

**Testimony of the Honorable Lourdes A. Leon Guerrero**  
**Governor of Guam**  
**U.S. House of Representatives - Committee on Natural Resources**  
**February 27, 2019**

Hafa Adai and Si Yu'os Ma'ase for the opportunity to present testimony to this Committee. I am Lou Leon Guerrero, I Maga Hagan Guahan, the Governor of Guam. In the less than two months of my Administration, I have been working tirelessly to address issues and priorities that will provide significant and lasting change to our island and shape a brighter future for all who call Guam home --including economic diversity, public safety, education, healthcare, and financial discipline. Among the many issues with significant federal components, there is one specific issue that requires immediate attention from Congress.

As you know, Guam is among the most patriotic places in the entire country. Per capita, we have one of the highest enlistment rates and veteran populations in the nation. We welcome the military buildup and the economic impact it will bring, but it must be done at a pace that will benefit our local people, our island, and the U.S. military.

The Department of Homeland Security's recent administrative action that removed the Philippines from a list of countries eligible for the H-2B program effective January 19, 2019 affects us greatly. While the new policy provides the U.S. Citizenship and Immigration Services (USCIS) with discretion on a case-by-case basis to approve H-2B petitions that serve the national interest, including petitions that qualify under section 1045 of the National Defense Authorization Act (NDAA) for FY 2019, it is clear that the ban on foreign skilled labor from the Philippines will have a detrimental impact in Guam.

Since the end of World War II, Guam has been a primary focus for U.S. military investment because of its high strategic value in the Asia-Pacific region. Guam is home to Naval Base Guam, Andersen Air Force Base, THAAD Missile Defense System, and, in the near future, Marine Corps Base (Camp Blaz). Alongside these strategic military investments, Guam has developed into a tourist destination with 1.7 million visitors annually and a projection to surpass the 2 million mark sometime between 2025-2027. Guam's military and civilian growth has been supported by foreign skilled labor. Given Guam's close proximity to the Philippines, local employers have come to rely on the Philippines as the primary source of supplementary skilled labor when utilizing the H-2B program.

We have already experienced the impact that a loss in skilled foreign workers has on our island. Beginning in late 2015, USCIS' seemingly arbitrary denial of nearly all H-2B petitions for Guam, which previously had routinely been approved at a 95% rate, resulted in a severe shortage of skilled foreign labor for the island's construction industry. From an average of 1,500 foreign workers yearly prior to the blanket denials, the H-2B workforce dwindled to 252 in 2017 and 71 in 2018. In May 2018, Guam reached an unprecedented zero H-2B workers on the island.

The FY 2019 NDAA partially addressed this issue through Section 1045, but such language primarily was passed to ensure that the U.S. military and its projects funded by military construction dollars, maintained access to foreign labor. However, uncertainty of approvals on the civilian side has led to delays in ongoing projects and discouraged contractors from bidding on new ones. This scenario has driven up construction costs, stifling private sector development and causing irreparable harm to the local economy and the military buildup.

Specifically, DHS cited a national 40% overstay rate and a high volume of trafficking of visa holders from the Philippines as reasons for the country's removal from the programs. This is not the case for Guam. The island's rate of H-2B workers who intentionally overstay is negligible and there are no known trafficking cases involving Philippine citizens.

For decades and up until today, Guam understands that our location provides our country with a valued location in which to monitor and project military force in the Asia Pacific region. Whether one agrees or disagrees with the U.S. military presence on our island, it is inarguable that we possess strategic value and contribute to the national security of our nation.

Because of this, I submit to this Committee that Guam's economic security is equally important to the country's national security. For many years, this Committee, and the Congress has worked to develop policies to assist all territories develop our respective economies.

Today I present to you that the more than \$8 billion of U.S. military construction dollars is generating considerable interest of others to invest in Guam. We welcome this interest and want to capitalize on this opportunity to increase the quality of life for our people, our visitors, and the military men and women who call Guam home.

Along with our military partners, we are taking a One Guam approach. However not everyone in the federal family is on the same page. Segregating our community to further the perception of "inside the fence" and "outside the fence" attitudes do not work on an island 30 miles long and 8 miles wide.

As Congress considers the 2020 National Defense Authorization Act, I ask for legislative or administrative clarification that Guam, along with our sister territory of the Northern Mariana Islands, be exempted from prohibitions in accessing foreign labor from the Philippines.

As One Guam, ALL projects on Guam must be considered as associated with the military realignment and under Section 1045 of the FY 2019 NDAA. I respectfully request that further amendments to Section 1045 be made to allow for the approval of workers from the Philippines notwithstanding the regulations associated DHS's H-2B approved countries list.

Thank you for your continued interest and leadership on this issue.

Si Yu'os Ma'ase.