); A NEW SUBSECTION (q) TO § 10102; A NEW § 10108.1, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND SUBITEM (A) OF § 7120(b)(2) OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF THE GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES.”

This report includes the following:

- Copy of COR Referral of Bill No. 287-35 (COR)
- Notices of Public Hearing and Other Correspondence
- Copy of the Public Hearing Agenda
- Public Hearing Sign-in Sheet
- Submitted Written Testimonies and Supporting Documents
- Committee Report Digest
- Bill No. 287-35 (COR), As introduced
- Bill No. 287-35 (COR), As amended – Committee Mark-up
- Bill No. 287-35 (COR), As Amended
- Fiscal Note for Bill No. 287-35 (COR) issued by the Bureau of Budget and Management Research
- Committee Vote Sheet

Please take the appropriate action on the attached voting sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact my office.

Respectfully,

Senator Régine Biscoe Lee

Chair



Senator Régine Biscoe Lee,
Chair

Senator Amanda L. Shelton,
Vice Chair

Speaker Tina Rose Muña Barnes,
Member

Vice Speaker Teiena Cruz Nelson,
Member

Senator Kelly Marsh (Taitano), PhD,
Member

Senator Sabina Flores Perez,
Member



COMMITTEE ON RULES

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

March 5, 2020

Member

Senator Joe S. San Agustin,
Member

Senator Jose "Pedro" Tejedor,
Member

Senator Therese M. Tejedor,
Member

Senator James C. Molinar,
Member

Senator Mary Camacho Torres,
Member and Chair, Subcommittee on Procedure

MEMO

To: Rennae Meno
Clerk of the Legislature

Attorney Ana Won Pat-Borja
Legislative Legal Counsel

From: Senator Régine Biscoe Lee
Chair, Committee on Rules

Re: Referral of Bill No. 287-35 (COR)

Buenas yan Håfa adai.

As per my authority as Chairperson of the Committee on Rules and subject to §6.01(d), Rule VI of our Standing Rules, I am forwarding the referral of **Bill No. 287-35 (COR)**

Please ensure that the subject bill is referred to the **Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor.**

I also request that the same be forwarded to the prime sponsor of the subject bill.

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

Thank you for your attention to this important matter.

Respectfully,


Senator Régine Biscoe Lee
Chair, Committee on Rules





Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

FIRST NOTICE OF VIRTUAL PUBLIC HEARING — Thursday, June 11, 2020 at 2:00 p.m.

Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

Thu, Jun 4, 2020 at 2:37 PM

To: Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

Bcc: PH Notice <phnotice@guamlegislature.org>, "Christian F. Valencia" <cfvalencia@guamlegislature.org>, Jean Cordero <jean@guamlegislature.org>, Jenelle Aguilar <jaguilar.senatorlee@gmail.com>, Kiana Yabut <kyabut.senatorlee@gmail.com>, Michelle Mafnas <mmafnas.senatorlee@gmail.com>, Orleen Villasoto <orleen.villasoto@guamlegislature.org>, Phill Leon Guerrero <phill.senatorlee@gmail.com>, Senator Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>, news@sorensenmediagroup.com, Chris Barnett <chris@kuam.com>, Chris Malafunkshun Barnett <malafunkshun@kuam.com>, "Dana M. Williams" <dmwilliams@guam.gannett.com>, "Dana M. Williams" <dmwilliams@guampdn.com>, "Eugenio, Haidee" <haidee@postguam.com>, "George, Duane M" <dmgeorge@guam.gannett.com>, John O'Connor <john@postguam.com>, Kandit News Group <news@kanditnews.com>, Kevin <kevin@spbgum.com>, KUAM News Reporters <reporters@kuam.com>, Nick Delgado <nick@postguam.com>, Pacific Island Times <pacificislandtimes@gmail.com>, Patti Arroyo <parroyo@k57.com>, The Post Editor in Chief <editor@postguam.com>, Troy Torres <troy@kanditnews.com>, hannah.cho@dol.guam.gov, Kathleen Peredo <kathleen.peredo@dol.guam.gov>, Victoria Mafnas <helen.mafnas@dol.guam.gov>, Mary Okada <mary.okada@guamcc.edu>, tyrone.taitano@bsp.guam.gov, matthew.santos@bsp.guam.gov, Greg Massey <greg.massey@dol.guam.gov>, David Dellisola <david.dellisola@dol.guam.gov>, Gerard Toves <gerard.toves@dol.guam.gov>

Buenas yan Håfa adai:

Please find attached and copied below a notice from the Office of Senator Régine Biscoe Lee regarding a Virtual Public Hearing on Thursday, June 11, 2020.

Thank you for your attention to this matter. *Si Yu'os Ma'åse'!*

Respectfully,



Christian F. Valencia | *Committee Director*

Office of the People • Senator Régine Biscoe Lee

Committee on Federal and Foreign Affairs,
Telecommunications, Technology and Labor

35th Guam Legislature

163 Chalan Santo Papa, *Hagåtña*, Guam 96910

T +1 (671) 472-3455

E cfvalencia@guamlegislature.org

FOR IMMEDIATE RELEASE

MEMORANDUM

To: All Senators, Stakeholders, Media

From: Senator Régine Biscoe Lee
Chairperson, Committee on Federal and Foreign Affairs,
Telecommunications, Technology, and Labor

Subject: First Notice of Virtual Public Hearing- Thursday, June 11, 2020 at 2:00 p.m.

Buenas yan Håfa adai! Please be advised that the Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor ("Committee") will convene a Virtual Public Hearing on **Thursday, June 11, 2020 at 2:00 p.m.**, via Zoom Conference platform, on the following items:

Bill No. 156-35 (COR) – AN ACT TO *ADD* A NEW § 10301.2, 10301.3, §10302 (b), (c), (d) AND §10304 (b) TO ARTICLE 3, CHAPTER 10, TITLE 5, GUAM CODE ANNOTATED RELATIVE TO ENACTING THE DIGITAL LAYERS PUBLIC DOMAIN ACCESS AND BENEFIT ACT OF 2019.

Bill No. 287-35 (COR) – AN ACT TO *AMEND* § 10102(a), *ADD* A NEW ITEM (q) TO § 10102, *AMEND* § 10108, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO *AMEND* § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO *AMEND* § 7120 OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; ALL RELATIVE TO EXPANDING THE GUAM REGISTERED

APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES IN ORDER TO STRENGTHEN CONSTRUCTION WORKFORCE DEVELOPMENT.

The Virtual Public Hearing will broadcast on local television, GTA Channel 21, Docomo Channel 117/60.4 and stream online via *I Liheslaturan Guåhan's* [live feed](#). Individuals wishing to participate in the Virtual Public Hearing to provide testimony may contact the Office of Senator Régine Biscoe Lee via email at senatorbiscoelee@guamlegislature.org or 472-3455 **no later than June 9, 2020**, for further guidance.

If written testimonies are to be presented at the Virtual Public Hearing, the Committee requests that copies be submitted prior to the public hearing date and should be addressed to Senator Régine Biscoe Lee, Chair of the Committee. Testimonies may be submitted via drop-box or email to the Office of Senator Régine Biscoe Lee at the aforementioned addresses.

Individuals requiring special accommodations, auxiliary aids, or services may contact and submit their request to Mr. Christian Valencia at the Office of Senator Biscoe Lee at 163 Chalan Santo Papa, *Hagåtña*, GU 96910, by phone at 472-3455, or by email at senatorbiscoelee@guamlegislature.org.

We look forward to your attendance and participation. *Si Yu'os Ma'åse'!*



06.04.2020_PH Notice 1 - B156_B287.pdf
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**COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR**

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

June 4, 2020

FOR IMMEDIATE RELEASE

MEMORANDUM

To: All Senators, Stakeholders, Media

From: Senator Régine Biscoe Lee 
Chairperson, Committee on Federal and Foreign Affairs,
Telecommunications, Technology, and Labor

Subject: First Notice of Virtual Public Hearing - Thursday, June 11, 2020 at 2:00 p.m.

Buenas yan Håfa adai! Please be advised that the Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor (“Committee”) will convene a Virtual Public Hearing on **Thursday, June 11, 2020 at 2:00 p.m.**, via Zoom Conference platform, on the following items:

Bill No. 156-35 (COR) – AN ACT TO ADD A NEW § 10301.2, 10301.3, §10302 (b), (c), (d) AND §10304 (b) TO ARTICLE 3, CHAPTER 10, TITLE 5, GUAM CODE ANNOTATED RELATIVE TO ENACTING THE DIGITAL LAYERS PUBLIC DOMAIN ACCESS AND BENEFIT ACT OF 2019.

Bill No. 287-35 (COR) – AN ACT TO AMEND § 10102(a), ADD A NEW ITEM (q) TO § 10102, AMEND § 10108, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND § 7120 OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; ALL RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES IN ORDER TO STRENGTHEN CONSTRUCTION WORKFORCE DEVELOPMENT.

The Virtual Public Hearing will broadcast on local television, GTA Channel 21, Docomo Channel 117/60.4 and stream online via *I Liheslaturan Guåhan's* [live feed](#). Individuals wishing to participate in the Virtual Public Hearing to provide testimony may contact the Office of Senator Régine Biscoe Lee via email at senatorbiscoelee@guamlegislature.org or 472-3455 **no later than June 9, 2020**, for further guidance.

If written testimonies are to be presented at the Virtual Public Hearing, the Committee requests that copies be submitted prior to the public hearing date and should be addressed to Senator Régine Biscoe Lee, Chair of the Committee. Testimonies may be submitted via drop-box or email to the Office of Senator Régine Biscoe Lee at the aforementioned addresses.

Individuals requiring special accommodations, auxiliary aids, or services may contact and submit their request to Mr. Christian Valencia at the Office of Senator Biscoe Lee at 163 Chalan Santo Papa, *Hagåtña*, GU 96910, by phone at 472-3455, or by email at senatorbiscoelee@guamlegislature.org.

We look forward to your attendance and participation. *Si Yu'os Ma'åse'!*





Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

SECOND NOTICE OF VIRTUAL PUBLIC HEARING — Thursday, June 11, 2020 at 2:00 p.m.

Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

Tue, Jun 9, 2020 at 8:00 AM

To: Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

Bcc: PH Notice <phnotice@guamlegislature.org>, "Christian F. Valencia" <cfvalencia@guamlegislature.org>, Jean Cordero <jean@guamlegislature.org>, Jenelle Aguilar <jaguilar.senatorlee@gmail.com>, Kiana Yabut <kyabut.senatorlee@gmail.com>, Michelle Mafnas <mmafnas.senatorlee@gmail.com>, Orleen Villasoto <orleen.villasoto@guamlegislature.org>, Phill Leon Guerrero <phill.senatorlee@gmail.com>, Senator Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>, news@sorensenmediagroup.com, Chris Barnett <chris@kuam.com>, Chris Malafunkshun Barnett <malafunkshun@kuam.com>, "Dana M. Williams" <dmwilliams@guam.gannett.com>, "Dana M. Williams" <dmwilliams@guampdn.com>, "Eugenio, Haidee" <haidee@postguam.com>, "George, Duane M" <dmgeorge@guam.gannett.com>, John O'Connor <john@postguam.com>, Kandit News Group <news@kanditnews.com>, Kevin <kevin@spbgum.com>, KUAM News Reporters <reporters@kuam.com>, Nick Delgado <nick@postguam.com>, Pacific Island Times <pacificislandtimes@gmail.com>, Patti Arroyo <parroyo@k57.com>, The Post Editor in Chief <editor@postguam.com>, Troy Torres <troy@kanditnews.com>, hannah.cho@dol.guam.gov, Kathleen Peredo <kathleen.peredo@dol.guam.gov>, Victoria Mafnas <helen.mafnas@dol.guam.gov>, Mary Okada <mary.okada@guamcc.edu>, tyrone.taitano@bsp.guam.gov, matthew.santos@bsp.guam.gov, Greg Massey <greg.massey@dol.guam.gov>, David Dellisola <david.dellisola@dol.guam.gov>, Gerard Toves <gerard.toves@dol.guam.gov>

Buenas yan Håfa adai:

Please find attached and copied below a notice from the Office of Senator Régine Biscoe Lee regarding a Virtual Public Hearing on Thursday, June 11, 2020.

Thank you for your attention to this matter. *Si Yu'os Ma'åse'!*

Respectfully,



Christian F. Valencia | *Committee Director*

Office of the People • Senator Régine Biscoe Lee

Committee on Federal and Foreign Affairs,
Telecommunications, Technology and Labor

35th Guam Legislature

163 Chalan Santo Papa, *Hagåtña*, Guam 96910

T +1 (671) 472-3455

E cfvalencia@guamlegislature.org

FOR IMMEDIATE RELEASE

MEMORANDUM

To: All Senators, Stakeholders, Media

From: Senator Régine Biscoe Lee
Chairperson, Committee on Federal and Foreign Affairs,
Telecommunications, Technology, and Labor

Subject: Second Notice of Virtual Public Hearing- Thursday, June 11, 2020 at 2:00 p.m.

Buenas yan Håfa adai! Please be advised that the Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor ("Committee") will convene a Virtual Public Hearing on **Thursday, June 11, 2020 at 2:00 p.m.**, via Zoom Conference platform, on the following items:

Bill No. 156-35 (COR) – AN ACT TO *ADD* A NEW § 10301.2, 10301.3, §10302 (b), (c), (d) AND §10304 (b) TO ARTICLE 3, CHAPTER 10, TITLE 5, GUAM CODE ANNOTATED RELATIVE TO ENACTING THE DIGITAL LAYERS PUBLIC DOMAIN ACCESS AND BENEFIT ACT OF 2019.

Bill No. 287-35 (COR) – AN ACT TO *AMEND* § 10102(a), *ADD* A NEW ITEM (q) TO § 10102, *AMEND* § 10108, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO *AMEND* § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO *AMEND* § 7120 OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; ALL RELATIVE TO EXPANDING THE GUAM REGISTERED

APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES IN ORDER TO STRENGTHEN CONSTRUCTION WORKFORCE DEVELOPMENT.

The Virtual Public Hearing will broadcast on local television, GTA Channel 21, Docomo Channel 117/60.4 and stream online via *I Liheslaturan Guåhan's* [live feed](#). Individuals wishing to participate in the Virtual Public Hearing to provide testimony may contact the Office of Senator Régine Biscoe Lee via email at senatorbiscoelee@guamlegislature.org or 472-3455 **no later than June 9, 2020**, for further guidance.

If written testimonies are to be presented at the Virtual Public Hearing, the Committee requests that copies be submitted prior to the public hearing date and should be addressed to Senator Régine Biscoe Lee, Chair of the Committee. Testimonies may be submitted via drop-box or email to the Office of Senator Régine Biscoe Lee at the aforementioned addresses.

Individuals requiring special accommodations, auxiliary aids, or services may contact and submit their request to Mr. Christian Valencia at the Office of Senator Biscoe Lee at 163 Chalan Santo Papa, *Hagåtña*, GU 96910, by phone at 472-3455, or by email at senatorbiscoelee@guamlegislature.org.

We look forward to your attendance and participation. *Si Yu'os Ma'åse'!*

 **06.09.2020_PH Notice 2 - B156_B287.pdf**
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Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

INVITE: Virtual Public Hearing on Bill No. 287-35 (COR)

Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

Mon, Jun 8, 2020 at 11:19 AM

To: David Dellisola <david.dellisola@dol.guam.gov>

Cc: Gerard Toves <gerard.toves@dol.guam.gov>, Greg Massey <greg.massey@dol.guam.gov>, phyllis.topasna@dol.guam.gov,

hannah.cho@dol.guam.gov

Bcc: Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>, Phill Leon Guerrero <phill.senatorlee@gmail.com>, Jean Cordero <jean@guamlegislature.org>, "Christian F. Valencia" <cfvalencia@guamlegislature.org>

June 8, 2020

Transmitted via Electronic Mail

david.dellisola@dol.guam.gov

David Dell'Isola

Director

Guam Department of Labor

414 West Soledad Avenue

Suite 400, GCIC Building

Hagåtña, Guam 96910

Re: Invitation to Virtual Public Hearing on Bill No. 287-35 (COR)

Dear Director Dell'Isola:

Buenas yan Håfa Adai! Please be advised that the Committee on Federal and Foreign Affairs, Telecommunications, Technology and Labor will convene a virtual public hearing for Bill No. 287-35 (COR) on **June 11, 2020 at 2:00 p.m.** via Zoom Conference platform. The Bill aims to expand the Guam Registered Apprenticeship Program (GRAP) to include pre-apprenticeships, authorize tax credits for GRAP participants, and provide work credit for GRAP apprentices.

As Chair of the Committee, I would like to kindly request your presence and testimony at the public hearing to voice your opinion and concerns on the Bill. Your testimony will help the Legislature and our island community understand the importance of Bill No. 287-35 (COR). If you are not able to attend and provide oral testimony, my office will accept written testimonies to be read at the virtual hearing. Testimonies should be addressed to Senator Régine Biscoe Lee, Chair of the Committee, and may be submitted via hand delivery to the Office of Senator Régine Biscoe Lee at 163 Chalan Santo Papa, Hagåtña, Guam 96910 or via email to senatorbiscoelee@guamlegislature.org.

