

LOURDES A. LEON GUERRERO
MAGA'HÅGA • GOVERNOR



JOSHUA F. TENORIO
SIGUNDO MAGA'LÅHI • LIEUTENANT GOVERNOR

FOR IMMEDIATE RELEASE – April 8, 2019

Leon Guerrero-Tenorio Administration Submits FY 2020 Executive Budget Request

Hagåtña, Guam – The Leon Guerrero-Tenorio Administration has submitted its Fiscal Year (FY) 2020 Executive Budget Request to the 35th Guam Legislature.

The first budget proposal of the Administration, the Executive Budget Request represents months of due diligence in constructing a budget that is fiscally responsible, prioritizes health, safety, and education, and provides the necessary services required to the people of Guam.

“The FY 2020 Executive Budget Request is the culmination of a rigorous process that tested our collective ability to keep a balance between the need to live within our means and provide our people with a healthier community, a safer environment, the ability to retain and recruit more teachers, nurses and public safety officers, as well as adequately give support to our ports of entry, grow our agricultural industry, protect our environment, preserve our culture, and, ultimately, improve our overall quality of life,” Governor Lou Leon Guerrero said in her Executive Budget Request message.

The FY 2020 budget proposes \$966.3 million in revenues, an increase of 1.05% or \$10 million over the current fiscal year. The Administration also makes clear that it is committed to the timely and expeditious payment of income tax refunds. At the outset, the Administration proposes to take \$125 million in income tax refunds off the top before spending is authorized.

Additionally, the Administration is proposing to lift the freeze on Government of Guam employee salary increments. The Executive Budget Request also sets aside 2% of General Fund revenues omitted in the FY 2019 Budget Act and revives the idle Rainy Day Fund.

“This addition allows us to set aside cash reserves through deposits into the dormant Rainy Day Fund, up to a reserve of 10% of our General Fund average spending over a

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three (3) year period. In addition to helping reduce the deficit, it will provide, for the first time, the building of cash reserves for unplanned, and unforeseen events. Also, it will help improve our government's credit and bond ratings for future critical capital and infrastructure improvement financing plans," the Governor added in her Executive Budget Request message.

Funding has also been identified for our school safety partnership Lieutenant Governor Joshua Tenorio is leading alongside Guam Department of Education partners.

"I am the product of public education and as the son of a teacher, I know how vital education is to the future of our island. We are focused on and committed to providing our teachers and students with the tools necessary to improve education and for a safe and conducive learning environment," said Lieutenant Governor Tenorio. **"Simon Sanchez High School students have been waiting years for our Government to fulfill a promise of rebuilding their campus. Our proposal will provide the flexibility necessary to ensure that as planning continues, funds will be available."**

Other highlights in the FY 2020 Executive Budget Request include:

- \$3 million to sustain the hiring of more public safety officers;
- \$1.2 million to hire additional Customs and Quarantine Agency (CQA) officers;
- \$350,000 for a Competitive Wage Study;
- \$750,000 for the creation of a Cannabis Testing Facility;
- \$38.5 million to fund Government of Guam Retiree health insurance premiums;
- allocating \$3 million in Compact-Impact funds to supplement Medicaid;
- allocating \$2.4 million in Compact-Impact funds to fund the Consolidated Agreement between the Department of Corrections and the Guam Memorial Hospital Authority;
- \$1 million to fund a drug addiction treatment and rehabilitation facility;
- \$150,000 for a Guam Autism Center;
- funding to resolve longstanding compensation issues at the DOC, the Guam Police Department (GPD), and CQA; and
- \$2 million to the Department of Revenue and Taxation (DRT) for a Triennial Property Assessment

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“As our Administration embarks on its journey in this new era of change, we hope you will join us in making this shift in values, committing to sound fiscal discipline, and realigning priorities as it relates to public safety, health, and education. We are cognizant that lasting change is achieved one step at a time. Our FY 2020 Executive Budget Request details a comprehensive plan that prioritizes fiscal discipline, maintains fiscal solvency and ensures our government continues to work toward fiscal stabilization and economic prosperity for our island and people,” the Governor concluded.

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For inquiries, please contact Janela Carrera, Director of Communications, at 488-1408 or janela.carrera@guam.gov.