

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
<b>176-37 (COR)</b> As amended by the Committee on Emergency Response, Military and Veteran Affairs, Border Safety and Mayors Council; and further amended on the Floor.	Tina Rose Muña Barnes Dwayne T.D. San Nicolas Jesse A. Lujan Christopher M. Dueñas Amanda L. Shelton Joe S. San Augustin Chris Barnett Therese M. Terlaje Roy A. B. Quinata William A. Parkinson Frank Blas, Jr.	AN ACT TO AMEND § 73151 OF ARTICLE 1, CHAPTER 73, TITLE 5, GUAM CODE ANNOTATED, AND TO ADD NEW § 73127.1, § 73104.1, § 73104.2, § 73104.3, AND § 73104.4 TO ARTICLE 1 OF CHAPTER 73, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE GUAM CUSTOMS AND QUARANTINE AGENCY (CQA) TO ADOPT AND IMPLEMENT A CUSTOMS AUTOMATED SYSTEM AND THE HARMONIZED COMMODITY AND CODING SYSTEM (HCCS).	9/27/23 4:21 p.m.	9/29/23	Committee on Emergency Response, Military and Veteran Affairs, Border Safety and Mayors Council	Request: 9/29/23  10/11/23	11/20/23 9:00 a.m.	3/6/24 2:59 p.m.  As amended by the Committee on Emergency Response, Military and Veteran Affairs, Border Safety and Mayors Council	
	SESSION DATE	TITLE	DATE PASSED	TRANSMITTED	DUE DATE	PUBLIC LAW NO.	DATE SIGNED	NOTES	
	3/18/24	AN ACT TO AMEND § 73151, AND TO ADD NEW §§ 73127.1, 73104.1, 73104.2, 73104.3, AND 73104.4 OF ARTICLE 1, CHAPTER 73, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE GUAM CUSTOMS AND QUARANTINE AGENCY TO ADOPT AND IMPLEMENT A CUSTOMS AUTOMATED SYSTEM AND THE HARMONIZED COMMODITY AND CODING SYSTEM.	3/22/24	3/22/24	4/3/24	37-82	4/2/24	Received: 4/2/24 Messages and Communications Doc. No. 37GL-24-1873	

LOURDES A. LEON GUERRERO  
GOVERNOR



JOSHUA F. TENORIO  
LT. GOVERNOR

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

Transmitted via email to: [speaker@guamlegislature.org](mailto:speaker@guamlegislature.org)

April 2, 2024

The Hon. Therese M. Terlaje  
*Speaker, I Mina'trentai Siette Na Liheslaturan Guåhan*  
37<sup>th</sup> Guam Legislature  
Guam Congress Building  
163 Chalan Santo Papa  
Hagåtña, Guam 96910

37GL-24-1873  
OFFICE OF THE SPEAKER  
THERESE M. TERLAJE

APR 02 2024

Time: 4:27 PM  
Received: SJ

**Re: Bill No. 176-37 (COR) - AN ACT TO AMEND § 73151, AND TO ADD NEW §§ 73127.1, 73104.1, 73104.2, 73104.3, AND 73104.4 OF ARTICLE 1, CHAPTER 73, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE GUAM CUSTOMS AND QUARANTINE AGENCY TO ADOPT AND IMPLEMENT A CUSTOMS AUTOMATED SYSTEM AND THE HARMONIZED COMMODITY AND CODING SYSTEM**

*Håfa Adai* Madam Speaker,

Bill No. 176-37 (COR) calls for the creation of an automated Customs system moving Guam from the paper system that has been in place since the 1950s to a 21st-century electronic system used by over 200 nations worldwide. The automated system will efficiently collect real-time information on all merchandise that enters Guam, and enable the more efficient collection of the duties owed on that merchandise.

This system will utilize universal data formatting, streamlining the processing of goods being shipped internationally into Guam eliminating the requirement to complete actual physical paperwork for Guam.

The automating of the customs clearance system will also benefit the Port of Guam, by reducing the time Customs officials require to process each shipment, and allowing the Port to more accurately and efficiently classify the cargo held at the Port. More efficient handling of the cargo will in turn enable the Port to increase the volume of cargo it is able to process.

