From: Committee on Rules 36GL
To: Clerks; Rennae Meno
Cc: Speaker Therese M. Terlaje; Vice Speaker Tina Rose Muña Barnes
Subject: Messages and Communications for Doc. No. 36GL-22-2555*
Date: Thursday, September 29, 2022 6:22:43 PM
Attachments: image.png
36GL-22-2555.pdf

Håfa Adai Clerks,

Please see attached M&C Doc. No. 36GL-22-2555 for processing:

36GL-22-2555	BILL NO. 277-36 (COR) nka P.L. 36-108 AN ACT TO *ADD* A NEW ARTICLE 2 TO CHAPTER 75A OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE CHAMORRO LAND TRUST COMMISSION (CLTC) TO ENTER INTO COMMERCIAL SUBMERGED LANDS LICENSE AGREEMENTS; AND TO BE KNOWN AS THE *GUAM UNDERSEA ACCESS FOR HOMES ACT (GUAHA)**	Office of the Governor of Guam

Si Yu'os Ma'åse',

COMMITTEE ON RULES

Vice Speaker Tina Rose Muña Barnes, Chairperson
36th Guam Legislature
I Mina'trentai Sais Na Liheslaturan Guåhan
Guam Congress Building | 163 Chalan Santo Papa Hågatña Guam 96910
Email: cor@guamlegislature.org

"Disclaimer: This message is intended only for the use of the individual or entity to which it is addressed and may contain information which is privileged, confidential, proprietary, or exempt from disclosure under applicable law. If you are not the intended recipient or the individual responsible for delivering the message to the intended recipient, you are strictly prohibited from disclosing, distributing, copying, or in any way using this message. If you have received this communication in error, please notify the sender and immediately delete any copies you may have received. Thank you."

---------- Forwarded message ---------
From: **Speaker Therese M. Terlaje** <speaker@guamlegislature.org>
Date: Thu, Sep 29, 2022 at 5:23 PM
Subject: (RESCIND AND REPLACE) Messages and Communications for 36GL-22-2555 (Electronic Copy)
To: Legislative Secretary Amanda Shelton <officeofsenatorshelton@guamlegislature.org>, Committee on Rules 36GL <cor@guamlegislature.org>

Håfa Adai,

Please see attached M&C Doc. No. 36GL-22-2555*

36GL-22-2555	Bill No. 277-36 (COR) nka P.L. 36-108 AN ACT TO ADD A NEW ARTICLE 2 TO CHAPTER 75A OF TITLE 21, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE CHAMORRO LAND TRUST COMMISSION (CLTC) TO ENTER INTO COMMERCIAL SUBMERGED LANDS LICENSE AGREEMENTS; AND TO BE KNOWN AS THE GUAM UNDERSEA ACCESS FOR HOMES ACT (GUAHA)*	Office of the Governor of Guam

Si Yu'os Ma'åse',

Marie Cruz
Community Relations Liaison

Office of Speaker Therese M. Terlaje
Committee on Health, Land, Justice and Culture
I Mina'trentai Sais na Liheslaturan Guåhan
36th Guam Legislature
Guam Congress Building, 163 Chalan Santo Papa, Hagåtña, Guam 96910
T: (671) 472-3586 F: (671) 989-3590 Email: senatorterlajeguam@gmail.com
website: www.senatorterlaje.com

---------- Forwarded message ---------
From: **Speaker Therese M. Terlaje** <speaker@guamlegislature.org>
Date: Thu, Sep 29, 2022 at 5:00 PM
Subject: Messages and Communications for 36GL-22-2555
To: Legislative Secretary Amanda Shelton <officeofsenatorshelton@guamlegislature.org>, Committee on Rules 36GL <cor@guamlegislature.org>

Håfa Adai,

Please see attached M&C Doc. No. 36GL-22-2555*

Si Yu'os Ma'åse',

Marie Cruz
Community Relations Liaison

Office of Speaker Therese M. Terlaje
Committee on Health, Land, Justice and Culture
I Mina'trentai Sais na Liheslaturan Guåhan
36th Guam Legislature
Guam Congress Building, 163 Chalan Santo Papa, Hagåtña, Guam 96910
T: (671) 472-3586 F: (671) 989-3590 Email: senatorterlajeguam@gmail.com
website: www.senatorterlaje.com

