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
44-38 (COR)	Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam	AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.	1/31/25 7:28 p.m.	2/6/25	Committee on Finance and Government Operations.		Refer to Committee Report	8/1/25	

Office of Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

July 31, 2025

The Honorable Frank F. Blas Jr.
Speaker, *I Mina'trentai Ocho na Liheslaturan Guåhan*
163 W. Chalan Santo Papa
Hågatña, Guam 96910

Via Honorable Vice Speaker V. Anthony Ada
Chairman, Committee on Rules

RE: Committee Report on Bill No. 44-38 (COR)

Buenas yan Håfa Ådai Speaker,

Transmitted herewith is the Committee Report on Bill No. 44-38 (COR) – Introduced by Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam, "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS."

Committee votes are as follows:

5 TO DO PASS

_____ TO NOT PASS

_____ TO REPORT OUT ONLY

_____ TO ABSTAIN

_____ TO PLACE IN INACTIVE FILE

COMMITTEE ON RULES
RECEIVED:
July 31, 2025 9:40 a.m.
Marie Crisostomo

Senseremente,

Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

OFFICE OF SENATOR CHRISTOPHER M. DUEÑAS
259 MARTYR STREET, HAGATNA GUAM 96910 | TEL: 671-989-9554 | SENATOR.DUENAS@GUAMLEGISLATURE.GOV
LIKE AND FOLLOW @SENATORDUENAS

COMMITTEE REPORT

BILL NO. 44-38 (COR) –

Introduced by the Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Office of Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

July 30, 2025

MEMORANDUM

To: **All Members**
Committee on Finance and Government Operations

From: **Senator Christopher M. Dueñas**
Chairperson, Finance and Government Operations

Subject: **Committee Report on Bill No. 44-38 (COR)**

Transmitted herewith for your consideration is the Committee Report on **Bill No. 44-38 (COR)**- "Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS."

This report includes the following:

- Copy of COR Referral of Bill No. 44-38 (COR)
- Notices of Public Hearing
- Copy of the Public Hearing Agenda
- Public Hearing Sign-in Sheet
- Copies of Submitted Written Testimony
- Committee Vote Sheet
- Committee Report Digest
- Copy of Bill No. 44-38 (COR), As Introduced

Please take the appropriate action on the attached vote sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact me.

Respectfully,

Senator Christopher M. Dueñas
Chairperson, Committee on Finance and Government Operations

OFFICE OF SENATOR CHRISTOPHER M. DUEÑAS
259 Martyr Street, Hagatna Guam 96910 | Tel: 671-989-9554 | senator.duenas@guamlegislature.gov
LIKE AND FOLLOW @SENATORDUENAS

COMMITTEE ON RULES

Vice Speaker V. Anthony Ada, Chairperson
I Mina'trentai Ocho Na Liheslaturan Guåhan
38th Guam Legislature

February 6, 2025

To: **Rennae V. C. Meno**
Clerk of the Legislature

Attorney Darleen Hiton
Legislative Legal Counsel

From: **Vice Speaker V. Anthony Ada**
Chairperson, Committee on Rules

Subject: **Referral of Bill No. 44-38 (COR)**

Håfa Adai,

As per my authority as Chairperson of the Committee on Rules and subject to §6.01(d)(1), Rule VI of our Standing Rules, I am forwarding the referral of **Bill No. 44-38 (COR)** – Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam. – "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS."

Please ensure that the subject bill is referred to the Committee on Finance and Government Operations chaired by Senator Christopher M. Dueñas. I also request that the same be forwarded to the Prime Sponsor of the subject bill, to the Office of Finance and Budget (OFB) and to Management Information Services (MIS) for posting on our website.

A copy of the bill is available on our legislative website.

Should you have any questions or concerns, please feel free to contact Kamarin Nelson, Committee on Rules Director at 671-472-2461.

FY2026 Budget Hearings on the following Agency/ Departments	Date Budget Hearing Was Held
Guam Community College (GCC)	April 15, 2025
University of Guam (UOG)	April 16, 2025
Guam Charter School Council	April 30, 2025
Guam Department of Education (GDOE)	April 30, 2025
Guam Memorial Hospital Authority (GMHA)	May 5, 2025
Guam Fire Department (GFD)	June 11, 2025
Guam Police Department (GPD)	June 13, 2025
Customs and Quarantine Agency (CQA)	June 13, 2025
Department of Corrections (DOC)	June 17, 2025
Office of the Attorney General of Guam (OAG)	June 17, 2025
Department of Revenue and Taxation (DRT)	June 18, 2025
Department of Administration (DOA)	June 19, 2025
Department of Public Works (DPW)	June 19, 2025
Mayor's Council of Guam (MCOG)	June 25, 2025
Department of Public Health and Social Services (DPHSS)	July 11, 2025

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Tuesday, April 15, 2025, at 10:00 A.M.

Guam Community College (GCC)

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on April 15, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Tue, Apr 8, 2025 at 9:19 AM
To: phnotice@guamlegislature.gov
Cc: "stephen.ofbguam@gmail.com" <stephen.ofbguam@gmail.com>, "vanessa.ofbguam@gmail.com" <vanessa.ofbguam@gmail.com>

FOR IMMEDIATE RELEASE
April 8, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on April 15, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Tuesday, April 15, 2025,** beginning at **10:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

10:00 am

- Guam Community College (GCC)

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

--
Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas

I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

1st Notice OFB Budget Hearing 4.15.25.pdf
372K

FOR IMMEDIATE RELEASE
April 8, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **FIRST NOTICE - FY26 Budget Hearing on April 15, 2025**

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This ad was paid with funds by the Office of Finance & Budget

FIRST NOTICE - FY26 Budget Hearing on April 15, 2025

PRINT

FIRST NOTICE - FY26 Budget Hearing on April 15, 2025

PUBLIC HEARING

Posted on: 04/08/2025 08:05 AM

Posted by: Ashley Shinohara

Public Hearing Date: 04/15/2025 10:00 AM

Department(s): GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
April 8, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on April 15, 2025

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Relative to **Bill No. 44-38 (COR)** **(http://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%2044-38%20(COR).pdf)** - Committee on Rules by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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10:00 am
Guam Community College (GCC)

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Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on April 15, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Sat, Apr 12, 2025 at 8:39 AM
To: phnotice@guamlegislature.gov
Cc: "vanessa.ofbguam@gmail.com" <vanessa.ofbguam@gmail.com>, "stephen.ofbguam@gmail.com" <stephen.ofbguam@gmail.com>

FOR IMMEDIATE RELEASE
April 12, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on April 15, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Tuesday, April 15, 2025,** beginning at **10:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

10:00 am

- Guam Community College (GCC)

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--
Si Yu'os Ma'åse,

Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

2nd Notice OFB Budget Hearing 4.15.25.pdf
371K

FOR IMMEDIATE RELEASE
April 12, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **SECOND NOTICE - FY26 Budget Hearing on April 15, 2025**

The Committee on Finance and Government Operations will conduct a budget hearing on **Tuesday, April 15, 2025,** beginning at **10:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

10:00 am
- Guam Community College (GCC)

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SECOND NOTICE - FY26 Budget Hearing on April 15, 2025

PRINT

SECOND NOTICE - FY26 Budget Hearing on April 15, 2025

PUBLIC HEARING

Posted on: 04/12/2025 10:00 AM

Posted by: Ashley Shinohara

Public Hearing Date: 04/15/2025 10:00 AM

Department(s): GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
April 12, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **SECOND NOTICE - FY26 Budget Hearing on April 15, 2025**

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Relative to **Bill No. 44-38 (COR)** (http://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%2044-38%20(COR).pdf) - Committee on Rules by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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10:00 am
- Guam Community College (GCC)

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PBS GUAM
KGTF Channel 12

Guam Educational Telecommunications Corporation

P.O. Box 21449
GMF, Guam 96921
Phone # 671-734-5483

Invoice

Date	Invoice No.
4/29/2025	2025-24

Bill To
Office of Senator Christopher Duenas Calvo Arriola Bldg. Ste 101-13 259 Martyr St. Hagatna, Guam 96910

P.O. No.	Due Date	Rep	MOU No.
2538PO137	4/29/2025	CDC	2538PO137

Item	Description	Qty	Rate	Amount
Air-Time	Public Notices 4/15/2025 Hearing - ist Notice 4/08/2025 2nd Notice 4/11/2025 4/16/2025 Hearing - ist Notice 4/09/2025 2nd Notice 4/14/2025		500.00	500.00

Certified to be true and correct:

for

Ina Marie V. Carillo
General Manager

THANK YOU FOR SUPPORTING PUBLIC TV!! IF PBS DOESN'T DO IT, WHO WILL? WE WILL TOGETHER!

Total $500.00

BUDGET HEARING AGENDA

Tuesday, April 15, 2025 – Guam Congress Building

10:00 am:

Bill No. 44-38 (COR) - Committee on Rules by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Guam Community College (GCC)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: April 15, 2025 **Time:** 10:00 a.m.

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

-- Relative to Guam Community College (GCC)

	Name	Agency / Address	Contact No.	Email	Type of Testimony	
					Oral	Written
1	Carlo Leon Guerrero	GCC	[redacted]	carlo@guamcc.edu	✓	✓
2	Mary Okada	GCC		mary.okada@guamcc.edu	✓	✓
3	Ayda Bautista	GCC		ayda.bautista@guamcc.edu		
4	Clarissa Padua	GCC		clarissa.padua@guamcc.edu		
5	John Del					
6	Gina Tudela	GCC		Virginia.tudela@guamcc.edu		
7						
8						
9						
10						
11						
12						

GUAM COMMUNITY COLLEGE

BOARD OF TRUSTEES

April 15, 2025

The Honorable Christopher M. Duenas
Chairman, Committee on Finance and Government Operations
38th Guam Legislature
163 Chalan Santo Papa
Hagatna, Guam 96910

Re: GCC FY 2026 Budget Hearing

Good morning Chairman Duenas and members of the 38th Guam Legislature.

My name is Carlo Leon Guerrero, and I have the privilege today to testify before you as the Chairman of the Guam Community College Board of Trustees.

I am honored to present this testimony highlighting some of the significant progress and accomplishments of Guam Community College (GCC) during Fiscal Year 2025 as a prelude to our goals for FY2026.

GCC has demonstrated unwavering commitment to advancing education, fostering workforce development, and expanding and enhancing the institution's infrastructure, to create a sustainable environment for learning and community engagement.

Institutional Advancement

I want to start by congratulating Dr. Mary Okada, Dr. Virginia Tudela, Dean Pilar Williams, and the GCC Accreditation team for their amazing job in preparing the College for the accreditation site visit in early March (3/4-3/5). GCC did an outstanding job, focusing on "students first, mission always." We will know the official results of our accreditation in the next couple of months.

Additionally, GCC has undertaken several initiatives to enhance institutional effectiveness. Just last month, we began the process of upgrading GCC's administrative software system to a Software as a Service (SaaS) model, aiming to improve operational efficiency and data management.

The College is also upgrading the GCC public website to reflect user expectations of today and to ensure an effective and enjoyable user experience.

Financial Stewardship
In FY 2025, GCC secured substantial funding to support its educational initiatives and infrastructure projects.

Next week, we will host 30 women entrepreneurs from throughout the Pacific, thanks to a U.S. Department of State Grant that was awarded to GCC to host the Academy for Women Entrepreneurs (AWE). The $250,000 grant allowed GCC to facilitate a 12-month business development and leadership virtual training program, catering to women of the Pacific from the 25 island nations within the Young Pacific Leaders network. The Academy culminates with all 30 women attending workshops and networking with Guam's leading women in business, right here in Guam next week.

Additionally, the U.S. Department of the Interior's Office of Insular Affairs allocated $60,000 to GCC for the organization of the 3rd Regional Forensic Science Symposium. This funding underscores GCC's role in facilitating critical regional dialogues and training in forensic science.

Youth Build
In February, we launched the first Youth Build program for Guam. Youth Build is a community-based program to support the education and training of at-risk youths between 16 to 24 years of age, to earn their high school equivalency (or GED), complete a construction pre-apprenticeship program and continue on to earn their apprenticeship certification. Thanks to our community partner, Guam DOL, Guam Housing Corporation and Micronesia Community Development Corporation, as many as 66 of Guam's young adults will be given the tools to become contributing members of our community.

What makes Youth Build so exciting is that the participants will not only be supported through the entire process, but they will be guided through it, with the instruction, education and employment opportunities to succeed. We believe that Youth Build will become a model for successful workforce development for our island.

Among our capital projects, GCC has made significant strides in enhancing our campus facilities:

- **Building B Renovation:** Renovation efforts for Building B are just about completed, centralizing student support services and computer lab access to the front of the campus, allowing easier access to our students and longer hours of operation.

- **Workforce Development Center:** Renovation of the Workforce Development Center is nearly complete, with the goal of offering expanded boot camp training programs that are aligned with current industry needs, such as ship repair.

- **Culinary Arts & Baking Center:** The Culinary Arts & Baking Center is nearly completed and will be equipped with updated facilities to support GCC's culinary and baking programs, enhancing hands-on training opportunities for students.

- **Building 2000 Generator Installation:** The installation of a new generator for Building 2000 is completed, ensuring uninterrupted power supply for critical operations.

- **Solar Parking & Building D:** Initiatives are underway to implement solar parking solutions and enhancements to Building D, reflecting GCC's continued commitment to sustainability and energy efficiency.

These projects demonstrate GCC's dedication to providing a conducive and modern educational learning environment.

Guam Community College's progress and accomplishments in FY 2025 reflect our steadfast commitment to educational excellence, workforce development, and institutional growth. Rest assured that the College has more on the horizon.

Through strategic funding acquisitions, infrastructural enhancements, and academic initiatives, GCC continues to play a pivotal role in shaping a skilled and knowledgeable workforce.

Thank you, Chairman Duenas, Committee Chairman Borja and the Senators here today for recognizing and supporting GCC's efforts. I look forward to continued collaboration in support as we continue to expand our mission to offer educational opportunities for our community.

Sincerely,

Carlo M. Leon Guerrero
Chairman
Guam Community College Board of Trustees

GUAMCOMMUNITYCOLLEGE

OFFICE OF THE PRESIDENT

April 15, 2025

The Honorable Chris Duenas
Chairman, Committee on Finance and Government Operations
38th Guam Legislature
163 Chalan Santo Papa
Hagatna, Guam 96910

Re: Testimony for Guam Community College Fiscal Year 2026 budget request

Buenas yan Manana si Yu'os Senator Duenas and members of the 38th Guam Legislature. I want to personally thank each of you for attending our budget hearing. It's always a pleasure to share the progress of the Guam Community College with all of you, especially during our budget hearing.

My name is Mary Okada, President of the Guam Community College. This morning, I come before you to advocate for the Guam Community College's FY 2026 budget request. As "a leader in career and technical workforce development, providing the highest quality student-centered education and job training for Micronesia", we take pride in supporting every student that we serve, whether it be in the career and technical education programs at the high schools, boot camps, or postsecondary certificate and degree programs.

After almost 18 years serving as the President of GCC, the development, review, and presentation of the college's budget has always been a highlight. It is through this process that the college aligns its strategic priorities, department and program review and assessments, with the needs for the operation of the college.

Today, I present a budget request of $23,695,909. Although we have tried hard to keep budget levels low, as demonstrated in many prior budget requests, there are two areas that have been increasing over the past couple of years: medical insurance and retirement contributions. Medical insurance rates (government share) have soared since 2024. These increases are hard to budget, given that the rates are not released to the department until closer to the beginning of the fiscal year. Retirement benefits are estimated at 34.80% compared to the current rate of 30.77%, an increase of 4.03%. GCC's proposed budget reflects these changes. Despite these changes, the

college's 2026 request demonstrates our commitment to accountability, fiscal discipline, innovation, institutional transformation, and continuous quality improvements.

As mentioned by Chairman Leon Guerrero, the college has several capital improvements projects ongoing on campus. This institutional transformation, not just in the modernized buildings, but within the classroom, helps to ensure a conducive learning environment. We hope to invite you all to the campus soon for each ribbon-cutting event. With each project completion, student-centered success sits at the forefront. This year we will complete the Building B renovation and expansion, the Culinary Arts and Baking Center renovation and expansion, and the renovation of the Workforce Development Center.

In the upcoming months, the college will launch the $2M solar parking garage and battery storage project, further demonstrating our commitment to renewable energy. To date, the college has 12 structures that produce solar energy. These renewable projects allow the college to further cut costs for utilities.

As the chairman mentioned, the on-site evaluation and conclusion of GCC's peer review process took place on March 5, 2025. Our accreditation results will be available in a couple of months. For many years, the college has focused on continuous quality improvements to guide our budget development process. Through program review, we established the requirements to modernize curricula to meet the changing needs of our community. I am sure that you join me in congratulating my wonderful team for their hard work to make this all possible. Stay tuned for the final results.

This past March, the college launched its first cohort for the Associate Degree in Nursing Program. Twenty students are on track to complete by December this year, 2025. In addition, the next cohort will begin in August 2025, supporting the island's need for bedside Registered Nurses. This is a significant milestone, and another step toward alleviating the critical shortage of nurses in our healthcare system. We appreciate all the support that we have been receiving through this process.

In a couple of weeks, the next cohort of 26 GFD paramedics will enter the next phase of their training. This includes the capstone training and psychomotor exam. All successful completers will go on to take the NREMT exam.