The new system also enhances the security and safety of the Port of Guam. Using the integrated international system, Customs can track the movement of cargo bound for Guam and the identity of persons with access to that cargo from the time it entered the international customs system,



To: Therese M. Terlaje, Speaker  
Fr: Lourdes A. Leon Guerrero, Governor of Guam  
Date: April 2, 2024  
Re: Bill No. 176-37 (COR)

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making it more difficult for illegal cargo to enter our island. Electronic processing of cargo also allows the immediate identification of all incoming hazardous material, ensuring safe handling of such material upon arrival. The new automated system will protect against the introduction of invasive species, by helping identify cargo most likely to contain pests, allowing implementation of proactive protective measures against possible infestation.

Finally, the new system will help our economy by reducing the customs clearance processing time significantly more expeditiously than the manual system currently in use.

For these reasons, I am signing Bill No. 176-37 (COR) into law as ***Public Law 37-82***

*Senseramente,*



**LOURDES A. LEON GUERRERO**

*Maga'hågan Guåhan*

Governor of Guam

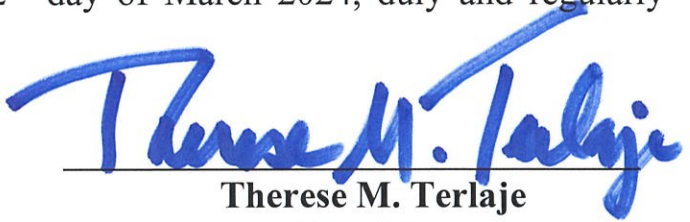
Enclosure(s): Bill No. 176-37 (COR) nka P.L. 37-82

cc via email: The *Honorable* Joshua F. Tenorio, *Maga'låhen Guåhan*, Lt. Governor of Guam  
Compiler of Laws

*I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN*  
2024 (SECOND) Regular Session

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

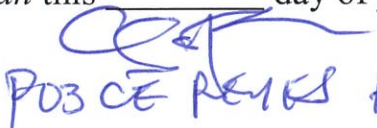
This is to certify that **Bill No. 176-37 (COR)**, “AN ACT TO *AMEND* § 73151, AND TO *ADD* NEW §§ 73127.1, 73104.1, 73104.2, 73104.3, AND 73104.4 OF ARTICLE 1, CHAPTER 73, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE GUAM CUSTOMS AND QUARANTINE AGENCY TO ADOPT AND IMPLEMENT A CUSTOMS AUTOMATED SYSTEM AND THE HARMONIZED COMMODITY AND CODING SYSTEM,” was on the 22<sup>nd</sup> day of March 2024, duly and regularly passed.

  
Therese M. Terlaje  
Speaker


Attested:

  
Amanda L. Shelton  
Legislative Secretary

This Act was received by *I Maga'hågan Guåhan* this 22<sup>ND</sup> day of MARCH,  
2024, at 8:22 o'clock P.M.

  
POB CE REVIEWS #752  
Assistant Staff Officer  
*Maga'håga's* Office

APPROVED:

  
Lourdes A. Leon Guerrero  
*I Maga'hågan Guåhan*

Date: 4/2/24

Public Law No. 37-82

2024 - 21285  
OFFICE OF THE GOVERNOR  
CENTRAL FILES OFFICE  
Rec'd By: Michael C. Quinata  
Date: 3/25/24 Time: 8:29 AM

***I MINA'TRENTAI SIETTE NA LIHESLATURAN GUÅHAN***  
**2023 (FIRST) Regular Session**

**Bill No. 176-37 (COR)**

As amended by the Committee on Emergency Response, Military and Veteran Affairs, Border Safety and Mayors Council; and further amended on the Floor.

Introduced by:

Tina Rose Muña Barnes  
Dwayne T.D. San Nicolas  
Jesse A. Lujan  
Christopher M. Dueñas  
Amanda L. Shelton  
Joe S. San Agustin  
Chris Barnett  
Therese M. Terlaje  
Roy A. B. Quinata  
William A. Parkinson  
Frank Blas, Jr.  
Joanne M. Brown  
Thomas J. Fisher  
Sabina Flores Perez  
Telo T. Taitague

**AN ACT TO AMEND § 73151, AND TO ADD NEW §§ 73127.1, 73104.1, 73104.2, 73104.3, AND 73104.4 OF ARTICLE 1, CHAPTER 73, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO AUTHORIZING THE GUAM CUSTOMS AND QUARANTINE AGENCY TO ADOPT AND IMPLEMENT A CUSTOMS AUTOMATED SYSTEM AND THE HARMONIZED COMMODITY AND CODING SYSTEM.**

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

2       **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*  
3 finds that in order to modernize the Guam Customs and Quarantine Agency  
4 (CQA), the agency would need to implement the Harmonized Commodity and  
5 Coding System (HCCS). The HCCS is a classification system that is “used by