---------- Forwarded message ---------
From: **Brianne LG Dunstan** <brianne.dunstan@guam.gov>
Date: Thu, Sep 29, 2022 at 4:37 PM
Subject: Acting Governor Joshua F. Tenorio's Statement regarding Bill No. 277-36 (COR)
To: Speaker Therese M. Terlaje <speaker@guamlegislature.org>
Cc: GOVERNOR Lourdes A. Leon Guerrero <governor@guam.gov>, LT. GOVERNOR Joshua F. Tenorio <lt.governor@guam.gov>, Geraldine A. Cepeda <gcepeda@guamcourts.gov>, <jdelorie@guamcourts.gov>, Guam Compiler of Laws <guamcompiler@gmail.com>, CHIEF OF STAFF Jon Junior Calvo <jon.calvo@guam.gov>, DEPUTY COS Alice Taijeron <alice.taijeron@guam.gov>, Legal <legal@guam.gov>, Leslie Travis <leslie.travis@guam.gov>, Jeffrey Moots <jeffrey.moots@guam.gov>, Cheerful Catunao <cheerful.catunao@guam.gov>, Stephanie G. Flores <stephanie.flores@guam.gov>, Krystal Paco-San Agustin <krystal.paco@guam.gov>, Rikki Orsini <rikki.orsini@guam.gov>, Logan Reyes <logan.reyes@guam.gov>, Lester Carlson <lester.carlson@bbmr.guam.gov>, BERTHA <bertha.duenas@guam.gov>, Eliza G. Dames (Chamber) <eliza.dames@guam.gov>, Shamra L.A. Chargualaf (Chamber) <shamra.chargualaf@guam.gov>, Josephine C. Cepeda (Chamber) <josephine.cepeda@guam.gov>, Kathleen C. Cepeda (COS) <kathleen.cepeda@guam.gov>, Rhea Chang <rhea.chang@guam.gov>, Jessica Cruz (CF) <jessica.cruz@guam.gov>, BBMR Administrative Staff <admin@bbmr.guam.gov>, Analyn Eustaquio <analyn.eustaquio@bbmr.guam.gov>, Ely John Catalan <ely.catalan@guam.gov>

Hafa Adai Madame Speaker,

Enclosed is a copy of *Acting Governor* Joshua F. Tenorio's statement regarding Bill No. 277-36 (COR) **nka P.L. 36-108.**

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

The original statement and bill will be delivered to your office today.

Thank you.

Respectfully,

--

Brianne LG Dunstan
Unisifan I Maga'hågan Guåhan
Office of the Governor of Guam
Office of Legal Counsel
513 West Marine Corps Drive
Ricardo J. Bordallo Governor's Complex
Hagåtña, Guam 96910
Office: 671.473.1118
brianne.dunstan@guam.gov

Speaker Therese M. Terlaje <speaker@guamlegislature.org>

Time changed to reflect the actual time received

Acting Governor Joshua F. Tenorio's Statement regarding Bill No. 277-36 (COR)

Brianne LG Dunstan <brianne.dunstan@guam.gov> Thu, Sep 29, 2022 at ~~4:29~~ PM
To: "Speaker Therese M. Terlaje" <speaker@guamlegislature.org> **4:37** MC
Cc: "GOVERNOR Lourdes A. Leon Guerrero" <governor@guam.gov>, "LT. GOVERNOR Joshua F. Tenorio" <lt.governor@guam.gov>, "Geraldine A. Cepeda" <gcepeda@guamcourts.gov>, jdelorie@guamcourts.gov, Guam Compiler of Laws <guamcompiler@gmail.com>, CHIEF OF STAFF Jon Junior Calvo <jon.calvo@guam.gov>, DEPUTY COS Alice Taijeron <alice.taijeron@guam.gov>, Legal <legal@guam.gov>, Leslie Travis <leslie.travis@guam.gov>, Jeffrey Moots <jeffrey.moots@guam.gov>, Cheerful Catunao <cheerful.catunao@guam.gov>, "Stephanie G. Flores" <stephanie.flores@guam.gov>, Krystal Paco-San Agustin <krystal.paco@guam.gov>, Rikki Orsini <rikki.orsini@guam.gov>, Logan Reyes <logan.reyes@guam.gov>, Lester Carlson <lester.carlson@bbmr.guam.gov>, BERTHA <bertha.duenas@guam.gov>, "Eliza G. Dames (Chamber)" <eliza.dames@guam.gov>, "Shamra L.A. Chargualaf (Chamber)" <shamra.chargualaf@guam.gov>, "Josephine C. Cepeda (Chamber)" <josephine.cepeda@guam.gov>, "Kathleen C. Cepeda (COS)" <kathleen.cepeda@guam.gov>, Rhea Chang <rhea.chang@guam.gov>, "Jessica Cruz (CF)" <jessica.cruz@guam.gov>, BBMR Administrative Staff <admin@bbmr.guam.gov>, Analyn Eustaquio <analyn.eustaquio@bbmr.guam.gov>, Ely John Catalan <ely.catalan@guam.gov>