Please contact the Committee no later than June 9, 2020 if you wish to provide testimony. The Committee staff will provide further guidance to prepare participants for the virtual hearing.

I look forward to your attendance and participation.

Sincerely,

/s/

Senator Régine Biscoe Lee

06.08.2020_INVITE_B287PH - D. Dell'Isola.pdf
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**COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR**

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÁHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

June 8, 2020

Transmitted via Electronic Mail
david.dellisola@dol.guam.gov

David Dell'Isola
Director
Guam Department of Labor
414 West Soledad Avenue
Suite 400, GCIC Building
Hagåtña, Guam 96910

Re: Invitation to Virtual Public Hearing on Bill No. 287-35 (COR)

Dear Director Dell'Isola:

Buenas yan Háfa Adai! Please be advised that the Committee on Federal and Foreign Affairs, Telecommunications, Technology and Labor will convene a virtual public hearing for Bill No. 287-35 (COR) on **June 11, 2020 at 2:00 p.m.** via Zoom Conference platform. The Bill aims to expand the Guam Registered Apprenticeship Program (GRAP) to include pre-apprenticeships, authorize tax credits for GRAP participants, and provide work credit for GRAP apprentices.

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Please contact the Committee no later than June 9, 2020 if you wish to provide testimony. The Committee staff will provide further guidance to prepare participants for the virtual hearing.

I look forward to your attendance and participation.

Sincerely,



Senator Régine Biscoe Lee





Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

INVITE: Virtual Public Hearing on Bill No. 287-35 (COR)

Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

Mon, Jun 8, 2020 at 11:19 AM

To: Mary Okada <mary.okada@guamcc.edu>

Cc: GCC President <gccpresident@guamcc.edu>, esther.muna@guamcc.edu, bertha.guerrero@guamcc.edu

Bcc: "Christian F. Valencia" <cfvalencia@guamlegislature.org>, Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>, Phill Leon Guerrero <phill.senatorlee@gmail.com>, Jean Cordero <jean@guamlegislature.org>

June 8, 2020

Transmitted via Electronic Mail

mary.okada@guamcc.edu

Mary A.Y. Okada, Ed.D.

President

Guam Community College

P.O. Box 23069, GMF

Barrigada, Guam 96921

Re: Invitation to Virtual Public Hearing on Bill No. 287-35 (COR)

Dear President Okada:

Buenas yan Håfa Adai! Please be advised that the Committee on Federal and Foreign Affairs, Telecommunications, Technology and Labor will convene a virtual public hearing for Bill No. 287-35 (COR) on **June 11, 2020 at 2:00 p.m.** via Zoom Conference platform. The Bill aims to expand the Guam Registered Apprenticeship Program (GRAP) to include pre-apprenticeships, authorize tax credits for GRAP participants, and provide work credit for GRAP apprentices.

As Chair of the Committee, I would like to kindly request your presence and testimony at the public hearing to voice your opinion and concerns on the Bill. Your testimony will help the Legislature and our island community understand the importance of Bill No. 287-35 (COR). If you are not able to attend and provide oral testimony, my office will accept written testimonies to be read at the virtual hearing. Testimonies should be addressed to Senator Régine Biscoe Lee, Chair of the Committee, and may be submitted via hand delivery to the Office of Senator Régine Biscoe Lee at 163 Chalan Santo Papa, *Hagåtña*, Guam 96910 or via email to senatorbiscoelee@guamlegislature.org.

Please contact the Committee no later than June 9, 2020 if you wish to provide testimony. The Committee staff will provide further guidance to prepare participants for the virtual hearing.

I look forward to your attendance and participation.

Sincerely,

/s/

Senator Régine Biscoe Lee



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**COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR**

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

June 8, 2020

Transmitted via Electronic Mail

mary.okada@guamcc.edu

Mary A.Y. Okada, Ed.D.

President

Guam Community College

P.O. Box 23069, GMF

Barrigada, Guam 96921

Re: Invitation to Virtual Public Hearing on Bill No. 287-35 (COR)

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Senator Régine Biscoe Lee





Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

INVITE: Virtual Public Hearing on Bill No. 287-35 (COR)

Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

Mon, Jun 8, 2020 at 11:19 AM

To: gca@teleguam.net

Cc: james.martinez@guamcontractors.org, Desiree Lizama <desiree.lizama@guamcontractors.org>

Bcc: Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>, Phill Leon Guerrero <phill.senatorlee@gmail.com>, "Christian F. Valencia" <cfvalencia@guamlegislature.org>, Jean Cordero <jean@guamlegislature.org>

June 8, 2020

Transmitted via Electronic Mail

gca@teleguam.net

James Martinez

President

Guam Contractors Association

718 N. Marine Corps Drive

Suite 203

Tamuning, Guam 96913

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/s/

Senator Régine Biscoe Lee



06.08.2020_INVITE_B287PH - J. Martinez.pdf

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**COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR**

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

June 8, 2020

Transmitted via Electronic Mail

gca@teleguam.net

James Martinez

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Sincerely,



Senator Régine Biscoe Lee





Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

INVITE: Virtual Public Hearing on Bill No. 287-35 (COR)

Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>

Mon, Jun 8, 2020 at 11:19 AM

To: tkrise@triton.uog.edu

Cc: ckamm@triton.uog.edu

Bcc: Régine Biscoe Lee <senatorbiscoelee@guamlegislature.org>, Phill Leon Guerrero <phill.senatorlee@gmail.com>, "Christian F. Valencia" <cfvalencia@guamlegislature.org>, Jean Cordero <jean@guamlegislature.org>

June 8, 2020

Transmitted via Electronic Mail

tkrise@triton.uog.edu

Thomas W. Krise, Ph.D.

President

University of Guam

UOG Station

Mangilao, Guam 96923

Re: Invitation to Virtual Public Hearing on Bill No. 287-35 (COR)

Dear President Krise:

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06.08.2020_INVITE_B287PH - Dr. T. Krise.pdf
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**COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR**

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

June 8, 2020

Transmitted via Electronic Mail

tkrise@triton.uog.edu

Thomas W. Krise, Ph.D.
President
University of Guam
UOG Station
Mangilao, Guam 96923

Re: Invitation to Virtual Public Hearing on Bill No. 287-35 (COR)

Dear President Krise:

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I look forward to your attendance and participation.

Sincerely,



Senator Régine Biscoe Lee





COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

Virtual Public Hearing

AGENDA

Thursday, June 11, 2020
at 2:00 p.m.

Via Zoom Conference Platform

- I. Call to Order
- II. Opening Remarks/Housekeeping
- III. Introduction of Stakeholders
- IV. Discussion

[Bill No. 156-35 \(COR\)](#) – AN ACT TO ADD A NEW § 10301.2, 10301.3, §10302 (b), (c), (d) AND §10304 (b) TO ARTICLE 3, CHAPTER 10, TITLE 5, GUAM CODE ANNOTATED RELATIVE TO ENACTING THE DIGITAL LAYERS PUBLIC DOMAIN ACCESS AND BENEFIT ACT OF 2019.

[Bill No. 287-35 \(COR\)](#) – AN ACT TO AMEND § 10102(a), ADD A NEW ITEM (q) TO § 10102, AMEND § 10108, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND § 7120 OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; ALL RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES IN ORDER TO STRENGTHEN CONSTRUCTION WORKFORCE DEVELOPMENT.

- V. Closing Remarks/Announcements
- VI. Adjournment





COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR

I MINATRENTAI SINGKO NA LIHESLATURAN GUÁHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

June 11, 2020

VIRTUAL PUBLIC HEARING

Bill No. 287-35 (COR) -- Joe S. San Agustin / Jose "Pedo" Terlaje / Clynton E. Ridgell -- AN ACT TO AMEND § 10102(a), ADD A NEW ITEM (q) TO § 10102, AMEND § 10108, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND § 7120 OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; ALL RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES IN ORDER TO STRENGTHEN CONSTRUCTION WORKFORCE DEVELOPMENT.

Monday, June 11, 2020 at 1:00 p.m.
Via Zoom Conference platform

SIGN-IN SHEET

Please indicate with ✓

NAME	AGENCY OR ORGANIZATION (IF ANY)	Please indicate with ✓		Contact Number	Email Address
		Written	Oral		
Gerard Toves	Guam Department of Labor	✓	✓	(671) 475-7041	gerard.toves@dol.guam.gov
Phyllis Topasna	Guam Department of Labor	___	___	(671) 300-4572	phyllis.topasna@dol.guam.gov
Mary A.Y. Okada, Ed.D.	Guam Community College	✓	✓	(671) 735-5700	mary.okada@guamcc.edu
James Martinez	Guam Contractors Association	___	✓		james.martinez@guamcontractors.org
Carlos Camacho	Micronesia Community Development Corporation	___	✓		ironwoodhousing@gmail.com
William D. Beery	Tutujan Hill Group	___	✓		wbeery.thg@gmail.com
Jeffrey Voacolo	Micronesia Renewable Energy, Inc.	___	✓		jvoacolo@micronesiarenewableenergy.com
Roque Alcantara	Self	✓	___		alcantararoke@yahoo.com



Testimony on Bill No. 287-35 (COR)

Delivered by Mr. Gerard Toves, Deputy Director, Guam Department of Labor

Buenas yan Hafa Adai Madam Chair, Madam Speaker, Madam Vice Speaker, and Honorable Senators, my name is Gerard Toves the Deputy Director of the Guam Department of Labor, Director Dell'Isola sends his regards. With me are Phyllis Topasna, the representative of the Guam State Apprenticeship Agency, and Maria Connelly, the Chairperson of the Guam Workforce Development Board.

Apprenticeship is a key driver for developing Guam's workforce. Guam's apprenticeship model is one of the most successful across the nation. The Guam Department of Labor is eager to continue expanding and supporting apprenticeships for the people of Guam, and we'd like to thank Senators Joe San Agustin, Pedro Terlaje, and Clynt Ridgell for their efforts on legislative findings and intent for Bill 287-35. We also want to thank our Chairperson, Sen. Regine Biscoe Lee for her active engagement in Guam's apprenticeship programs and holding this public hearing to strengthen Guam's workforce through apprenticeship.

In total, we at the Department of Labor are in **support** of expanding the GRAP tax credit to employers of journey workers that train individuals in pre-apprenticeship programs.

However, we recommend bill 287-35 apply to **ALL industries** and not just construction when it comes to points of interest for GRAP, pre-apprenticeship, Eligible Training Providers, and non-profit organizations. Other recommendations from the department are as follows:

In reference to pg 2, line 14; it states, "The tax credit offered to Skilled Trainers will provide the industry..." since GRAP is offered to the company that employs these journey workers, we recommend it state, "**The tax Credit offered to the Employers of the Skilled Trainers will provide the industry...**"

Again on pg 2, lines 17 & 18; it states; "...to strengthen local construction workforce development..." we recommend it include **ALL industries, especially new and emerging industries such as agriculture and aquaculture.**

Lastly on pg 2, lines 19 & 20: it states; "... (GRAP) to more Guamanians who desire to enter the local construction workforce as pre-apprentices. We recommend it state; **..(GRAP) to individuals qualified to work on U.S. soil and who desire to enter the workforce as pre-apprentices.**

In reference to pg 3, lines 10 thru 13; it states; "...carpentry, painting, masonry, electrical, plumbing, HVAC, metal work, heavy equipment, surveying, or renewable energy technology to participants who are unemployed and unskilled, unemployed and unskilled veterans, service-disabled veterans.." **we recommend it state, "...all apprenticable occupations to participants who are underskilled and unemployed veterans, unemployed and unskilled, Temporary Assistance for Needy Families (TANF), Residential Substance Abuse Treatment program participants, ..."**

Our Veterans are the main reason for the conception and existence of the American Jobs Center (AJC), they should always have preference. Because of the sacrifices they have made, it's only right to identify them first on this proposed bill.

Lastly on pg 3, lines 23 thru 25; it states; "An apprentice may include a pre-apprentice, which is defined as any person training in preparation to enter an apprenticeship." **We recommend that 'Pre-Apprenticeship have its own definition within Section 2.**

Testimony on Bill No. 287-35 (COR)

Delivered by Mr. Gerard Toves, Deputy Director, Guam Department of Labor

In reference to pg 4, lines 1-4; it states; “Skilled Trainer means first-line supervisor of construction trades which may include..,” and so forth. We recommend it state; **Skilled Trainers are Journeymen, or Journey Worker.** A Journeyman or Journey worker encompasses all stated in lines 1 thru 4, and more.

Also, on pg 4, lines 11-19, to include pg 5, lines 23 thru 27, and pg 6, lines 1 thru 8, These should be under its own subsection possibly titled titled; Tax Credit for Pre-Apprenticeship Program Participants.

To add on pg 4, lines 14 thru 18; it states; “...business privilege tax liability equal to 100% of the eligible costs paid or incurred by the business for the skilled trainer’s...” We recommend two things, 1) **instead of 100% of eligible costs, we recommend 50%** as it is already established within the existing GRAP law. And, 2) just end as stated on line 15; stating “...(50%) of the eligible costs paid or incurred by the business.” There is no need to identify specific costs, to also model existing GRAP law.

In reference to pg 5, lines 23-27, and pg 6, lines 1-8, we recommend it state; “skilled trainers must provide training in all apprenticeable occupations to participants who are underskilled and unemployed veterans, unemployed and unskilled, Temporary Assistance for Needy Families (TANF), Residential Substance Abuse Treatment program participants, ...” at 50% tax credit.

What has not been addressed is the timelines and outcomes within a pre-apprenticeship program; GDOL recommends the pre-apprenticeship program be about 12 weeks. Enough time for a participant to develop soft skills, and on-the-job learning to eventually decide what apprenticeable occupation they so desire. Outcomes are measured by gainful employment, which is the ultimate goal at the AJC, with the confidence the pre-apprentice can work towards apprenticeship.

In closing, Pre-apprenticeship programs are designed to develop “soft skills” (Attitude, Accountability, Appreciation, and Attendance), which helps individuals become better prepared for gainful employment.

Since early 2019, the Guam Department of Labor initiated pre-apprenticeship programs to create and develop a skilled applicant pool for employers to fill entry-level positions and to help the underemployed.

Dankulu na si YU’OS Ma’ase for the opportunity Madam Chair to offer our testimony.



OFFICE OF THE PRESIDENT
Mary A.Y. Okada, Ed.D.

JUN 11 2020

Senator Regine Biscoe Lee
Guam Congress Building
163 Chalan Santo Papa
Hagatna, Guam 96910

Hafa adai Madam Chair and Members of the Committee on Federal and Foreign Affairs, Telecommunications, Technology and Labor. For the record, my name is Mary A.Y. Okada, and I serve as the President and CEO of the Guam Community College.

Thank you for allowing me to testify today, on behalf of the Guam Community College, regarding Bill No. 287-35, RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES IN ORDER TO STRENGTHEN CONSTRUCTION WORKFORCE DEVELOPMENT.

As you know, the Guam Community College has been a strong proponent of pre-apprenticeship programs, which prepare people for apprenticeships with our community partner companies. We believe firmly that the pre-apprenticeships have already given scores of our residents the opportunity to prepare for successful apprenticeships; opportunities they may otherwise have been unable to qualify for or complete.

We strongly support the intent of Bill No. 287-35, to strengthen local construction workforce development by expanding available training opportunities under the Guam Registered Apprenticeship Program to more Guamanians who desire to enter the local construction workforce as pre-apprentices. In fact, during the past academic year, GCC conducted two construction pre-apprenticeship bootcamps, two transportation ship repair boot camps which taught construction skills, and we are now preparing for a third construction boot camp that will be held in the Fall.

Through our partnership with the Guam Department of Labor, we have been able to develop a strong program that includes skilled trades and career soft skills. We have heard time and again from our private sector partners that soft skills training is as critical to employee success as the skilled trades.



OFFICE OF THE PRESIDENT
Mary A.Y. Okada, Ed.D.

The Guam Community College has worked closely with the Guam Department of Labor in ensuring that MDF funds are optimized based on the workforce needs of our community. We thank the Guam Legislature and the author of this bill, Senator San Agustin for your support of our efforts.

After reviewing the proposed legislation, we proffer the following considerations.

First, GCC does not have a structured postsecondary pre-apprenticeship training program. GCC's program is specific to the courses that we offer in the public secondary schools. This secondary program is partially funded through federal grants. GCC employs 49 faculty that provide career and technical education courses in the six public high schools, depending on the resources and facilities that are available for use.

Regarding the use of MDF funding toward direct students enrolled in the pre-apprenticeship program, we ask that you consider the use of other funding sources, such as Federal Financial Aid (Pell) , DOL program/grant funds, or other financial resources before mandating the use of MDF monies. This will help ensure that Apprenticeship programs are adequately funded and sustained, in support of the growing need for skilled construction workers.

Additionally, under the current budget law, Public Law 35-36, the college is responsible for submitting quarterly reports for the expenditures of the MDF funding, including the number of participants in each GCC program, the amounts expended from appropriations in this Act by object classification, a description of each program, the academic courses offered and the requirements for participation in each program. GCC has successfully complied with these reports as required.

