

Congressman Michael F.Q. San Nicolas of Guam
Testimony before the House Armed Services Committee
on the National Defense Authorization Act for Fiscal Year 2020 on April 3, 2019

Chairman Smith, Ranking Member Thornberry and Members of this distinguished Committee, thank you for the chance to testify on my priorities for Guam and the Asia-Pacific region in development of the Chairman's mark for the National Defense Authorization Act for Fiscal Year 2020.

As the Federal government continues its plan for realignment and building up its military presence in our territory and throughout the region, palpable impacts to Guam's economy must be addressed. Guam recognizes its unique position in the key role it plays in our nation's defense, but the nation in turn must recognize its duty to ensure economic stability and promote fairness in the application of federal laws. Small steps can be taken to address these concerns in the FY2020 NDAA.

First, I ask that the Committee expand the language from the FY2019 NDAA to allow foreign labor through the H2-B Visa program for construction projects to include civilian projects. Recently, the approval rates for H2-B applications for civilian projects is close to 0%, while military projects receive very healthy approvals. This alarming situation has significantly increased the costs for building homes and delayed completion times for public infrastructure projects. Addressing the significant labor shortages will allow for stabilization of the island's economy and bring parity to civilian construction projects outside the fence. Additionally, with Guam receiving the highest per capita rate of tourism in the highly sensitive Asia-Pacific region, civilian projects are critical to soft power force projection, as the tourism experience on Guam is a direct showcase of American exceptionalism to the citizens of allies and potential adversaries.

Second, I ask that language be included that would extend, by an additional year, the prohibition of using the former ship repair facility property at Naval Base Guam for any other purpose than depot level ship repair. This language was included the FY2019 NDAA.

I am concerned that the Navy continues to send Military Sealift Command (MSC) ships to foreign shipyards in direct contravention of the intent behind 10 USC 8680, which requires these ships to be repaired in US shipyards except for voyage and emergent repairs. I ask the Committee to include language that requires U.S. flag vessels serving the U.S. armed forces be repaired and maintained in ports within U.S. jurisdictions. Allowing our military ships to be maintained and serviced in foreign jurisdictions is counter to and undermines our ability to protect our nation against threats in the Asia-Pacific region. Moreover, I am deeply concerned that the Navy continues to find reasons to reduce ship repair capability on Guam when their own report conducted by U.S. Pacific Fleet several years ago clearly showed a long-term cost savings to the Navy, for maintaining such capability on Guam.

Finally, I request that language be included to require any future DOD telecommunications services and infrastructure installation on Guam be limited to U.S.-owned firms, unless the Secretary of Defense certifies that a foreign firm can meet the resiliency and security

requirements necessary to serve a U.S. military installation. In the Asia-Pacific region, U.S. military facilities enable a variety of missions, from missile defense to rapid deployment and response. Foreign governments would be highly interested in the ability to monitor, or even affect, these missions.

The Armed Services Committee has been a friend of and strong advocate for Guam's interest as our island plays a key role in our nation's primary defense against adversaries in Asia. I have appreciated this Committee's longstanding efforts in reaffirming Guam's seat at the table and ensuring that Guam's concerns are not brushed aside. I want to thank you for your time and consideration of my testimony.