

I Mina'trentai Ocho Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
67-38 (COR)	Jesse A. Lujan Christopher M. Dueñas V. Anthony Ada Tina Rose Muña Barnes Vincent A. V. Borja Frank F. Blas, Jr. Sabrina Salas Matanane William A. Parkinson Joe S. San Agustin Eulogio Shawn Gumataotao	AN ACT TO REPEAL AND RE-ENACT § 1203.1 OF ARTICLE 2, TITLE 12 OF THE GUAM CODE ANNOTATED, RELATIVE TO PROVIDING AUTHORITY TO THE ANTONIO B. WON PAT INTERNATIONAL AIRPORT AUTHORITY, GUAM TO ADOPT POLICIES AND PROCEDURES FOR THE SOLICITATION, SELECTION, AND AWARD OF AGREEMENTS BETWEEN THE AUTHORITY AND ANY OTHER PARTY FOR THE USE OF AIRPORT FACILITIES AND PROPERTIES FOR AIRPORT PURPOSES AND/OR VISITOR RELATED ACTIVITIES.	2/26/25 3:31 p.m.						

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

Bill No. 67-38 (COR)

Introduced by:

Jesse A. Lujan
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**AN ACT TO *REPEAL AND RE-ENACT* § 1203.1 OF
ARTICLE 2, TITLE 12 OF THE GUAM CODE
ANNOTATED, RELATIVE TO PROVIDING
AUTHORITY TO THE ANTONIO B. WON PAT
INTERNATIONAL AIRPORT AUTHORITY, GUAM TO
ADOPT POLICIES AND PROCEDURES FOR THE
SOLICITATION, SELECTION, AND AWARD OF
AGREEMENTS BETWEEN THE AUTHORITY AND
ANY OTHER PARTY FOR THE USE OF AIRPORT
FACILITIES AND PROPERTIES FOR AIRPORT
PURPOSES AND/OR VISITOR RELATED ACTIVITIES**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds
that the A.B Won Pat International Airport Authority, Guam (the “GIAA”) is
Guam’s only commercial service airport and contributes substantially to the
economic health and welfare of Guam’s economy. The GIAA plays an important

1 role in the local, regional, and international air transportation system as the largest
2 airport in Micronesia and is vital for the continued recovery of the tourism industry
3 on Guam.

4 *I Liheslaturan Guåhan* further finds that allowing the GIAA to expand and
5 diversify its revenue stream is fundamental to its ability to continue to operate a safe,
6 secure, and efficient commercial airport for Guam, its residents, and visitors. And
7 that one of the largest non-aeronautical revenue streams any airport generates is from
8 its concession agreements, which also provides vital business and customer focused
9 services for the traveling public.

10 In consideration of the GIAA's mandate to be self-sustaining, *I Liheslaturan*
11 *Guåhan* further finds that providing the GIAA the efficient ability to establish
12 processes for the solicitation, selection, and award of agreements between the
13 Authority and any other party for the use of airport facilities and properties for
14 airport purposes and/or visitor related activities will provide the best opportunity to
15 achieve continued financial growth and stability through revenue expansion and
16 diversification to further solidify the GIAA's financial position and to ensure the
17 GIAA's ability to keep up with industry standards, best practices, and changing
18 market conditions so that it can continue to provide the vital commercial airport
19 services to the traveling public.

20 **Section 2.** Section 1203.1, Article 2, Chapter 1, Title 12 of the Guam Code
21 Annotated is hereby *repealed* and *re-enacted* to read:

22 ~~“§ 1203.1. Agreements Between ABWPGIAA and Concessions, Other~~
23 ~~Businesses and Service Providers; Agreements Between ABWPGIAA and~~
24 ~~Airlines.~~

25 (a) ~~Any agreement between the ABWPGIAA and any other party~~
26 ~~concerning the operation of a concession, other business or a service~~
27 ~~provider at ABWPGIAA shall conform to the following:~~

1 ~~(1) allow for an exclusive right to sell certain goods or~~
2 ~~provide certain services only after a competitive proposal~~
3 ~~procedure, according to the General Services Administration rules~~
4 ~~and regulations, and for a duration of no longer than five (5) years~~
5 ~~(Any exclusive right for a duration of longer than five (5) years~~
6 ~~shall be given by the ABWPGIAA to any party only upon~~
7 ~~subsequent approval by the Legislature by statute.);~~

8 ~~(2) criteria established for the operation of a concession,~~
9 ~~other business or service provider at the ABWPGIAA, which~~
10 ~~criteria shall be reviewed at a public hearing held within ninety (90)~~
11 ~~days of the effective date of this Section, and held in accordance~~
12 ~~with the Administrative Adjudication Law; and~~

13 ~~(3) not be extended in duration or otherwise modified, unless~~
14 ~~the extension or other modification conforms to the requirements~~
15 ~~of this Section (Notwithstanding the forgoing sentence, the~~
16 ~~exclusive concessionaire agreement between the ABWPGIAA and~~
17 ~~DFS, in effect on the effective date of this Section, modified by a~~
18 ~~memorandum of understanding, shall be modified again, but not~~
19 ~~extended in duration of term, pursuant to the cooperative efforts of~~
20 ~~the parties to reach a mutual understanding in the best interests of~~
21 ~~the People of Guam.)~~