1 more than 200 countries and economies as a basis for their Customs tariffs and  
2 for the collection of international trade statistics,” according to the World  
3 Customs Organization, and is a system that classifies goods into distinct codes  
4 that can be tracked, analyzed, and processed in any country or entries that utilize  
5 the HCCS. Implementing the HCCS system into the CQA will bring in many  
6 benefits, such as reducing expenses related to trade and aiding in the collection  
7 and analysis of information needed to fully collect taxes, improve border control,  
8 and enhance current risk management and threat assessment functions by the  
9 government of Guam, improve CQA’s resource management and inspection fee  
10 collection, and allow for the creation of a database of all the goods that enter our  
11 island. Equipping the CQA with the HCCS system will allow the agency to better  
12 protect and serve our island.

13 Therefore, in an effort to modernize the classification and inspection  
14 system of the Guam Customs and Quarantine Agency (CQA), *I Liheslaturan*  
15 *Guåhan* intends to authorize the CQA to develop rules and regulations in order  
16 to implement the Harmonized Commodity and Coding System. With this system  
17 in place, our island will finally join the ranks of over two hundred (200) countries  
18 that use the HCCS system and be efficient in its processing and regulation of  
19 goods that enter our island.

20 **Section 2.** § 73151 of Article 1, Chapter 73, Title 5, Guam Code  
21 Annotated, is hereby *amended* to read as follows:

22 **“§ 73151. Rules and Regulations for the Customs,**  
23 **Agriculture, and Quarantine Inspection Services Charge and the**  
24 **Customs Harmonized Commodity and Coding System.**

25 The Director of Customs and Quarantine Agency, subject to  
26 the Administrative Adjudication Act, shall promulgate and adopt  
27 rules and regulations to implement the provisions of Section 73145  
28 through 75153 of this Chapter:

1 (a) including provisions establishing the procedure  
2 for collection of the service charge, and for periodic review of  
3 the costs of providing the services, the level of the charges  
4 levied, and the amount of reimbursement payable to the Guam  
5 International Airport Authority, the Customs and Quarantine  
6 Agency, the Department of Agriculture and/or their agents  
7 reflecting the administrative cost of collecting and remitting  
8 the charges. The rules and regulations shall also provide for  
9 such exemptions from the service charge as may be required  
10 by applicable law, other regulations, or as may be prescribed  
11 by the Director of the Customs and Quarantine Agency. In  
12 addition, to the extent the interim charge authorized by §  
13 73146 is determined to have either over collected or under  
14 collected the revenue required during the interim period, the  
15 final regulations should adjust the service charges  
16 accordingly;

17 (b) to introduce the Customs Harmonized  
18 Commodity and Coding Schedule that is aligned to the  
19 Harmonized Commodity and Coding System maintained by  
20 the World Customs Organization;

21 (c) to introduce and implement a Customs  
22 Automated System and to authorize the use of the Customs  
23 Automated System by registered individuals; and

24 (d) to create provisions and requirements to  
25 successfully implement § 73104 and § 73127 of this Article,  
26 applicable to merchandise to be imported, imported  
27 merchandise, or merchandise exported.”

28 **Section 3.** A new § 73127.1 is hereby *added* to Article 1 of Chapter 73,  
29 Title 5, Guam Code Annotated, to read as follows:

1           **“§ 73127.1. Authority to Establish Fines and Fees.**

2           The Director is authorized to establish and amend fines and fees in  
3 accordance with the Administrative Adjudication Law, pertaining to this Act. The  
4 rules and regulations shall include provisions that:

5           (a) allow Guam Customs and Quarantine Agency to deny entry  
6 or re-export cargo and goods that have been incorrectly declared under the  
7 Harmonized Commodity and Coding System;

8           (b) prescribe tiered fines based on the cumulative number of  
9 offenses made by a responsible party;

10          (c) consider separate administrative actions for consumers who  
11 rely on third parties to import goods into Guam and importers who engage  
12 in purposeful deception when declaring goods being brought into Guam  
13 under the Harmonized Commodity and Coding System;

14          (d) require fines or penalties collected or paid due to being found  
15 guilty of violations outlined in these rules and regulations shall be  
16 deposited into the Customs Fines and Penalties Revolving Fund created  
17 under § 73153 of this Article;

18          (e) Address any other pertinent administrative provisions  
19 necessary to carry out the Harmonized Commodity and Coding System.”

