



COPY

I MINA'TRENTAI OCHO NA LIHESLATURAN GUAHAN
Thirty-Eighth Guam Legislature

March 27, 2026

The Honorable Lourdes A. Leon Guerrero
I Maga'hågan Guåhan
Ufisinan I Maga'håga
Hagåtña, Guam 96910

Dear *Maga'håga* Leon Guerrero:

Transmitted herewith are Bill Nos. 65-38 (COR), 131-38 (COR), 141-38 (COR), 142-38 (COR), 205-38 (COR), 214-38 (COR), 218-38 (COR), 228-38 (COR), 231-38 (COR), 233-38 (COR), 234-38 (COR), 237-38 (COR), 245-38 (COR), 254-38 (COR), 262-38 (LS), 263-38 (LS), and 279-38 (COR), and Substitute Bill Nos. 206-38 (COR) and 246-38 (COR) which were passed by *I Mina'trentai Ocho Na Liheslaturan Guahan* on March 27, 2026.

Sincerely,

Senator Sabrina Salas Matanane
Legislative Secretary

POTU Jesse J. Castro

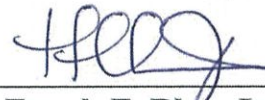
8:24pm, 3.27.26

Enclosure (19)

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2026 (SECOND) Regular Session

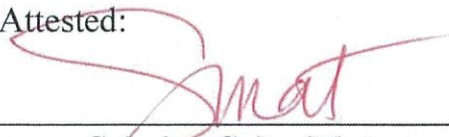
CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'HÅGAN GUÅHAN

This is to certify that **Bill No. 234-38 (COR)**, "AN ACT TO ADD A NEW § 73157 TO ARTICLE 1, CHAPTER 73, DIVISION 3, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO MANDATING THE ADOPTION OF THE AUTOMATED SYSTEM FOR CUSTOMS DATA (ASYCUDA) AS THE OFFICIAL CUSTOMS MANAGEMENT SYSTEM OF THE GUAM CUSTOMS AND QUARANTINE AGENCY, AND TO AUTHORIZE AGREEMENTS WITH THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT (UNCTAD) FOR ITS IMPLEMENTATION AND MAINTENANCE," was on the 27th day of March 2026, duly and regularly passed.



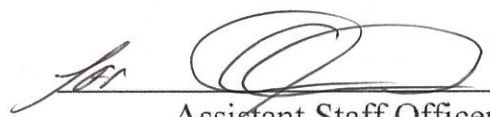
Frank F. Blas, Jr
Speaker

Attested:



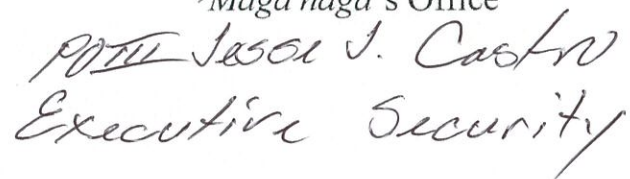
Sabrina Salas Matanane
Legislative Secretary

This Act was received by *I Maga'hågan Guåhan* this 27 day of March 2026, at 8:24 o'clock P.M.



Assistant Staff Officer
Maga'håga's Office

APPROVED:


Executive Security

Lourdes A. Leon Guerrero
I Maga'hågan Guåhan

Date: _____

Public Law No. _____

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÁHAN
2025 (FIRST) Regular Session

Bill No. 234-38 (COR)

As amended on the Floor.

Introduced by:

Jesse A. Lujan
Tina Rose Muña-Barnes
Vincent A.V. Borja
Christopher M. Dueñas
William A. Parkinson
Joe S. San Agustin
Eulogio Shawn Gumataotao
Shelly V. Calvo
Frank F. Blas, Jr.
Sabrina Salas Matanane
V. Anthony Ada
Telo T. Taitague
Sabina Flores Perez
Chris Barnett
Therese M. Terlaje

AN ACT TO ADD A NEW § 73157 TO ARTICLE 1, CHAPTER 73, DIVISION 3, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO MANDATING THE ADOPTION OF THE AUTOMATED SYSTEM FOR CUSTOMS DATA (ASYCUDA) AS THE OFFICIAL CUSTOMS MANAGEMENT SYSTEM OF THE GUAM CUSTOMS AND QUARANTINE AGENCY, AND TO AUTHORIZE AGREEMENTS WITH THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT (UNCTAD) FOR ITS IMPLEMENTATION AND MAINTENANCE.