And finally, under §7120 (b)2C, the existing language is adequate to cover any expenditures required for apprenticeship or pre-apprenticeship facilities or equipment needs for public facilities. We recommend leaving this provision as-is to ensure that the fixed assets of the Government of Guam remain under the Government of Guam. Therefore, we recommend that the language to include "or any non-profit organization authorized to provide training" be excluded from this bill. This also ensures the alignment of the pre-apprenticeship program at the Guam Community College.

As always, the Guam Community College stands ready to serve our island's workforce needs. In this unparalleled time of uncertainty, GCC proudly stands on our proven capacity to pivot as our island and her people require, in order to prepare our workforce to meet the needs of the economy.



OFFICE OF THE PRESIDENT
Mary A.Y. Okada, Ed.D.

I thank you for allowing me to testify today and respectfully submit my testimony for the record.

Sincerely,

A handwritten signature in blue ink that reads 'Mary A.Y. Okada'.

Mary A.Y. Okada, Ed.D.
President and CEO
Guam Community College



Christian Valencia <cvalencia@guamlegislature.org>

Public Hearing on Bill No. 287-35 (COR)

Roque Alcantara <alcantararoke@yahoo.com>
To: cvalencia@guamlegislature.org

Tue, Jun 9, 2020 at 7:41 PM

I am sending a written testimony on Bill No. 287-35 (COR). My name is Roque Anderson Alcantara, I live in Mangilao. I have worked over 50 years at all aspect of Government entity. I retired from the Federal Government with 32 years of service in Contracts and Construction Management, Private Sector as a Facilities Supervisor, U.S. Air Force as a Transportation Manager with a rank of Chief Master Sargent, Vietnam Veteran receiving disability and Retired from the Department of Education as a Procurement Manager. With my experience in all the areas I mentioned, the most dedicated work that I strive to complete was being in the U.S. Naval Apprentice Program where I received instructions on learning a trade through On the Job Training and being able to go to school at the University of Guam after work to further my education. Being an apprentice needs dedication by an individual who wants to learn a Construction trade but with the hardship comes the reward of becoming a Journeyman in a trade. I graduated in the Naval Apprentice Program in 1974 and I am proud that I completed the program because it helped me accomplish my goals in life. I have a Construction trade for life and have obtained a (BBA) Bachelor of Business Administration, and a (MOTM) Master in Operations and Technology Management attributed to all the work experience through the years.

I support Bill No. 287-35 (COR) because I feel that there is a lack of Tradesman on the Island and this Bill will provide an adequate number of skilled workers to address the shortage that we have. I encourage individuals to take this opportunity, where can you find work that will pay you to learn a trade. In closing, I applaud all the Senators that support this Bill, make it happen.

Thank You,
Roque A. Alcantara
Retired



COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS, TELECOMMUNICATIONS, TECHNOLOGY AND LABOR

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

COMMITTEE REPORT DIGEST

I. OVERVIEW

Bill No. 287-35 (COR) was introduced on February 10, 2020 by Senator Joe S. San Agustin, Senator Jose “Pedo” Terlaje, and Senator Clynton E. Ridgell. The Bill was subsequently referred by the Committee on Rules to the Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor on March 5, 2020.

The Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor convened a Virtual Public Hearing on Bill No. 287-35 (COR) on June 11, 2020 at 1:00 p.m. via Zoom Conference platform.

Public Notice Requirements

Public Hearing notices were disseminated via electronic mail to all Senators and all main media broadcasting outlets on June 4, 2020 (Five-day Notice), and again on June 9, 2020 (48-Hour Notice). In addition, the Public Hearing was noticed on the Guam Legislature website at www.guamlegislature.org.

Senators Present

Senator Régine Biscoe Lee, *Chairperson*
Senator Amanda L. Shelton, *Committee Member*
Senator Mary Camacho Torres, *Committee Member*
Vice Speaker Telen Cruz Nelson
Senator Joe S. San Agustin, *Prime Sponsor of Bill No. 287-35 (COR)*

Individuals Who Testified Before I Liheslaturan Guåhan

Mr. Gerard Toves	Deputy Director, Guam Department of Labor (GDOL)
Dr. Mary A. Okada	President, Guam Community College (GCC)
Mr. James Martinez	President, Guam Contractors Association (GCA)
Mr. Carlos Camacho	President, Micronesia Community Development Corporation
Mr. William D. Beery	General Manager, Tutujan Hill Group
	Vice Chairman, GCA Board of Directors
Mr. Jeffrey Voacolo	Chief Operations Officer, Micronesia Renewable Energy, Inc.



Individuals Who Submitted Written Testimony

Mr. Gerard Toves	Deputy Director, Guam Department of Labor (GDOL)
Dr. Mary A. Okada	President, Guam Community College (GCC)
Mr. Roque Alcantara	Self

II. SUMMARY OF TESTIMONY AND DISCUSSION

The Public Hearing was Called-to-Order at **2:00 p.m.** Bill No. 287-35 (COR) was the second item on the agenda.

Chairperson Régine Biscoe Lee:

Un dangkolo na si yu'os ma'åse', the Committee on Federal and Foreign Affairs, Telecommunications, Technology and Labor is back from our break. We will now move on to the second item on our agenda which is Bill No. 287-35 (COR), an act to amend § 10102(A), add a new item (q) to § 10102, amend §10108, all of Article 1, Chapter 10, Division 1, Title 22, Guam Code Annotated, and to amend § 81.10 of Title 9, Guam Code Annotated, and to amend § 7120 of Article 1, Chapter 7, Division 1, Title 22, Guam Code Annotated; all relative to expanding the Guam Registered Apprenticeship Program or GRAP to include pre-apprenticeships, authorizing tax credits for participants of GRAP and providing work credit for GRAP apprentices in order to strengthen construction workforce development. This bill was introduced by Senator Joe S. San Agustin, Senator Jose "Pedo" Terlaje, and Senator Clynt Ridgell.

At this time, I'd like to invite Senator Joe S. San Agustin to deliver opening remarks as the prime sponsor of Bill 287. Senator San Agustin, you're recognized.

Senator Joe S. San Agustin:

Thank you, Madam Chair. Madam Chair, Bill 287-35, the Guam Registered Apprenticeship Program, or GRAP, was created in 2006 by the Public Law 28-142, recognizing the need for an adequate number of skilled industrial, construction, and technical workers to meet present and future needs arising from military contracts, the private sector, and government maintenance of the islands infrastructure. With H2-B shortages and worker requirements for Guam buildup-ready construction projects, the Guam housing market continues to be out of reach for many families. We all know that the costs of building homes in Guam has increased in part due to a labor shortage. For example, in 2017, the median price for a residential home was about \$225,000. In the first 10 months of 2019, the median price is at \$270,000. That's a 20% increase in the median price over a two-year period. We can only imagine what the cost of building a home is today.

The opportunity for skilled trainers to train numerous individuals with interest in construction trade exists, and the need to expand the options for individuals often comes as the inability to cover costs for training. Offering a pre-apprenticeship training program will provide the industry with an opportunity to seek and retain the cream of the crop and trade workers, affording both employers and apprentices the opportunities from the



desire for employment. The tax credit offered to skilled trainers will provide the industry with the balance to continue the training of apprentices, ultimately gaining new skilled laborers. The credit is incumbent to the trainer, securing 10 pre-apprenticeships throughout the term of the training. We will strengthen the local construction workforce development by expanding available training options under the GRAP to more individuals who desire to enter the local construction workforce as pre-apprentices. There are a variety of pre-apprentice programs serving a different population, while some programs serve specific populations such as veterans and with many youth programs. We look to expand the GRAP to businesses that provide skilled trainers to eligible training providers lists or ETPL, or to a nonprofit organization working with a registered ETPL on Guam who provide training in carpentry, painting, masonry, electrical, plumbing, HVAC, metal work, heavy equipment, surveying, or removal renewable energy technology workers who are unemployed and unskilled. Unemployed and unskilled veterans, service-disabled veterans, residential substance abuse treatment program participants are eligible participants of the work credit program. By including eligible participants of the work credit program, we will provide an opportunity for offenders to pursue rehabilitation while developing valuable skills critical to curb recidivism, while re-engaging with their [inaudible]. These are but a few of the goals we intend to reach with Bill 287-35. We can assist many individuals obtain skills for life that will encourage a generous future. I'd like to thank Senator Jose "Pedo" Terlaje and Clynt Ridgell. We signed it on as co-sponsors, and I hope that my colleagues will find this beneficial to our community, that they support the measure. Thank you, Madam Chair for the opportunity to open on the bill. I look forward to hearing the testimonies from our community stakeholders.

Chairperson Lee:

Si Yu'os Ma'åse', Senator San Agustin, and I just want to begin by thanking everyone for joining us this afternoon for this virtual public hearing. We do have a number of people that have signed up to testify, and I want to be able to get to all of you and also have the Senators who are on with us and give them an opportunity to ask questions or comment on the bill, so if at this time we could limit your testimony to just five minutes, I think that would be appreciated by everyone. Mr. Gerard Toves, the Deputy Director of the Department of Labor is accompanied by Ms. Phyllis Topasna, the GRAP administrator, and we'll have them go first, followed by Dr. Okada. Buenas, Mr. Toves. I apologize, Mr. Toves, you're gonna have to unmute before you begin.

Mr. Gerard Toves, Acting Director, Guam Department of Labor (GDOL):

Buenas yan Håfa Adai!

Chairperson Lee:

Håfa Adai, thank you.

Mr. Toves:



Buenas yan Håfa Adai, Madam Chair, Madam Vice, and honorable senators, my name is Gerard Toves, Deputy Director of the Guam Department of Labor. Director Dell'Isola sends his regards, and with me is Ms. Phyllis Topasna, the representative of the Guam State Apprenticeship Agency.

Please see written testimony submitted by Mr. Toves.

Chairperson Lee:

Si Yu'os Ma'åse', Mr. Toves, and I want to also thank Ms. Phyllis, who's been kind of the backbone keeping our GRAP program really moving. We certainly appreciate all her work and the work of the team at the Guam Department of Labor. So, thank you for being here with us this afternoon. At this time, I'd like to acknowledge the presence of Dr. Mary Okada, who is next on our list. And following Dr. Okada, we'll hear from Mr. Martinez with Guam Contractors. Dr. Okada?

Dr. Mary A. Okada, President, Guam Community College:

Please see written testimony submitted by Dr. Okada.

Chairperson Lee:

Si Yu'os Ma'åse', Dr. Okada and I also want to thank you so much and the team at GCC for all of the work that you've done in this area and pre-apprenticeship, and all of the great boot camps that you've been having over the last few months. We really appreciate that in helping really to strengthen and improve our workforce development here on Guam. So, thank you for participating today, and thank you for all of your work again.

Next up on our list, we have Mr. James Martinez, the president of the Guam Contractors Association, and then we'll hear from Mr. Carlos Camacho, the president of Ironwood Guam Development. Mr. Martinez, you have the floor.

Mr. James Martinez, President, Guam Contractors Association:

Thank you, Madam Chair. I appreciate the opportunity to provide testimony for Bill 287-35, with regards, to me, is creating a pre-apprenticeship program for Guam. I agree with Mr. Toves from the Guam Department of Labor, as well as Dr. Okada from GCC on all the points that they were mentioning. And not to repeat what they said, I do have some issues with the--not issues but concerns--with the bill that probably need to be clarified. First and foremost is the definition of skilled trainer. What a skill trainer is according to the bill is that it's the first-line supervisors construction trades, which may include construction foreman, construction superintendent, construction supervisor, field supervisor, and the like. A skilled trainer in registered apprenticeship programs, is actually a journeyman level type person who shadows an apprentice at the job site. There are instructors, or skilled trainers or instructors that teach on the classroom level both at GCC and GCA Trades Academy, and some private contractors who do in-house training, but what the bill doesn't spell out is what qualifications do these so-called skilled trainers have that will qualify them to teach construction trades other than their titles.



That's pretty much what it is. There needs to be some qualifications for these instructors to be able to teach the courses for the applicable trades that are in the pre-apprenticeship program and even in the apprenticeship program. So, that's something that needs to be clarified.

And I agree with Dr. Okada that there needs to be some structure in a pre-apprenticeship program, which I don't think actually exists. That's the first step--is to create the program for a pre-apprenticeship program that would allow these pre-apprentices to then get into a registered apprenticeship program. There is no guarantee or no pathway that would, you know, where an apprentice starts and where they complete. I know the recommendation was 12 weeks. I think it's what Mr. Toves had mentioned from the Guam Department of Labor, and that seems reasonable, but what questions or what topics would you include in that pre-apprenticeship program? So there needs to be a structure in that program in order for this program to work and then turn into a registered apprenticeship program after they complete that course.

I also agree that I think this should not only be open to the construction trades but also open to all the participants already in the GRAP program. So, whatever it says here with the construction, I think it should be open to all other industries. While I appreciate, you know, that we're trying to increase our workforce development programs in construction, I think there are other industries that also could need the help.

Going into the tax credit portion of the bill, there already exists a program within the GRAP, where the journeymen level who are shadowing the apprentices, as well as the instructors are also included in the program for a 50 percent tax rebate on the business privilege tax. I don't see any reason to give preference to 100 percent to those companies that provide instructors to the program. I think that the current GRAP program already gives that allowance of 50 percent to be, you know, used as a tax credit for all the eligible costs to have an apprentice or in this case three apprentices. But the tax credit is not extended to pre-apprentices according to this bill which I probably would agree with.

Then next is the skilled trainers must provide training in carpentry, masonry, electrical, and all the other trades to unskilled, unemployed and unskilled veterans, service-disabled veterans, and [participants of Residential Substance Abuse Treatment programs] and others. And if this is for unskilled and unemployed, if they are working for a company, I guess I'm asking are these pre-apprentices going to be paid positions within a company or within a program because they'll be considered employed and not unemployed. And so I don't know if this is going to apply to the skilled trainers getting that tax credit because now these folks that are entered into the program are becoming employed. So, maybe I'm a little confused with the language of the bill, but if they are not employed, in other words they're pre-apprentices, and looking to be trained to get into construction or whatever field then yes, I believe that, you know. The company should be credited somehow with providing that expertise to whatever programs that provide training for these pre-apprentices who are not employed, so that's something that needs to be clarified. I'm not sure if I misunderstood the language, but that's what I got out of it. And there's a provision that that credit will only apply if the instructors have a minimum of 10



pre-apprentice applicants described in Section J of this bill which is again referring to unemployed, unskilled workers. So, again if they're already working for a company or program, then to me they are employed and therefore that won't qualify the tax credits.

I like the idea of the work credits for DOC [Department of Corrections] and those that are incarcerated to get credit for doing this type of work and getting paid for that, so when they get out, they will probably be looking for employment after they get released from prison. So, I like that provision.

The other thing, Manpower Development Fund. I think we should just take the mManpower Development Fund alone and agree with Dr. Okada that there are other programs that would provide funding for pre-apprentices. That includes some WIOA funding from the burden of labor that we can start with for pre-apprenticeship and then when they graduate and complete the program and get into an apprenticeship program then the MDF would be able to fund that program. So, I like to keep the Manpower Development Fund just for the registered apprenticeship program rather than to be used in pre-apprenticeship program to pay for instruction and whatever else. I think you should leave that alone.

I also noticed that the provision there for the 70% of the Manpower Development Fund that goes into apprenticeship or pre-apprenticeship, but yet you can't use the pre-apprentices to get a tax rebate from the GRAP. So, that's a little bit confusing. In one section, they're considered apprentices but in another section, they're not. So, I think that the GRAP should just stay not getting a 50 percent tax rebate on pre-apprentices and keep that just towards registered apprenticeship program. So, that kind of waters down the apprenticeship program and we want a mixture and keep the GRAP program and everything for registered apprenticeship and not for any other training programs.

Chairperson Lee:

Mr. Martinez, I apologize. I'm just gonna ask if you could please wrap up.

Mr. Martinez:

Yeah, other than that, I think for the most part I will support this, but we need to clarify some of the issues and the questions that I have with regards to this bill. So, thank you very much, Madam Chair, for the opportunity to submit our testimony. Thank you very much.

Chairperson Lee:

Thank you very much, Mr. Martinez for all of your feedback, and next we'll have Mr. Carlos Camacho with Ironwood, followed by Mr. William Beery with Tutujan Hill Group. Mr. Camacho, the floor is yours.

Mr. Carlos Camacho, *President, Micronesia Community Development Corporation:*



Hi, senators, Madam Chair, my name is Carlos Camacho, but for the record I'm speaking today on behalf of Micronesia Community Development Corporation, which is a non-profit organization.

Chairperson Lee:

I apologize. I will correct that in our log.