20          **Section 4.** A new § 73104.1 is hereby *added* to Article 1 of Chapter 73,  
21 Title 5, Guam Code Annotated, to read as follows:

22          **“§ 73104.1. Classification of Merchandise for the Purpose of Entry**  
23 **Compliance.**

24          (a) For the purpose of entry clearance and taxes, exemptions, or  
25 drawbacks applicable to imported or exported goods under Title 11, Guam  
26 Code Annotated, such goods shall be classified using the Harmonized  
27 Commodity and Coding System (HCCS) of classification and its related  
28 Explanatory Notes as maintained by the World Customs Organization.



1 (b) The rate of taxes, exemptions, or drawbacks applicable to  
2 goods to be imported, goods imported, or goods to be exported shall  
3 correspond to the classification of the goods in the Customs Harmonized  
4 Commodity and Coding Classification Schedule Regulation.

5 (c) An importer, licensee, or owner of the goods required to make  
6 an entry for goods under this Act shall correctly classify imported goods in  
7 accordance with § 73104.1(a) of this Article.”

8 **Section 5.** A new § 73104.2 is hereby *added* to Article 1 of Chapter 73,  
9 Title 5, Guam Code Annotated, to read as follows:

10 “§ 73104.2. **Access to the Customs Harmonized Commodity and**  
11 **Coding Classification Schedule.**

12 (a) The Director of Guam Customs and Quarantine Agency shall:

13 (1) ensure that the Customs Harmonized Commodity and  
14 Coding Classification Schedule, as amended, is published on the  
15 Guam Customs and Quarantine Agency website and is publicly  
16 available free of charge; and

17 (2) ensure that copies of the Customs Harmonized  
18 Commodity and Coding Classification Schedule, as amended, are  
19 available for purchase at a reasonable price.

20 (b) Nothing in this Section prevents the Director of Guam  
21 Customs and Quarantine Agency from making other information available  
22 along with the Harmonized Commodity and Coding Classification  
23 Schedule. The Director of Customs shall ensure that it is clearly indicated  
24 that the other information are not part of the Customs Harmonized  
25 Commodity and Coding Classification.”

26 **Section 6.** A new § 73104.3 is hereby *added* to Article 1, Chapter 73,  
27 Title 5, Guam Code Annotated, to read as follows:

28 “§ 73104.3. **Amendments to the Harmonized Commodity and**  
29 **Coding System (HCCS).**

1 (a) The Director of the Guam Customs and Quarantine Agency  
2 may, in accordance to 5 GCA Chapter 9, amend the Customs Harmonized  
3 Commodity and Coding Schedule for uniformity with amendments  
4 approved by the World Customs Organization.

5 (b) No amendment made under this Section shall alter the taxes,  
6 exemptions, or drawbacks duty applicable to goods classified under any  
7 item or heading in the Harmonized Commodity and Coding Schedule.”

8 **Section 7.** A new § 73104.4 is hereby *added* to Article 1, Chapter 73,  
9 Title 5, Guam Code Annotated, to read as follows:

10 “§ 73104.4. **Customs Automated System and Information Sharing.**

11 (a) Only individuals designated by the Director of Guam  
12 Customs and Quarantine Agency may access the Customs Automated  
13 System to carry out any duties pursuant to this Act or any other statutory  
14 provisions of Guam law.

15 (b) Notwithstanding any other provision of law, the Director of  
16 Guam Customs and Quarantine Agency, through a memorandum of  
17 agreement, may permit access to records or information collected under  
18 this Article to other government of Guam agencies for the performance of  
19 their official duties. Accessibility will require the integration of the  
20 agency’s regulating or enforcement processes into the Customs Automated  
21 System, and, for uniformity, incorporate the Harmonized Commodity and  
22 Coding Schedule for identification of merchandise the agencies regulate.

23 (c) Through such agreements to access records or information  
24 collected under this Article, the Director of Guam Customs and Quarantine  
25 Agency may institute reasonable fees for the sustainability, upgrades, and  
26 maintenance of the Harmonized Commodity and Coding Schedule and the  
27 Customs Automated System.”

28 **Section 8. Effective Date.** This Act shall be effective upon enactment.

1           **Section 9. Severability.** If any provision of this Act or its application to  
2 any person or circumstance is found to be invalid or inorganic, such invalidity  
3 shall not affect other provisions or applications of this Act that can be given effect  
4 without the invalid provision or application, and to this end the provisions of this  
5 Act are severable.