



Senators Meet with Governor and Solve GMH Payday Shortfall

Governor needs legislative authorization to help GMH with last two paydays in FY2013

A release from the Governor's Office • Contact Phill Leon Guerrero at 929-7467 or Phillip.Leonguerrero@Guam.gov

Sens. Tony Ada & McCreddie meet with Gov. Calvo

Senators Tony Ada and Brant McCreddie just met with Governor Calvo moments ago regarding the cash shortage at Guam Memorial Hospital. The two senators attended last night's GMH Board of Trustees meeting, where hospital officials reported not having enough cash to cover payroll today due to federal garnishments.

Calvo releases \$1.2M for GMH Payroll

As a result, the administration is releasing \$1.2 million it was storing for other obligations to make payroll for the hospital today. While there is more cash available, this release exhausts the legislative authorization to spend on GMH this fiscal year. There are still two paydays left, so a legislative solution is imperative.

GOP senators sought budgetary authorization in last night's budget vote

This was the point Republican senators were trying to make last night before senators voted on the proposed budget. The proposed budget does not include any provision to allow the Governor to assist GMH further with the cash the hospital needs to get through the fiscal year. (NOTE: The Governor has been releasing cash to GMH over the past few weeks to fill the gap left by non-payment of federal billings)

"We had just come from the GMH Board meeting where they told us they were short on payroll, and I just couldn't believe that we would pass that budget without even addressing the GMH issue," Senator Tony Ada said.

"I have my issues with the budget shortchanging public schools and healthcare, but the most urgent matter was the hospital," Sen. McCreddie said. "The Legislature wouldn't fund the solution, so we had to go to the Governor to see what he could squeeze out."

Legal authorization needed to get through FY2013 at GMH

The cash release today is a stop-gap measure to hold the hospital over until next payday. Cash is available to help GMH further, but the Governor has no legal authority to spend that cash on GMH until the Legislature makes the appropriation. That appropriation must be backed out of either another appropriation, or must be funded by new revenue.

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