Hafa Adai Madame Speaker,

Enclosed is a copy of *Acting Governor* Joshua F. Tenorio's statement regarding Bill No. 277-36 (COR) **nka P.L. 36-108.**

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

The original statement and bill will be delivered to your office today.

Thank you.

Respectfully,

--

Brianne LG Dunstan
Unisifan I Maga'hågan Guåhan
Office of the Governor of Guam
Office of Legal Counsel
513 West Marine Corps Drive
Ricardo J. Bordallo Governor's Complex
Hagåtña, Guam 96910
Office: 671.473.1118
brianne.dunstan@guam.gov

DOC NO. 36GL-22-2555
OFFICE OF THE SPEAKER
Therese M. Terlaje
Date: 09/29/2022
Time: 4:37 p.m.
Received: MCruz

COMMITTEE ON RULES
RECEIVED:
September 29, 2022
5:23 P.M.

22.0929 Bill No. 277-36 (COR) nka P.L. 36-108 [Transmitted].pdf
742K

LOURDES A. LEON GUERRERO
GOVERNOR

JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HÅGAN GUÅHAN
OFFICE OF THE GOVERNOR OF GUAM

September 29, 2022

HONORABLE THERESE M. TERLAJE
Speaker
I Mina'trentai Sais Na Liheslaturan Guåhan
36th Guam Legislature
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

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

Hafa Adai Madame Speaker,

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

Senseremente,

JOSHUA F. TENORIO
Åkto Maga'låhen Guåhan
Acting Governor of Guam

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

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

Doc No. 36GL-22-0557

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

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

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

Therese M. Terlaje

Therese M. Terlaje
Speaker

Attested:

Tina Rose Muña Barnes
Acting Legislative Secretary

This Act was received by *I Maga'hågan Guåhan* this 27TH day of Septembar, 2022, at 5:08 o'clock P.M.

Assistant Staff Officer
Maga'håga's Office

APPROVED:

JOSHUA F. TENORIO, ACTING GOVERNOR OF GUAM

Lourdes A. Leon Guerrero
I Maga'hågan Guåhan

Date: 9/29/22

Public Law No. 36-108

OFFICE OF THE GOVERNOR
CENTRAL FILES
Evelyn Fejeran
RECEIVED BY:
TIME 5:08 pm DATE 9/27/22

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

Bill No. 277-36 (COR)
As amended by the Committee on Health, Land,
Justice, and Culture; and further amended on the Floor.

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

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

BE IT ENACTED BY THE PEOPLE OF GUAM:

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

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

"ARTICLE 2

GUAM UNDERSEA ACCESS FOR HOMES ACT (GUAHA)

§ 75A201. Title.
§ 75A202. Legislative Findings and Intent.
§ 75A203. Authorization to Enter into Commercial Submerged Lands License Agreements with Telecommunication Providers.
§ 75A204. Compensation for Submerged Lands License Agreements.
§ 75A205. License Agreement Requirements.
§ 75A206. Default and Termination.
§ 75A207. Deposit of Revenues and Fees.
§ 75A208. Authorization to Adopt New Fees After 2031.
§ 75A209. Guam Coastal Management to Recommend Optimal Submerged Cable Landings Sites.
§ 75A210. Establishment of Fees.
§ 75A211. Exemption from Commercial Leases and Licenses.
§ 75A212. Other Submerged Licenses Allowed.

§ 75A201. Title.

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

§ 75A202. Legislative Findings and Intent.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

§ 75A204. Compensation for Submerged Lands License Agreements.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

§75A205. License Agreement Requirements.

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

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

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

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

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

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

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

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

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

(C) Workers Compensation Insurance;

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

(E) Evidence of Coverage:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

§75A206. Default and Termination.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

§ 75A207. Deposit of Revenues and Fees.

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

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

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

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

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

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

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

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

§ 75A210. Establishment of Fees.

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

§ 75A211. Exemption from Commercial Leases and Licenses.

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

§ 75A212. Other Submerged Licenses Allowed.

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

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

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

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

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