Mr. Camacho:

I appreciate it. Anyways, I'm thankful that the Department of Labor made their statement supporting it with modifications and amendments. I'm very thankful of President Okada for making her statements and recommendations. I have no issues with those and let me just explain the reason, and I got five minutes here to explain the reason. All those partners, I dealt with. I dealt with GCC. I dealt with Department of Labor. Micronesia Community Development is a WIOA, Workforce Innovation Opportunity Act, work experience agreement recipient, where we train the unemployed, unskilled individuals. To clarify for James, these peoples that go to HireGuam that is either unemployed unskilled put their name in their registration in HireGuam, and they go to the counselor program and then they transfer them to us guys in the OJT program and then we pick them up for this type of... In my case, MCDC, we do the single-family affordable housing project. I worked out an arrangement with President Okada almost a year and a half ago, two years, and yes, we were one of them. We did the first bootcamp cohorts and that was a six week or eight week program which was never....and this is where I deal, if you don't mind, I'm going to suggest some of the growing pains I went through with all those minimal restrictions. Twelve weeks, eight weeks is never enough time. When I put these guys in a boot camp, they were very helpful. We increased our capacity, and I know Senator Telenia Nelson was there when I took her out to the site. When we finally got the unemployed, unskilled, and we even got students--the one that James talked about with DOE. We have students that work with us every weekend so they can earn their half credit to graduate learning the skills with the partnership with GCC. So, all that worked for a year and a half but I had a failure. I never had stable skilled workers to train my volunteers to build these homes. I never had because every time I got them, the industry, because of the lack of workers, they were picked up immediately with the military workforce. They were picked up on other projects because there was a demand for labor. So, I keep losing them. So, this is the reason why, and President Okada was there. We met many times with Labor when trying to find a solution, how we can make this work. This is why I met with several senators. I said, can we figure out a more stable pre-apprenticeship program? And I apologize to the Department of Labor and everybody. I agree with amending it to make it more broad, but it was focused on the construction trade industry because we were defined when we did that MOU with GCC as a living lab. Unfortunately, the teachers at GCC that were out had to be the students like the boot camp to come out and only went whenever they come out to do a lab work. I need to make sure there's three outcomes when I do this. One of the outcomes is looking at, one we provide affordable housing to the low income families and today's high cost, I said high-cost construction. We were able to lower the cost to \$42,000 if I was able to get a



mix of these types of resources. Two, if we train these pre-apprentices and this is the one I've been working with Mary Okada and Phyllis Topasna and everybody. If we get these guys through some type of pre-apprentice program, we would graduate them or not the word is not graduating because even the, correct me, Department of Labor corrected me with "graduate." They'll get some type of minimal certificate so that when a company that is a for-profit apprentice employer will finally pick these guys up and pick them up through the apprentice discipline. Let it be masonry, let it be carpentry, let it be electrical, let it be plumbing. So all those tools were available. I went through two years of hardship. My family couldn't get things done because the demand for labor, I have no control. They go directly, and they go directly to the higher paying jobs. That's another factor. They go to high paying...and I don't blame them. They have a life and family to feed, but this is why we push this program to do this. Now, to get to a few answers. Twelve weeks on the bootcamp, we did that. Yes, we did that with GCC. Director of Labor, I apologize twelve weeks, maybe we if we can put the 12 weeks up to six months. Why I say six months is because my agreement with labor under the agreement as they approved federal labor construction labor provider, we are able to hire this guy up to six months with federal dollars subject to funding of course but how are these guys for six months and in that six months this is the plans we were making with GCC I was working with being Dean Williams and the direction of Dr. Okada. What courses can we do so that we can have these guys go to classes at GCC and as Mary Okada mentioned, you got the basic introductory construction courses and we had the living lab. We are actually documenting the hours and time they learn on all general aspect. We're only doing single housing, we're not doing commercial buildings, just single-family houses to build for affordable housing. So, this is why I partnered up with an ETPL partner with which Department of Labor approved, which is called Pacific Human Resources. Right now, they provide me with the qualified OJT workers and they quantify the hours and they quantify the time they work there. What's missing is how we transform these guys after six months and I'm including some curriculum courses which I'll be working with Mary Okada and you know to get to an apprentice you're gonna need let's say one discipline and I'm gonna be off time here let's say Mason takes 4,000 hours and, like James Martinez to explain, you got the shadow guy the HR guys, you got the apprentice. Everybody gets the 50 percent tax credit all three hires get the 50% tax credit. And he is also correct our pre-apprentice applicants who were unemployed first, who went to HireGuam finally hopefully gets employed through these six months bridge through a partnership with Labor or DISID, because I do take care of this set applicants right now yes they'll be temporary employed to that federal dollars going through this living lab program that we provide and they would document the hours so when they finally gets of course in between hopefully they will choose a princess discipline by the time 12 weeks is too short but six months is good enough and I can't speak on behalf of the contractors who are apprentice contractor the hope bilberry can talk about that but if we get out six months of these guys working in living labs in the Hutt sweat and tears in the Sun we know either if we got 40 will stay if we know if we got 40 and only 20 state because the other 20 did not want the construction industry I mean that I pubs supreme so dense but a Tyson graduates into either bilberries company or another company then these guys will then



choose to apprentice at this firm the 50% tax credit now for James to clarify the tax credit that tax credit is offered by to an employer the nonprofits we don't we don't benefit on the tax credit it's offered to the employer let's say corporation ABC who's an apprentice would say okay Carlos if that's you or other nonprofit do you need a certified plumber because you're at the plumbing stage of all your projects and yes we do and the reason we use the word trade some the word a purse line supervisor I got this from Department of Labor just to let you guys know James I mean just to let you know Department labor because originally SKU trainer was the first terminology that the senator and treat the two other sponsors just defined it so Department labor asked which was the Wage and Hour Division Mr. Greg Massey, those guys because a we need to further define that that's the reason the first line supervisor was defined and when you if I could wrap up I think we're all or there was all those subcategories of all the four men just represented on the same the US Department of Labor site that I got this description it describes their scope of experience already so that's the reason we use that language because it already has a scope of experience which is actually across-the-board construction labor with plumbing and electrical breeding the blueprint and all that stuff down there at the end of the day I hope you guys just consider adjusting the twelve months twelve weeks to up to six months because we have a six months program up to one thousand forty hours if we do OJT at the end of the day why I supported 100% tax credit you guys said it very clearly on a for-profit employer for the grass you guys get fifty percent tax credit and men of multiple layers the apprentice employees when the shadows get fifty percent the shadowing journeyman gets fifty percent the HR underwriting them gets fifty percent on the pre-apprentice side none of the applicants to get tax credit they don't they know they don't get it only the lines the excuse service guys get this tax credit and the reason you want that to be hundred percent because that's all you're not getting the other layers so when you got someone skilled getting paid that company a B will provide that to anybody to do it so at the end of the day I know it's so big and I think one day I just want everybody's adding on the definition yes I talked to Public Health and we got the TANF we can add one more category they're called the abled bodied adults without dependents and the reason that's important is under President Trump's new ruling just effective April of 2020 any able-bodied adults without dependents if they don't go into any workforce training program in three months within three months they received their SNAP benefits they would lose their SNAP benefits if they if they go into a workforce training let it be now broadly as we described then they will maintain their SNAP benefits at least we don't put them in what we're seeing today where people are getting hungry today that's a recommendation other than those little things that I hope you can reconsider twelve weeks to up to six months and the hundred-percent only for that one layer because there's no more two layer like the graph that's all.

Chairperson Lee:

Thank You Mr. Camacho. I know that my colleagues, we have questions for you, so you'll be able to expand as we go into the question-and-answer portion. Thank you very much. Mr. Beery, you're recognized, and then we will we just did my order Mr. Jeffrey, so Mr. Beery, the floor is yours.



Mr. William D. Beery, General Manager, Tutujan Hill Group:

Hi, good afternoon Madam Chair and senators. For the record, I'm the general manager and vice president of Tutujan Hill Group, and I'm also the chairman of the Guam Contractors Association Trades Academy Board of Trustees so we are heavily involved in training and trying to encourage people to get into training. I'm not going to get into specifics per se, but the one thing that I'm very much in favor of: the expansion of the GRAP program in the ongoing continuance of it. We're in a for-profit business as Tutujan Hill Group and when you're in a for-profit everybody talks about the number of skilled workers and so on and so forth that we need here in Guam, but nobody talks very much about supervision of those skilled workers, and so we're really short-handed on both ends. So one of the things I'm very much in favor is you're trying to reward a company that's working out there for profit to borrow supervisors or frontline skilled people for training and that's really a major step for a company to loan out their supervisors to a operation that is not necessarily making a profit for that company.

One of the things we like about the GRAP program is also the fact that we have it encourages the contractors and the employers to participate in the training program that we're trying to do and trying to encourage people from, you know, hearing Guam to get into the business. All this is to me a positive thing and unfortunately in our industry we're very busy, and we're getting busier. It supports... it's a good thing, but it's also straining our resources and so to keep adding more people to the pool of workers we need this free apprenticeship and apprenticeship program, but I like the pre-apprenticeship part of it primarily because it like, what Carlos is doing with his program, he's screening the people. A lot of young people come into the business and they find out wow this is hard work and the hot work and maybe they don't want to do it and they quit and they go back and do something else. This 12 week or six months program would definitely, what I call, weed out for both sides the individual and the company you'd find out how interested you are in construction. Those of us that are in construction enjoy it. We like building things. Typically over the years it's been a profitable business for the employees. In other words, they get paid pretty well, but they work very hard for that money so it's a different kind of occupation.

I don't have much more than that except that hundred percent is a good thing and anything that we can do to embellish and expand the GRAP program definitely helps the trades academy efforts to put more people into the industry. It's a good industry, and it's a safe industry, and I think we just don't talk enough about the local workforce. The local workforce has kept us going and admittedly the Institute program has helped us and is adding people. The local workforce is very important to the industry, and thank you very much that's all I have.

Chairperson Lee:

Thank you very much, Mr. Barry. Thank you for participating today. Next up, Mr. Jeffrey, and I apologize I don't want to butcher your last name so if you could just repeat it for me. Help me out.



Mr. Jeffrey Voacolo, *Chief Operations Officer, Micronesia Renewable Energy, Inc.:*

Thank you. My last name is Voacolo.

Chairperson Lee:

Ok, great. The floor is yours.

Mr. Voacolo:

Madam, senators, thank you very much for allowing me to testify today. I represent my company Micronesia Renewable Energy and also the solar energy industry.

I support the Bill 287-35 as it's written. I agree with Mr. Barry, I think the hundred percent is very well needed.

A little bit about my past in New Jersey, and you know, growing up, I think education is the key to anyone's success to society ills, right? Poverty, economic inequality, so extremely important. So I had a lot of great opportunities in my life which were the Seabees, which I got a lot of my training out of and when I ended my career with the Seabees the International Brotherhood of Electrical Workers in New Jersey. So, with that being said, I think the key to the success of this bill is of course the funding component of it.

So when I was in New Jersey I working, you know, as a contractor, initially a worker and a contractor with the international pro hood of electrical workers, and setting up a solar energy program in their apprenticeship program and also outside the IBW with MCA which is the middle solar energy industry association an apprenticeship program is all energy there.

What I've done here in the past nine years, because there really is no solar energy apprenticeship program here on Guam. So we're taking all of our workers, train them to the best of our ability not just with myself, but with our key staff that way you have on board, and we've also brought in outside companies to train to train some NABCEP courses here. Which NABCEP that is the number one program for solar energy really in the United States and Canada, and most of the world. So we brought companies in to train or you know have classes and train or personnel.

So with this 100% component against the business privilege tax I think it's extremely important where that's a funding component now that we could use, hopefully, you know through a non-profit or whatever to help train our employees and train pre-apprentices coming into the industry, and apprentices in the solar energy industry. What's key about our industry is it's a leading technology and really it's a brand new industry. You know, plumbing's been around for the last 120 years. You know, electrical has been around since the 1910s. So, you know solar energy really has become mainstream now in the 90s and of course the 2000s. Brand new industry very little training, zero training here in Guam, so I think it's it this is a great bill we're heartedly in support of it and I appreciate the opportunity to speak today. Thank you.



Chairperson Lee:

Thank you very much, and I again want to thank all of our participants today for providing testimony on this measure. At this time, I would like to invite our senators to provide remarks on the bill or ask any questions of the panel before us, but before we do that, I just wanted to ask the first question, and I guess a couple of you have already answered, but if you haven't answered this question, and you are in support of this bill, can you just let us know if you'd be in support of expanding this measure to cover other industries beyond construction as well as nonprofit organizations as has been suggested during this hearing. So I believe that was agreed to by Mr. Toves. Dr. Okada, are you in support of expanding?

Dr. Okada:

For the expansion, you're asking is on the GRAP side or is still in the MDF? Yeah, because the recommendation I had on the manpower development funds to exhaust all the existing funding sources at first before any other before manpower development so that we can continue to support the apprentices.

Chairperson Lee:

Right, so for this bill they're trying to provide pre-apprentice support to construction only and so there was a suggestion that we provided for all other industries so I wanted to know if you're in support of that.

Dr. Okada:

That's fine.

Chairperson Lee:

Mr. Martinez, I believe you said you were in support of that as well as Mr. Camacho. Mr. Beery are you in support of expanding beyond the construction industry?

Mr. Beery:

Sure, that would be a good thing.

Chairperson Lee:

Okay. Mr. Voacolo?

Mr. Voacolo:

I'm definitely for that. I think it should be expanded to other industries.

Chairperson Lee:



Okay, great, and then at this time I'll just turn it over to the author of the bill, Senator Joe San Agustin, and then we'll go around for our first round of questions with our senators. So, Senator Joe, the floor is yours.

Senator San Agustin:

Thank you, Madam Chair and you know, the comments made by the Department of Labor and everybody's comments, I take to heart and that expanding it, changing the definition to not just all in construction, but everybody else, because all the... you know... technology is coming to play, solar's in business now and then, they're many other fields there that we need to consider, and I agree with Dr. Okada. Before we get to man power, maybe we gotta find another source of funding and then use man power as a last resort and if not, just not touch it yet until we use about every other means possible, and then we can move in there. And thank you Madam Chair, and then we'll just wait for everybody's comments so we can make the appropriate amendments and then bring it before the floor. Let's go on.

Chairperson Lee:

Thank you. Vice Speaker, you are recognized and then followed by Senator Shelton.

Vice Speaker Telena Cruz Nelson:

Thank you, Madam Chair. Would this bill in any shape or form directly impact competition with larger construction companies that are currently on island?

Chairperson Lee:

And Vice Speaker, who are you directing the question to?

Vice Speaker Nelson:

Well, perhaps Senator San Agustin.

Chairperson Lee:

Do you have any questions for the panel members?

Vice Speaker Nelson:

Maybe Mr. Camacho or Mr. Martinez.

Chairperson Lee:

Okay.

Senator San Agustin:

I believe Madam Vice, if there's any competition, with anybody, competition is always good and I'll leave the rest to Mr. Martinez and Mr. Camacho if anything.



Mr. Martinez:

I guess I could ask you how do you define competition. I guess I just...I don't understand the question.

Vice Speaker Nelson:

Last term, we were trying to do a bill similar to this, and we had a lot of pushback from developers, but there wasn't really a concrete reason why there was pushback against the measure similar to this, and so you know, I'm just wondering... I appreciate the contents in the bill, and I'd like to see this move forward because especially right now we are hurting in this type of industry. We're lacking workers, but I'm just trying to understand what was the purpose of this pushback... if this directly impedes on you know developers, larger developers and their resources, or contractors that's the question I see them... I see the progress, I see the process of building up skilled laborers, and I think that's what Guam needs to move forward especially during this lack of H-2 workers that we have that we are unable to acquire here on our island outside the fence.

Mr. Beery:

I can't see any competition or anything negative here. It's all in support from the contracting industry.

Mr. Martinez:

Something I've seen in terms of competition is and right now it's currently happening so a lot of workers that are working outside the fence are doing outside of fence works, tend to gravitate to larger contractors who are working on military projects they feel more secure and of course those are longer term type projects because they've got you know some contractors have two or three ongoing projects at the same time and so there's always going to be that opportunity to work. So there is a competition in that sense where the larger contractors working inside the fence are actually getting more workers from contractors working outside of the fence and mostly contractors that are working on housing development projects, right now or just single-family homes and that's kind of an up and down situation, but I think that's the only type of competition that I've seen. I don't know how this deal would kind of address that in terms of companies competing for workforce here. Competition is always good, that's how you raise your wage rates because it's basically who's got the larger carrot that, you know, gravitate more workers to go towards you so that's the thing I think I see in terms of competition in this industry.

Mr. Camacho:

If I can add on to that too, as a developer now the other had a weaver, James is correct the competition is based on the minimal lack of, I mean very minimal trade school workforce for Guam.

So, you got all the military projects happening with their awarding every year. You've got a lot of contractors going over there paying a higher Delta, higher price, and that's what I



mean when I said I kept losing my project foreman, my skilled workers on my site, because we pay the prevailing wage outside the fence because I'm doing affordable housing, so we pay what's published by Department of Labor on the labor rate. Unfortunately, we cannot pay the military rate that these guys are going after so that's the competitive side based on federal dollars.

Well, even the feds recognized that there's going to be a shortage of labor, so Congress passed a bill to say that the military on the fence side, inside the fence, can bring up to four thousand H-2 workers for their project. And by doing that, there's still that test and labor can attest to this if it's correct or if I'm wrong because I'm not a contractor, but they have to advertise locally to find out if there is a local pool before they can bring in H-2. So when they're advertised locally they will hire all the other guys outside the fence, at power rate, then now the guys that can get into the base so to not lose them they have to raise their rate to match almost what they're paying in the base and that's why you see an impact on costs of goods and housing. And this is why we started the sweat equity program and I know Senator Nelson was there looking at our unskilled trade and President Okada was there when we did this, but every time I lose that source of pool, I could never finish a product, but by stabilizing the source through the definition we put in this as a skilled worker, and let me explain why we put that definition skilled worker, because I'm surprised none of the senators asked, and they will probably ask on the floor. They will say, "well what would this tax credit cost us a year?" Right? Now that you gave a definition on that line first-line supervisor.