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

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 and declares that Guam Customs and Quarantine Agency (CQA), by virtue of
4 Guam’s status outside the customs territory of the United States, does not have
5 access to the federal computerized trade platforms administered by U.S. Customs
6 and Border Protection, including the Automated Commercial Environment (ACE),
7 and has therefore relied for decades on paper-based tracking, manually maintained
8 electronic logs, and other non-integrated processes to record, assess, and enforce
9 customs and use tax obligations on incoming cargo. The Office of Public
10 Accountability, in Report No. 20-01, *Government of Guam Use Tax on Air Cargo*
11 *(October 1, 2016 through December 31, 2018)*, documented significant flaws and
12 deficiencies in the Government of Guam’s use tax processes, including manual
13 recording and assessment of incoming air cargo; substantial backlogs in processing
14 assessed but unpaid use tax forms; the inability to reliably determine the true amount
15 of taxes assessed, collected, and outstanding; the lack of an interface between CQA’s
16 and the Department of Revenue and Taxation’s systems; the absence of pre-
17 numbered and controlled assessment forms; limited documentation of exemptions
18 and supervisory reviews; and weak internal controls over collections and deposits,
19 all of which create a high risk of unaccounted, unrecorded, and unassessed cargo,
20 revenue leakage, and exposure to fraud, waste, and abuse.

21 *I Liheslaturan Guåhan* further finds that modernization of CQA’s systems and
22 processes is essential to safeguard Guam’s borders, facilitate legitimate trade,
23 support accurate and timely revenue collection, and ensure compliance with local,
24 regional, and international standards. The Oceania Customs Organization and
25 international experts have specifically recommended that Guam Customs adopt the
26 Automated System for Customs Data (ASYCUDA), a proprietary customs
27 management platform developed and administered by the United Nations

1 Conference on Trade and Development (UNCTAD), which is utilized by more than
2 two hundred customs administrations worldwide, including small island developing
3 states in the Pacific, and which is recognized as a global standard for electronic
4 customs management, risk profiling, and trade facilitation. *I Liheslaturan Guåhan*
5 also recognizes that UNCTAD, as a United Nations entity, does not participate in
6 conventional Invitation for Bid procurement processes, but instead enters into direct
7 intergovernmental agreements or memoranda of understanding with sovereigns and
8 governments, such that the implementation of ASYCUDA in Guam necessarily
9 requires statutory authorization for CQA to negotiate and execute such
10 intergovernmental instruments, and a narrowly tailored exemption from the Guam
11 Procurement Law, codified at 5 GCA Chapter 5, to recognize ASYCUDA as a sole-
12 source, intergovernmental, proprietary system for customs automation.

13 *I Liheslaturan Guåhan* additionally finds that it has already taken important
14 steps toward customs and border management modernization through the enactment
15 of Public Law 35-105, which strengthened advance cargo reporting and notice-of-
16 arrival requirements, mandated the advance presentation of manifest information to
17 CQA prior to arrival at Guam's ports of entry, and established new penalties for non-
18 compliance, thereby improving transparency and enforcement at the border; and
19 through Public Law 37-82, which amended 5 GCA Chapter 73 to expressly authorize
20 CQA to adopt and implement a customs automated system and the Harmonized
21 Commodity Description and Coding System, thereby creating a statutory framework
22 for modern customs classification and automation. Notwithstanding these significant
23 strides, the deficiencies identified by the Office of Public Accountability in the
24 Government of Guam's use tax and cargo processing systems demonstrate that
25 further legislative action is required to move from a fragmented, manual, and error-
26 prone environment to a comprehensive, integrated customs management platform
27 that can receive airway bills and manifests electronically, automate assessments,

1 track exemptions and personal thresholds, interface with revenue and accounting
2 systems, and generate reliable data for financial reporting and policy-making.