In line with GCC's mission to support the whole student, an opportunity arose about a year ago, for the establishment of the Guam Community College as a third-party Employment & Training (E&T) partner. This allows the college to provide reimbursable support services to SNAP E&T students. This partnership was first launched with a grant from the Association of Community

College Trustees (ACCT). GCC will be the first institute of higher education in our region to offer SNAP E&T directly to the students.

Enrollment at the college has stabilized with the continued engagement of business partners to support the college's boot camp initiative. In FY 2024, we launched 7 boot camps in the following areas: ship repair, environmental technicians, home health aides, certified nurse assistants, construction, plumbing, truck driving. To support some of these efforts, the college received grant funding from the U.S. Department of the Interior, GEDA, GDOL, and Metallica.

To support our technological advancements, the college launched its Software as a System (SaaS) upgrade. This requirement stemmed from the need to transition from cloud managed services. The upgrade is expected to take 18 months to complete, estimated for September 2026. The GCC Finance and Administration Division is leading this charge. We look forward to greater efficiencies.

I want to thank you again, for the opportunity this morning to present the Guam Community College's FY 2026 budget request for $23,695,909. Not only does this budget support the mission of the college, but it embraces the changes that our ongoing initiatives will bring while maintaining fiscal responsibility. We have consistently demonstrated our commitment to our community in forging through with new opportunities, enhanced funding resources, and valued partnerships.

As I close my testimony today, I'd like to personally thank each and every one of you for supporting our college. The employees of the Guam Community College remain focused on our mission. I can honestly say that the GCC employees demonstrate a department of government efficiency and resilience. All of us should be proud of the commitment each employee brings to our workforce. With the continued support from the GCC Board of Trustees and the Foundation Board of Governors, the college will continue to focus on STUDENTS FIRST, MISSION ALWAYS.

Si Yu'os Ma'ase!

Senseramente,

Mary A.Y. Okada

Mary A.Y. Okada, Ed. D.
President

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Chirstopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Tuesday, April 15, 2025** at **10:00 AM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Tuesday, April 08, 2025** (5-Day Notice), and again on **Saturday, April 12, 2025** (48-Hour Notice).

SENATORS PRESENT
Honorable Senator Christopher M. Dueñas, Chairman
Honorable Vice Speaker V. Anthony Ada
Honorable Senator Sabrina Salas Matanane
Honorable Senator Telo T. Taitague
Honorable Senator Vincent Anthony V. Borja
Honorable Senator Eulogio Shawn Gumataotao
Honorable Senator Shelly Vargas Calvo

ORAL TESTIMONY:
Carlo M. Leon Guerrero, Chairman, Board of Trustees, Guam Community College
Mary Okada, A.Y. Okada, Ed. D., President, Guam Community College

WRITTEN TESTIMONY:
Mary Okada, A.Y. Okada, Ed. D., President, Guam Community College
Carlo M. Leon Guerrero, Chairman, Board of Trustees, Guam Community College

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **[10:02AM]**

[Questions and Discussion] **[***Begins at 00:19:06 and ends at 01:13:29*]

Chairman Christopher M. Dueñas: *Håfa Adai*, the Committee on Finance and Government Operations is now called to order and the time is 10:02. First notice as a public hearing was disseminated to all senators and media outlets on April 8th, 2025, and its second notice was disseminated on April 12th, 2025. The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's public notice portal. The committee will now hear Bill 44 - 38 COR, introduced by the Committee on Rules by the request of

I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam, an act making appropriations for the operations of the executive branch of the government of Guam for fiscal year ending September 30, 2026. Making other appropriations and establishing miscellaneous and administrative provisions.

And this morning's hearing is relative to the Guam Community College. Joining me for this budget hearing is, my Vice Chair of the committee and also Vice Speaker Senator Tony Ada. Thank you very much. The Chairman on Education, Senator Gumataotao, or Senator Borja. Excuse me. Welcome, Senator Borja, Mr. Chairman, Senator Gumataotao is joining us as well, as well as Senator Calvo and Senator Telo Taitague, those testifying on Bill 44-38 (COR) relative to the Guam Community College. Please, take a seat at the hearing table, and we'll go to the sign-in sheet and for those that are gonna be testifying this morning, is gonna be Carlo Leon Guerrero, from GCC as well as Mary Okada, and they're already forward, so I didn't have to call them. Before we begin, I'd like to remind everyone in attendance of the *I Lihesturan Guåhan* General Rules of Conduct Individuals testifying shall be first recognized by the chair of person before speaking and shall state their full name for the record keeping purposes. Questions and testimony shall be confined to the substance, and the nature of what's on the agenda and the bill. Personal inferences to the character or motive of any senator of any individual testifying are not permitted. The chairperson of the committee may order the removal from the hearing of any members of the *I Lihesturan Guåhan* and the public audience who failed to observe property decorum. Pursuant to the 38th Guam Legislature's Standing Rules, any violation of this general rule of conduct will result in immediate removal from this public hearing room. At this time, all of the members of the panel who will be testifying on the budget are gonna be asked to be sworn in. So if you could please rise and the Sergeant Arms will swear you in.

Ed Pocaigue, Jr., Sergeant at Arms, Guam Legislature: Please raise your right hand under penalty of perjury. You all affirm that any and all information you provide today, whether be verbally, electronically, underwriting, be the truth, the whole truth, and nothing but the truth. Mr. Chair, under oath, you may proceed.

Chairman Christopher M. Dueñas: Thank you, Sergeant, and thank you for recognizing our rules of the house. Whenever we discuss budget matters, we go

through this process, to ensure us both of us are on the same playing field. Thank you very much. So with that, we'll now, proceed to your testimony on Bill 44-38. And, what I want like to do at this time, Madam President, is I'll recognize, yourself and you can, introduce your panel members or have them and whichever order you'd like to go in. I'll let the panel, choose, but I'll start with you, Madam President, for your presentation of your budget request for 2027. Thank you very much.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Thank you. Senator Dueñas. I'd like to first, defer to our chairman, Mr. Carlo Leon Guerrero, who will present his testimony.

Chairman Christopher M. Dueñas: Thank you, Madam Chair. And for everyone, for our committee report processes, we need you to identify yourself, the organization you're with, and then proceed with your testimony. Thank you.

Carlo M. Leon Guerrero, Chairman, Board of Trustees, Guam Community College: Carlo. Leon Guerrero, chairman of the Board of Trustees for Guam Community College. **[PLEASE SEE ATTACHED TESTIMONY]**

Chairman Christopher M. Dueñas: Thank you, Mr. Leon Guerrero. That's very exciting testimony.

Mary A.Y. Okada, Ed.D, President, Guam Community College: And so, my name is Mary Okada, President of the Guam Community College to the far left is, Dr. Virginia Tudela, she is the Vice President for Academic Affairs and to my right is Vice President Clarissa Padua, overseeing finance and administration.

Bueñas yan Manana Si Yu'os Todus Hamyu'. Senator Dueñas thank you very much. Vice Speaker Ada Senators Sabrina Matanane, Senator Shelly Calvo, Senator Shawn Gumataotao, our oversight chair, Senator Vince Borja and Senator Telo Taitague. I want to personally thank each of you for attending our budget hearing. It's always a pleasure to share the progress of the Guam Community College with all of you, especially during our budget hearing.

[PLEASE SEE ATTACHED TESTIMONY]

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase* President Okada, and thank you for your testimony and yes, also recognize, who, Senator has joined us. Senator Matanane, thank you for joining the panel today. So, it would just be the two testimonies, I guess, and then you have your support staff for any questions. Is that correct, Madam President?

Mary A.Y. Okada, Ed.D, President, Guam Community College: Yes.

Chairman Christopher M. Dueñas: Okay. So at this time I will now turn to the Chairman of Education, Chairman, Senator Borja. You can proceed with your line of questioning or comments.

Senator Vincent Anthony V. Borja: Thank you, Mr. Chair. I don't necessarily have any questions. Dr. Okada, Chairman Leon Guerrero and Dr. Tudela and Vice President. Thank you. Thank you for coming, today and really the work that you guys do at GCC. just within the last, you know, my first three to four months within the legislature and the amount of, graduation ceremonies have been there. I've been able to witness a lot of the great stuff that you guys are doing in regards to workforce development and filling a lot of the gaps in regards to the high demand of technical work, in our community. I don't necessarily have any questions in regards to your budget, obviously, you know, or, you know, with you guys just doing a status quo on top of the increase with health insurance.

I think it's safe to say that we, I don't think there should be any issues in, in, adopting this budget, so thank you. Oh, I did have one question, just because, you know, GDOE in regards to some of the shortages with, like SPED in that area. Is there any, I know we talked about it a couple months ago, in a bootcamp. Is there, has there been any progress with GDOE in regards to putting that together for one-on-one or any of those fields?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So we have, met with GDOE on several occasions regarding the paraeducator program. And so our team has already, lined it up and we're just waiting for their final, authorization for us to proceed.

Senator Vincent Anthony V. Borja: Okay. I think that's it for me. Thank you. Thank you for coming today.

Chairman Christopher M. Dueñas: Thank you, Chairman Borja. And I wanted to, thank you again. we just wanna make sure that, the panel knows and, our people know we had, we always have pre-budget meetings and it went very well, with GCC. And so we've already received a lot of this information in terms of GCC's progress and its request.

So, I thank you very much, president for making your team available and the fruitful conversation that we had at that time that we set aside for this. So this time I'll represent, our, recognize the, vice chair of this committee, Vice Speaker Tony Ada, please proceed.

Vice Speaker V. Anthony Ada: Thank you, Mr. Chair. Madam President, to your team. You know, every budget time that you've come before me that I've been in this body, I've, I've, I've always been impressed with how the institution has expanded, has rebuilt, and has actually, you know, that's practically a new campus. That's all to the hard work. And I think the increase in that, what you're asking for over the past years is probably just made up for perhaps what I wouldn't even say make up for what, you haven't asked for in the past. And I, once again, I thank you for the leadership that you guys have, have shown and that the school has, that the college has actually, been just doing all kinds of things for our community. And thank you for that. Mr. Chairman, I don't have no, questions for. A, any budgetary questions for GCC mean, they, they shown, restraint responsibility and being very resourceful in how they, get their funding and continue to expand the Guam Community College. And I thank you for your vision and for your foresight and looking forward to the future and how our kids will be able to have that higher education in a quality campus. Thank you. Thank you, Madam President, to your team.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Thank you.

Chairman Christopher M. Dueñas: Thank you. Vice Speaker and Vice Chairman of the committee. This time I would now like to represent, or recognize, excuse me, Senator Gumataotao.

Senator Eulogio "Shawn" Gumataotao: Thank you Mr. Chair. And thank you GCC for all that you do for higher ed. Thank you, Mr. Chairman, for your work. And Mary, obviously, you have a great team at the community college. I have just a couple of questions if I could. GCC's budget, request for employee benefits increased from $5,666,007 in FY 25 to $6,114,705 or by $448,698 in FY 2026.Recognizing that GCC's FY 26 budget request is based on an employer retirement contribution of 34.8% that you presented just a couple of minutes ago. What information, Dr. Okada is available at this point confirming whether the contribution rate will further increase, and if this were to occur prior to the new fiscal year, how exactly will GCC absorb the additional cost?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So the information that we were given in order to develop our budget was to use the 34.8%. And so that has been included in last, fiscal year. the request that we, or the information we've received prior to our budget development was 32.31, and then when it finally came through, it was 30.77. That's what it currently is so we're budgeting based on the guidance that was provided to us in the budget development. So in the event that it increases beyond the amount of 34.8 that we currently have, we would just have to absorb the cost, hold off on hiring, because in years past, benefits used to run about 40%, 45%. Now it's at 50%.

The government share of all benefits has now increased about 50% of their annual salary. So we would just have to manage it, internally to make sure that we. budget for all the benefits, for and all the salaries of all the full-time employees. We may have to, lapse some personnel by not hiring them on October 1st or hiring them sooner just in order to absorb any difference beyond the 34.8.

Senator Eulogio "Shawn" Gumataotao: Alright, thanks Mary. And speaking of which, recognizing that there are at least 20 vacancies, that are funded in GCC's FY 2026 budget request across your funding sources, including the general fund, Manpower Development Fund and non appropriated funds, how long have these positions remain vacant? And what specific challenges has the college experienced with respect to recruiting and retaining individuals for these positions in the past?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So many of these vacancies, so first of all, the vacancies are a snapshot in time and we have seen a lot of, in terms of the support staff, we've seen individuals have been promoted within the institution leaving vacancies at the lower level. And so that also helps us manage the budget because, when we bring in new folks after someone retires, you know, chances are we're not hiring somebody at the same rate unless it's a promotion. So we've been able to do that. For the most part, I would say that the vacancies, don't last longer than two years. And the area that we always have some challenges is really in nursing. And so we've been trying to fill, those positions for nursing. So I would say at the most, it would be two years, but it would be, revolving because there's different positions. So I would have 20 positions this year. Last year I may have had 20, but they're not necessarily the same positions.

Senator Eulogio "Shawn" Gumataotao: Got it. I just have, two more questions, Mr. Chair. With the post commission executive director position that's funded through the office of the Governor. What information is available regarding the possibility of appropriating funds directly to GCC to support the post commission moving forward, recognizing that 17 GCA section 51102 designates GCC as the state agency for the post commission?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So the post commission, so first of all, the college only has two unclassified employees, myself and my secretary. And so bringing on the executive director in an unclassified position doesn't fit within GCC 'cause I only have those two positions. We currently have recruited for the administrative assistant for post, with the allocation. But to hire an unclassified, unless we hire someone at a classified rank, we would not be able to offer the position or the salary that currently is being offered.

Senator Eulogio "Shawn" Gumataotao: All right.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Which I don't know at this point.

Senator Eulogio "Shawn" Gumataotao: Alright. Thank you Mary for your candor. Has GCC discussed the possibility of sharing administrative costs of the post

commission with public safety enforcement agencies? If it is determined that there would be no conflict of interest?

Mary A.Y. Okada, Ed.D, President, Guam Community College: We have not discussed the, we have not discussed sharing the administrative cost. in previous years, one of my secretaries, prior to the hiring of this administrative assistant, all of the administrative work was done by one of my secretaries reviewing all of the applications for post because of the state agency requirement, we were offering support. And when they were appropriated separate funding, that's when we decided to hire someone separate, because my secretary is actually the board secretary for the foundation and supports my office. But she was carrying on the additional work just until such time that the post commission was able to get their own budget.

Senator Eulogio "Shawn" Gumataotao: All right, thanks Mary. And, Mr. Chair, I just have one, one last question. this is relative to the crime lab and obviously with my experience coming from the judiciary of Guam into this branch, so certain things will get, these, get me thinking about, what's happening over at the crime lab. But if you could, what information is available today regarding the HVAC system issues at the forensic crime lab facility? And to what extent is GCC involved in assisting GPD or even the judiciary I Guam for that matter, with repairs and other facility or, and other issues affecting that system? So on the original crime lab, I would say at least five years ago, maybe longer, GCC offered to procure the HVAC system and they found an alternate route to do it.

Mary A.Y. Okada, Ed.D, President, Guam Community College: So we have no participation in the original crime. Crime lab. Where we do have involvement is on the annex. Which was built, by GCC for GPD, and we procured the equipment for them through a grant that they received. And, we're just waiting for the final installation of what they call snorkels in order for that part of the building to pass occupancy. And so once that's done, then that is our participation for crime lab, but not on the original building.

Senator Eulogio "Shawn" Gumataotao: Yeah. I'm hoping that there might be a little nudge, if you will, to get them to make the system of their work together that's my only question, but I'm hoping that anything in the future relative to your

Metallica grant, I'm hoping you'll consider me and call me at any time to be a part of anything with it.

Mary A.Y. Okada, Ed.D, President, Guam Community College: We have one more cohort funded by Metallica for ship repair.

Senator Eulogio "Shawn" Gumataotao: Amen to that

Mary A.Y. Okada, Ed.D, President, Guam Community College: That is coming up.

Senator Eulogio "Shawn" Gumataotao: Amen.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Thank you.

Senator Eulogio "Shawn" Gumataotao: Amen. Thanks, ma'am. Thank you Mr. Chair.

Chairman Christopher M. Dueñas: Thank you, Senator Gumataotao. And also like to recognize the arrival of Senator Perez joining us, today. And so next, on our list is, Senator Taitague. You may proceed.

Senator Telo T. Taitague: Thank you, Mr. Chair, and good afternoon to my, or good morning to my colleagues. And, you know, it's always nice to start off our budget, you know, sessions, our public hearings with our favorite, which is GCC. In fact, if I'm not mistaken, you guys are always very, prompt in providing all the information we need so that we can put you first on the agenda. But, you know, I have to say, you, you are amongst many of us senators, our favorites, because of your reports coming in from the audit. however, last year, if I'm not mistaken though did you guys come before the budget hearing last year in FY 25? You did, right?

Mary A.Y. Okada, Ed.D, President, Guam Community College: We did.

Senator Telo T. Taitague: Okay. Yeah, you did. I wasn't sure. I know you did in 24. I wasn't sure in 25. I don't think I was there. But anyways, good work. And you

Mary, I know you've got a great team behind you. I mean, that's what makes GCC shine so much is the people behind the scenes and, really greatly appreciate all the work that they do. So please extend my heartfelt, you know, thank you, Don, to the staff and employees over at GCC, moving forward. I know that the audit report had come out, for GCC. There were a couple things, if I'm not mistaken, brought up with regards to let me pull that up. Some of the concerns, with compliance issues and, and operational challenges along with financial management. some of them is just major, you know, corrections going through.
But has those been corrected from the last audit?