Well under the same Department of Labor under their wage for workers. I went under Guam and thanks for Mr. Greg Massey and Mr. Dorinda Meno. They provided me the average wage, not military wage now, the average wage for these guys are at \$47 to \$50,000 a year. So, at the and the reason why and just to make James understand Martinez, why we have a minimum of 10 pre-apprentice applicants. We didn't want to make sure that we're going to give away \$50,000 in tax credits and only train one person. We want to make sure that at least there's a minimum of 10 pre-apprentice students that will go through this course, let it to the curriculum a GCC or Trades Academy and some living lab. So, at the end of the day the 10 guys will be earning through the WOIA program if the funds or the DISID funds thanks to the Department of Labor and all that. They'll be earning a wage and that wage is the minimum \$8.75 an hour at a thousand forty hours that's why I said six months. That ten people will bring in \$91,000 in gross income that normally they had zero when they were unemployed, prior to them employed in this program.

So every fifty thousand of a first line supervisor, it brings in \$90,000 of potential revenues of income and the multiplier effects of the home being built for that family and all the goods we buy at Benson's and Home Depot and all that. Those stuff we buy and those guys pay BPT and all that kind of stuff indirectly.

So to answer the word competition it may maybe not for you since you said developer this program may not be fair to the for-profit meet an income development but the programs we do are for very low to low income families anyways, these are the guys that will be non-competition to that development market because they will never get access



to home anyways, but thanks to our tools and resources to labor, GCC, Trades Academy and hopefully now the senators that would give the opportunity of this this will give the opportunity for our projects to be defined as a living lab and take those resources and help cut the cost down of these homes and make it available so maybe that angle it will be a competition to the market, but we're tailor-made to the low and very low income market.

Vice Speaker Nelson:

Thank you Mr. Camacho and Madam Chair, you know, Mr. Camacho has mentioned that I've gone to these sites and really getting to see how this concept was in operation, and you know you have families building their own homes and it was really a good sight to see. We have one in the Legislature, that his family was a part of the program and every time I see him, I said how's the house going and you know, and we do see the multiplier effect that we talk about. You know this is property taxes. Once your house is built, this is existing infrastructure, so this money goes back into our water and power agencies, and also we see the need for materials, forgot to mention, Conwood just to be fair to all the other hardware stores, you know we will be needing these kind of resources on island and so we need laborers. I think this is a good program to start to get a kickstart on producing our own labor. And I even looked up on GCA Trades Academy and GCC courses online as well and they have a multitude of positions that deal directly with construction and this type of labor force that we desperately need, and thank you, Madam Chair.

Chairperson Lee:

Thank you very much Vice Speaker and Senator Shelton, you have any questions for the panel? I'm just gonna step away for a one moment to use the restroom, so Senator Shelton, you're in charge.

Senator Amanda L. Shelton:

Thank you very much, Madam Chair I will yield to our other colleagues here. So, Senator Mary Torres.

Senator Mary Camacho Torres:

Thank you. Thank you very much for the comments and the digest of this bill. I think the one thing that I'm trying to reconcile is this the difference between a 50% tax credit and 100% tax credit, and the question that I want to pose is you know, now we're looking at a pre-apprenticeship program that is going to expand the need for journeyman and the skilled trainers, so it is that really reason enough for us to consider that there has to be a greater incentive to the pre-apprenticeship and to those businesses, you know, expanding, those businesses that are part of the ETPL and working in nonprofits? Is the idea here, and the concern here that we don't have enough trainers available and that the only way that you're gonna attract people to make this new added pre-apprenticeship program successful is to have that added incentive because it otherwise, I heard Mr. Martinez talking about keeping it consistent with what we have now with the



GRAP. It's a system. It's a program there, keeps it consistent across the board, but what I keep going back to is this idea that, and Mr. Camacho, you talked about it. You know, not having enough skilled trainers available to make it work. So what is it that's gonna allow this because there's you know one would argue that 100% is the greatest incentive, but you know the program right now is set up for 50% tax credit, but how do we reconcile that? I mean, is it a necessary component to allow the pre-apprenticeship program to kick off and be sustainable or what is it that I have to be aware of here?

Mr. Camacho:

If I can add, good great question, and that's a great question, James Martinez. I gotta clarify based on what I thought why there's two different tax credits.

So, tax credit first of all only applies for a for-profit organization so my MCDC doesn't benefit from the tax credit, for the record. Don't benefit from the tax credit so the reason we decided- and I asked Senator San Agustin to push the 100%, is how do we attract with this full demand of all these frontline supervisors for all the projects outside the base, on-site the fence, how do we attract them to stabilize on the training site?

Before I did that, the year and a half with Dr. Okada and the presidents- they do the teachers and adjunct professors at GCC, but they're available only when it's their students, when it's their students. So that's why through the bootcamp, the six weeks it was with their adjunct professor that they came out to my site and only for the limited six weeks.

I wish I can take all their adjunct professors and make them stay at my pre-apprentice, at my site Monday to Friday. I can't do that, we need them, as Mary said there will be at the classroom setting, teaching them the other construction courses. The entry-level to the living lab also, the electrical plumbing, HVAC and all that in the school.

So, the reason we're trying to incentivize on the left side is... for example, let me give you one good example if I use Mr. Jeffery Voacolo or Bill Beery.

If bill said, okay I'm going to provide you, because there's only to a for-profit organization, and it's got to go we're only offering it to the apprentice guys, because if they know they provided a plumber, or this this individual that's defined of all trades that he understands all types of trade, for at least two cohorts... I'm looking at two cohorts a season, twenty per cohort every six month cycle, so you got one fiscal year, so your exposure is fifty thousand dollars of tax credit. And that's the reason again I said we use the first-line supervisor and I got that from labor so we know the Senators on the floor will ask well how much is this going to be exposed to us? Well, we know is fifty thousand at the max of tax credit. And then the question is why do you have a 10 minimum students? Well we know that there's going to be an economic multiplier if you have ten students or ten applicants and they're employed under whichever federal program so you guys all define- I mean the other parties define. Yes, they'll be employed for that six months and that's new money coming in with the proper trainer.



Now what happens is that trainer would train and if it is from Bill Beery or is it from Black Construction or if it's from Hensel Phelps or somebody that is an apprentice contractor and he knows that that's his trainer that trained these twenty to thirty applicants, well guess what. After six months they will move from the pre-apprentice to a apprentice discipline they'll choose their masonry carpentry electrical plumbing HVAC whatever that may be and then they will apply and benefit with the GRAP program because they still got a shadow them, but at least at least they went through a six month program and we got weeded out the guys I want to stay the course they still got a shadow them and yet so that guy shouting them the journey man at that company let's say it's Hensel Phelps, gets 50% tax credit on his income. The HR division that manages those 20 guys that's transferred as apprentice, also gets 50% tax credit to manage the books of booking their hours. The apprentice now that's employed under their paycheck. gets 50% tax credit. So now there's three layers of tax credit on the employers benefit hiring these apprentice on the pre-apprentice again, the pre-apprentice applicants get zero tax credit, the apprentice gets the tax credit- one layer, but it's a bit benefits because there's someone skilled under that definition that would train them so that way the end guys, the apprentice contractors will know that this guy's got some basic six months on the lab training so that when they finally go into the apprentice they know that they already... they're not gonna waste their time and they're like Bill said they're busy right now. They're super busy and at least they can assure that these guys get employed and here's the beauty about it that 20 will never solve the 4000 of H2 coming in, we're still gonna get them in, but that 20 will be employable that 20 that money stays locally that 20 is now employable and then I hope they become a next cycle of homeowners after that because they're at the entry level of the apprentice income which is the low to moderate income in a ways because they're not going to get the journeyman salary yet until they graduate 4,000 hours or 6,000 hours so that's a different center is that that's a difference apples to apples and that's the reason we need to incentivize 100% because there's only one layer and that's the we have a minimum of 10 pre-apprentice applicants if you guys want to move that to 20 that's fine so that way there'll be a more multiplier. We just did the tennis a safeguard that way that if it's only won that fight then you will never exercise a 100 percent tax credit from that first line supervisor because we never met the test.

Senator Torres:

Now, the journeyman or the skilled trainer has to be consistent--it has to be the same consistency between the pre-apprentice and the apprentice, or is there a lower tier trainer at the pre-apprentice possibly or is that--I mean just, you know, forgive my ignorance on that but...

Mr. Camacho:

I went to the Department of Labor because originally the bill just said skilled trainer. And unfortunately, under the Department of Labor trade's definition, there was nothing under skilled labor definition so what we found with Greg Massey and Mr. Dorinda Meno was the word first-line supervisor and that's why, and under that it defines all the different sub-categories and then it further defines the activities so what these type of



first timers have to have in knowledge. It says direct construction project to administer project, review blueprints, monitor construction operation, inspect equipment tools to be used in the construction, and so on and so forth. Everything that you need on the entry-level learning curve for someone that doesn't know nothing about construction. So that's why we have to use that definition. Because if we just leave it blank, then we just, then we're not really answering their scope of work or the type of training that these skilled trainers have or background they have. And I think a company who provides that is not going to give us somebody that probably don't have those skills because at the end of the six months or 12 weeks, whatever you guys decide, I hope it's six months that these guys will have this very broad training program at the end of the day when they convert them to an apprentice, then at least I have some time of general understanding of construction trade across the board.

Senator Torres:

I mean at least I can appreciate that incentive is really the key for this to be a successful project, and that's what I'm looking for. Will it work or won't it work and what is that magic pill to incentivize people to you know send the journeymen over?

Mr. Camacho:

Another idea which this law has. This law has only a five-year sunset provision anyways. So, at the end of the day if we don't produce any of this exercise or any successful students to convert to an apprentice, then I will agree to whichever body at that point and the fifth year anniversary date of this maturity, to remove it at that point. But I'm just asking, you can gauge the success at this point. If really truly that providing the technical training will yield these potential workforce down the line, because this same body renewed it because it expired earlier this year and thanks to Senator Régine Biscoe Lee, she renewed it. But we're just asking for this amendment so that we can utilize this and I know now that's being selfish, but I'm being straight. We do not benefit on any tax credits here because we're a non-profit, but the three final outcomes are that the companies that provide the first line supervisor will hopefully have access to these pre-apprentice students and become an apprentice. So, that's job creation, workforce creation and that second, the housing that's being built under this program that at least I'm using maybe you'll create habitat to use it. You know, I share this and I'll bring this up to Habitat [for Humanity]; they can use this also because Habitat is another component of people helping build their homes but Habitat only does one a year. I do 20 20 homes every two years. It's not much so you never know never yield a lot but with this program, this will help lower the cost and thirdly it would generate economic activity through the spending power as Senator Nelson just described and all the things and to include Home Depot, Benson's, Conwood, and all other industries that are related, from escrow companies to insurance companies that are going to insure the home, to everybody related to that stuff. So, I hope that answers that, Senator.

Senator Torres:



Thank you, Madam Chair.

Chairperson Lee:

Thank you, Senator Torres and thank you very much Mr. Camacho. Colleagues and stakeholders, we have 15 more minutes left on the legislative calendar so I'm just gonna give an opportunity for--I know I have one quick question, and then if the author of the bill has and the Vice Speaker has an additional question--mine's pretty quick.

I just wanted to ask Dr. Okada and/or maybe Mr. Martinez, you both mentioned that you have recommended language that you might be able to provide to the committee to come up with some satisfactory amendments to build in the structure, a little bit more structure to the pre-apprentice program and so I just wanted to ask if we could reach out to you, as we're working through this bill, if you could provide additional feedback to the Committee on this measure. So, Dr. Okada?

Dr. Okada:

Sure.

Chairperson Lee:

Okay great, and Mr. Martinez?

Mr. Martinez:

Oh absolutely, there's a lot of information and resources out there that provide already a structure that's working for other states. All the ones that I looked at recently was from Oregon, and I thought that was a pretty successful program. So, that's something I'd share, absolutely.

Chairperson Lee:

Great. Thank you, Mr. Martinez. Vice Speaker Nelson and then I'll have the sponsor close.

Vice Speaker Nelson:

No questions, Madam Chair. I guess we got lost in the body language.

Chairperson Lee:

Okay, got it. Well, I certainly appreciate all my colleagues sticking out with us for the last few hours, and with that I'll all have this good sponsor of this measure close.

Senator San Agustin:

Thank you, Madam Chair. I look forward to all the input from everyone and then, I'll get with you, Madam Chair and then we'll, I guess agree to a great amendment to the bill and then we move forward. Let's get this program moving. Let's continue the expansion.



We're gonna have a sunset, and we have five years, so it's a measuring tool already in place, and this is getting going thank you. Thank you, Madam Chair.

Chairperson Lee:

Thank you very much, Senator San Agustin, and I certainly want to thank Dr. Okada and Ms. Phyllis from GDOL, and all the gentlemen who joined us as well today to provide testimony on this bill. We certainly appreciate all of your feedback. It really will help us strengthen this measure and help move forward again workforce development for our people, so your input has been so critical.

I also want to thank my colleagues and the sponsor of the bill, the Vice Speaker, Senator Shelton, Senator Mary Camacho Torres. Thank you very much for sticking out with us during this public hearing again. *Si Yu'os Ma'ãse'* to everyone. The Committee on Federal and Foreign Affairs, Telecommunications, Technology and Labor hereby considers Bill No. 287-35 (COR) as publicly heard.

I do want to, as is the prerogative of the committee, possibly consider a markup hearing for this bill, so we'll be apprising you of the date and time for those proceedings and hope that you can continue to participate as we move forward with certain amendments and marking the bill up, and with that ladies and gentlemen, *Si Yu'os Ma'ãse' todus hamyu pot i finatan miyu' pã'go*. The Committee on Federal and Foreign Affairs, Telecommunications, Technology and Labor hereby concludes this Virtual Public Hearing. Written testimonies may be submitted through email at senatorbiscoelee@guamlegislature.org or may be submitted via drop-box at 163 Chalan Santo Papa, Hagåtña, Guam until close of business on Thursday, June 25, 2020.

This virtual public hearing is now adjourned. The time is 4:50 p.m. *Si Yu'os Ma'ãse'*.

— The public hearing adjourned at **4:50 p.m.** —

— END —

III. FINDINGS AND RECOMMENDATIONS

All those providing testimony to the Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor expressed **favorable** opinion of Bill No. 287-35 (COR). The Committee received and accepted the following recommendations:

- Guam Department of Labor, represented by Mr. Gerard Toves, Deputy Director –
 - (1) include apprenticeable occupations in all industries, especially new and emerging industries; and
 - (2) define “skilled trainers” as “journeymen or journeyworkers”; and
 - (3) provide program participants as a tax credit, 50% of eligible costs paid or incurred by the business, instead of the initially proposed 100%;
- Guam Community College, represented by Dr. Mary A.Y. Okada –



(1) consider the use of other funding sources, such as the Pell Grant, instead of the Manpower Development Fund for students enrolled in the pre-apprenticeship program; and

(2) delete the language to include “or any non-profit organization authorized to provide training” under § 7120(b)(2)(C).

Please see the mark-up version of the Bill to view other changes proposed by the Prime Sponsor and changes regarding format and style.

The Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor hereby reports out **Bill No. 287-35 (COR), As amended by the Committee** - AN ACT TO ADD A NEW ITEM (1) TO § 10102(a); A NEW SUBSECTION (q) TO § 10102; A NEW § 10108.1, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND SUBITEM (A) OF § 7120(b)(2) OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF THE GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES, with the recommendation **TO DO PASS**.





COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

BILL HISTORY

Bill No. 287-35 (COR)

As Introduced

Introduced by Senator Joe S. San Agustin,
Senator Jose “Pedo” Terlaje, and Senator Clynton E. Ridgell



GUAM CONGRESS BUILDING | 163 CHALAN SANTO PAPA | HAGÁTÑA, GUAM 96910
senatorbiscoelee@guamlegislature.org | (671) 472-3455

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
2020 (SECOND) Regular Session

Bill No. 297-35 (COR)

Introduced by:

Joe S. San Agustin 
Jose "Pedo" Terlaje 
Clynton E. Ridgell 

AN ACT TO AMEND § 10102(a), ADD A NEW ITEM (q) TO § 10102, AMEND § 10108, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND § 7120 OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; ALL RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES IN ORDER TO STRENGTHEN CONSTRUCTION WORKFORCE DEVELOPMENT.

2020 FEB 10 PM 4: 17 *pc*

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

2 **Section 1. Legislative Findings and Intent.** Established since 2006, *I*
3 *Liheslaturan Guåhan* finds that the Guam Registered Apprenticeship Program
4 (Public Law 28-142) recognized the need for an adequate number of skilled
5 industrial, construction, and technical workers to meet present and future needs
6 arising from military contracts, the private sector and government maintenance of
7 the island's infrastructure.

