

SESSION UPDATE #4: Calvo Makes One More Plea for Democrat Senators to Be Reasonable

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Discussion on the revised FY2014 budget has been occurring throughout this morning down party lines. Every question and objection raised by Republican senators is being voted down.

Senators are scheduled to return back to session, where they will discuss the remainder of the budget bill. Senators did include the payment to debt service in the latest version of the bill. The Governor again appeals to a sense of reason and fiscal responsibility among senators. He asks:

- 1. That they remove language that makes empty promises to employees and retirees, and replace this with reasonable increases in pay and COLA. Senators can authorize the Governor to phase-in implementation of the Hay pay raises, and increase COLA payments to \$1,400 annually.
- 2. That the unsustainable cuts to the line agencies be restored so that there is no shortfall in the health and safety agencies. Senators can use the \$7 million in overinflated provisions for tax refunds to make this happen.
- 3. That appropriations for DOE and Judiciary employees be made using real revenue sources, and not a line of credit. These employees deserve more than political jargon on paper that means nothing to their paychecks.

The Governor thanks Senators Tony Ada, Aline Yamashita, Chris Duenas, Mike Limtiaco, Brant McCreadie, and Tommy Morrison for holding the line on fiscal responsibility.

"These senators understand that we owe it to the people of Guam to be honest with them and to make decisions, popular or not, that are right," Governor Calvo said. "They understand that if we break the line on fiscal responsibility, we'll be back to the dark days of late refunds, frozen increments, and severe operational shortfalls. This wasn't too long ago. We just got out of that deficit by restructuring our debt and being responsible with our finances. All it will take is a budget like the one that the Democrats are about to pass to get us back into deficit spending."