Mary A.Y. Okada, Ed.D, President, Guam Community College: Yes, ma'am.

Senator Telo T. Taitague: Okay, everybody's clear. So you're clear with BJ then.

Mary A.Y. Okada, Ed.D, President, Guam Community College: So we are providing the updated responses, from the prior year findings, the training that was required has been completed. There was one area where, the auditors had cited that, the college did not provide an, a sufficient documentation for procurement regarding the purchase of air conditioning, but we put the bid out three times and we didn't get any respondents except one, and we were still cited for not having three price quotes. So we had, we went through and provided additional documentation. We had our legal counsel review the procurement file, and that has since been submitted to the auditors, as a prior year, finding a resolution. And that was, but it had to do with the procurement. We put the bid out three times and when you don't have, people submitting for bids, I mean, you gotta do what you gotta do. So we ended up doing price quotes at that point. 'cause we didn't get any takers for, multiple air conditioning units. So we just did price quotes and didn't meet their requirement. But that has since been, resolved in our opinion, has been resolved.

Senator Telo T. Taitague: What about small purchases regarding procurement? The, the process? Are there procurement for small purchases or no? Is that just price quotes?

Mary A.Y. Okada, Ed.D, President, Guam Community College: Small purchases for us is anything less than $500. Other than that we do a RFQ. So we do,

we do obtain, quotations and many times the quotations will come in because it's a certain, type of item that they don't carry. So we'll get some, no quotes on, but we try our best to submit information to as many vendors as we can. So we cast the net wide and hope. That they provide, quotations for what we are requesting for.

Senator Telo T. Taitague: Okay. Thank you. With regards to your staffing, and I noticed that it's what only about, 600,606, thousand 343, additional, amount that you're requesting for? Is that it? That's still refreshing considering some of the other, you know, schools that are, you need in need of millions of dollars more so, I appreciate that. Even though last year you didn't even request for, any increase in your FY 25 budget, you state maintain the same one and this year you're asking just only for 600, 6,000 more. Is that correct? You know, to meet those, those costs that are unforeseeable. Well now it's foreseeable, of course. Everything goes up. Premiums go up, you know, insurance goes up, everything goes up. You know, health, healthcare care goes up as well. So I'm glad it's, staying within your means. I noticed too, did you receive one of these?

Mary A.Y. Okada, Ed.D, President, Guam Community College: Yes.

Senator Telo T. Taitague: You have one of these in front of you. And I did notice that, in, the section where it says authorized level, where it says Peace Officer standard and training commission, in FY 25, you received $300,000 in that particular section. But then in FY 26, the agency requested none.

Mary A.Y. Okada, Ed.D, President, Guam Community College: So last year we did not request for that in our budget, but it was added during the budget process, as part of GCC's budget, but it wasn't part of our request.

Senator Telo T. Taitague: Okay. But that was nice to have. I guess the other one is, also in the WICHE program, $78,500 in FY 25, but in FY 26, there's no request for that. It's included in our request for this year.

Mary A.Y. Okada, Ed.D, President, Guam Community College: It's just not a separate line item. It's all together.

Senator Telo T. Taitague: Okay. So you are going to be utilizing funding for the WICHE program?

Mary A.Y. Okada, Ed.D, President, Guam Community College: Yes, ma'am.

Senator Telo T. Taitague: And using 78,000 of your Bud Budget to go in?

Mary A.Y. Okada, Ed.D, President, Guam Community College: I believe it's a little bit more because we have more students that are looking to pursue their Okay. advanced degrees off island.

Senator Telo T. Taitague: Okay. Is that okay? Also, you know, in manpower Development Fund, in FY 24, there was about $12,291,600 that was estimated in projections and then the same falls true in FY 25, was the same one of $12,291 600. But this year, the Governor has predicted that there's going to be a, I don't know. This is good. The Governor has predicted there is going to be a drop, just a slight drop anticipating from the Manpower Development Fund and in your FY 25 budget you had, was you were appropriated, about $8.6 million in FY 25 and did you receive that full amount?

Mary A.Y. Okada, Ed.D, President, Guam Community College: Yes ma'am.

Senator Telo T. Taitague: Okay. did the Manpower Development Fund, fall short of the estimated 12 million 291 600? Is there, because I know you guys, watch that like a hawk, you know, to see (in audible)

Mary A.Y. Okada, Ed.D, President, Guam Community College: That's our request. My understanding is it did not fall short.

Senator Telo T. Taitague: Okay. Any excess revenue that comes out the manpower development, does that go directly to you? Does the budget allow for that? Or what is the situation when there is more money than in so the budget does allow for, the excess, to be given to GCC 70 30 with Department of Labor, but it's not consistent. It just depends on, on when they collect, when they collect the funding. So it might be two years delayed, right before it's made available.

Senator Telo T. Taitague: How much was given to you in FY 24?Any excess revenue there?

Mary A.Y. Okada, Ed.D, President, Guam Community College: It was like 600. I believe it was about 600,000, but we can get that inform, not in FY 24. We haven't received anything for excess. FY 24.

Senator Telo T. Taitague: What about 23? Was that the 600,000?

Mary A.Y. Okada, Ed.D, President, Guam Community College: I believe the last one we did was 22, which was about 600,000 6,000. And where does that funding going?

Senator Telo T. Taitague: Is it being tracked by, you know, by your office and incorporating into your, into your budgets?

Mary A.Y. Okada, Ed.D, President, Guam Community College: It is.

Senator Telo T. Taitague: Okay. And where can we, well, I know it'd be difficult on a, an accounting per perspective, but you received $600,000 more in FY 22, right? And it's anticipated in FY 23 to receive in this fiscal year any excess revenue.

Can you give us an amount of how much you're going, you may receive in excess revenue? Because we already know there what the excess revenue is. Now the, the 70 30 split, will be given to GCC and how much is that going to estimate it to be? Because it's gonna be going into your pocket for this fiscal year, right. And utilized.

Mary A.Y. Okada, Ed.D, President, Guam Community College: So we have not received any, so the FY 22 excess was received in 24, I believe, of about 600. Okay. And so that is recorded as, MDF revenue for the fiscal year.

Senator Telo T. Taitague: And what did you do with that 600,000?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So the board, so there was a couple of things that happened. one of the proposal, so the MDF is considered part of GCC's total appropriation. So when GCC requests for additional, support or funding, for example, to upgrade some of our facilities that are career and technical education facilities, the law allows us to do that. So when we do request from the board to fund certain portions of capital improvement projects, it's done through a resolution, specifically identifying manpower development fund as the funding source.

Senator Telo T. Taitague: Okay. So it goes through capital improvement, but for the most part.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Yes.

Senator Telo T. Taitague: Most part. Okay. No, nothing for operational.

Mary A.Y. Okada, Ed.D, President, Guam Community College: I'd have to go back and take a look. I don't think we have, because when we receive the Manpower Development Fund, it is intertwined with the general fund depending on how much money we receive. So if the Manpower Development Fund goes up, our general fund goes down when the Manpower Development Fund goes down, the general fund usually goes up.

Senator Telo T. Taitague: Right.

Mary A.Y. Okada, Ed.D, President, Guam Community College: So it's not on top of unless there is an excess.

Senator Telo T. Taitague: Right. And we're showing, you know, according to the Governor's, anticipation that the Manpower Development Fund will be lower than anticipated for this, this, upcoming FY 26 budget. We'll keep an eye on that and make sure that there's any shortfalls. It's covered. But, did you have any loss in federal funds on grants that were frozen? Considered the Trump, situation? I do know that in FY 24, if I'm not mistaken, the. Huffer institutional, funding was, was no longer in play. This fund was lost in 2024. I think it's called the Huffer

Institutional, if I'm not mistaken. And then what would happen was, I think the Literacy Navigator came into play that you utilize from DOE, to try and offset that. So what is the status now under GCC with all these federal funds? Are they still going to come your way or, are you losing anything?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So the last piece of the Higher Education Emergency Relief Fund, the HEERF that was given, there were two pieces. One was for the students, the other one was for the institution. All the student funding was provided to the students fully exhausted. When the Department of Education notified us that we were on a reimbursement, I sent a letter to US Department of Education asking for a template. This is about three weeks ago. We initially got an out of office response, and then I got a notice two weeks ago saying, all you have to do is provide this documentation. We provided the documentation, everything's done. We received the money, we closed it out. 200,000 was left. So higher education, emergency relief fund have fully been exhausted, because it was part of the culinary renovation and fully received. So, all that money now has been received as of last week. So that money is done. In terms of other projects, we may have lost funding. We initially had a very small grant from USAID of about $20,000. The amount of work that the college put into it was paid for, and the remainder was just a termination it was a, termination for convenience, but we didn't lose any money. We just didn't receive the rest and didn't carry out the rest of the activities. Last week, we received notification that the funding source from FEMA for BRIC was lost. This was something we were notified about two years ago that we were going to receive the money. But Friday, two weeks ago, we were told the accounts were set up and they would issue the award. And then last week they pulled all of the funding 1.6 I believe. So that is lost. So we'll look for another funding source for our project. So that grant was lost. We were never awarded because it can paperwork.

Senator Telo T. Taitague: Can you tell me what that grant covers? That 1.6?

Mary A.Y. Okada, Ed.D, President, Guam Community College: I'm sorry.

Senator Telo T. Taitague: Can you tell me what that would cover?

Mary A.Y. Okada, Ed.D, President, Guam Community College: It, it was the grant. It was a FEMA grant, and the project is, the grant program is called BRIC. And it was, funding to support the renovation of building 600, for us to harden the facility, similar to what we've done on the other buildings. And so we just lost that award, although it was never officially awarded to us.

Senator Telo T. Taitague: I'm sorry to hear that. Well, hopefully things will change, you know? I think education is very important and I think this, administration, the US administration is doing whatever they can to, you know, help our students, provide the, the education that they deserve and need. I know that GCC does everything they can too, and I really appreciate, your, your campus, you know, it's growing even outside of GCC and but you know, my concern too is though it's growing. We're seeing an exodus of quite a bit of people leaving the island. We're also finding ways of being innovative and using technology to provide, you know, classrooms for areas in which you don't meet the quota because we know there, there's a cost associated with them. It's about it. You know, being able to pay the instructor. So sometimes, when classes are not, availing to our, our community, it's because it doesn't have a certain amount of quota of students being there to be able to pay. But we've gotta find ways, you know, because our population is, you know, is not that strong like it used to be, where we can fill these classes up, but we still need to help those people who decide to make Guam home and decide to learn from here and get their degrees and get their certifications so they can be part of the community. And that means we've gotta train them, you know, we need to school them, they need their degrees. And if it comes to finding innovative ways, I know GCC has that capability, which you've shown countless time year after year, Mary, since you've been there, thinking outside the box. So if we've got three people who need a course in anything from paralegal studies, which we've been talking about, to anything else, you know, the procurement, you when I know you need instructors for that. But, you know, there's, there's quite a bit that we need to do to make sure we provide that type of education for our community to be, to avail of and not have the excuse of there's not enough students. We've gotta find a way. I mean, not students, not enough instructors. We need to find a way, to do that. So what are some of the pressing needs in our community that require, well not require that you're looking at to provide these, classroom services to our community?

Mary A.Y. Okada, Ed.D, President, Guam Community College So students that are on a degree program, there is a mechanism, for students in order to complete their degree program that the vice president meets with the Deans to offer some leeway, for under-enrolled classes. But there's a process and that's done on a case by case basis because, we need to ensure that students are able to complete their degrees within a specified time. So that's, one thing. In terms of under-enrolled classes, we have been increasing the number of individuals that can teach procurement classes. So we brought on some additional folks because we know that there is some catch up to do. There is a quarterly schedule for procurement that is posted on our website and we always get those classes filled. and so that is an ongoing process. we have reached out to other entities to also provide some instruction for us. So for example, if a, if, the apprenticeship for ship repair, for example, required advanced welding, we actually contracted individuals, to come and do the advanced welding courses for us. And so it costs a little bit more money, but because it's part of the accreditation, I mean, apprenticeship standards for that industry, we're helping to support that by identifying other folks as well. And then the paralegal, we, they are currently, developing the curriculum for the paralegal. We're hoping to get it launched through our office of Continuing Education Workforce Development, because in order for us to add it as a certificate or degree program, we need the evidence to justify need. So we'll launch it through CEWD to get it started, before we build on it. But that's already underway. They've already started working on the curriculum.

Senator Telo T. Taitague: Thank you so much for that. Because, you know, there is a need for, you know, attorneys out there as well as paralegals where the, actually a bill that's out there to try and, help augment the lack of attorneys that we have on this island and where we're losing more every day, you know, not just to Exodus, but you know, people are retiring. Quite a bit of people are retiring. So, thank you Mr. Chair. I just one, one last question, regarding the Endowment Foundation, I believe in FY 24, you had about $15 million in your endowment foundation. What is the current, well maybe it was FY 23 at 15 million, but what is the current, balance of your endowment foundation and what are you using that funding for?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So prior to the decrease in market, the community college Foundation, reached the 20 million

threshold. And of course the market has dips since then, but the funding for, from the foundation helps to support many of the architectural engineering costs for, capital projects. one request that was recently submitted to the board for their consideration was to use some of the proceeds or the interest, if you will, of their investments to support scholarships for nursing students. And so we often request to the foundation primarily for capital improve, improvements or scholarship opportunities. But I don't know right offhand what our current value is, but it's not 20 million because the market has been decreasing in the past several weeks, months,

Senator Telo T. Taitague: About 15, would you say, or?

Mary A.Y. Okada, Ed.D, President, Guam Community College: I would say it's probably somewhere 17 million.

Senator Telo T. Taitague: 17. Okay.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Yeah. Maybe around 17 18. We'd have to take; I'd have to take a look. I don't have the most recent, valuation of our portfolio. Portfolio.

Senator Telo T. Taitague: And is some of that money utilized for maintenance? You know, I know that you've been very proactive, when it comes to your maintenance and having funding available to take care of your buildings and your facilities.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Right now it's used for capital projects, not operational cost. Okay. we do have one request to the foundation right now to build, to borrow the money and to build the GCC, facilities and wellness center. So that's something we've been working on for a couple of years. We finally got all the requirements together and have submitted to the US Department of Agriculture. We're hoping to borrow about $7 million that will be secured by the foundation for that, facility. Okay.

Senator Telo T. Taitague: Well, thank you so much. and again, again, I greatly appreciate all the hard work that you're doing over there at GCC and providing the,

you know, the means for our people to better themself in every way, you know, to contribute to the community. So great to appreciate. Thank you, Mr. Chair.

Chairman Christopher M. Dueñas: Thank you, Senator. Senator Matanane, please proceed.

Senator Sabrina Salas Matanane: Good morning.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Good morning.

Senator Sabrina Salas Matanane: I wanted to, follow up on some questions regarding the Manpower Development Fund. 'cause I understand that there has been discussions about increasing the appropriation for the MDF. Can you provide some context into this subsidy and how your general fund appropriation has been adjusted to account for higher allocations from the MDF?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So whenever GCC puts a budget together, we take into consideration the funding that was provided in the previous years. When the budget finally gets to its final state, depending on the cash projections from MDF, legislature usually does the balance. They give us the total appropriation, but they identify where the funding comes from. So if they see the increase in MDF, they give us more MDF, they decrease our general fund. If they see decrease in MDF, sometimes they'll shift it the other way. Keeping intact the request that we usually have. So we don't necessarily go through and say, when we get the final budget, we right-size it based on where the funding source is, but it really is a combined, budget request.

Senator Sabrina Salas Matanane: There has been discussions also from, the University of Guam that's also looking into tap into the Manpower Development Fund. And I just would like to, I guess, get your reaction to that, potential or possibility.

Mary A.Y. Okada, Ed.D, President, Guam Community College: So if the MDF fund is tapped, then my GF will have to go up in order to meet the budget requirements for the college. So if you decide to make a, an appropriation or give an

allocation to the university from the MDF, then we just request that the shortage, based on our request comes from the gf. So, it really is a balancing act. there is some misconception out there that the Manpower Development Fund is on top of our appropriation, which is not correct
Our appropriation is managed based on the amount that is allocated and revenues collected for the fiscal year and balanced with the journal fund appropriation as well.

Senator Sabrina Salas Matanane: Thank you.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Thank you.

Chairman Christopher M. Dueñas: Thank you. Senator Matanane. Senator Perez, questions or comments for GCC?

Senator Sabina Perez: Yeah. Thank you, Mr. Chair. And thank you to GCC, Dr. Marty Okada for running such a tight ship. We do appreciate that. And, for all the work that you do. I'm a big fan of boot camps, and just putting out of the workers as needed on demand. Right. And so, I guess some of the questions are related to, I guess with the Ship Repair Bootcamp, I know there was a projected amount that was needed, to fill positions, and I just wanted to ask what's the status of being able to fill those positions?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So the Ship Repair Bootcamp continues and continues because there is such a high demand for ship repair every time we finish one ship repair bootcamp. There's a next one, another one already in the pipeline because we do have continuous requests from both Cabras Marine, Guam Shipyard, and Seafix, I believe is the other entity. So we still have boot camps being developed, to support the ship repair industry.