8 With the H-2B shortages and worker requirements of Guam Buildup related
9 construction projects, Guam's housing market continues to be out of reach for

1 many families. Based on information real estate and construction industry
2 representatives provided to local media recently, the cost of building homes on
3 Guam has increased in part due to a shortage of labor. According to a media article
4 dated December 7, 2019, "... the median price in 2017 for residential [homes] is
5 about \$225,000. As of 2019, the first 10 months, the median price is at \$270,000.
6 That's a twenty percent (20%) increase in median price over a two-year period
7 only."

8 While the opportunity for Skilled Trainers to train numerous individuals
9 with interest in construction trade training, the need to expand the opportunities for
10 individuals often comes with the inability to cover costs for such training.
11 Offering a pre-apprentice training program will provide the industry with an
12 opportunity to seek and retain the "cream of the crop" in trades workers, affording
13 both employers and apprentices the opportunity to affirm their desire for such
14 employment. The tax credit offered to Skilled Trainers will provide the industry
15 with a balance to continue the training of apprentices, ultimately gaining new
16 skilled laborers.

17 Therefore, it is the intent of *I Liheslaturan Guåhan* to strengthen local
18 construction workforce development by expanding available training opportunities
19 under the Guam Registered Apprenticeship Program (GRAP) to more Guamanians
20 who desire to enter the local construction workforce as pre-apprentices. According
21 to the U.S. Department of Labor, a pre-apprenticeship is a program or set of
22 services designed to prepare individuals to enter and succeed in a Registered
23 Apprenticeship program. A pre-apprenticeship program, by definition, has a
24 documented partnership with at least one Registered Apprenticeship program.
25 Quality pre-apprenticeship programs are a starting point toward a successful career
26 path for under-represented job seekers (such as disadvantaged women and men,
27 individuals with disabilities and others) who may not be aware of this approach to

1 obtain good jobs with opportunities for advancement. Pre-apprenticeships help
2 individuals meet the entry requirements for apprenticeship programs and ensure
3 they are prepared to be successful in their apprenticeship. There are a wide variety
4 of pre-apprenticeship programs serving a broad range of populations. Some
5 programs focus on serving a specific target population, such as veterans, while
6 many pre-apprenticeship programs focus on youth.

7 *I Liheslauran Guåhan* intends to extend the GRAP to businesses that
8 provide skilled trainers to Eligible Training Provider List (ETPL) or to non-profit
9 organizations working with a registered ETPL on Guam who provide training in
10 carpentry, painting, masonry, electrical, plumbing, HVAC, metal work, heavy
11 equipment, surveying, or renewable energy technology to workers who are
12 unemployed and unskilled, unemployed and unskilled veterans, service-disabled
13 veterans, Residential Substance Abuse Treatment program participants, or eligible
14 participants of the Work Credit Program. Including eligible participants of the
15 Work Credit Program provides an opportunity for adult offenders to pursue
16 rehabilitation while developing valuable skills critical to avoiding recidivism and
17 re-engaging their families and communities.

18 **Section 2.** § 10102(a) of Article 1, Chapter 10, Division 1, Title 22, Guam
19 Code Annotated, is *amended* to read:

20 “(a) *Apprentice* means an employee of a business participating in the Guam
21 Registered Apprenticeship Program who is at least sixteen (16) years of age,
22 except when a higher minimum age is otherwise fixed by law, and who is
23 employed to learn a skilled trade. An apprentice may include a *pre-apprentice*,
24 which is defined as any person receiving training in preparation to enter an
25 apprenticeship.”

26 **Section 3.** A new § 10102(q) is added to Article 1, Chapter 10, Division 1,
27 Title 22, Guam Code Annotated, to read:

1 “(q) Skilled Trainer means First-Line Supervisor of Construction Trades
2 which may include: Construction Foreman, Construction Superintendent,
3 Construction Supervisor, Field Supervisor, Foreman, Job Superintendent, Project
4 Superintendent, Site Superintendent, Superintendent, or Supervisor.””

5 **Section 4.** § 10108 of Article 1, Chapter 10, Division 1, Title 22, Guam
6 Code Annotated, is *amended* to read:

7 **“§ 10108. Tax Credit for Apprenticeship Program Participants.**

8 Any business that employs apprentices duly enrolled and registered under
9 the terms of the Program is entitled to a tax credit against its business privilege tax
10 liability equal to fifty percent (50%) of the eligible costs paid or incurred by the
11 business, with the exception of any business that provides skilled trainers to
12 Eligible Training Provider List (ETPL) or to a non-profit organization working
13 with a registered ETPL on Guam and employs skilled trainers shall be entitled to a
14 tax credit against its business privilege tax liability equal to one hundred percent
15 (100%) of the eligible costs paid or incurred by the business for the skilled
16 trainer’s wages and burden costs applicable by employment benefits (FICA, Social
17 Security, Workman’s Compensation Insurance, Health Insurance, any retirement
18 plan), and trade tools required by the trainer for the execution of the training
19 program, provided that:

- 20 (a) the apprenticeship training program teaches an approved occupation
21 under § 10104 of this Article;
- 22 (b) the apprentice completes a training stage of an apprenticeship program as
23 determined by DOL following USDOL-OA standards. No tax credit shall
24 be claimed by a program participant for an apprentice unless the
25 apprentice satisfactorily completes the current level of training;
- 26 (c) the eligible costs were paid or incurred during the apprentice’s
27 participation in the Program;

- 1 (d) the eligible costs were paid or incurred within the previous three (3)
2 calendar years from the date the costs are submitted to DOL for
3 certification. Costs paid or incurred earlier than the three (3) calendar
4 years preceding the date the costs are submitted to DOL *shall not* be
5 certified as eligible costs;
- 6 (e) no business or program participant holding a Qualifying Certificate (QC)
7 shall claim tax credits pursuant to this Section. The Guam Economic
8 Development Authority shall assist the Director in determining whether
9 a participant may claim the credit;
- 10 (f) the apprentice must work a minimum of one hundred twenty (120) hours
11 per month at the trade;
- 12 (g) the apprentice must be paid the prevailing wage required by the Program,
13 which shall be a graduated percentage of journeyman wages as outlined
14 in the apprenticeship standards;
- 15 (h) pre-apprentices are not counted as apprentices and wages earned by pre-
16 apprentices are not eligible for this tax credit;~~and~~
- 17 (i) apprenticeship training costs paid by Workforce Innovation and
18 Opportunity Act (WOIA) funds, Department of Labor Manpower
19 Development Fund (MDF) funds, Hotel/Restaurant Industry Training
20 Program funds, and any training costs paid by the government of Guam
21 or federal funding *shall not* be eligible Program costs and *shall not* be
22 applied as a tax credit.;
- 23 (j) skilled trainers must provide training in carpentry, masonry, electrical,
24 plumbing, HVAC, metal work, heavy equipment, surveying, or
25 renewable energy technology to workers who are unemployed and
26 unskilled, unemployed and unskilled veterans, service-disabled veterans,
27 participants of Residential Substance Abuse Treatment programs,

1 participants of the Temporary Assistance for Needy Families Federal
2 Benefits Program, or eligible participants of the Work Credit Program
3 authorized in § 81.10 of Title 9, Guam Code Annotated; and
4 (k) the application of the one hundred percent (100%) tax credit as described
5 in this Section shall apply only when the minimum of ten (10) pre-
6 apprentice applicants are qualified as described in Subsection (j) of this
7 Section, and the pre-apprentice applicants, as defined herein, are
8 registered with an approved training ETPL or non-profit organization.
9

10 A program participant may only carry forward the tax credit if allowed
11 by the Guam Department of Revenue and Taxation procedures.”

12 **Section 5.** § 81.10 of Title 9, Guam Code Annotated, is *amended* to read:

13 **“§ 81.10. Work Credit.**

14 (a) Any person in custody may work at cleaning up littered areas,
15 parks and beaches or other types of work details beneficial to the island of
16 Guam, including participation in a pre-apprenticeship program authorized
17 through the Guam Registered Apprenticeship Program as provided for in
18 Article 1 of Chapter 10, Division 1, Title 22, Guam Code Annotated,
19 provided that the Director of Corrections:

20 (1) determines that the person meets the following eligibility
21 requirements that he or she:

22 (A) has not been convicted of a second degree felony or
23 higher which is homicide, criminal sexual conduct, robbery or
24 escape as set forth in Chapters 16, 25, 40 and 58 of this Title,
25 respectively; and

26 (B) is physically able to do such work.

27 (b) The Director shall provide supervision of the work detail.

1 (c) The person's sentence shall be reduced by one (1) day for each
2 forty hours of work done that involves cleaning up littered areas,
3 parks, and beaches or other types of work details beneficial to the
4 Island of Guam. The person's sentence *shall* be reduced by two (2)
5 days for each forty (40) hours of work done that involves educational
6 or on-the-job training, or a combination of both.

7 (d) The Directors of the Departments of Public Works and Parks and
8 Recreation, and any non-profit organization authorized to participate
9 in the Work Credit program, *shall* cooperate with the Director of
10 Corrections in choosing sites for work.

11 (e) Inmates who were eligible to work in previous work detail
12 programs shall only participate in work governed by this Section if
13 they qualify.

14 (f) This section *shall* apply to any person who is convicted for the first
15 time of Driving Under the Influence, as defined by 9 GCA § 92101(a),
16 et seq.”

17 **Section 6.** § 7120 of Article 1, Chapter 7, Division 1, Title 22, Guam Code
18 Annotated, is *amended* to read:

19 **“§ 7120. Manpower Development Fund.**

20 (a) There is hereby created in the Guam Department of Labor, a
21 Manpower Development Fund (MDF), which *shall* remain separate and
22 apart from any other funds of the government of Guam.

23 (b) The MDF is created solely for the purpose of receiving territorial,
24 federal, and private money and revenue from registration fees on non-
25 immigrant temporary workers.

26 (1) Thirty percent (30%) of the annual revenues generated *shall*
27 be allocated to the Guam Department of Labor. The Department of

1 Labor allocation in the MDF *shall* be expended exclusively to fund
2 the following:

3 (A) One Hundred Thousand Dollars (\$100,000) shall be
4 allocated annually to produce the quarterly “Unemployment
5 Situation on Guam” report and any other reports relating to
6 labor statistics;

7 (B) legal services in the field of employment and labor
8 law, human resources, or administrative law;

9 (C) workforce development and training programs; and

10 (D) the remaining balance of the Department of Labor’s
11 MDF allocation *shall* be used for administrative and operational
12 purposes as may be determined by the Director of Labor.

13 (2) Seventy percent (70%) of the annual revenues generated
14 *shall* be allocated to the Apprenticeship or Pre-Apprenticeship
15 Training Program at the Guam Community College, with the primary
16 intent to develop the workforce for positions that have been approved
17 for non-immigrant temporary workers. The Guam Community
18 College allocation in the MDF *shall* be paid out by the Treasurer of
19 Guam to the Apprenticeship or Pre-Apprenticeship Training Program
20 at Guam Community College, and *shall* be expended exclusively to
21 fund the following:

22 (A) direct financial assistance to students enrolled in the
23 apprenticeship or pre-apprenticeship program. Any unused
24 portion of the allocation under this Subsection *shall* be returned
25 to the MDF;

1 (B) the administrative and instructional costs for the
2 operation of the apprenticeship or pre-apprenticeship training
3 programs;

4 (C) facility upgrade and equipment relative to the
5 apprenticeship training programs, and pre-apprenticeship
6 training programs with the Guam Department of Education, or
7 any non-profit organization authorized to provide training; and

8 (D) the advertising and outreach programs for the
9 promotion of the apprenticeship training programs.

10 (3) Annual Audit of the Manpower Development Fund. The
11 Public Auditor *shall* conduct an annual audit of the Manpower
12 Development Fund to ensure compliance with all statutory regulations
13 governing its deposits and expenditures. The cost of such audit *shall*
14 be paid by the Manpower Development Fund.

15 (c) The MDF *shall not* be used for any purposes other than those
16 enumerated in this Section, and *shall* be subject to legislative appropriation.”

17 **Section 7. Severability.** *If* any provision of this Act or the application to
18 any person or circumstance is found to be invalid or contrary to law, such
19 invalidity *shall not* affect other provisions or applications of this Act that can be
20 given effect without the invalid provision or application, and to this end the
21 provisions of this Act are severable.

22 **Section 8. Effective Date.** This Act *shall* become effective upon enactment.



COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

BILL HISTORY

Bill No. 287-35 (COR)

As Amended by the Committee

MARK-UP VERSION WITH NOTES

Introduced by Senator Joe S. San Agustin,
Senator Jose "Pedo" Terlaje, and Senator Clynton E. Ridgell



I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
2020 (SECOND) Regular Session

Bill No. 287-35 (COR)

As amended by the Committee on Federal
and Foreign Affairs, Telecommunications,
Technology, and Labor.

Introduced by:

Joe S. San Agustin
Jose "Pedo" Terlaje
Clynton E. Ridgell

**AN ACT TO ~~AMEND~~ ADD A NEW ITEM (1) TO §
10102(a); ~~ADD~~ A NEW ITEM SUBSECTION (q) TO §
10102; ~~AMEND A NEW § 10108.1,~~ ALL OF ARTICLE 1,
CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE
ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM
CODE ANNOTATED; AND, TO AMEND SUBITEM (A)
OF § 7120(b)(2) OF ARTICLE 1, CHAPTER 7, DIVISION
1, TITLE 22, GUAM CODE ANNOTATED; ALL
RELATIVE TO EXPANDING THE GUAM REGISTERED
APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE
PRE-APPRENTICESHIPS, AUTHORIZING TAX
CREDITS FOR PARTICIPANTS OF THE GRAP, AND
PROVIDING WORK CREDIT FOR GRAP
APPRENTICES IN ORDER TO STRENGTHEN
CONSTRUCTION WORKFORCE DEVELOPMENT.**

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

2 **Section 1. Legislative Findings and Intent.** Established since 2006, *I*
3 *Liheslaturan Guåhan* finds that the Guam Registered Apprenticeship Program
4 (Public Law 28-142) recognized the need for an adequate number of skilled
5 industrial, construction, and technical workers to meet present and future needs
6 arising from military contracts, the private sector and government maintenance of
7 the island's infrastructure.

1 With the H-2B shortages and worker requirements of Guam Buildup related
2 construction projects, Guam’s housing market continues to be out of reach for many
3 families. Based on information real estate and construction industry representatives
4 provided to local media recently, the cost of building homes on Guam has increased
5 in part due to a shortage of labor. According to a media article dated December 7,
6 2019, “... the median price in 2017 for residential [homes] is about \$225,000. As of
7 2019, the first 10 months, the median price is at \$270,000. That’s a twenty percent
8 (20%) increase in median price over a two-year period only.”

9 While the opportunity for Skilled Trainers to train numerous individuals with
10 interest in construction trade training, the need to expand the opportunities for
11 individuals often comes with the inability to cover costs for such training. Offering
12 a pre-apprentice training program will provide the industry with an opportunity to
13 seek and retain the “cream of the crop” in trades workers, affording both employers
14 and apprentices the opportunity to affirm their desire for such employment. The tax
15 credit offered to employers of Skilled Trainers will provide the industry with a
16 balance to continue the training of apprentices, ultimately gaining new skilled
17 laborers.

18 Therefore, it is the intent of *I Liheslaturan Guåhan* to strengthen local
19 ~~construction~~ workforce development by expanding available training opportunities
20 under the Guam Registered Apprenticeship Program (GRAP) to ~~more Guamanians~~
21 ~~who desire to enter the local construction workforce as pre-apprentices~~ individuals
22 qualified to work on U.S. soil and who desire to enter the workforce as apprentices.
23 According to the U.S. Department of Labor, a pre-apprenticeship is a program or set
24 of services designed to prepare individuals to enter and succeed in a Registered
25 Apprenticeship program. A pre-apprenticeship program, by definition, has a
26 documented partnership with at least one Registered Apprenticeship program.
27 Quality pre-apprenticeship programs are a starting point toward a successful career

1 path for under-represented job seekers (such as disadvantaged women and men,
2 individuals with disabilities and others) who may not be aware of this approach to
3 obtain good jobs with opportunities for advancement. Pre-apprenticeships help
4 individuals meet the entry requirements for apprenticeship programs and ensure they
5 are prepared to be successful in their apprenticeship. There are a wide variety of pre-
6 apprenticeship programs serving a broad range of populations. Some programs focus
7 on serving a specific target population, such as veterans, while many pre-
8 apprenticeship programs focus on youth.

9 *I Liheslauran Guåhan* intends to extend the GRAP to businesses that provide
10 skilled trainers to Eligible Training Provider List (ETPL) or to non-profit
11 organizations working with a registered ETPL on Guam who provide training in
12 carpentry, painting, masonry, electrical, plumbing, HVAC, metal work, heavy
13 equipment, surveying, or renewable energy technology, or other skills as defined in
14 the Occupational List prioritized by the United States Department of Labor, to
15 workers who are unemployed and unskilled, unemployed and unskilled veterans,
16 service-disabled veterans, Residential Substance Abuse Treatment program
17 participants, or eligible participants of the Work Credit Program, Temporary
18 Assistance for Needy Families (TANF) Program and Able-Bodied Without
19 Dependents Program. Including eligible participants of the Work Credit Program
20 provides an opportunity for adult offenders to pursue rehabilitation while developing
21 valuable skills critical to avoiding recidivism and re-engaging their families and
22 communities.