22 ~~(4) in order to maximize local participation in concession~~
23 ~~businesses at the ABWPGIAA, the ABWPGIAA shall abide by the~~
24 ~~competitive bid process, to the extent consistent with good business~~
25 ~~practice, and make available the maximum number of opportunities~~
26 ~~for local businesses to provide concession goods and services at the~~
27 ~~ABWPGIAA.~~

1 ~~(b) Any agreement between ABWPGIAA and any airline offering~~
2 ~~service to Guam shall charge the airline using the ABWPGIAA air~~
3 ~~terminal facilities rates sufficient to cover the operating expenses of the~~
4 ~~air terminal and debt service coverage of the bonds authorized to be issued~~
5 ~~by this Section, and be in compliance with the requirement that no one (1)~~
6 ~~or more airlines shall be unreasonably discriminated against in~~
7 ~~comparison with any other airline in these charges.~~

8 ~~(c) Notwithstanding any other provision of law, the ABWPGIAA~~
9 ~~is authorized to enter into individual leases or agreements with those~~
10 ~~tenants currently operating food and beverage concessions at the~~
11 ~~ABWPGIAA as of February 28, 2001, for a period or term not to exceed~~
12 ~~two (2) years from January 1, 2002 under terms and conditions agreed~~
13 ~~upon between ABWPGIAA and the tenants; provided, however, this~~
14 ~~Section does not authorize an extension or renewal of any existing Master~~
15 ~~Food and Beverage Concession Agreement or lease.~~

16 ~~(d) Notwithstanding Subsection (a) of this Section, the~~
17 ~~ABWPGIAA is authorized to enter into an agreement to extend the~~
18 ~~current exclusive DFS Concession Agreement one (1) time only for a~~
19 ~~period or term not to exceed two (2) years from January 20, 2002. Any~~
20 ~~such agreement shall still be subject to approval by I Liheslaturan Guåhan,~~
21 ~~and shall provide that annual payment during the period of the extension~~
22 ~~shall be no less than the sum of Eight Million Dollars (\$8,000,000), or~~
23 ~~twenty percent (20%) of gross sales at the ABWPGIAA, whichever is~~
24 ~~greater, and ten percent (10%) of gross sales at non-ABWPGIAA-owned~~
25 ~~facilities where passengers are checked in for outgoing airline flights from~~
26 ~~Guam.~~

1 ~~The extension of the DFS Concession Agreement shall be submitted to I~~
2 ~~Liheslaturan Guåhan [Guam Legislature] for approval no later than September~~
3 ~~30, 2001. I Liheslaturan Guåhan [Guam Legislature] shall have forty-five (45)~~
4 ~~days upon receipt of the proposal to act on the approval or disapproval of the~~
5 ~~concessionaire agreement. Inaction by I Liheslaturan Guåhan [Guam~~
6 ~~Legislature] within the designated timeframe shall constitute approval.~~

7 **§ 1203.1. Agreements Between the Authority and Other Parties;**
8 **Agreements Between the Authority and Airlines.**

9 (a) Notwithstanding any other provision of law, including without
10 limitation, 5 GCA Chapter 5, § 5127 and Chapter 9, and 21 GCA §§
11 60112, 60114, and 60115, any agreement between the Authority and any
12 other party for the use of airport facilities and properties for airport
13 purposes and/or visitor-related activities shall conform to the following:

14 (1) with regard to concession agreements, shall be authorized
15 for a term of up to fifteen (15) years and shall be subject to policies
16 and procedures for the solicitation, selection and award of
17 concession agreements adopted from time to time by the GIAA's
18 Board of Directors. Concessions include, but are not limited to
19 retail, specialty retail, food and beverage, advertising, currency
20 exchange, car rentals, and parking; and

21 (2) with regard to all other contracts for the use of Airport
22 facilities and properties, shall be authorized for a term of up to fifty
23 (50) years and shall be subject to applicable Federal Aviation
24 Administration (FAA) requirements for aeronautical and non-
25 aeronautical uses to include rates charged for non-aeronautical uses
26 at fair market value pursuant to FAA requirements and policies and

1 procedures adopted from time to time by the GIAA's Board of
2 Directors.

3 (3) shall be subject to applicable federal laws and
4 regulations; and

5 (4) shall be subject to the Authority's bond covenants.

6 (b) Any agreement between the Authority and any airline offering
7 service to Guam shall charge the airline using the Antonio B. Won Pat
8 Guam International Air Terminal facilities rates sufficient to cover the
9 operating expenses of the air terminal and debt service coverage of the
10 bonds authorized to be issued by this Section, and be in compliance with
11 the requirement that no one (1) or more airlines shall be unreasonably
12 discriminated against in comparison with any other similarly situated
13 airline in these charges."

14 **Section 3. Effective Date.** This Act *shall* be effective from and after its
15 enactment.

16 **Section 4. Severability.** If any provision of this Act or its application to any
17 person or circumstance is found to be invalid or contrary to law, such invalidity *shall*
18 *not* affect other provisions or applications of this Act that can be given effect without
19 the invalid provision or application, and to this end the provisions of this Act are
20 severable.