Senator Sabina Perez: Okay. And are you getting enough recipients or applicants for those boot camps?

Mary A.Y. Okada, Ed.D, President, Guam Community College: The last one we did for Metallica was really good. So yeah, we did get interest from individuals, and we will continue as students complete their high school, graduation. In the next

couple of months, there is an opportunity for students to avail of the bootcamp that is coming up. So we try to meet with them and provide them with opportunities for ship repair.

Senator Sabina Perez: Okay. And, the other thing that I'm very interested in is developing the pre apprenticeships within GDOE and, what are the, chances of establishing a steam trades program within the high schools. So STEAM is a science, technology, engineering, arts and math. And so one of the things that I was thinking of is creating a common curriculum and then maybe diversifying into other trades so it could launch different trades. and I know there's over a thousand recognized US Department of Labor, apprenticeships, and I'm seeing that as a framework to really kind of, catalyze, workforce development. And, just wondering your thoughts on that.

Mary A.Y. Okada, Ed.D, President, Guam Community College: So one of the things we do every summer is we try to offer, the CTE Career and Technical Education summer program, and this is not only for GDOE students, but is also opened up to the private and charter schools. for individuals that want to receive or could potentially receive high school credit to take a post-secondary class. And, so based on interest from the high schools, we usually use the summer CTE Academy to help launch that interest. We do have technology electronics in the high schools already. We do not have, we have pre architectural drafting, so we have AutoCAD that was taught to some high school students, primarily from GW at the time at, and so we can include and expand CTE courses depending on the request from the high schools and the interest surveys. So I believe we just sent out an interest survey a couple of months ago that'll help provide information to us. So that we can further expand, career and technical educations in the high school.

Senator Sabina Perez: Okay, great. the other thing that I'm very interested in is literacy, developing, increasing C child early childhood, development, and improving literacy at a young age. And if you can discuss your program that you have right now and, any efforts to expand it.

Mary A.Y. Okada, Ed.D, President, Guam Community College: So we do have the literacy navigation program that is currently ongoing. And basically this started,

many years ago with the funding that we received from ARP, which may have been ESF two. We received that funding to launch the literacy navigation program. We have since incorporated many of those activities into ours. reach for college initiative so that we can continue to provide the resources to the students. Also incorporating it into our, a part of our career and technical education program as well. We do have a literacy conference coming up. I believe it's the first part of May that is currently being organized by the team at GCC.

Senator Sabina Perez: Thank you for those responses. so in regards to federal funding, you did mention that you did lose some funding, but it wouldn't cost jobs because it hasn't been you haven't received the money. But in regard to like the other federal funds, do you think, there is a risk of losing some funds that you are currently have employed people to implement?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So the funding source that we could potentially, that we have. F individuals assigned to is the adult education program. But because it is mandated, GCC is the state education for adult basic education, we would have to find some way to incorporate those activities into our local funds or non appropriated funds just so that we continue to offer the adult high school and GED program.

Senator Sabina Perez: And how much is that worth about?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So right now, I believe our grant is about 600,000 a year. Okay. And there is a matching component on the, local side. So I do have some staff that are locally funded and some that are federally funded.

Senator Sabina Perez: And the SNAP satellite program, do you have that money in the bank right now? Protected?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So the SNAP satellite is launching and there is an allocation for us, which allows us to reimburse up to 50% of support services for snap. We haven't started it yet, so we haven't started receiving application or submitting for any reimbursement yet.

Senator Sabina Perez: And you haven't received money yet for that?

Mary A.Y. Okada, Ed.D, President, Guam Community College: Not yet.

Senator Sabina Perez: Okay. the other thing is, the WICHE field. So what is covered in, what type of fields are being covered in FY 2026?

Mary A.Y. Okada, Ed.D, President, Guam Community College: I have to go back and look. I'm sorry. I don't have that information. We do have a pharmacy. I know there is pharmacy students that are pursuing pharmacy degrees, doctors. I can, I can get you the list. There's 10, there's only five that we've identified so far that we're supporting. but we do have an increase in the number of students that are requesting. So the budget, I believe has about 40, $45,000 included in the, in our budget request to support just the scholarships for these students that have applied. We did receive some support from private industry, so we do have support for tuition for at least two of the current. students and we are looking to increase our numbers based on additional donations or fundraising activities for additional students.

Senator Sabina Perez: Okay. And then, I know the government has foot at the bill in regards to increases in insurance and it was pretty high. Do you have any estimate of how much that is for this year, FY 26 or this upcoming fiscal year? And unfortunately, you know, the insurance is determined or negotiated right at the end of budget, and so we don't know until the year comes. And so what is the cost that wasn't accounted for when we passed the FY 25 budget?What is there? Was there additional cost?

Mary A.Y. Okada, Ed.D, President, Guam Community College: Yes, it, for GCC it was, almost $400,000.

Senator Sabina Perez: Okay. And how was it covered or how are you able to pay for that?

Mary A.Y. Okada, Ed.D, President, Guam Community College: How are we able to pay for it?

Senator Sabina Perez: Yeah. Considering we only appropriated.

Mary A.Y. Okada, Ed.D, President, Guam Community College: We had to lapse. So I wouldn't let people hire.

Senator Sabina Perez: Okay.

Mary A.Y. Okada, Ed.D, President, Guam Community College: For vacant positions. So if we needed a position, we took the leftover money from individuals that retired. So what we basically do is if there's vacancies that are funded, I put it, we put it in a pool. As we hire, we remove it from the pool. As people retire, we remove any access back to the pool so that I'm able to manage it at a higher level so that we know whether or not we can certify the funds for it. So we create an internal process that allows us to manage the lapses. So when we set up the budget after the approval for the fiscal year 2025, we loaded all of the benefits that were required, including the insurance. and then part of it came from, part of the money came from the rollback, if you would, on the retirement
So we estimated at 32.31, and then it rolled back to 30.77 that was actually implemented. So we took that difference and used that as well. So we just manage it at the high level. When the budget gets approved, we identify all the warm bodies and all their benefits, and then we identify where in the budget we have to cut in order to meet the, appropriation levels.

Senator Sabina Perez: Okay, thank you. And, currently this budget, proposes a eight point, what is it for the Manpower Development Fund? Is it 8.6?

Mary A.Y. Okada, Ed.D, President, Guam Community College: 8.6, yes.

Senator Sabina Perez: Or nine, 9 million.

Mary A.Y. Okada, Ed.D, President, Guam Community College: I'm sorry. our current request is at 8.8.

Senator Sabina Perez: Okay.

Mary A.Y. Okada, Ed.D, President, Guam Community College: 8.8.

Senator Sabina Perez: Okay. All right. I think those are my questions for now. Thank you so much.

Mary A.Y. Okada, Ed.D, President, Guam Community College: And Senator Perez, just to update, we do have currently four students that are in the WICHE program. Three of them are under the pharmacy track and one is under osteopathic medicine. Those are the current four students that are funded, and we do have two of those students that are funded through a private donor.

Senator Sabina Perez: Okay. Thank you. Those are my questions and thank you for the responses.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Thank you very much.

Senator Sabina Perez: Thank you, Mr. Chair.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'åse* Senator Perez and, just a couple of questions from me in closing, on the insurance costs, I'm not sure that this is, well, I think it's going to show in terms of what the benefits are anyways but are you also privy to the, employee share that is so the grand total between employee and employer share?

Mary A.Y. Okada, Ed.D, President, Guam Community College: Oh, well, the shift from 24 to 25 didn't increase the employee share. It was only the employer share. I understand that went up.

Chairman Christopher M. Dueñas: So the government of Guam continues to take the brunt of any increases of, insurance, liability or, or costs, with regard to, when these costs are going up.So employee share is not being affected at this point. As you can see in the 24, 25.

Mary A.Y. Okada, Ed.D, President, Guam Community College: I'd have to go back and verify it, but it does show a slight increase. It does show a slight increase, but my understanding is that it did not go up. But I would have to go back and verify, okay, I can do that calculation and send that through.

Chairman Christopher M. Dueñas: Yeah, that's what we've been tracking. We're trying to see the impact of self-insurance at this point and what's happening. And it looks like across the board in all my pre-budget meetings, what's happening is the government share is going up quite a bit. I don't know that there's a corresponding, employee share that's, been affected. also another note, I guess just for the purposes of and it really is a help, on how they've been planning for the Actuarial. Looks like the retirement rate will be finalized by the end of this month or early next month. So we'll receive the percentage from the Gu Guam retirement fund. So you'll be able to, we'll be able to plan a little better, closer to the actual adoption of the budget. But once again, you mentioned that the Gobo retirement fund contribution is also increased this year as well. Right?

Mary A.Y. Okada, Ed.D, President, Guam Community College Based on what we, received as part of our budget development, increased by 4.03%.

Chairman Christopher M. Dueñas: Right. So we'll see on the gross, see. We'll see what that's gonna look like. but we should get a better picture well before the actual, debate on the budget in August. I just wanted to get some information cause the housing and, and land chair over here was really excited.We, when we were watching your, or listening to testimony from Mr. Lee Guro on the youth build. This is really, I can't overemphasize this, the excitement on training these 16 to 24 year olds. You know, getting the general education equivalent and working with Guam Housing Corporation and Department of Labor. I mean, this is really exciting. Can you expand on that? Are these troubled youth or just youth in general? And are they going straight into the construction trades as a result of this?

Mary A.Y. Okada, Ed.D, President, Guam Community College: So this is the third time we've applied for youth build. So we'll say third time's a charm in this particular one.Because we, whenever we apply for a grant, we don't get selected. We always take a look at the evaluators or the reviewers comments. And so how we

were able to develop this one, it basically takes individuals that do not have a GED or a high school diploma and put them into a program that gets them the GED and the high school diploma with a occupational area. We chose construction for this particular YouthBuild, project. And so there are two projects. One is to renovate, a house and the other one is to build it from the bottom up. So those are two from the two partners that we have. That's the opportunity. There have been other states that have actually used YouthBuild to build. Allied health professionals. So there are opportunities. We decided construction because that was, you know, one of the major areas. Not that nursing isn't, but one of the major areas we needed to help support the businesses here on Guam. Nursing. Once we're able to expand our nursing faculty and nursing capabilities, we may consider applying for YouthBuild to support nursing programs. And some institutions have had YouthBuild, you would think of it as a one-time grant. but it's a four year grant for us. But some institutions have had the grant for over 20 years, so it's not something that you just apply for and the grants over. It's done. You can continuously apply for the grant. And as I met many of the individuals that actually have had YouthBuild programs for more than 20 years, it really just builds on the capacity to get individuals without high school diplomas or GEDs into the workforce environment leading to pre-apprenticeship, to apprenticeship.

Chairman Christopher M. Dueñas: Well, thank you for helping build our, construction and trades, you know, capabilities I can safely say now to GCC as, many people look fondly on, the Manpower Development Fund that this institutions actually trying to lower its manpower development fund by training locals to do construction. So, I think that's, that, that's a, a really, a great goal and a great achievement to get that grant. And really, we, we cannot get enough people interested in construction and the trades. And one thing that a builder or cousin of mine, who's built, for over 50 years on Guam, I would always say, you know, he'd say, Bobak, you need to understand the reason why we love when we get these investments of construction in is because even if we use labor from outside, it's what's left over. For our people to maintain those buildings for the HVAC systems, the electrical, everything else. So you really are, building out these youth for career opportunities. And so thank you for securing that grant. And thank you for putting another, notch in, the belt of GCC and all of the wonderful you work you do up there. I don't have any other questions outside of that. I agree with my, colleagues that this

is always the most fun way to start, the budget season and, your team did not, disappoint or let down today. So, in closing, this will conclude this morning's budget hearing on Bill 44- 38 (COR) relative to the Guam Community College. The committee will continue to accept written testimony on the bill within seven calendar days from the day of which may address may be addressed to myself, Senator Christopher M. Dueñas chairman of the committee and mail to 163 West Chalan Santo Papa in Hagåtña. You may also send your testimonies to my email at senator.duenas@guamlegislature.gov this morning's budget hearing will now be adjourned and the time is now 11:14 *Si Yu'os Ma'åse* have a great GCC day and thank you for all who attended.

Mary A.Y. Okada, Ed.D, President, Guam Community College: Thank you.

Chairman Christopher M. Dueñas: This meeting is adjourned.

The Budget Hearing was adjourned at 11:14 A.M.

Office of Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Wednesday, April 16, 2025, at 10:00 A.M.

University of Guam (UOG)

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Office of Finance and Budget <ofb@guamlegislature.gov> Wed, Apr 9, 2025 at 9:51 AM
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Cc: "stephen.ofbguam@gmail.com" <stephen.ofbguam@gmail.com>, "vanessa.ofbguam@gmail.com" <vanessa.ofbguam@gmail.com>, camarin.ofbguam@gmail.com

FOR IMMEDIATE RELEASE
April 9, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on April 16, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Wednesday, April 16, 2025,** beginning at **10:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

10:00 am

- University of Guam (UOG)

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The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

--
Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas

I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
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1st Notice OFB Budget Hearing 4.16.25.pdf
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FIRST NOTICE - FY26 Budget Hearing on April 16, 2025

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FIRST NOTICE - FY26 Budget Hearing on April 16, 2025

PUBLIC HEARING

Posted on: 04/09/2025 11:10 AM

Posted by: Ashley Shinohara

Public Hearing Date: 04/16/2025 10:00 AM

Department(s): GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

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Types of Notice: PUBLIC HEARING (/notices?type_id=7)

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Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on April 16, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Mon, Apr 14, 2025 at 9:17 AM
To: phnotice@guamlegislature.gov
Cc: "vanessa.ofbguam@gmail.com" <vanessa.ofbguam@gmail.com>, "stephen.ofbguam@gmail.com" <stephen.ofbguam@gmail.com>

FOR IMMEDIATE RELEASE
April 14, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

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The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

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SECOND NOTICE - FY26 Budget Hearing on April 16, 2025

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SECOND NOTICE - FY26 Budget Hearing on April 16, 2025

PUBLIC HEARING

Posted on: 04/14/2025 09:14 AM

Posted by: Ashley Shinohara

Public Hearing Date: 04/16/2025 10:00 AM

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Bill To
Office of Senator Christopher Duenas Calvo Arriola Bldg. Ste 101-13 259 Martyr St. Hagatna, Guam 96910

P.O. No.	Due Date	Rep	MOU No.
2538PO137	4/29/2025	CDC	2538PO137

Item	Description	Qty	Rate	Amount
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Ina Marie V. Carillo
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BUDGET HEARING AGENDA

Wednesday, April 16, 2025 – Guam Congress Building

10:00 A.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to University of Guam (UOG)

I Mina'trentai Ocho na Liheslaturan Guahån
Office of Senator Christopher M. Duenas x Office of Finance & Budget
Chairman, Committee on Finance and Government Operations

Date: April 16, 2025 **Time:** 10:00 a.m.

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by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam
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-- Relative to University of Guam (UOG)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Aline Borgwardt	UOG	671 735-2248	alinecg@triton.uog.edu			✓	
2	Kalyne Roberto	UOG	671-735-2995	robertok@triton.uog.edu			✓	
3	Yvette Paulino	UOG	671-735-2612	paulinoy@triton.uog.edu			✓	
4	Stephanie Francisco	UOG	671-735-2808	nsarak@triton.uog.edu			✓	
5	Sharleen Santos-Bamba	UOG	[redacted]	Sbamba@triton.uog.edu			✓	
* 6	Anita Borja Enriquez	UOG	[redacted]	abe@triton.uog.edu	✓	✓	✓	
7	Rachael Leon Guerrero	UOG	671-735-2001	rachaelllg@triton.uog.edu			X	
8	Gena A. Rojas	UOG	[redacted]	rojasg@triton.uog.edu			X	
9	Rachel Field	UOG	671 735 2900	rfield@triton.uog.edu			✓	
10	Noriane Stone	UOG	671 735 2160	mstone@triton.uog.edu			✓	
11	MARLENA PANGELINAN	UOG	671 735 6917	marlenap@triton.uog.edu			✓	
12	Frank Camacho	UOG	671 735 2005	fcamacho@triton.uog.edu			✓	
	ALICIA C. AGUON	UOG	671-735-2458	aliciaaguon@triton.uog.edu			X	

	Alfred Garrido	UOG	671-735-2372	garridoa3216@triton.uog.edu
*	Jonas Mecaynla	UOG	671 735-2914	jmec@triton.uog.edu
*	Nicole [illegible]	UOG	[illegible]	[illegible]

KEANA ARDIENTE

* Randall Wiegand

[redacted]

735-2900

sgaucepresident@tcfsa.ucsd.edu

wiegandr@trifon.ucsd.edu

XX

XX

UNIVERSITY OF GUAM
UNIBETSEDÅT GUAHAN

COLLEGE OF LIBERAL ARTS & SOCIAL SCIENCES
Office of the Dean

April 16, 2025

Honorable Speaker and Members of the 37th Guam Legislature,

Håfa adai!

We submit this testimony in strong support of the University of Guam's full budget request and urge this legislative body to fund the university at the requested level. As Deans of the College of Liberal Arts and Social Sciences (CLASS) with longstanding ties to the University and the island, we especially want to highlight the indispensable role of the CLASS in fulfilling the University's mission and serving the broader community of Guam and the region.