23 **Section 2.** A new § 10102(a)(1) is hereby added to ~~of~~ Article 1, Chapter 10,
24 Division 1, Title 22, Guam Code Annotated, ~~is amended~~ to read:

25 “(a) *Apprentice* means an employee of a business participating in the
26 Guam Registered Apprenticeship Program who is at least sixteen (16) years

1 of age, except when a higher minimum age is otherwise fixed by law, and who
2 is employed to learn a skilled trade.

3 ~~(1) Pre-apprentice means An apprentice may include a pre-~~
4 ~~apprentice, which is defined as any person receiving training in~~
5 ~~preparation to enter an apprenticeship.”~~

Commented [CV1]: A separate section for the definition of pre-apprentice, as proposed by the Guam Department of Labor (GDOL).

6 **Section 3.** A new § 10102(q) is hereby added to Article 1, Chapter 10,
7 Division 1, Title 22, Guam Code Annotated, to read:

8 ~~“(q) Skilled Trainer means First Line Supervisor of Construction~~
9 ~~Trades which may include: Construction Foreman, Construction~~
10 ~~Superintendent, Construction Supervisor, Field Supervisor, Foreman, Job~~
11 ~~Superintendent, Project Superintendent, Site Superintendent, Superintendent,~~
12 ~~or Supervisor a journeyman or journeyworker.”~~

Commented [CV2]: As recommended by GDOL, that the definition of skilled trainer to state “a journeyman or journeyworker” as these titles encompass all occupations stated in the previous definition, and more.

13 **Section 4.** A new § 10108.1 is hereby added to of Article 1, Chapter 10,
14 Division 1, Title 22, Guam Code Annotated, is amended to read:

15 **“§ 10108.1. Tax Credit for Pre-Apprenticeship Program Participants.**

Commented [CV3]: A separate section for the tax credit for pre-apprenticeship program participants, as recommended by GDOL.

16 Any business that ~~employs apprentices duly enrolled and registered~~
17 ~~under the terms of the Program is entitled to a tax credit against its business~~
18 ~~privilege tax liability equal to fifty percent (50%) of the eligible costs paid or~~
19 ~~incurred by the business, with the exception of any business that provides~~
20 ~~skilled trainers to Eligible Training Provider List (ETPL) or to a non-profit~~
21 ~~organization working with a registered ETPL on Guam and employs skilled~~
22 ~~trainers shall be entitled to a tax credit against its business privilege tax~~
23 ~~liability equal to one hundred fifty percent (100%50%) of the eligible costs~~
24 ~~paid or incurred by the business for the skilled trainer’s wages and burden~~
25 ~~costs applicable by employment benefits (FICA, Social Security, Workman’s~~
26 ~~Compensation Insurance, Health Insurance, any retirement plan), and trade~~

Commented [CV4]: As recommended by the Guam Department of Labor and the Guam Contractors Association.

1 ~~tools required by the trainer for the execution of the training program,~~
2 provided that:

3 (a) the apprenticeship training program teaches an approved
4 occupation under § 10104 of this Article;

5 (b) the apprentice completes a training stage of an
6 apprenticeship program as determined by DOL following USDOL-OA
7 standards. No tax credit shall be claimed by a program participant for
8 an apprentice unless the apprentice satisfactorily completes the current
9 level of training;

10 (c) the eligible costs were paid or incurred during the
11 apprentice's participation in the Program;

12 (d) the eligible costs were paid or incurred within the previous
13 three (3) calendar years from the date the costs are submitted to DOL
14 for certification. Costs paid or incurred earlier than the three (3)
15 calendar years preceding the date the costs are submitted to DOL shall
16 not be certified as eligible costs;

17 (e) no business or program participant holding a Qualifying
18 Certificate (QC) shall claim tax credits pursuant to this Section. The
19 Guam Economic Development Authority shall assist the Director in
20 determining whether a participant may claim the credit;

21 (f) the apprentice must work a minimum of one hundred
22 twenty (120) hours per month at the trade;

23 (g) the apprentice must be paid the prevailing wage required
24 by the Program, which shall be a graduated percentage of journeyman
25 wages as outlined in the apprenticeship standards;

26 (h) pre-apprentices are not counted as apprentices and wages
27 earned by pre-apprentices are not eligible for this tax credit; ~~and~~

Commented [CV5]: Sections (a) through (i) were copied from § 10108, Tax Credit for Apprenticeship Program Participants.

1 (i) apprenticeship training costs paid by Workforce
2 Innovation and Opportunity Act (WOIA) funds, Department of Labor
3 Manpower Development Fund (MDF) funds, Hotel/Restaurant
4 Industry Training Program funds, and any training costs paid by the
5 government of Guam or federal funding shall not be eligible Program
6 costs and shall not be applied as a tax credit;

7 (j) skilled trainers must provide training in carpentry,
8 masonry, electrical, plumbing, HVAC, metal work, heavy equipment,
9 surveying, or renewable energy technology to workers all
10 apprenticeable occupations, as defined in the Occupational List
11 prioritized by the United States Department of Labor, to participants
12 who are unemployed and unskilled, unemployed and underskilled
13 veterans, ~~service disabled veterans,~~ participants of Residential
14 Substance Abuse Treatment programs, participants of the Temporary
15 Assistance for Needy Families Federal Benefits Program, participants
16 of the Able-Bodied Without Dependents Program, or eligible
17 participants of the Work Credit Program authorized in § 81.10 of Title
18 9, Guam Code Annotated; and

19 (k) the application of the ~~one hundred~~ fifty percent
20 (~~100%~~50%) tax credit as described in this Section shall apply only
21 when the minimum of ten (10) pre-apprentice applicants are qualified
22 as described in Subsection (j) of this Section, and the pre-apprentice
23 applicants, as defined herein, are registered with an approved training
24 ETPL or non-profit organization

25 (l) the term of the pre-apprentice cycle shall extend up to a
26 term of no less than six (6) months for participating non-profit and for-

Commented [CV6]: Amended to include all apprenticeable occupations, instead of only construction industry occupations.

Commented [CV7]: As proposed by the Prime Sponsor.

1 profit organizations with Workforce Innovation Opportunity Act
2 (WIOA) agreements.

Commented [CV8]: As proposed by the Prime Sponsor.

3 A program participant may only carry forward the tax credit if allowed by
4 the Guam Department of Revenue and Taxation procedures.”

5 **Section 5.** § 81.10 of Title 9, Guam Code Annotated, is *amended* to read:

6 “**§ 81.10. Work Credit.**

7 (a) Any person in custody may work at cleaning up littered areas,
8 parks and beaches or other types of work details beneficial to the island of
9 Guam, including participation in a pre-apprenticeship program authorized
10 through the Guam Registered Apprenticeship Program as provided for in
11 Article 1 of Chapter 10, Division 1, Title 22, Guam Code Annotated, provided
12 that the Director of Corrections:

13 (1) determines that the person meets the following eligibility
14 requirements that he or she:

15 (A) has not been convicted of a second degree felony or
16 higher which is homicide, criminal sexual conduct, robbery or
17 escape as set forth in Chapters 16, 25, 40 and 58 of this Title,
18 respectively; and

19 (B) is physically able to do such work.

20 (b) The Director shall provide supervision of the work detail.

21 (c) The person’s sentence shall be reduced by one (1) day for each
22 forty hours of work done that involves cleaning up littered areas, parks, and
23 beaches or other types of work details beneficial to the Island of Guam. The
24 person’s sentence shall be reduced by two (2) days for each forty (40) hours
25 of work done that involves educational or on-the-job training, or a
26 combination of both.

1 (d) The Directors of the Departments of Public Works and Parks and
2 Recreation, and any non-profit organization authorized to participate in the
3 Work Credit program, shall cooperate with the Director of Corrections in
4 choosing sites for work.

5 (e) Inmates who were eligible to work in previous work detail
6 programs shall only participate in work governed by this Section if they
7 qualify.

8 (f) This section shall apply to any person who is convicted for the
9 first time of Driving Under the Influence, as defined by 9 GCA § 92101(a), *et*
10 *seq.*”

11 **Section 6.** § 7120 of Article 1, Chapter 7, Division 1, Title 22, Guam Code
12 Annotated, is *amended* to read:

13 **“§ 7120. Manpower Development Fund.**

14 (a) There is hereby created in the Guam Department of Labor, a
15 Manpower Development Fund (MDF), which shall remain separate and apart
16 from any other funds of the government of Guam.

17 (b) The MDF is created solely for the purpose of receiving territorial,
18 federal, and private money and revenue from registration fees on non-
19 immigrant temporary workers.

20 (1) Thirty percent (30%) of the annual revenues generated
21 shall be allocated to the Guam Department of Labor. The Department
22 of Labor allocation in the MDF shall be expended exclusively to fund
23 the following:

24 (A) One Hundred Thousand Dollars (\$100,000) shall be
25 allocated annually to produce the quarterly “Unemployment
26 Situation on Guam” report and any other reports relating to labor
27 statistics;

1 (B) legal services in the field of employment and labor
2 law, human resources, or administrative law;

3 (C) workforce development and training programs; and

4 (D) the remaining balance of the Department of Labor's
5 MDF allocation *shall* be used for administrative and operational
6 purposes as may be determined by the Director of Labor.

7 (2) Seventy percent (70%) of the annual revenues generated
8 *shall* be allocated to the Apprenticeship ~~or Pre-Apprenticeship~~ Training
9 Program at the Guam Community College, with the primary intent to
10 develop the workforce for positions that have been approved for non-
11 immigrant temporary workers. The Guam Community College
12 allocation in the MDF *shall* be paid out by the Treasurer of Guam to
13 the Apprenticeship ~~or Pre-Apprenticeship~~ Training Program at Guam
14 Community College, and *shall* be expended exclusively to fund the
15 following:

16 (A) direct financial assistance to students enrolled in the
17 apprenticeship ~~or pre-apprenticeship~~ program who may not
18 qualify for Free Application for Federal Student Aid (FAFSA),
19 such as the Pell Grant. Any unused portion of the allocation
20 under this Subsection *shall* be returned to the MDF;

21 (B) the administrative and instructional costs for the
22 operation of the apprenticeship ~~or pre-apprenticeship~~ training
23 programs;

24 (C) facility upgrade and equipment relative to the
25 apprenticeship training programs, and pre-apprenticeship
26 training programs with the Guam Department of Education, ~~or~~
27 ~~any non-profit organization authorized to provide training;~~ and

Commented [CV9]: As proposed by the Prime Sponsor.

Commented [CV10]: As proposed by the Prime Sponsor.

1 (D) the advertising and outreach programs for the
2 promotion of the apprenticeship training programs.

3 (3) Annual Audit of the Manpower Development Fund. The
4 Public Auditor *shall* conduct an annual audit of the Manpower
5 Development Fund to ensure compliance with all statutory regulations
6 governing its deposits and expenditures. The cost of such audit *shall* be
7 paid by the Manpower Development Fund.

8 (c) The MDF *shall not* be used for any purposes other than those
9 enumerated in this Section, and *shall* be subject to legislative appropriation.”

10 **Section 7. Severability.** *If* any provision of this Act or the application to
11 any person or circumstance is found to be invalid or contrary to law, such invalidity
12 *shall not* affect other provisions or applications of this Act that can be given effect
13 without the invalid provision or application, and to this end the provisions of this
14 Act are severable.

15 **Section 8. Effective Date.** This Act *shall* become effective upon enactment.



COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS,
TELECOMMUNICATIONS, TECHNOLOGY AND LABOR

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

BILL HISTORY

Bill No. 287-35 (COR) As Amended by the Committee

Introduced by Senator Joe S. San Agustin,
Senator Jose "Pedo" Terlaje, and Senator Clynton E. Ridgell



GUAM CONGRESS BUILDING | 163 CHALAN SANTO PAPA | HAGATÑA, GUAM 96910
senatorbiscoelee@guamlegislature.org | (671) 472-3455

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
2020 (SECOND) Regular Session

Bill No. 287-35 (COR)

As amended by the Committee on Federal and Foreign Affairs, Telecommunications, Technology, and Labor.

Introduced by:

Joe S. San Agustin
Jose "Pedo" Terlaje
Clynton E. Ridgell

AN ACT TO ADD A NEW ITEM (1) TO § 10102(a); A NEW SUBSECTION (q) TO § 10102; A NEW § 10108.1, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND SUBITEM (A) OF § 7120(b)(2) OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF THE GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES.

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

2 **Section 1. Legislative Findings and Intent.** Established since 2006, *I*
3 *Liheslaturan Guåhan* finds that the Guam Registered Apprenticeship Program
4 (Public Law 28-142) recognized the need for an adequate number of skilled
5 industrial, construction, and technical workers to meet present and future needs
6 arising from military contracts, the private sector and government maintenance of
7 the island's infrastructure.

8 With the H-2B shortages and worker requirements of Guam Buildup related
9 construction projects, Guam's housing market continues to be out of reach for many

1 families. Based on information real estate and construction industry representatives
2 provided to local media recently, the cost of building homes on Guam has increased
3 in part due to a shortage of labor. According to a media article dated December 7,
4 2019, "... the median price in 2017 for residential [homes] is about \$225,000. As of
5 2019, the first 10 months, the median price is at \$270,000. That's a twenty percent
6 (20%) increase in median price over a two-year period only."

7 While the opportunity for Skilled Trainers to train numerous individuals with
8 interest in construction trade training, the need to expand the opportunities for
9 individuals often comes with the inability to cover costs for such training. Offering
10 a pre-apprentice training program will provide the industry with an opportunity to
11 seek and retain the "cream of the crop" in trades workers, affording both employers
12 and apprentices the opportunity to affirm their desire for such employment. The tax
13 credit offered to employers of skilled trainers will provide the industry with a balance
14 to continue the training of apprentices, ultimately gaining new skilled laborers.

15 Therefore, it is the intent of *I Liheslaturan Guåhan* to strengthen local
16 workforce development by expanding available training opportunities under the
17 Guam Registered Apprenticeship Program (GRAP) to individuals qualified to work
18 on U.S. soil and who desire to enter the workforce as apprentices. According to the
19 U.S. Department of Labor, a pre-apprenticeship is a program or set of services
20 designed to prepare individuals to enter and succeed in a Registered Apprenticeship
21 program. A pre-apprenticeship program, by definition, has a documented partnership
22 with at least one Registered Apprenticeship program. Quality pre-apprenticeship
23 programs are a starting point toward a successful career path for under-represented
24 job seekers (such as disadvantaged women and men, individuals with disabilities
25 and others) who may not be aware of this approach to obtain good jobs with
26 opportunities for advancement. Pre-apprenticeships help individuals meet the entry
27 requirements for apprenticeship programs and ensure they are prepared to be

1 successful in their apprenticeship. There are a wide variety of pre-apprenticeship
2 programs serving a broad range of populations. Some programs focus on serving a
3 specific target population, such as veterans, while many pre-apprenticeship
4 programs focus on youth.

5 *I Liheslauran Guåhan* intends to extend the GRAP to businesses that provide
6 skilled trainers to Eligible Training Provider List (ETPL) or to non-profit
7 organizations working with a registered ETPL on Guam who provide training in
8 carpentry, painting, masonry, electrical, plumbing, HVAC, metal work, heavy
9 equipment, surveying, or renewable energy technology, or other skills as defined in
10 the Occupational List prioritized by the United States Department of Labor, to
11 workers who are unemployed and unskilled, unemployed and unskilled veterans,
12 service-disabled veterans, Residential Substance Abuse Treatment program
13 participants, or eligible participants of the Work Credit Program, Temporary
14 Assistance for Needy Families (TANF) Program and Able-Bodied Without
15 Dependents Program. Including eligible participants of the Work Credit Program
16 provides an opportunity for adult offenders to pursue rehabilitation while developing
17 valuable skills critical to avoiding recidivism and re-engaging their families and
18 communities.

19 **Section 2.** A new § 10102(a)(1) is hereby *added* to Article 1, Chapter 10,
20 Division 1, Title 22, Guam Code Annotated, to read:

21 “(a) *Apprentice* means an employee of a business participating in the
22 Guam Registered Apprenticeship Program who is at least sixteen (16) years
23 of age, except when a higher minimum age is otherwise fixed by law, and who
24 is employed to learn a skilled trade.

25 (1) *Pre-apprentice* means any person receiving training in
26 preparation to enter an apprenticeship.”

1 **Section 3.** A new § 10102(q) is hereby *added* to Article 1, Chapter 10,
2 Division 1, Title 22, Guam Code Annotated, to read:

3 “(q) *Skilled Trainer* means a journeyman or journeyworker.”

4 **Section 4.** A new § 10108.1 is hereby *added* to Article 1, Chapter 10,
5 Division 1, Title 22, Guam Code Annotated, to read:

6 “§ 10108.1. Tax Credit for Pre-Apprenticeship Program Participants.

