



SESSION UPDATE #3: Another Empty Promise to DOE and Judiciary Employees

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Governor Calvo will not use a line of credit to pay for government operations. The last time this was done, Standard & Poors placed GovGuam on CreditWatch. CreditWatch can mean, among other things, that our ratings will be downgraded, and our interest rates will increase. We have fought so hard to improve the government's credit and interest rates.

The current budget bill gives the Governor the authority to issue the line of credit to pay for retroactive merit bonuses to Judiciary and DOE employees going back to 1991. The Governor will support a real appropriation of revenues to pay these obligations; he will not support the use of a line of credit to make these payments.

“The senatorial majority knows how fiscally irresponsible this is. They're making another empty promise to Judiciary and DOE employees. I'm not going to lie to these employees. And I'm not going to risk the government's credit just to score some political points. I urge the majority to really rethink all of these empty promises.” – Governor Calvo

On a related note, the airport is trying to sell bonds at this very moment to improve the tourism and aviation industries. If a line of credit is issued in the middle of this sale, the airport agenda can be in jeopardy.

End of Release