CLASS lies at the heart of the University's mission to develop ethical, innovative, and culturally grounded leaders prepared to address the challenges of our island, our region, and our global community through the 10 undergraduate, 3 graduate programs, and numerous general education courses we offer. Through its broad range of programs—spanning the social sciences, humanities, fine arts, and communications—CLASS prepares students not just for careers, but for citizenship, critical thinking, and community leadership.

Programs such as Psychology, Sociology, and Political Science equip our future public servants, policy analysts, behavioral health providers, and researchers—many of whom go on to serve in Guam's government, schools, and nonprofit sectors. Meanwhile, the English, CHamoru Studies, History, Philosophy, and Communication programs cultivate a deep understanding of identity, ethics, heritage, and civic responsibility. The Fine Arts programs sustain the island's cultural vitality and foster creativity that inspires and unites our community.

Our students come from across the island and region, often from families who are the first to attend college. CLASS is their gateway not only to professional advancement, but to self-knowledge and cultural pride. It is in our classrooms where students engage with issues that affect their daily lives—intergenerational trauma, social justice, political development, and cultural sustainability—and are guided to transform those concerns into action, service, and scholarship.

CLASS faculty are deeply engaged in public service and community partnerships. Our scholars lead research on suicide prevention, cultural revitalization, social determinants of health, and democratic participation. Our outreach includes public forums, media education, policy consulting, and artistic performances that celebrate and preserve Guam's unique cultural identity. In short, CLASS embodies the University's commitment to being a land-grant institution responsive to the needs of Guam and the greater Micronesian region.

T: +1 671.735.2850 F: +1 671.734.3410 W: www.uog.edu
Mailing Address: 303 University Drive, Mangilao, GU 96923-9000
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UNIVERSITY OF GUAM
UNIBETSEDÅT GUAHAN

COLLEGE OF LIBERAL ARTS & SOCIAL SCIENCES
Office of the Dean

Reduced or insufficient funding would have a disproportionate impact on our ability to offer these vital programs, retain qualified faculty, and support students. The CLASS has already implemented extensive austerity measures to stretch limited resources, including reducing TA hours by over 50%, minimizing printing costs, consolidating staff positions, limiting travel and professional development, and optimizing course offerings. Vacant faculty lines across multiple disciplines—from English and History to Political Science, Music, and Linguistics—remain unfilled. These cuts, although saving money, have further strained already limited faculty and staff resources and reduced funds for students who rely on the monies earned to. CLASS continues to struggle with mounting infrastructure issues. Several of our buildings require significant repairs and renovations; as a community service project, our administrative staff and students painted classrooms. In the aftermath of Typhoon Mawar, these same staff had to clean classrooms and restrooms and address mold themselves in lieu of funded maintenance support. Without sufficient funding, these conditions threaten not only the quality of education we can provide but also the morale and safety of those who teach and learn within these walls.

The return on investment is clear: UOG graduates go on to teach in our schools, lead in our government, direct nonprofit initiatives, create cultural productions, and advocate for justice and sustainability across our islands. The future of Guam requires thoughtful, well-rounded leaders rooted in the values of community, critical reflection, and cultural knowledge. CLASS is where those leaders begin. I therefore urge the members of this body to recognize the foundational value of the University of Guam, and to fully fund the university's budget request.

Thank you for your consideration and continued support for higher education in Guam.

Sincerely,

James D. Sellmann, Dean
jsellman@triton.uog.edu

Mary Therese P. Cruz, Associate Dean
mtfcruz@triton.uog.edu

Vice President

Keana Ardiente

University of Guam 63rd Student Government Association

Students First!

April 16, 2025

To: **The Honorable Christopher M. Dueñas**
Chairperson on Finance and Government Operations

From: Keana Ardiente
Vice President, University of Guam Student Government Association

Subject: Written and Oral Testimony - FY26 Public Hearing

Buenas yan Håfa Adai Chairperson Dueñas and 38th Legislature members,

My name is Keana Ardiente, and I stand before you today as the Vice President of the Student Government Association at the University of Guam. First, I would like to thank the 38th Legislature for the opportunity and the platform to speak today.

I am here to address my concerns regarding the University's current financial situation. It is important to understand that UOG plays a big role in our community and should not be compared to any other educational institution on the island. I have observed a troubling trend where the University of Guam consistently receives significantly less funding than its requested amount – often as much as $10 million less – which exacerbates the challenges we face.

It's clear that while measures like Bill 58-38 provide relief by preventing tuition increases, the underlying financial strain on the University remains a critical issue. Costs are escalating, while funding has largely stagnated, creating a growing imbalance. Even *without* tuition increases, the perceived value of the education can be diminished if the overall student experience is compromised.

The University is striving to do more with less, but this has consequences – "less" eventually translates to less quality. We see staff positions going unfilled, faculty taking on extra duties, and this inevitably impacts the quality of education. Class sizes can increase, and access to crucial support services like advising and tutoring becomes strained. We don't want a University where "student support" is an *afterthought.* With constrained resources, essential student support services like advising, tutoring, and career counseling may be stretched thin, hindering student success and timely graduation.

Our campus is our learning environment, and its condition matters. Deferred maintenance isn't just about aesthetics; it affects our sense of value and the functionality of learning spaces. We need facilities that inspire, not ones that reflect financial neglect.

UOG is working hard to expand, adding important programs like Engineering and growing the Nursing program. This growth is essential for Guam's future! However, without adequate funding, these initiatives are at risk.

It's like trying to cultivate a garden in poor soil – the *potential is there*, but the *resources aren't*.

The lack of budget for capital projects and deferred maintenance since FY16 is concerning. We want to learn in facilities that are safe and conducive to learning. Students are discerning. They seek value and a supportive environment. If they perceive that the University is struggling financially, they may choose to pursue their education elsewhere. We must give current and prospective students every reason to choose UOG and succeed here. The University is taking steps to address these issues internally as we always have, exploring cost efficiencies and seeking new revenue streams. This proactive approach is important. However, true and lasting solutions require a collaborative effort.

UOG is an investment in Guam's future – in its workforce, its innovation, and its overall prosperity.

Therefore, I encourage you all to prioritize UOG. Let's not just keep the University afloat; let's provide it with the resources it needs to thrive and serve as a cornerstone of progress for Guam. It is imperative to close the gap between the University's needs and its funding.

Thank you for giving me the opportunity to speak today and I thank you all for all that you do for the island of Guam.

Keana Ardiente,

Vice President, UOG 63rd Student Government Association - ***Students First***

THE GUAM LEGISLATURE

Senator Chris Duenas <senator.duenas@guamlegislature.gov>

Written Testimony for Bill No. 44-38 (COR)

1 message

Andrea Sant <asant@triton.uog.edu> Tue, Apr 15, 2025 at 4:08 PM
To: "senator.duenas@guamlegislature.gov" <senator.duenas@guamlegislature.gov>
Cc: Sharleen Santos-Bamba <sbamba@triton.uog.edu>

Hafa Adai Senator Duenas,

I am respectfully submitting written testimony in support of Bill No. 44-38 on behalf of UOG's **Center for Online Learning**, where I serve as the Interim Associate Director.

UOG's **Center for Online Learning** is engaged in work directly supporting key goals in the Tulos Mo'na Strategic Plan and responding to WSCUC accreditation recommendations for online learning growth and capacity building. Our budget is used to run UOG's learning management system-Moodle, compensate our IT support team, build digital and pedagogical capacity for online teaching, support online learners, and recommend guidelines and policies based on online learning best-practice scholarship.

Online Learning Budget and Historical Growth. UOG's Center for Online Learning is funded almost exclusively from the Online Learning fee students pay at registration. This fee is $40 per student, per semester (established in 2018). The number of online-approved courses at UOG has grown over 370% since 2018. UOG offers around two hundred online courses, and another two hundred hybrid courses every year. UOG has five, fully online graduate degree programs, with more in the pipeline.

Increasing our online course and program portfolio will help us respond to our students' needs to juggle complex work schedules, care-giving, and balance their health, budgets, and busy lives.

Each year, our costs increase. We want to keep up with the demand and ensure the quality of our online courses and programs. We need to keep our systems, software subscriptions, and faculty training current. Growing concern about online integrity with the proliferation of artificial intelligence and growing competition for online learning dollars make these demands even more urgent.

To ensure quality, integrity, and promote UOG as the "natural choice" for our students, in-person and online, we must remain current and competitive in a saturated online learning market.

UOG's Center for Online Learning aims to become Guam's hub for online learning design consultation and training, and support for resilient educational institutions. While we hope we will never have occasion for the whole island to go online again, the Guam Legislature can help future-proof our online teaching capacity by fully funding a robust and progressive Center for Online Learning at UOG.

I welcome any questions related to UOG's online learning programs and our growth goals, on campus, in the community, and in the broader region.

Thank you for receiving this testimony.
~Dr. Andrea Sant

--
Si Yu'os ma'åse',

Andrea Sant, PhD
Interim Associate Director, Center for Online Learning (COLL)
Professor in the Division of English & Applied Linguistics

Office: +1 (671) 735-2620/21
asant@triton.uog.edu
http://www.uog.edu

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UNIVERSITY OF GUAM
UNIBETSEDÅT GUÅHAN

April 16, 2025

Buenas yan Håfa Adai Chairperson and Senators on the floor,

Thank you for the opportunity to come before you to testify on the budget. My name is Julie Laxamana, and I am a graduating senior of the University of Guam and the student member of the Board of Regents.

I think as of recently, we can see through the news of how delicate education is, especially because of the many different challenges we face. But one thing is clear, it also shows the priorities and the direction of where education is heading: deterioration.

I'm leaving the university this semester and it has grown to become my second home. Since I was a sophomore, I had been fighting for more funding to keep the university afloat. Every time I come here and I sit in front of my senators, I am often told that education was just not as important as other things right now. It wasn't a necessity at the moment because of other issues in the government. While I understand as a private citizen, I couldn't help but still feel disappointed in the prioritization of my representatives because I was told that the thing that is important to me was not important enough to receive a bit of consideration.

When I learned more about the budget process and cycle of the university, one thing was made clear: we lost so many of our potential lawyers, doctors, engineers, architects, nurses. Because we have to make sacrifices in the programs; in the buildings; in the professors; in the state of the university; because as the prices continue to rise, we are still kept at the same stagnant trend.

And I think about the brain drain occurring in Guam, and how it negatively impacted the education field at both UOG and the public school side of our island. I think about the growing education apathy amongst our youth and within our community. I truly believe it's because the people of Guam can see that the concerns in this area have been dismissed for so long but continue to grow. We have seen it compounded in the last few years and exacerbated by the different natural disasters we've had to endure and we see,

unfortunately, that the lack of consideration that had led to the lack of quality. We lead by example. It starts at the top, and it trickles down. The community can see that.

The university has always been funded by three things: tuition, grants, and appropriated money from our government. When the university has taken a proactive approach to increase revenue streams through tuition, the effort was restricted. It helps maintain the low tuition, to which the majority of our students are thankful for, but it also circles us back to square one: asking for adequate funding and support from our government.

Instead of fighting against these institutions that are trying to encourage the workforce and that are trying to encourage professional development on our island, we should be collaborating with each other.

We should be having open discussion and not playing the blame game. Because the budget for UOG, aside from it being about the numbers, it's also a constant cry for the support of our representatives to support the quality that we are trying to uphold in the university.

We can see that with the recent Public Law 38–8 that has given us the additional support of 5.7 million to continue the funding for our professors. Many people took to the media to criticize the university for doing so and asking why their tax paying dollars are being put into these doctorate degree-holding individuals. It all goes back to quality and care in the selection of our faculty, which is not an easy process to get accepted into, just like any other university in the mainland.

As an academic, the university has fostered brilliant minds that have made it beyond the region and onto a national stage– doing great things and coming home to our people to share the skills and knowledge they developed.

As it will be a while before I get the opportunity to stand before the senators once more, I am asking my senators once more to please take care of the university so that students who will come after me will experience the great opportunity and value of what it means to be a triton.

Si Yu'us Ma'åse,

Julie Laxamana

UNIVERSITY OF GUAM
UNIBETSEDÅT GUÅHAN
Board of Regents

Resolution No. 25-05

RELATIVE TO APPROVING THE FY 2026 GENERAL OPERATIONS BUDGET AND SPECIAL APPROPRIATIONS BUDGETS

WHEREAS, the University of Guam (UOG) is the primary U.S. Land Grant and Sea Grant institution accredited by the Western Association of Schools and Colleges Senior College and University Commission serving the post-secondary needs of the people of Guam and the Western Pacific region;

WHEREAS, the UOG Board of Regents (BOR) is responsible for approving and adopting budgets and plans that together serve as the primary controls to ensure the effectiveness and financial well-being of the University;

WHEREAS, the University received recommendations on areas of resource needs from the University Planning and Budget Advisory Committee (UPBAC) with representation from the Faculty Senate, Deans Council, Administrative Council, Faculty Union, Staff Council, and Student Government Association;

WHEREAS, the University has demonstrated commitment to a stable, balanced budget in an atmosphere of declining resources related to the problems facing the economies of the island and the region;

WHEREAS, the University has agreed upon the goals articulated in its strategic plan and focused its revenues and spending upon the highest priorities within its mission;

WHEREAS, the University presents a FY 2026 budget request identifying funding required to sustain academic quality and student learning including infrastructure support and special appropriations (Water and Environmental Research Institute, Hatchery, and Sea Grant Special Fund);

WHEREAS, for FY 2025, the University requests an appropriation of $47.3M for general operations, $6.2M in special appropriations, and $1.6M for the Capital Improvements Fund;

WHEREAS, based upon an assessment of the priority needs of the University and upon the recommendations of the UPBAC and the administration, the President recommends the attached FY 2026 General Operations Budget for Board approval; and

WHEREAS, at their February meeting, the Budget, Finance, and Audit (BFA) Committee met to review the budgets; and the President and the BFA committee now recommend to the Board the attached FY 2026 General Operations and Special Appropriations Budgets for approval.

NOW, THEREFORE BE IT RESOLVED, that the UOG FY 2026 General Operations and Special Appropriation Budgets (as attached) are hereby approved to be submitted to *I Mina'Trentai Ocho Na Liheslaturan Guåhan* pursuant to law.

Adopted this 20th day of February, 2025.

Lesley-Anne Leon Guerrero, Chairperson

ATTESTED:

Anita Borja Enriquez, D.B.A., Executive Secretary

UNIVERSITY OF GUAM
OFFICE OF THE PRESIDENT

April 16, 2025

The Honorable Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations
38th Guam Legislature
Calvo Arriola Building Suite 101-B
259 Martyr Street
Hagåtña, Guam 96910

The Honorable Senator Vincent A.V. Borja
Chairman, Committee on Education, Libraries and Public Broadcasting
38th Guam Legislature
DNA Building Suite 502
238 Archbishop Flores Street
Hagåtña, Guam 96910

Re: University of Guam FY 2026 Budget Request Testimony

Buenas yan Håfa Adai, Honorable Senators of *I Mina'trentai Ocho Na Liheslaturan Guåhan*,

On behalf of the University of Guam's Board of Regents, administration, faculty, staff, and—most importantly—our students, *Si Yu'os Ma'åse'* for the opportunity to present testimony in support of our FY 2026 General Operations budget request of **$47.3 million**.

This request represents a **$2.3 million increase** from the previous year's request. When we account for rising costs in **utilities, operational necessities ($447K)**, and **finally personnel ($2.5M), and medical benefits and retirement contributions ($2.9M)**, this increase is modest—but meaningful. It reflects not only our needs, but also our commitment to continue delivering excellence for the people of Guam and our region

The **University of Guam has a three-fold mission: education, research, and service.** We are not simply a place of instruction—we are a place of transformation, where knowledge leads to empowerment, innovation, and community impact.

For decades, UOG has been a cornerstone in building the professional workforce of Guam and Micronesia. Our alumni power our schools, hospitals, government agencies, military operations, and private enterprises. Through strategic partnerships and career-focused initiatives, we are not only educating students—we are guiding them from the classroom to the workforce.

With recent agreements signed with local and federal partners, we are actively creating career pipelines from internship to graduation to job placement. In fact, some of our students are being

offered employment even before they graduate—a testament to the caliber of their preparation and the relevance of their education.

And our campus continues to grow alongside our mission:

- The new **School of Engineering** will support workforce capacity for Guam's quality infrastructure development and sustainability needs.
- The **Margaret Perez Hattori-Uchima School of Health Nursing Annex** will increase capacity, including Nursing Program admission by up to 50% from 40 to 60 students, addressing Guam's urgent need for more local nurses and will expand the school's Learning Resources Center, which enhances student hands-on experience in simulated clinical settings that closely resemble actual patient care.
- The new **Water and Environmental Research Institute (WERI) facility** will strengthen regional water research and testing.
- The **Dr. Lucio C. Tan Student Success Center** will serve as a hub for student support and community connection.
- And **new programs** in data science, library science, cybersecurity, and sustainability ensure we meet emerging workforce needs, while degrees in construction management and electrical engineering are in development to align with Guam's infrastructure and energy priorities.

But beyond our classrooms and lecture halls, UOG's commitment to service runs deep—especially through our Land Grant and Sea Grant programs. Thanks to local support and **USDA-NIFA** funding, our faculty and staff are on the ground every day, responding to real community needs:

- Running **4-H** clubs in schools, cultural centers, with military families and summer youth programs.
- Teaching healthy habits through the **Expanded Food and Nutrition Education Program (EFNEP)** to families with young children.
- Partnering with **mayors' offices** for youth, senior, and wellness initiatives—including diabetes prevention and village wellness programs.
- Working closely with **DPHSS** on programs like **SNAP-Ed**, non-communicable disease prevention, and senior outreach—including sourcing fresh produce through the **Farmers Co-Op** for senior meal programs.
- Supporting **Guam Customs and Quarantine** with insect and disease identification.