7 Any business that provides skilled trainers to Eligible Training Provider
8 List (ETPL) or to a non-profit organization working with a registered ETPL
9 on Guam and employs skilled trainers shall be entitled to a tax credit against
10 its business privilege tax liability equal to fifty percent (50%) of the eligible
11 costs paid or incurred by the business, provided that:

12 (a) the apprenticeship training program teaches an approved
13 occupation under § 10104 of this Article;

14 (b) the apprentice completes a training stage of an
15 apprenticeship program as determined by DOL following USDOL-OA
16 standards. No tax credit shall be claimed by a program participant for
17 an apprentice unless the apprentice satisfactorily completes the current
18 level of training;

19 (c) the eligible costs were paid or incurred during the
20 apprentice’s participation in the Program;

21 (d) the eligible costs were paid or incurred within the previous
22 three (3) calendar years from the date the costs are submitted to DOL
23 for certification. Costs paid or incurred earlier than the three (3)
24 calendar years preceding the date the costs are submitted to DOL shall
25 not be certified as eligible costs;

26 (e) no business or program participant holding a Qualifying
27 Certificate (QC) shall claim tax credits pursuant to this Section. The

1 Guam Economic Development Authority shall assist the Director in
2 determining whether a participant may claim the credit;

3 (f) the apprentice must work a minimum of one hundred
4 twenty (120) hours per month at the trade;

5 (g) the apprentice must be paid the prevailing wage required
6 by the Program, which shall be a graduated percentage of journeyman
7 wages as outlined in the apprenticeship standards;

8 (h) pre-apprentices are not counted as apprentices and wages
9 earned by pre-apprentices are not eligible for this tax credit; and

10 (i) apprenticeship training costs paid by Workforce
11 Innovation and Opportunity Act (WOIA) funds, Department of Labor
12 Manpower Development Fund (MDF) funds, Hotel/Restaurant
13 Industry Training Program funds, and any training costs paid by the
14 government of Guam or federal funding shall not be eligible Program
15 costs and shall not be applied as a tax credit;

16 (j) skilled trainers must provide training in all apprenticeable
17 occupations, as defined in the Occupational List prioritized by the
18 United States Department of Labor, to participants who are
19 unemployed and unskilled, unemployed and underskilled veterans,
20 participants of Residential Substance Abuse Treatment programs,
21 participants of the Temporary Assistance for Needy Families Federal
22 Benefits Program, participants of the Able-Bodied Without Dependents
23 Program, or eligible participants of the Work Credit Program
24 authorized in § 81.10 of Title 9, Guam Code Annotated;

25 (k) the application of the fifty percent (50%) tax credit as
26 described in this Section shall apply only when the minimum of ten
27 (10) pre-apprentice applicants are qualified as described in Subsection

1 (j) of this Section, and the pre-apprentice applicants, as defined herein,
2 are registered with an approved training ETPL or non-profit
3 organization; and

4 (c) the term of the pre-apprentice cycle shall extend up to a
5 term of no less than six (6) months for participating non-profit and for-
6 profit organizations with Workforce Innovation Opportunity Act
7 (WIOA) agreements.

8 A program participant may only carry forward the tax credit if allowed
9 by the Guam Department of Revenue and Taxation procedures.”

10 **Section 5.** § 81.10 of Title 9, Guam Code Annotated, is hereby *amended* to
11 read:

12 **“§ 81.10. Work Credit.**

13 (a) Any person in custody may work at cleaning up littered areas,
14 parks and beaches or other types of work details beneficial to the island of
15 Guam, including participation in a pre-apprenticeship program authorized
16 through the Guam Registered Apprenticeship Program as provided for in
17 Article 1 of Chapter 10, Division 1, Title 22, Guam Code Annotated, provided
18 that the Director of Corrections:

19 (1) determines that the person meets the following eligibility
20 requirements that he or she:

21 (A) has not been convicted of a second degree felony or
22 higher which is homicide, criminal sexual conduct, robbery or
23 escape as set forth in Chapters 16, 25, 40 and 58 of this Title,
24 respectively; and

25 (B) is physically able to do such work.

26 (b) The Director *shall* provide supervision of the work detail.

1 (c) The person's sentence shall be reduced by one (1) day for each
2 forty hours of work done that involves cleaning up littered areas, parks, and
3 beaches or other types of work details beneficial to the Island of Guam. The
4 person's sentence shall be reduced by two (2) days for each forty (40) hours
5 of work done that involves educational or on-the-job training, or a
6 combination of both.

7 (d) The Directors of the Departments of Public Works and Parks and
8 Recreation, and any non-profit organization authorized to participate in the
9 Work Credit program, shall cooperate with the Director of Corrections in
10 choosing sites for work.

11 (e) Inmates who were eligible to work in previous work detail
12 programs shall only participate in work governed by this Section if they
13 qualify.

14 (f) This section shall apply to any person who is convicted for the
15 first time of Driving Under the Influence, as defined by 9 GCA § 92101(a), *et*
16 *seq.*”

17 **Section 6.** § 7120 of Article 1, Chapter 7, Division 1, Title 22, Guam Code
18 Annotated, is *amended* to read:

19 **“§ 7120. Manpower Development Fund.**

20 (a) There is hereby created in the Guam Department of Labor, a
21 Manpower Development Fund (MDF), which shall remain separate and apart
22 from any other funds of the government of Guam.

23 (b) The MDF is created solely for the purpose of receiving territorial,
24 federal, and private money and revenue from registration fees on non-
25 immigrant temporary workers.

26 (1) Thirty percent (30%) of the annual revenues generated
27 shall be allocated to the Guam Department of Labor. The Department

1 of Labor allocation in the MDF *shall* be expended exclusively to fund
2 the following:

3 (A) One Hundred Thousand Dollars (\$100,000) shall be
4 allocated annually to produce the quarterly “Unemployment
5 Situation on Guam” report and any other reports relating to labor
6 statistics;

7 (B) legal services in the field of employment and labor
8 law, human resources, or administrative law;

9 (C) workforce development and training programs; and

10 (D) the remaining balance of the Department of Labor’s
11 MDF allocation *shall* be used for administrative and operational
12 purposes as may be determined by the Director of Labor.

13 (2) Seventy percent (70%) of the annual revenues generated
14 *shall* be allocated to the Apprenticeship Training Program at the Guam
15 Community College, with the primary intent to develop the workforce
16 for positions that have been approved for non-immigrant temporary
17 workers. The Guam Community College allocation in the MDF *shall*
18 be paid out by the Treasurer of Guam to the Apprenticeship Training
19 Program at Guam Community College, and *shall* be expended
20 exclusively to fund the following:

21 (A) direct financial assistance to students enrolled in the
22 apprenticeship or pre-apprenticeship program who may not
23 qualify for Free Application for Federal Student Aid (FAFSA),
24 such as the Pell Grant. Any unused portion of the allocation
25 under this Subsection *shall* be returned to the MDF;

26 (B) the administrative and instructional costs for the
27 operation of the apprenticeship training programs;

1 (C) facility upgrade and equipment relative to the
2 apprenticeship training programs, and pre-apprenticeship
3 training programs with the Guam Department of Education; and

4 (D) the advertising and outreach programs for the
5 promotion of the apprenticeship training programs.

6 (3) Annual Audit of the Manpower Development Fund. The
7 Public Auditor *shall* conduct an annual audit of the Manpower
8 Development Fund to ensure compliance with all statutory regulations
9 governing its deposits and expenditures. The cost of such audit *shall* be
10 paid by the Manpower Development Fund.

11 (c) The MDF *shall not* be used for any purposes other than those
12 enumerated in this Section, and *shall* be subject to legislative appropriation.”

13 **Section 7. Severability.** If any provision of this Act or the application to
14 any person or circumstance is found to be invalid or contrary to law, such invalidity
15 *shall not* affect other provisions or applications of this Act that can be given effect
16 without the invalid provision or application, and to this end the provisions of this
17 Act are severable.

18 **Section 8. Effective Date.** This Act *shall* become effective upon enactment.

Senator Régine Biscoe Lee,
Chair

Senator Amanda L. Shelton,
Vice Chair

Speaker Tina Rose Muña Barnes,
Member

Vice Speaker Telena Cruz Nelson,
Member

Senator Kelly Marsh (Taitano), PhD,
Member

Senator Sabina Flores Perez,
Member



Senator Clynton E. Ridgell,
Member

Senator Joe S. San Agustin,
Member

Senator Jose "Pedro" Terlaje,
Member

Senator Therese M. Terlaje,
Member

Senator James C. Moylan,
Member

Senator Mary Camacho Torres,
Member and Chair, Subcommittee on Protocol

COMMITTEE ON RULES
I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

March 6, 2020

MEMO

To: Rennae Meno
Clerk of the Legislature

From: Senator Régine Biscoe Lee
Chair, Committee on Rules

Re: Fiscal Note on Bill Nos. 281-35 (LS), 287-35 (COR), and 297-35 (COR).

Buenas yan Håfa adai.

Attached, please find the fiscal notes for the following bills:

Bill No. 281-35 (LS)

Bill No. 287-35 (COR)

Bill No. 297-35 (COR)

Please forward the same to Management Information Services (MIS) for posting on our website.

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

Thank you for your attention to this important matter.



**Bureau of Budget & Management Research
Fiscal Note of Bill No. 287-35 (COR)**

AN ACT TO AMEND § 10102(a), ADD A NEW ITEM (q) TO § 10102, AMEND § 10108, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND TO AMEND § 7120 OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; ALL RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES IN ORDER TO STRENGTHEN CONSTRUCTION WORKFORCE DEVELOPMENT.

Department/Agency Appropriation Information	
Dept./Agency Affected: Labor	Dept./Agency Head: David Dell'Isola, Director
Department's General Fund (GF) appropriation(s) to date:	\$2,245,703
Department's Other Fund (Specify) appropriation(s) to date: MDF (\$567,900)	\$567,900
Total Department/Agency Appropriation(s) to date:	\$2,813,603

Fund Source Information of Proposed Appropriation			
	General Fund: ¹	(Specify Special Fund): ²	Total:
FY 2019 Unreserved Fund Balance	-		
FY 2020 Adopted Revenues	\$645,038,669	\$256,417,630	\$901,456,299
FY 2020 Appropriation (P.L. 35-36 thru P.L. 35-73) ¹	(\$645,338,669)	(\$256,417,630)	(\$901,756,299)
Sub-total:	(\$300,000)	\$0	(\$300,000)
Less General Fund revenue ² reduction in Bill No. 287-35 (COR)	(\$1,100,000)	\$0	(\$1,100,000)
Total:	(\$1,400,000)	\$0	(\$1,400,000)

^{1/} Additional GF Approp. in P.L. 35-40 (\$300,000) and GMHA CIF P.L. 35-73 (\$10,000,000)

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2020 (if applicable)	FY 2021	FY 2022	FY 2023	FY 2024
General Fund ²	\$0	\$1,100,000	\$4,400,000	\$0	\$0	\$0
Special Revenue Fund	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$1,100,000	\$4,400,000	\$0	\$0	\$0

^{2/} See comment sheet.

- | | | |
|---|-----------|------------------|
| 1. Does the bill contain "revenue generating" provisions? | / / Yes | / x / No |
| If Yes, see attachment | | |
| 2. Is amount appropriated adequate to fund the intent of the appropriation? | / x / N/A | / / Yes / / No |
| If no, what is the additional amount required? \$ _____ | / x / N/A | |
| 3. Does the Bill establish a new program/agency? | / / Yes | / / No |
| If yes, will the program duplicate existing programs/agencies? | / x / N/A | / / Yes / / No |
| Is there a federal mandate to establish the program/agency? | / / Yes | / x / No |
| 4. Will the enactment of this Bill require new physical facilities? | / / Yes | / x / No |
| 5. Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: | / x / Yes | / / No |
| / / Requested agency comments not received by due date | | / / Other: _____ |

Analyst: 	Date: 3/03/20	Director: 	Date: MAR 06 2020
John AB Pangelinan, Supervisor		Lester Carlson, Jr., Director, BBMR	

Footnotes:
^{2/} See comment sheet.

Comments to Legislative Bill No. 287-35 (COR):

The intent of this proposed legislation is to increase the participation of private businesses to accommodate the need for trained and skilled workers in the construction field, heavy equipment, and renewable energy technology industries. To accomplish such endeavor, amendments of this Bill were proposed to established statutes in Title 9 and 22 of the Guam Code Annotated (GCA).

These proposed amendments are as follows:

- § 10102(a) of Article 1, Chapter 10, Division 1, Title 22, GCA is amended to include the title of pre-apprentice as part of the apprentice program;
- A new § 10102(q) is added to Article 1, Chapter 10, Division 1, Title 22, GCA, that defines the meaning of the term, "Skilled Trainer;"
- § 10108 of Article 1, Chapter 10, Division 1, Title 22, GCA is amended to increase the tax credits to 100% of those businesses that provided skilled trainers to the Eligible Training Provider List (ETPL). This amendment also includes participation of non-profit organizations, working with a registered ETPL on Guam, which employs skilled workers at 100% against their business privilege tax liability of the eligible costs paid or incurred by them. These eligibility costs must be incurred by businesses' skilled trainers who are required to provide training in the construction field, heavy equipment and renewable energy technology industries;
- A new §§ 10108(j) and 10108(k) are added to Article 1, Chapter 10, Division 1, Title 22, GCA to include the mandated requirements needed to receive the 100% tax credit;
- § 81.10(a) of Title 9, GCA is amended to include participants in the pre-apprenticeship program as authorized through the Guam Registered Apprenticeship Program as provided for in Article 1 of Chapter 10, Division 1, Title 22, GCA. § 81.10(a)(1) of Title 9, GCA is amended to include both male and female participants. § 81.10(c) of Title 9, GCA is amended to delineate the benefits of the proposed Work Credit program; and
- § 7120(b)(2)(A) of Article 1, Chapter 7, Division 1, Title 22, GCA is amended to include Pre-Apprenticeship in the training program at the Guam Community College (GCC). § 7120(b)(2)(C) of Article 1, Chapter 7, Division 1, Title 22, GCA is also amended to include any authorized non-profit organization in the training program with Department of Education (DOE).

With the amendment exception of the § 10108 of Article 1, Chapter 10, Division 1, Title 22, GCA, all other amendments noted above are administrative in nature. The amendment of § 10108 of Article 1, Chapter 10, Division 1, Title 22, GCA would impact the General Fund (GF) business privilege tax FY 2020 revenues should it be enacted within this fiscal year and also adopted GF revenues for FY 2021.

The estimated annual fiscal impact is \$4.4 million. This baseline number is based on the past three fiscal years tax credits approved by DOL to approximately sixteen businesses that are receiving tax credits at 50% of their eligible costs incurred or paid by them against their business privilege tax liabilities per this statute. The annual tax credit amount is over \$4.0 million annually. It is assumed that all participating businesses will meet all requirements to receive the remaining 50% tax credit of their eligibility cost upon the enactment of the proposed amendment in the current fiscal year.

Assuming this Bill is enacted by July 1, 2020, the fiscal impact is estimated at \$1.1 million to the GF, which is based on the remaining three months of the fiscal year and is attributed to all participating businesses receiving 100% tax credit of the program. For FY 2021, the full fiscal impact, estimated at additional \$4.4 million, would take place in FY 2021 against legislatively adopted GF revenues.



COMMITTEE ON FEDERAL AND FOREIGN AFFAIRS, TELECOMMUNICATIONS, TECHNOLOGY AND LABOR

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

Senator Régine Biscoe Lee
Chairperson

COMMITTEE VOTE SHEET

Bill No. 287-35 (COR), As amended by the Committee - AN ACT TO ADD A NEW ITEM (1) TO § 10102(a); A NEW SUBSECTION (q) TO § 10102; A NEW § 10108.1, ALL OF ARTICLE 1, CHAPTER 10, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; TO AMEND § 81.10 OF TITLE 9, GUAM CODE ANNOTATED; AND, TO AMEND SUBITEM (A) OF § 7120(b)(2) OF ARTICLE 1, CHAPTER 7, DIVISION 1, TITLE 22, GUAM CODE ANNOTATED; RELATIVE TO EXPANDING THE GUAM REGISTERED APPRENTICESHIP PROGRAM (GRAP) TO INCLUDE PRE-APPRENTICESHIPS, AUTHORIZING TAX CREDITS FOR PARTICIPANTS OF THE GRAP, AND PROVIDING WORK CREDIT FOR GRAP APPRENTICES.

COMMITTEE MEMBERS	DATE	Please indicate with ✓				
		TO DO PASS	TO NOT PASS	TO REPORT OUT ONLY	TO ABSTAIN	TO PLACE IN INACTIVE FILE
Senator Régine Biscoe Lee <i>Chair</i>	At Committee Mark-up Meeting — July 1, 2020	✓	_____	_____	_____	_____
Senator Clynton E. Ridgell <i>Vice Chair</i>	At Committee Mark-up Meeting — July 1, 2020	✓	_____	_____	_____	_____
Senator Kelly G. Marsh (Taitano), Ph.D. <i>Member</i>	At Committee Mark-up Meeting — July 1, 2020	✓	_____	_____	_____	_____
Senator Sabina Flores Perez <i>Member</i>		_____	_____	_____	_____	_____
Senator Amanda L. Shelton <i>Member</i>		_____	_____	_____	_____	_____
Senator Telo T. Taitague <i>Member</i>	At Committee Mark-up Meeting — July 1, 2020	✓	_____	_____	_____	_____
Senator Mary Camacho Torres <i>Member</i>		_____	_____	_____	_____	_____

CERTIFIED TRUE AND CORRECT:

Christian F. Valencia
Committee Director