3 It is therefore the intent of *I Liheslaturan Guåhan*, consistent with and in
4 furtherance of Public Laws 35-105 and 37-82, to provide Guam Customs and
5 Quarantine Agency with clear legal authority to adopt ASYCUDA as Guam’s
6 official customs management system; to authorize CQA to enter into
7 intergovernmental agreements, memoranda of understanding, and related
8 instruments with UNCTAD for the acquisition, implementation, and maintenance of
9 ASYCUDA; to exempt such agreements from the Guam Procurement Law as a sole-
10 source, intergovernmental, proprietary acquisition; and to thereby remedy the audit-
11 identified deficiencies in cargo recording, assessment, collection, exemptions,
12 receivables, and system interfaces by implementing a modern, electronic customs
13 environment that enhances Guam’s border security, strengthens fiscal transparency
14 and revenue collection, and supports the efficient movement of legitimate commerce
15 through Guam’s ports of entry.

16 **Section 2.** A new § 73157 is hereby *added* to Article 1, Chapter 73, Division
17 3, Title 5, Guam Code Annotated, to read:

18 **“§ 73157. Implementation of Customs Information Technology**
19 **System – ASYCUDA**

20 (a) Definitions.

21 For purposes of this Section:

22 (1) ‘Agency’ means the Guam Customs and Quarantine
23 Agency.

24 (2) ‘ASYCUDA’ means the Automated System for Customs
25 Data, a proprietary customs management system developed,
26 administered, and supplied by the United Nations Conference on Trade
27 and Development (UNCTAD).

1 (3) ‘Customs automated system’ means an electronic platform
2 or suite of modules used for the receipt and processing of customs
3 declarations, manifests, cargo and passenger data, risk management,
4 valuation, classification, revenue assessment and collection,
5 enforcement actions, and related customs functions at Guam’s ports of
6 entry.

7 (4) ‘UNCTAD’ means the United Nations Conference on
8 Trade and Development, a specialized entity of the United Nations
9 responsible for, *inter alia*, the development and administration of
10 ASYCUDA.

11 (b) Adoption and Designation as Official System.

12 ASYCUDA is hereby adopted and designated as the official customs
13 automated system of the Agency for all customs operations at Guam’s ports
14 of entry, including, but not limited to, air, sea, mail, and express consignment
15 facilities.

16 (c) Authority to Negotiate and Execute Agreements.

17 The Director of Customs, with the approval of *I*
18 *Maga’hågan/Maga’låhen Guåhan*, is authorized to negotiate, execute,
19 implement, and amend agreements, memoranda of understanding, and other
20 intergovernmental instruments with UNCTAD for the planning, acquisition,
21 installation, configuration, hosting, integration, operation, enhancement,
22 training, support, and maintenance of ASYCUDA and its related modules and
23 services.

24 (d) Exemption from Certain Procurement Requirements.

25 Notwithstanding any other provision of law, agreements, memoranda
26 of understanding, and other instruments entered into pursuant to this Section
27 for the provision of ASYCUDA and its directly associated modules, services,

1 hardware and support shall be exempt from the Invitation for Bid (IFB) and
2 competitive source selection requirements of Chapter 5 of this Title, in
3 recognition that ASYCUDA is a sole-source, proprietary, intergovernmental
4 system available exclusively through UNCTAD.

5 (1) Prior to entering into any such agreement, the Director of
6 Customs shall prepare a written determination, approved by the
7 Governor, certifying that:

8 (A) ASYCUDA is available only through UNCTAD;

9 and

10 (B) the exemption granted under this subsection is
11 limited to ASYCUDA and its directly associated modules,
12 services, hardware and support.

13 (2) The exemption provided in this subsection shall not be
14 construed to authorize sole-source procurement for any other
15 information technology system, hardware, software, or service not
16 directly related to the implementation and operation of ASYCUDA.

17 (3) A copy of each agreement or instrument executed pursuant
18 to this subsection, together with the written determination required
19 herein, shall be transmitted to *I Liheslaturan Guåhan* within thirty (30)
20 days of execution.

21 (e) Funding.

22 Federal funds, including, but not limited to, Technical Assistance
23 Program (TAP) funds and other grants or cooperative agreements, together
24 with local appropriations and any other lawful funding sources, may be
25 obligated, encumbered, and expended for the planning, acquisition,
26 implementation, integration, hosting, operation, maintenance, enhancement,

1 and training necessary to support ASYCUDA and its associated customs
2 automation functions.

3 (f) System Integration and Data Governance.