- Leading efforts to **control invasive species** such as the coconut rhinoceros beetle and little fire ant.
- Providing training and technical support to **farmers**, empowering our local food systems.
- And advancing **aquaculture development** through our Aquapark, Fadian Hatchery, and direct assistance to producers across the island.
- The **Center for Island Sustainability-Sea Grant** is building a green economy through new jobs in conservation and renewable technologies to reduce the carbon footprint for our island.

This is who we are. **UOG is not just a university—it is an institution of learning, a center for research, and a partner in service.**

That's why we're especially proud of being recently designated as a **Research College and University (RCU)** by the 2025 Carnegie Classification of Institutions of Higher Education. This national recognition reflects the incredible work happening across campus, expanding access to federal funding, and elevating our ability to generate evidence-based solutions for community challenges.

We also understand that times are challenging. With the rising costs of utilities, groceries, fuel, and basic necessities, families across Guam are being stretched. And so, it is fair to ask: *Is a college degree still worth it?*

At the University of Guam, the answer is a resounding yes.

A UOG degree is more than a personal achievement—it is an investment in Guam's future. It leads to higher earnings, opens doors to meaningful and needed careers, fosters personal growth, and creates solutions to real-world problems—whether in public health, education, infrastructure, or sustainable development.

Some have raised concerns about salaries at the University. We acknowledge this conversation and offer context. There are very few institutions on island where terminal degrees are required for employment—Guam Memorial Hospital and the University of Guam stand among them. Our faculty are not only teachers—they are scholars, researchers, and mentors. They are experts in their fields who could work elsewhere but choose to serve here, because they believe in the mission of building a better Guam and region.

When a student earns a UOG degree, families can rest assured that their nurse is qualified and compassionate, that their social worker is well-trained, and that their accountant understands the full scope of ethical and practical demands. For employers, this degree is a seal of quality. For

business owners, it's peace of mind. For the island, it's a promise that the next generation will be ready.

Honorable Senators, we are mindful of your role and the competing priorities you must balance. And we do not ask lightly. That is why we have taken action:

- Implementing cost controls and prioritizing only the most critical hires;
- Launching task forces on deficit reduction, innovation, and revenue growth;
- Strengthening donor engagement and public-private partnerships.

But even a fire well-tended needs fuel. The progress we've made is real. The momentum is alive. *But it cannot be sustained without your continued support.*

Let us keep the flame burning. Through education. Through research. Through service.

Invest in UOG. Invest in our students. Invest in Guam. Invest in the Micronesian Region.

Mås rikuetdo,

Anita Borja Enriquez, DBA
President

UNIVERSITY OF GUAM

TESTIMONY IN SUPPORT OF THE UNIVERSITY OF GUAM'S BUDGET REQUEST

Presented by the Dean *of the School of Business and Public Administration*

Honorable Speaker and Members of the 38th Guam Legislature:
Thank you for the opportunity to testify today in support of the University of Guam's budget request. As Dean of the School of Business and Public Administration (SBPA), I am here to highlight our ongoing commitment to Guam's economic vitality and to request your continued support.

SBPA's Contribution to *the University's Workforce Development* Mission

As part of the University of Guam's comprehensive approach to meeting our island's educational needs, SBPA focuses specifically on developing the professional workforce that drives both public and private sectors. Our programs represent a strategic implementation of the University's commitment to serving Guam's economic development through:

- Undergraduate business and public administration education serving over 2,400 students (22.47% of total University enrollment)
- Graduate programs that develop advanced leadership capabilities for nearly 200 working professionals
- Professional development and certification programs that extend the University's reach beyond degree-seeking students

These programs directly support President Enriquez's vision for the University as a contributor to economic growth and public sector excellence. When you invest in the University of Guam, you enable SBPA to fulfill its specialized role in service to Guam's public and private sectors.

Demonstrating Return on *Investment*

The University of Guam's budget request reflects careful stewardship of public resources, with each school and college contributing unique value. SBPA demonstrates significant returns on your investment through:

- Strong graduate employment outcomes, with over 90% of our graduates securing relevant employment within six months
- High retention of graduates on Guam, addressing critical workforce shortages in key sectors
- Leadership development that places University of Guam alumni in positions to shape Guam's future
- A strong alumni network of over 6,300 graduates who serve as the backbone of Guam's business and public sectors. In the last twelve years alone, we have added 2,634 qualified professionals to Guam's workforce (2,072 undergraduates and 562 at the graduate level)

Our internal tracking indicates that SBPA graduates hold leadership positions throughout:

- Government agencies, where they implement effective policies and manage public resources
- Local businesses and corporations, where they drive economic growth and innovation
- Financial institutions, where they guide investment and development
- Nonprofit organizations, where they address community needs with professional expertise

These outcomes directly support the Legislature's investment in the University by creating pathways for student internships through qualified professionals who strengthen Guam's economy and public sector at all levels.

Jesus and Eugenia Leon Guerrero School of Business and Public Administration Building
Room 119 Telephone: (671) 735-2511 jonesr@triton.uog.edu

A U.S. Land Grant Institution Accredited by the Western Association of Schools and Colleges
The University of Guam is an equal opportunity employer and provider.

Resource Maximization Within the University System

The University of Guam's budget request reflects our commitment to maximizing the impact of every dollar allocated. Within SBPA, we support this institutional commitment through:

- Active pursuit of external funding that complements legislative appropriations
- Revenue-generating professional development programs that reduce reliance on general funds
- Cross-disciplinary collaboration with other schools and colleges that creates efficiencies
- Industry partnerships that provide additional resources and valuable work experience for our students and programs, including 62 employer partnerships supporting 105 student internships this academic year

These efforts allow the University to extend its impact beyond what would be possible through government funding alone, creating a multiplier effect for your investment in higher education on Guam.

Supporting the University's Budget Request

I join President Enriquez in respectfully requesting your support for the University of Guam's FY2026 budget request. The resources allocated to the University enable SBPA to:

- Maintain high-quality programs that serve Guam's specific workforce needs
- Provide educational opportunities that keep talent on Guam
- Conduct research that addresses local economic and governance challenges
- Offer community services that extend the University's expertise beyond the campus

Your investment in the University of Guam yields returns that benefit all of Guam through a more skilled workforce, improved organizational leadership, and innovative approaches to public and private sector challenges.

Our Commitment *as Part* of *the University of Guam*

SBPA takes pride in our role within the University and in our shared responsibility to serve Guam's educational needs. SBPA maintains a goal of demonstrated return on investment that our business and community leaders expect from us. Through your support of the University of Guam, SBPA will continue to develop professionals who learn, serve, and lead, for the benefit of all who call Guam home.

On behalf of the SBPA faculty, staff, students, alumni, patrons and benefactors, thank you for your consideration of the University's budget request.

Respectfully submitted,

Roseann M. Jones, PhD
Dean, School of Business and Public Administration
University of Guam

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Chirstopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Wednesday, April 16, 2025** at **10:00 AM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media broadcasting outlets on **Wednesday, April 09, 2025** (5-Day Notice), and again on **Monday, April 14, 2025** (48-Hour Notice).

SENATORS PRESENT

Honorable Senator Christopher M. Dueñas, Chairman
Honorable Vice Speaker V. Anthony Ada
Honorable Senator Telo T. Taitague
Honorable Senator Vincent Anthony V. Borja
Honorable Senator Eulogio Shawn Gumataotao
Honorable Senator Sabina Flores Perez

ORAL TESTIMONY:

Anita Borja Enriquez, DBA, President, University of Guam
Keana Ardiente, Vice President, UOG Student Government Association
Nicole Guerrero, President, University of Guam Student Association
Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam
Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam
Sharleen Q. Santos-Bamba, Ph.D., Senior Vice President and Provost Academic & Student Affairs, University of Guam

WRITTEN TESTIMONY:

Anita Borja Enriquez, DBA, President, University of Guam
Roseann M. Jones, PhD, Dean, School of Business and Public Administration, University of Guam

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **[10:01 AM]**

[Questions and Discussion] **[***Begins at 00:24:47 and ends at 01:40:43*]

Chairman Christopher M. Duenas: *Håfa Ådai Bueñas* and welcome to your Guam legislature. The Committee on Finance and Government Operations is now called to order, and the time is 10:01. This is April 16th, 2025. First notice of this public hearing was disseminated to all senators and media outlets on April 9th, 2025, with its second notice disseminated on April 14th, 2025. The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's public notice portal. The committee will now hear bill number 44-38 (COR), introduced by the Committee on Rules by the request of *I Maga'hågan Guåhan*, the Governor of Guam in accordance with the Organic Act of Guam, an act making appropriations for the operations of the executive branch of the government of Guam for fiscal year, ending September 30, 2026, making other appropriations and establishing miscellaneous and administrative provisions relative to this morning, we have the University of Guam here to present their budget. Joining me in this budget hearing is the vice chair of this committee and the Vice speaker Senator Tony Ada. Thank you for joining us and also the chairman of the Committee on Education, Senator Vince Borja and welcome today. Senator Gumataotao has also joined us as well as Senator Telo.

So, those testifying on bill number 44-38 (COR) relative to the University of Guam. As you have, please take your seats at the table before we begin, I'd like to remind everyone in attendance of the *I Liheslaturån Guåhan,* General Rules of Conduct. Individuals testifying shall first be recognized by the chairperson before speaking and shall state their full name.

For the record keeping purposes, questions and testimony shall be confined to the substance or nature of the bill that's on the agenda, which is the budget bill Today. Personal inferences to the character or motive of any senator or individual testifying are not permitted. The chairperson of the committee may order removal from the hearing of any member of the *I Liheslaturån Guåhan* or the public audience who fails to observe proper decorum.

Pursuant to the 38th Guam legislature Standing Rules, any violation of this general rule of conduct will result in immediate removal from this public hearing room at this time, as is custom and as in our rules. Because it is a budget hearing, I'd like to ask all the members that will be testifying today that are in the public hearing room to please rise and be sworn in by our sergeant of arms.

Edward Pocaigue, Sergeant at Arms: Please raise your right hand. Under penalty of perjury do you all affirm that any and all information you provide today, whether it be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth? Mr. Chair, they are under oath, you may proceed.

Chairman Christopher M. Duenas: Thank you. Before we proceed, I just wanna make a general comment so that the people of Guam and all those coming before us for their budget hearings understand a current snapshot of where we are in the government after the appropriation of the University of Guam.

When we benchmark that against the current CRER, they're currently, we're currently tracking $17 million in excess revenue. Far below what we have tracked probably only 30% of what we've tracked over the last two to three fiscal years. With that reason, I just want you to understand as we go through the discussions on the budget, that we are gonna be in a very, very tight situation.

In this fiscal year. That is the reason why I have not heard any other appropriation measures that have come before the committee is currently over prescribed or requested for by, I believe now 45, maybe $50 million. There's no money for those appropriations at this time. So, I ask you to take that in consideration as we go through the question and answer period and understanding that the final result of any budgets that have been put on the table will be a result of what the revenues that we believe are available with what it, whatever audit findings we have.

We have been given an update by the department administration that they anticipate to at least give us quarterly reports probably starting sometime in May. And so with that, we'll at least have a picture of what the revenues and expenditures look like. Albeit not being a full-blown audit of the 2024 revenues or even a thought on the 2025 revenues.

So, with that, I just wanted to make sure that I'm saying this to everyone who comes before us so that we can manage expectations, work with whatever we can, and work within our operations to do whatever we can as well to understand the predicament of the government. So with that, I'd like to you know, address the president Enriquez. And I will have you go ahead and select the order in which you've brought forward your team to date, to testify on your budget, and you may proceed at this time.

Anita Borja Enriquez, DBA, President, University of Guam: *Si Yu'os Ma'åse* Mr. Chairman. ***[Please see attached Testimony]***

Chairman Christopher M. Duenas: Thank you, Madam President. And will you be the only one testifying today?

Anita Borja Enriquez, DBA, President, University of Guam: No. Mr. Chairman, I do have to my left our beautiful student leaders. I have to my immediate left the Student Government Association President, Ms.Nicole Guerrero and to her immediate left is her Vice President of the Student Government Association. Ms. Keana Ardiente, I do have to my right our Senior Vice President and provost who's prepared to answer questions relating to academic and student affairs, to her right is our budget officer. And to her immediate right is our Vice President for finance and administration, all prepared to respond to questions.

Chairman Christopher M. Duenas: Thank you and we appreciate that. So, for the ladies, maybe you can and poll or just decide amongst yourselves who will go first and please identify yourself first and and yet you're testifying in what capacity? *Si Yu'os Ma'åse!*

Keana Ardiente, Vice President, UOG Student Government Association: Buenas yan Hafa Adai, my name is Keana Ardiente, and I currently serve as the Vice President of the Student Government Association at the University of Guam. And I'll be testifying as a student at UOG. And if my speech is a little off it's because my retainers, I'm still getting used to them. Okay, so, *Bueåñas yan Håfa Ådai* Chairperson Duenas, Vice Speaker Ada and Senator Borja and Senator Gumataotao. Oh, and Senator Telp. Hello! First, I would like to thank the 38th legislature for the opportunity and the platform to speak today. I am here to address my concerns regarding the university's current financial situation. It is important to understand

that UOG plays a big role in our community and should not be compared to any other educational institution. I have observed the troubling trend where the University of Guam consistently receives significantly less funding than it, than its requested amount, often as much as $10 million less, which exacerbates the challenges we face.

It's clear that while measures like Bill 58-38 provide relief by preventing tuition increases, the underlying financial strain on the university remains a critical issue. Costs are escalating. While funding has largely stagnated creating a growing imbalance, even without tuition increases, the perceived value of the education can be diminished if the overall student experience is compromised, the university is striving to do more with less and less, eventually translates to less quality. We see staff positions going on, filled, faculty taking on extra duties, and this inevitability impacts the quality of education. Class sizes can increase and access to crucial support services like advising and tutoring becomes strained.

We don't want a university where student support is an afterthought. With constrained resources, essential student support services like advising, tutoring, and career counseling may be stretched thin, hindering student success and timely graduation. Our campus is our learning environment and its condition matters.

Deferred maintenance isn't just about the aesthetics. It affects our sense of value and the functionality of learning spaces. We need facilities that inspire, not ones that reflect financial neglect. UOG is working extremely hard to expand, adding important programs like engineering and growing the nursing program and our four buildings underway.

The this growth is essential for Guam's future. However, without adequate funding, these initiatives are at risk. It's like trying to cultivate a garden in poor soil. The potential is there, but the resources aren't. The lack of budget for capital projects and deferred maintenance since fiscal year 2016 is concerning.

We want to learn in facilities that are safe and conducive to learning. Students are discerning, they seek value and a supportive environment. If they perceive that the university is struggling financially, they may choose to pursue their education

elsewhere. We must give current and prospective students every reason to choose UOG and succeed here.

The university is taking steps to address these issues internally, as we've always done, and have and exploring cost efficiencies in seeking new revenue streams. And this proactive approach is always important. However, true and lasting solutions require a collaborative effort. UOG is an investment in Guam's future, in its workforce.

Its innovation, and its overall prosperity. Therefore, I encourage you all to prioritize UOG and let's just not keep uni the university afloat. Let's provide it with the resources it needs to provide and serve as a cornerstone of progress for Guam. And it is imperative to close the gap between the university's needs and its funding.

Thank you for giving me the opportunity to speak today, and I thank you all for all that you do for the Island of Guam. And just a quick shout out I have class right now, but my professor Ron Aguon and Professor Judith Guthertz have allowed me to speak today because I really do care about the University of Guam.

So, thank you again for letting me speak today.

Chairman Christopher M. Duenas: Thank you. And we appreciate your professors giving you that kind of time. You'll probably get some extra points for civic engagement, so, don't worry about it. Your classes won't suffer because of it. Ma'am, please proceed.

Nicole Guerrero, President, University of Guam Student Association: *Buenas yan Hafa Adai* honorable Senators of the 38th Guam legislature.

My name is Nicole Guerrero and I currently serve as the president of the UOG 63rd Student Government Association. I'm also a fourth year political science student set to graduate This May. I am here on behalf of the 2,900 plus students that I represent to call for your support in the University of Guam's fiscal year 2026 budget.

The financial situation at the University of Guam is not a new topic, and I think it would be a miss to act as such. I. Ultimately this fiscal year 2026 budget request represents the cost of ensuring that we provide not only an adequate institution of

higher education on our island, but also one of quality. faculty vacancies, limited class offerings, shortages in student support staff, and deferred maintenance projects.

These are just some of the challenges that students at the university are directly impacted by due to the strained financial situation of the university that does not account for the rising costs, coupled with the need for development and growth. Many of my classmates have experienced delays in their graduation timeline owing to limited classes due to faculty shortages. Many of our facilities continue to deteriorate as much needed. Maintenance projects and repairs remain unaddressed. The. The capabilities and capacities of student support services are constrained as the limited student support staff try their hardest in assisting and supporting the 2,900 plus students currently enrolled at the university.

