


*I Mina'trentai Ocho Na Liheslaturan Guåhan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
<b>331-38 (COR)</b>	Frank F. Blas, Jr. V. Anthony Ada	AN ACT TO TEMPORARILY RESTRICT THE HIRING OF LIMITED-TERM AND UNCLASSIFIED EMPLOYEES UNTIL DECEMBER 31, 2026, AND TO SUSPEND PAY INCREASES, EXCEPT FOR ORGANIC AND MERITED INCREMENTS, ACROSS THE GOVERNMENT OF GUAM UNTIL SEPTEMBER 30, 2027, DUE TO FISCAL UNCERTAINTY AND ANTICIPATED FEDERAL FUNDING CHANGES.	6/8/26 2:27 p.m.						

***I MINA 'TRENTAI OCHO NA LIHESLATURAN GUÅHAN***  
**2026 (SECOND) Regular Session**

**Bill No. 331-38 (COR)**

Introduced by:

Frank F. Blas, Jr.   
V. Anthony Ada 

**AN ACT TO TEMPORARILY RESTRICT THE HIRING OF LIMITED-TERM AND UNCLASSIFIED EMPLOYEES UNTIL DECEMBER 31, 2026, AND TO SUSPEND PAY INCREASES, EXCEPT FOR ORGANIC AND MERITED INCREMENTS, ACROSS THE GOVERNMENT OF GUAM UNTIL SEPTEMBER 30, 2027, DUE TO FISCAL UNCERTAINTY AND ANTICIPATED FEDERAL FUNDING CHANGES.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds  
3 that the Government of Guam is entering a period of significant fiscal uncertainty.  
4 The Office of Public Accountability’s audit of Fiscal Year 2024 revealed material  
5 weaknesses, questioned costs, and deficiencies that raise concerns about the  
6 government’s financial stability and long-term obligations. *I Liheslaturan Guåhan*  
7 further finds that the government-wide audit for Fiscal Year 2025 has not yet been  
8 completed, and its findings may reveal additional vulnerabilities.

9 *I Liheslatura* further recognizes that several federal funding streams that  
10 temporarily bolstered government operations during and after the COVID-19  
11 pandemic are expiring or are being reduced. The anticipated loss or return of federal

1 funds – combined with unresolved audit findings – creates a heightened risk of  
2 structural imbalance in the government’s finances.

3         Given these conditions, *I Liheslatura* finds it necessary to impose temporary  
4 restrictions on hiring and compensation adjustments across the Government of  
5 Guam, inclusive of line agencies, autonomous agencies, and semi-autonomous  
6 entities. These measures are intended to stabilize expenditures, preserve liquidity,  
7 and ensure that the government can meet its obligations to the people of Guam while  
8 longer-term fiscal reforms are evaluated.

9         It is the intent of *I Liheslatura* to implement prudent, temporary controls on  
10 personnel actions until September 30, 2027, or until such time that the government’s  
11 fiscal condition is demonstrably stabilized.

12         **Section 2. Temporary Restriction on Hiring of Limited-Term and**  
13 **Unclassified Employees.**

14         (a) Notwithstanding any provision of law, no line agency, autonomous  
15 agency, or semi-autonomous entity of the Government of Guam shall hire,  
16 appoint, or contract any individual into limited-term appointment or  
17 unclassified service position for the remainder of Calendar Year ending  
18 December 31, 2026.

19         (b) Exemptions may be granted *only* under the following conditions:

20                 (1) The position is essential to public health, public safety, or  
21 statutory compliance; and

22                 (2) The appointing authority submits a written jurisdiction to the  
23 Bureau of Budget and Management Research (BBMR) and the  
24 Legislature; and

25                 (3) BBMR certifies that sufficient funds exist and that the hiring  
26 will not adversely affect the government’s fiscal stability.

1 (c) No exemption shall be deemed approved unless expressly  
2 authorized in writing by both BBMR and the Legislature; and

3 **Section 3. Suspension of Pay Increases.**

4 (a) Notwithstanding any provision of law, all pay increases, including  
5 but not limited to general pay adjustment, special salary adjustments,  
6 reclassifications, or compensation enhancements, are hereby *suspended* for all  
7 employees of the Government of Guam, including line agencies, autonomous  
8 agencies, and semi-autonomous agencies, through September 30, 2027.

9 (b) The following are *exempt* from this suspension:

10 (1) Step increase increments entitled pursuant to the  
11 government's personnel rules and regulations;

12 (2) Merited increments earned pursuant to the government's  
13 personnel rules and regulations;

14 (3) Salary adjustments required to comply with federal law,  
15 court order, or consent decree.

16 (c) No agency may implement any pay increase not expressly exempted  
17 under subsection (b).

18 **Section 4. Prohibition on Circumvention.**

19 (a) No agency shall circumvent the provisions of this Act through the  
20 use of temporary contracts, professional services agreements, consultant  
21 agreements, personal services contracts, or any other mechanism intended to  
22 replicate the function of a restricted hire or pay increase.

23 (b) Any such action shall be deemed null and void.

24 **Section 5. Reporting Requirements.**

25 (a) BBMR shall submit quarterly reports to the Legislature detailing:

26 (1) All hiring requests submitted under Section 2 of this Act;

27 (2) All exemptions granted or denied;

1                   (3) Any personnel-related expenditures that may affect the  
2 government's fiscal condition.

3                   (b) Reports shall be submitted no later thirty (30) days after the close  
4 of each quarter beginning with the close of the fourth quarter of Fiscal  
5 Year 2026.

6                   **Section 6. Sunset.**

7                   The provisions of this Act shall expire on September 30, 2027, unless  
8 extended by an Act of the Legislature.

9                   **Section 7. Severability.**

10                  If any provision of this Act or its application to any person or  
11 circumstance is found invalid, the invalidity shall not affect other provisions  
12 or applications of this Act that can be given effect without the invalid  
13 provision or application.