4 The Agency shall configure and operate ASYCUDA in a manner that:

5 (1) facilitates electronic receipt, processing, and retention of
6 cargo and passenger data, manifests, and declarations;

7 (2) enables, to the maximum extent practicable, electronic
8 interface and data sharing with the Department of Revenue and
9 Taxation and with any government-wide financial or revenue
10 management systems authorized by law;

11 (3) supports accurate assessment, collection, accounting, and
12 reporting of customs duties, use taxes, fees, and other revenues under
13 the Agency's jurisdiction; and

14 (4) preserves the Government of Guam's ownership, control,
15 and timely access to all customs and revenue-related data processed
16 through ASYCUDA, regardless of hosting or service arrangements.

17 (g) Rules and Regulations.

18 The Director of Customs shall, within one hundred eighty (180) days
19 of the effective date of this Act, promulgate rules and regulations, pursuant to
20 the Administrative Adjudication Law, 5 GCA Chapter 9, to govern the
21 effective use, security, integrity, access controls, confidentiality, data
22 retention, and continuity of operations of ASYCUDA, and to ensure
23 compliance with applicable local, federal, and international customs, trade,
24 and border security requirements.

25 (h) Information Sharing and Interagency Cooperation.

26 The Director of the Guam Customs and Quarantine Agency may, at his
27 or her discretion, and consistent with applicable local and federal laws and

1 confidentiality requirements, enter into memoranda of understanding, data
2 sharing agreements, or other cooperative instruments for the exchange and use
3 of information generated or maintained through ASYCUDA for customs,
4 revenue, law enforcement, border security, and trade facilitation purposes,
5 including, but not limited to:

6 (1) Government of Guam Agencies such as the Department of
7 Revenue and Taxation, the Office of Technology, the Bureau of
8 Statistics and Plans, the Port Authority of Guam, the Guam
9 International Airport Authority, and such other departments, agencies,
10 or instrumentalities of the Government of Guam as the Director deems
11 appropriate to:

12 (A) improve revenue assessment, collection, and
13 reconciliation;

14 (B) support coordinated risk management and
15 enforcement activities; and

16 (C) facilitate legitimate trade, logistics, and economic
17 and statistical analysis.

18 (2) Federal Authorities such as the United States Coast Guard,
19 the United States Department of Homeland Security, United States
20 Customs and Border Protection, the United States Postal Inspection
21 Service, the Drug Enforcement Agency, the Federal Bureau of
22 Investigation, the Internal Revenue Service Criminal Investigation
23 Agency, and such other federal law enforcement, border security,
24 regulatory, or postal entities as the Director deems appropriate to:

25 (A) enhance joint enforcement efforts and information
26 sharing;

1 (B) support compliance with federal requirements
2 applicable at Guam's ports of entry; and

3 (C) facilitate the secure and efficient movement of
4 legitimate cargo and passengers.

5 (3) Regional and International Customs Entities such as
6 Customs and Border Protection authorities within the Pacific region,
7 including, but not limited to, customs administrations participating in
8 the Oceania Customs Organization or similar regional bodies, for the
9 purpose of:

10 (A) facilitating trade and transit of goods within the
11 region;

12 (B) coordinating risk management and enforcement
13 initiatives; and

14 (C) promoting cooperation and best practices in
15 customs modernization and automation.

16 Any such instrument entered into under this Subsection shall
17 incorporate appropriate safeguards to protect confidential taxpayer,
18 commercial, and law enforcement-sensitive information, and shall ensure that
19 shared data is used solely for lawful governmental purposes related to
20 customs, revenue, trade, or border security.”

21 **Section 3. Implementation and Initial Reporting.** Within ninety (90)
22 days of the execution of the initial agreement between the Guam Customs and
23 Quarantine Agency and the United Nations Conference on Trade and Development
24 for the implementation of ASYCUDA, the Director of Customs shall submit to *I*
25 *Liheslaturan Guåhan* an implementation plan setting forth:

26 (a) the projected timeline for phased deployment;

1 (b) major milestones, including system configuration, staff training,
2 and integration with the Department of Revenue and Taxation and other
3 relevant agencies;

4 (c) anticipated budget and funding sources; and

5 (d) a description of how the implementation will address
6 deficiencies previously identified by the Office of Public Accountability and
7 other oversight entities in customs processing, assessment, collection, and
8 internal controls.

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

14 **Section 5. Effective Date.** This Act shall become effective upon enactment.