This is not the university that it was 20 years ago. This is not the university that it was. 10 years ago, the University of Guam has continued to evolve and be a site of progress and innovation, ensuring that our island community continues to remain competitive on a national scale. Our school of engineering building is set to open later this year and is a testament to how innovative and progressive this university is in looking towards the future and ensuring that we are sustaining critical areas in our community.

I have always said that the University of Guam should not be a backup schools for our graduating high school students pursuing a better future should not have to come at the cost of leaving one's home, and that's the biggest accomplishment that the University of Guam has. It keeps our students here.It keeps the future of our island. On our island, there have been a lot of discussions about the brain drain happening on Guam about how our best and brightest are going off island to pursue better opportunities. The University of Guam offers those opportunities, but that's only if we ensure as a community and as a government, that we are continuing to support it.

This budget request represents a commitment and an investment in ensuring the growth and prosperity of our only four year accredited institution in the Western Pacific region and an investment in the future of our island community people, students will continue to keep leaving our island if we do not ensure that we are

producing and funding a university experience that is worth them staying if we do not ensure that we are supporting their place of opportunity and the start of their better future from offering students employment to connecting them with mentors, to providing them a pathway to a job after graduation.

The University of Guam presents these opportunities for our students. Senators, we, as the student body, are asking you today to make this necessary commitment and investment in ensuring the sustainability progress and growth of our university by supporting and passing an appropriation for the University of Guam that is able to sustain us for the upcoming fiscal year. *Si Yu'os Ma'åse* for allowing me to speak on behalf of you today and expressing the viewpoint of all of the students that I represent at the University of Guam. Thank you!

Chairman Christopher M. Duenas: *Si Yu'os Ma'åse* Nicole and thank you for your testimony. Are you gonna shout out to your professors too? You must not have class today. Well, thank you very much and we really appreciate everyone that's been able to make it down here. We certainly have other faculty and support staff, more than likely that are here.So we thank you for coming to engage in this process as well. So this time I'm gonna go ahead and recognize the chairman of Education, Senator Borja for his questions, comments and discussion.

Senator Vincent Borja: Thank you, Mr. Chair. You know, I think what I wanna start with is, you know, as the chairman on the Committee on Education, I have oversight on UOG GCC and the Department of Education.And so when I look at like. The priorities of the committee and my work and how it's cut out, right? GDOE has a lot of problems, but that doesn't mean that I don't believe in the work that the institution is doing. I mean, I'm a graduate of the University of Guam at the School of Business. I think when I look at all the work I do from like being a small business owner to working as a senator to teaching and I look at all the graduates around me at that time and the success that they bring to the community and the people of Guam because of the education from the University of Guam. You know, when I talk about like the value the University of Guam brings, especially like to younger the younger generation that I mentor or kids that ask me for advice in what to do after high school, I always talk about the relationship and because of the community that the University of Guam provides especially when it comes to networking is that's the best

investment that I could say that I got outta the University of Guam. So I understand not just through the learning and the value of the education and the work that comes out of there, but I also understand the relationships that really like evolve as you grow through the community and how much value that brings, but it's gonna be tough this term. You know, like the chairman chairman join us shared in regards to the financial, you know, landscape of the government of Guam. We've seen the the federal cuts. But I guess, you know, to get into my questions and, but I just wanted to say I still sup, you know, I'm here to support the university and I will, you know, myself and the committee will fight to ensure that you guys get what you need.

In regard to the cost saving task force that was highlighted, has there been any meetings since, you know, we passed the 5.7 supplemental budget and what are some things that the university looks at doing to ensure that we're doing our best to save some money?

Anita Borja Enriquez, DBA, President, University of Guam: Okay. Thank you very much,Mr. Chairman for that question. The task force was launched roughly about two to three weeks ago. They have continued to meet virtually. They've come up with just some initial findings, but it doesn't include the submissions by our deans and directors on their proposed austerity measures relating to their respective school, college, or center. And so what we've been able to glean through those submissions are that personnel obviously is the largest cost in our budget. We know that there are is a list of vacancies that are not being filled, but the administrators are cognizant of the funding constraints. And as such they are prioritizing if there is a vacancy that is critical towards meeting the needs of our students and where there's high demand, obviously that takes priority over a. Low enrolled enrollment particular program. So it becomes a balance between revenues earned and expenditure. So what is the opportunity cost of prioritizing? They're also taking a look at digi digitization. The elimination consolidation of contracts that have to do with duplicating services.

Energy saving dual hating of positions, deferred hiring of staff. In one particular school, we saw deferred hiring of two staff members and deferred hiring of three faculty members in that one school alone. So we are doing a running total of the reasonable and feasible deferred costs doing a running total to ensure that we can come up with at least three to $4 million worth of cuts that's gonna take some time.

It's not overnight. There is a shared governance process that the university honors shared Governance means that we consult with our various stakeholders, including our students, our faculty, the staff council, the administrative council. Obviously, there is a process.

We anticipate that, you know, the budget may land in a place where it's going to hurt. We anticipate that there are two other task forces. The second has to do with revenue enhancement and innovation. Obviously, we're looking to diversify our revenue portfolio of programs. We're looking at ways in which we can meet a new demands, latent demands of our island and our region.

We've already started exploring and following through with requests from the region for baccalaureate degree programs. Palau's requesting two more we're about to present 20 diplomas at the Palau Community College. Commencement to recipients of the bachelor's degree in Special Education.

We've already started to award diplomas in the master's degree as well as the bachelor's degree in Saipan, and so we're going to expand that portfolio. We're also looking at the professional development markets, the military markets, the online markets at a global scale, and that's just one area.

Exploring other types of opportunities, public private partnerships that may be made available to us through outside investors that may represent institutions of higher education or enterprises through NGO funding or you know, venture capital funding. So we will be inviting members outside of the University of Guam community to provide some of these innovative suggestions that we can explore.

The third task force has to do with the strategic university advancement offer efforts. And again, we're still targeting $50 million to address three pillars, student success with regard to college affordability, the second one that involves capital improvement projects and deferred maintenance. And the third pillar has to do with sustainable growth initiatives or strategic growth initiatives. Investments that could be made on new programs to which we do not have the internal funding for. So we're looking at the university as an enterprise and expanding the portfolio and looking at ways in which we can diversify revenue flows to offset the costs that cannot be you know, sustained through local funding. And so we're doing everything we possibly

can. We appreciate the support in terms of what we're attempting to do, and we're looking forward to making progress along the way. Thank you.

Senator Vincent Borja: Alright, thank you for that. In regards to marketing efforts, how much does the university spend annually on marketing efforts? I mean, whether it be print, tv, radio?

Anita Borja Enriquez, DBA, President, University of Guam: Yes. Well, the the our integrated marketing communications department would tell us we're not investing enough that budget not including personnel can look anywhere from 50,000 to $75,000. We are looking at a team effort with regard to promoting advancement. Advancement is essentially marketing as a whole. Advancement with regard to targeting prospective partners prospective students, prospective donors and so forth. And so advancement efforts through the University Advancement Office marketing efforts through the integrated marketing communications recruitment efforts through the enrollment management and student success division including tapping marketing expertise across the federal funded programs that we already have.

Senator Vincent Borja: So in regards to recruitment efforts, is there you know, I'm thinking like a business person here, but like, what is your target? Like your enrollment numbers? Like, do you guys have like an annual target and then do you guys, I mean, I know we talk about how enrollment has been down.

Anita Borja Enriquez, DBA, President, University of Guam: Yes.

Senator Vincent Borja: But what are the what does the trends look like, like maybe in the last two, three years? And what does that look like going forward? And is there a plan to be able to meet that target?

Anita Borja Enriquez, DBA, President, University of Guam: Thank you. So, the university has received the draft report from our consultant liaison that has done a site visit speaking to many different stakeholders, including the endowment, foundation representatives to get a sense of where we are with regard to enrollment management, with regard to recruitment, with regard to advancement efforts. And as a result of that we are finalizing a strategic enrollment management plan. The targets if you notice we do have some numbers for you, but before I Pass it on to our Senior

Vice President Provost. I just wanna give a little bit of context. The entire world went through the global pandemic period in the 20, you know, 2000 twenties up until sometime in 2023.

It was a period of stress, a period of distress, and a period of worry and concerns and everyone had to pivot online. Not everyone is equipped to that particular learning mode. And of course we started to see a dip in the enrollment because of that. And as a result of that we have learned, even high school graduates anecdotally have shared, well, I'm taking a gap year. I said, well, how, when did you graduate Three years ago? So the gap year has turned into gap years. It's plural, and they're still trying to figure it out. And then we also see nationwide the reality of the enrollment cliff declining populations. We see that in our public school system, declining enrollment an exodus of families including children leaving island further reducing that particular student population.

But we're very confident because there is quite a bit of latent demand that is there, but not really articulated because our marketing efforts, you know, obviously need to be a lot more targeted. So, although at our highest level we had 4,000, when the pandemic hit, we started to see our numbers reduced at the 3,200, 3,400 mark down to roughly about 2,900 to 2,800. Very alarming. We discovered that the that the students were dropping or stopping out by the hundreds. And when in further review in, in calling all of these students, we learned that the biggest problem was bursar host unpaid tuition. Some of these students being on probationary status is losing maybe part of their federal funding. Okay. And so we put our efforts around that to try to work with these students to bring them back. So you can imagine anywhere from three to 500 students not coming back, okay and so that's part of the issue. Ideally we'd like to get back up to 4,000. We don't want to give our Dean of Enrollment management and student success a heart attack.

Can you at least bring it back to 3,200? Okay. But our target is still 4,000. We recognize that with optimized. Marketing advancement efforts that we can bring that number to there. And we recognize that for every 100 students that we bring in Rachel, the that brings in how much I tuition revenue. Yeah. For 250 students, that's an additional $1.5 million. So, as we bring that number up, we can see additional revenues coming in to meet, you know, the shortfall.

Senator Vincent Borja: And then how much does the endowment or the endowment for the foundation, how much do they bring in regards to revenue that can support any kinda expense for the university. I know there's some restricted stuff there, but is there any efforts in that office to, to help supplement some of the revenues for the university?

Anita Borja Enriquez, DBA, President, University of Guam: The one, one of, one of the recommendations in the, consulting the consultants strategic enrollment management plan is to work with our endowment foundation to support an annual fund for operations that is something that has not been done in many years, and it's a conversation that we will be having with them. The Endowment Foundation has been a blessing for us with regard to making the Dr. Lucio Sy Tan student Success Center and the School of Engineering Facilities possible through the USDA loan and they've been instrumental in providing us with additional funds that will support these new facilities. They have been very supportive in that regard, and they have given through scholarships, endowed scholarships, and other immediate scholarships. Hundreds of thousands of dollars in scholarships to our students. So, they have been an amazing partner to us. We recognize moving forward a new strategic opportunity with regard to an annual operations fund to support the university. Alright, thank you.

Senator Vincent Borja: And last question with all the federal, you know, uncertainty, I guess.

Anita Borja Enriquez, DBA, President, University of Guam: Absolutely.

Senator Vincent Borja: Do you know, do you have a plan in place for some of the federal programs, just in case I know right now you guys are tracking what may be affected, what has been affected.

Anita Borja Enriquez, DBA, President, University of Guam: Yes.

Senator Vincent Borja: But, you know, come past post budget passing of the law do you have some kind of plan in place on how you're gonna address possible employment for some of these programs?

Anita Borja Enriquez, DBA, President, University of Guam: Thank you very much. Most of our federally funded programs are for specific purposes, whether they be supporting research or applied research extension work anything that's gonna help specific targeted community members specific needs. For example, the Center of Excellence for Developmental Disabilities Education, research and Service or Cedars. They're predominantly federally funded, and so they help to support programs for the Guam Department of Education for other school systems. For our Persons with Disabilities providing resources that obviously is one of the major concerns because it does have broad community impact. We will have to work closely with them to identify what services will be absorbed under the new Trump administration's devolvement of specific, departments and where the alternative sources of funding will be that's one conversation. The others we do have most of those employed within those federally funded programs are already being funded through our local appropriation. The extra services that they do is accounted for with regard to the overtime equivalent. But for the most part, those personnel we're mostly concerned under those particular funding are the staff, those staff that are fully federally funded. And so we're identifying specific programs that are directly complimentary to our core mission at the University of Guam, and to see where we can actually place them based on attrition at the University of Guam to which we are monitoring on a weekly basis, we're also going to work closely with our HR office and our career development office to see how we can assist, particularly when there are immediate terminations of grant funded programs, to which we only have reserve for one more paycheck and so that's where we are. We have many different eyes around this. We have a running total in terms of tables and spreadsheets, and we are we are kept abreast on a regular basis. We do have a meeting with Congressman Moylan next week to share our status where we are, to also learn more about what is happening you know, back in Washington DC, that we can anticipate and we can plan for accordingly.

Senator Vincent Borja: Do you know how many employees those are? How many federal employees? That, that are like, live primarily on federal funds, right?

Anita Borja Enriquez, DBA, President, University of Guam: Under the Research corporation of the University of Guam, I believe there are over 300 and over 300.

Senator Vincent Borja: Okay. I have no more questions. Thank you again for coming down today.

Anita Borja Enriquez, DBA, President, University of Guam: Thank you so much.

Senator Vincent Borja: Thank Mr. Chair.

Chairman Christopher M. Duenas: Chairman Borja for your line of questioning and just one thing I wanted to mention to you during the charter schools pre-budget hearings your chairman and myself were pushing you UOG UOG and particularly SIFA said that essentially that a lot of the kids are looking towards that already and they're actually expanding their enrollment.

So, maybe I'm gonna ask Keana and Nicole to maybe put a group together with your student body since you're graduating right. And maybe I know that during charter day you did a wonderful job. You had a lot of the students from the different schools that were walking around, you know, you had them in the opening and they're walking around. So, I see your efforts really budding and but maybe you can do field trips to the secondary schools and say you know, come on, go green to make some green. Thank you very much. Alright, Senator. Gumataotao, or actually vice chair of the committee is next and then Senator Gumataotao, vice chair.

Senator Anthony V. Ada: Thank you Mr. Chair. I agree with the chairman. You know, it's Keana I think Madam President when you were talking about how do we keep our kids here in Guam and keep preventing that brain drain. You know, several years ago I had to send my son off island to go and get his degree in in engineering and now that we have a school of engineering here, it just goes to show the foresight and the thought of what are we doing to expand programs at the University of Guam. It's now how do we bring the students to the university, and perhaps maybe like the chairman said, you know, not just SIFA, but all the high schools, you know, perhaps have a program that you bring the students the seniors at the different high schools over to University of Guam to kind of maybe shadow or do, you know, sit in on the different classes that are provided. And most especially those that you know, we start them out young. Perhaps we'll be able to gear their minds towards going towards a certain profession, be it engineering or nursing, public administration, business

administration. There's so many programs at the University of Guam that they offer that I know can attract our students. It's just how do we entice them to become a Triton. And I think that's where the student government can play a very crucial role in providing that guidance to our seniors in high school. And with the help of the president and the faculty over at University of Guam giving you that assistance.

You know, I mean, what's the best way of marketing is the word of mouth. That's the best marketing because you two are the shiny examples of what it is to be a student at the University of Guam. And that's what we have to project is what is it that you are doing today that, or what is it today that attracted you to the University of Guam back then? And take that ideas and run with them and grow on them. A foundation has already been built, and that's the University of Guam. It's now how do we build that foundation and it's like building a house. We built the walls and put in the windows and put the roof on. And that's where you guys now become that, that integral part of actually bringing and in increasing the enrollment at the University of Guan, and I think it takes every single one of us to do that. But you guys are in the best positions to to actually make that happen. And hopefully that, you know, you guys come up with some ideas that you graduating this year. Right. And when do you graduate year, next year.

So, we got the next two years for this transition team right here to bring in new students to the University of Guam. But thank you for all that you guys do in the student government. Madam President, for you and your team. Thank you for continuing to expand the programs at the University of Guam. You know, the nursing program, the school of Engineering all those things that have come over the last several years as a matter of fact, and how we continue to build upon that. And, you know, it's just, it's unfortunate that we're in this position right now of what's happening nationally, but I think if we continue to build upon our own population here. It'd be able to help the University of Guam out as well. But we'll continue to work with you and your team. We'll continue to work with the committee and look at how we can continue to support our higher education. 'cause I totally agree with you ladies, that we need to stop the brain drain and keep our young adults here and

keep our educated those who want to be a part of the Triton family, you know, to keep them here as well. Thank you. Thank you for what you do. I have no questions.

Anita Borja Enriquez, DBA, President, University of Guam: *Si Yu'os Ma'åse!*

Chairman Christopher M. Duenas: Thank you. Vice speaker. Any comments to the Yes, I know you have effort so Thank you very much.

Anita Borja Enriquez, DBA, President, University of Guam: Thank you so much. I had a beautiful conversation with a resident of Maui who actually was a recipient of the University of Guam Merit Scholarship some decades ago. And she said she sat down with her I guess attorney, and he told her, you've gotta start giving back. And so she wanted to give back to the university in the form of student scholarships. She goes I wanna help students in need. How do I go about doing that? So that's paying it forward.

An example of someone who has come to us and someone who is wanting to give back as a result of just the value that she received as a UOG alumna. So, I wanna thank Senator Jesse Lujan for making that connection. We're continuing to see members of the diaspora reach back and wanting to help the University of Guam, so I have a lot of faith in our efforts to expand our efforts to garner more support.

Chairman Christopher M. Duenas: Thank you, Madam President, Senator Gumataotao, you're recognized at this time.

Senator Eulogio "Shawn" Gumataotao: Thank you, Mr. Chair. And thank you to the University of Guam community for all that you do as a person who's sitting front row of all of it. Thank you. Thank you in advance. I'm just gonna start with a couple, I have quite a bit of questions actually.

The UOG budget request for employee benefits increase from 8,954,767 in FY 2025 to 15,433,284, or by $6,478,517 in FY 2026. What specific cost Including medical and dental insurance are attributable to the substantial increase of $6.4 million in UOG's budget request for employee benefits during FY 2026.

Anita Borja Enriquez, DBA, President, University of Guam: Thank you for that question. Allow me to turn it over to our finance folks to respond.

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: Thank you, Senator, for that question. So, that's right. The huge changes between 25 and 26 are related to the medical and dental benefits as well as the retirement contribution rate. So, in our submission for 2026, we had utilized the recommended retirement contribution rate that was provided through the BBMR budget call. I think it was like 38 or 39%, if I'm not mistaken, but also to, you know there's an ebb and flow to all of this. Our employees come and they go. Some have retired, some have been brought on and we've hired. And so all of that has kind of been the cumulative impact of that change.

Senator Eulogio "Shawn" Gumataotao: Thank you so much. Now if UOG FY26 budget request is based on an employer retirement contribution rate, as you mentioned of 34.8%. What information is available at this point confirming whether the contribution rate will further increase? And if this were to occur prior to the new fiscal year, how exactly will UOG absorb the additional cost?

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: If I'm not mistaken the recommended rate that's provided by the front office is based off of a consultant report, I think, through the retirement fund. Gosh, when I've tracked it, it's through the Milliman report that comes out from the Government retirement fund, or that's attached to it. And it's all to kind of fund this unfunded liability and everything like that. And so every year there's this rate that gets projected out and that rate gets pulled into our budget projections all across our agencies. On top of that, if it changes, and in my experience it's stayed the same there's been maybe one year or two years where it's dropped depending on how calculations go as we get closer to the budget sessions and passing the budget law. I do our process at the university, we rerun the figures and we see how things get plugged in, but the I think the major impact that hits us towards the start of the next fiscal year is the medical and dental benefits. We don't see those re we don't see those negotiated rates until right before the fiscal year starts. And so because those are costs we have to absorb things that are tied to maybe growth projects or tied to, you know, well we want to hire, we wanna hire X amount of faculty, X amount of staff in the year those definitely get pulled, pushed to the wayside. And we've just been

deferring hiring. And that vacancy listing has been growing over the last four or five years.

Senator Eulogio "Shawn" Gumataotao: Thank you, and it's a good segue to, to talk about your requests for employee salaries, which also increased over the last two fiscal years. So, for the record, how many vacant positions are funded by the $33.3 million budget requests in FY 26? And how many of vacancies are teaching in research positions at UOG?

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: Thank you so much for that question. I might have to give you a little bit more of the drill down detail after this, just because the number of faculty and the number of staff do fluctuate and change and so if you wanted a more updated figure that I could give that to you in like the next hour. So I just have to look through my data, but no..

Senator Eulogio "Shawn" Gumataotao: As long as you, I mean, if we can get it back to the committee, that would be

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: Sure.

Senator Eulogio "Shawn" Gumataotao: Important.

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: Sure. So, what it is though, in totality for FY 2026, the request is covering about 408 employees. This is not inclusive of any other, like, so total count, total employee count at our university is about 900. And of the 900, about 400 of our employees get funded through our general operations budget. Everything else is it's outside of the scope and we kind of keep those things a bit siloed so we don't get confused in which employee is tied to what fund, but I believe there's about 120 plus faculty and we've got about a hundred plus staff who are tied to our general operations fund.

Senator Eulogio "Shawn" Gumataotao: All right, thank you. And let me just stick with this the vacancies for just a second. Well, what portion of the additional 6.9 million in employee salaries for FY26 represents salary increases and does UOG

have the authority to hold off on salary adjustments in the new fiscal year if necessary? As you mentioned just a minute and a half ago due to budget limitations.

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: Thank you very much. Okay. So, in our 2026 budget requests, we obviously do project out what the annual increments are, and those are generally about 3%. If an employee is on the, is getting an annual increase, right? There are some employees who get 18 months, 24 months and those figures get calculated out. But we do have, our board does have, the authority to freeze increments for our academic employees, which are tied to faculty and administrators and some of our staff. But anything related to our classified staff, which there are several classified staff who are governed by the civil service. Likewise with all of the other line agencies holding back increments, I think would have to require us coming to this body or having something like that passed, which has been passed in previous budget laws, like increments being frozen across the board. That, if that gets put into the budget law, then we would follow suit.

Senator Eulogio "Shawn" Gumataotao: Okay, Mr. Chairman, I have a couple more questions I hope you allow me to do, to ask them. Let's talk a little bit about our buildings and our maintenance at the university. You, and, you know, we can talk about the that working list. I think I mentioned it in the previous budget in the previous hearings relative to your priority one, priority two, your priority three, preventative maintenance, recycle, replacement cycle investments, new projects, new buildings, requiring funding. That support is just about what, $17 million. So, I know this could be anything from the roof repair, the painting of the field house water meters, shut off valves, backflow, preventers, fire alarm systems, all that good stuff up at the university. So, as a follow up to when we were talking about it several weeks ago did you guys, or did UOG include the same list or an updated version of that working list of projects in your FY 26 budget requests? And what projects or project or projects. Does UOG intend to prioritize during the remainder of this fiscal year and next?

Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam: Okay. So we've got some roof repair issues

that we're working on and also we have the two skylights at the English Communications building and the humanities and social.

Senator Eulogio "Shawn" Gumataotao: I know that one. It's a leaky one, right?

Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam: Well, I'm just, it's a, it's old and it really needs a lot of work. And so those are the priority projects that we're trying to get done in this fiscal year.

Senator Eulogio "Shawn" Gumataotao: And how about for next in the budget?

Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam: We did put 'em in the budget, so in fact, so unfortunately, yeah, I mean those projects are in the budget for next year and we're gonna try and get 'em done before then.

Senator Eulogio "Shawn" Gumataotao: Alright. Also, and I was hoping that Leslie would be here, but it's okay. Maybe we can carry the message to Leslie, but what plans have been put forward by the Board of Regents and UOG leadership to help secure financial opportunities that may be available in FY 26 through the help of public law 35-14, which allows UOG to create public-private partnerships as well as diversify the revenue streams of the university as a law has intended.

Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam: I could take that. So the really the only public private partnership we've gotten into is with our hatchery, and we've run into some problems with that, and we're trying to see if we can keep that going. The owner had passed away and it's been inherited now and we're working at trying to get that going. The good thing was that. Prior to the public-private partnership, we were putting out about 300,000 a year for the hatchery. And those, that output has gone way down since the public private partnership. But that's really the only thing we have so far.

Senator Eulogio "Shawn" Gumataotao: Alright. Thank you Randy and Mr. Chairman has just one last question, and this is directed to obviously to Keana and to Nicole. And I just wanted to, you made a good point that this is not your tatas UOG I mean I've seen it firsthand over the last 12 years to see the growth of

university, so I absolutely agree and I think that we have seen it, and you have been front row too to its growth over the last year in your time at UOG. I'm not even gonna go into how many years you're at UOG, but the idea, it is not the same. And I think that one of the things I wanna stress to you that this body is not the same too. It is not the same Guam legislature as well. And so with that said in to me, I don't look at public policy as just money only. It's also about policy. And when we create policy, we're trying to do our best to help agencies, not only the University of Guam, but others that really, that come here and are, you know, that are under our oversight. I just wanted to tell you that, I mean, it's like I said that we're kind of. You know, joking about the skylight at the communications building, but it's, again, it's not the same and we've seen such great growth.

So, I think we can, you can be assured, at least from my point of view, and this committee, and I'm also on the Committee on Education, that it just, we just can't continue to do things the same way. And I'm hoping that you'll allow us that chance to continue to not make, you know, not keep going with the same things at UOG and that we're gonna help with your nudge to grow and grow beyond what we are today.

So, thank you again for your attendance and thank you, Mr. Chair, for the chance to be here today. Thank you.

Chairman Christopher M. Duenas: *Si Yu'os Ma'åse* Senator Gumataotao, and thank you for your service up there at the university as well. Senator Taitague, you're recognized at this time.

Senator Telo T. Taitague: Thank you, Mr. Chair. Good afternoon. Good morning to my colleagues and of course. Good afternoon, go green. University of Guam. Of course, I'm the bad guy because, you know, I'm probably the only one who voted no on your supplemental understanding the issues that we're having and that majority of the comments that were made by the students were actually comments that have to do with in-house at University of Guam and at this body.

You know, it's one thing to keep throwing money at something, but if there's no outcome that comes, you know, that benefits from it, then it's an internal issue. And I'm hoping that I was hoping that there would be more of a thinking outside the box and how the University of Guam can continue to exist and provide the good services

and the education needed for our community by finding innovative waves to cut corners and you know, I've been hearing from a lot of people calling my office and, you know, saying we need to live within our means. And we really do, we all do. Not just the University of Guam, but you know, even on a personal level, it's something we have to do. So I do have some concerns with regards to the budget that's presented today. Like all budgets coming before us, you guys we're gonna have to hit everybody, so please don't take this personal Okay. As our chairman mentioned, but I'm trying to read this. You have this in front of you okay. As well. And in your testimony, you're saying that there's only been an increase of 2.3 million increase, but I'm showing a 13,170,207 increase based on the difference between FY25 that was appropriated just in operations. Just in operations, FY 25. And then in FY 26, the agency's request is 47 thousand, I mean 47,386,350, which is a difference of 13. Then I noticed that number was only operations, usually in the budget bill. Included in that is things like student financial aid programs and I'm glad to see that the number is 4.5 even though the governor had said 3.5 in that one. But I'm glad the agency incorporated 4.5 WERI was on there. That was not included in your budget. And you go further down to northern the KAPG, public radio, Guam PIA Foundation, and actually, I'm just gonna name the agency that what you requested in your budget, again was WERI. WERI and WERI again for the comprehensive water resources. You included agriculture development and trainee. You included northern Southern soil water conservation. You did not include in your agent, in your request for KP RG Public Radio. You did not include GuamPedia Foundation, and these two were covered in FY 25.

You did include the Student Success Center School of Engineering, and this is a capital improvement. It was not included in FY 25, but now you included here at 1.1 million 580,283 Guam Green Growth. The G three last year was 500,000. This year you did not request for any Sea Grant it was given 500 last year.

This year you are requesting 500 UOG press, public publishing house. Last year was given a hundred thousand. This year is, you're not requesting for it. Then the Guam cultural repository. Actually this is confusing here because there was money given in the FY 25 budget for them. I believe it was $1.6 million to the repository to UOG to give to them.

But in your request, zero capital improvements, 500,000 was given last year. This year you're requesting 500,000. However, what was very disheartening was last year the Guam Cancer Trust Fund 3.5 million, which usually only gets a thousand. But you know, it's, the law clearly says in Article six, chapter 26, title 11 that 15% of the Healthy Futures Fund shall go to the Guam Cancer Trust Fund. That's by law. And for years, we've shortchanged the cancer trust fund only giving them a million when they should be getting close to $4 million. Here in your budget requests from the agency's request, you put zero and that's very disturbing why you would put that. Now, if the intent was for UOG to say, okay, we're requesting for 47.3, but if the legislature you wanna fund all that was funded last year, then you're gonna have to fork out the money. And I don't think that's how it's gonna roll at the end of the day, after everything I mentioned.

In FY25 UOG was given 44,700,391, and now you're requesting for 55 million eight hundred and thirty three eighty two, and you're not even including the Guam Cancer Trust Fund in that amount. So, this, I don't know if there was a, another budget hearing that, you know, maybe this is outdated or something that is changed, but can you please explain to me these numbers and why was Guam Cancer Trust Fund eliminated from your request, your budget request?

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: Thank you. Yes, thank you Senator Telo for those questions. And so, every budget cycle, we receive a letter from the Office of Finance and Budget to submit our budget requests in line with prior year. Budget requests. And I will say that what we had submitted is in line with what we've submitted in prior years. Some of the appropriations that are provided in our, in the budget law under the UOG chapter, we consider pass through appropriations. And they don't really have anything to do with the University of Guam and we're stewards of the funds and we, it's the funds come in, we push it right out to, for these purposes. And so, a lot of those things are set by a public law and they're set by this body, by the legislature. And so whatever gets. Put in our chapter and what we receive from the Department of Administration for those specific PERS purposes we provide to we push right back out to KPRG, to GuamPedia to the body that oversees the Guam Cancer Trust Fund to issue those funds to those proper organizations.

And so that's not a University of Guam specific operation. And so a lot of times, or not a lot of times, but when we do come before this body, we do focus a lot on the dollars that impact. The University of Guam and the mission that we're set forth to do so. On top of that you know, obviously the huge increase in this request is of course, related to operations. And that growth or that increase is relatively tied to the organic growth and the costs that we've we're incurring year to year and those costs aren't mostly of our doing, you know, like the retirement contributions, the medical benefits just overall increase of like costs of contracts and things of that sort like that's kind of how those variances have grown.

Senator Telo T. Taitague: Yeah, I see.

Chairman Christopher M. Duenas: Thank Rachel. Just for point of information I don't know if you got the Budget Digest, but in the Budget Digest there is an appropriation for $3.5 million for Cancer Trust Fund. It's on the bottom line there.

Senator Telo T. Taitague: Yeah, this yes it is here on FY 25. Unfortunately it's not in FY26.

Chairman Christopher M. Duenas: The request mine shows an FY 26 request under lung cancer trust fund 3.582. We've got the same one. Yeah.

Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam: It's in the governor's request.

Chairman Christopher M. Duenas: Yeah that's gonna have to be an appropriation that we're gonna put in, so, okay. So thank you.

Senator Telo T. Taitague: That being said we do have the same document. That being said, you know, again however, the section where it says agency request, you still put the money amount in there, but you left out the Guam Cancer trust fund, for instance, you put in there for wearies hydrogen I mean, a hydraulic survey was 528,553, which was different from last year's.

You have the student financial aid program, you said that's a pass through. 'cause you said everything now operations, you have 47 million 308 6. Last year was 40 34. And in, in the report that was provided to us by President Enriquez, that 47.3 and only 2.3 million increase, it's 13,000,170 increase.

And then you said that's operations. Now everything below that are pass throughs, but so you mean the student financial aid program is a pass through.

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: The Student Financial Aid Pro. Sorry. So first part 2.3 million is request to request. So in FY 25, our budget request for operations was 44.9 and we've submitted a 47.3. So if you Subtracted out it's 2.3. That's how we're looking at it because or that's how that statement is it is to be interpreted about the 2.3, but..

Senator Telo T. Taitague: that's my reality.

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: I understand you're looking at this, yeah because the analysis is from OFB I understand.

Senator Telo T. Taitague:.

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: right. The 13. Okay. Because FY 25.

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: Yes. What we..

Senator Telo T. Taitague: What we, this year is only 34 million that was submitted a nd here you're saying that when accounting for rising costs and utilities 44 4 440 7,000, you're talking about this request represents 2.3. It does not. It represents 13 million increase.

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: So, I believe our testimony does say that it's 2.3 million based off of last year's budget request. So I think it's just the..

Senator Telo T. Taitague: Oh, request. Request. Oh, okay. Okay. It's okay. There's very differe there's a difference between the request reality and

Chairman Christopher M. Duenas: R equest versus actual.

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: That's correct. Yeah. I see. Okay.

Chairman Christopher M. Duenas: So the request this year is 2.7 above what the request was last year, but we're not benchmarking that against the actual that they received.

Senator Telo T. Taitague: Yeah. We're doing actuals here. Yeah. I wanna stay in reality here. So, you know, we all wishful thinking, wanting something, but you know, I'm saying in reality here, so it is 13 million. The reality is, but like I said again, student financial aid program that's not a pass through. Correct.

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: So that of course the University of Guam, we've been tasked or we've been given the opportunity to manage the program, which is also set by law and then through whatever gets appropriated. Through the budget law we disperse out the scholarships for those specific programs to our students as well as GCC students.

Senator Telo T. Taitague: Okay. Okay. So it is a little bit different, you know, in the past what's considered pass throughs and versus, you know, the reality. And then you, of course you have the Student Success Center School of Engineering at $1.1 million on that one, which it says use language be allocated from the general fund. Okay. So I guess the travel section here, it's showing here based on the Budget Digest, you have zero for travel. So is any funding from the general fund that's provided to universal use for travel, how is travel used from grants?

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: Mainly from grants.

Senator Telo T. Taitague: Okay. Are any of the grants being jeopardized with any kind of freeze that's happening right now with the Trump freeze? You know, and grants and education grant funds are freezing from different locations. Do you have any that's uping.

Sharleen Q. Santos-Bamba, Ph.D., Senior Vice President and Provost Academic & Student Affairs, University of Guam: Thank you. Yes, that is a major concern.

There have been grants that have been frozen, as we said, and have been paused so that we're looking at least two next gen grants that have been impacted as well as national Institutes of Health and as we've learned the National Endowment for the Humanities.

Senator Telo T. Taitague: Okay.

Sharleen Q. Santos-Bamba, Ph.D., Senior Vice President and Provost Academic & Student Affairs, University of Guam: Also, we'll be losing some grants.

Senator Telo T. Taitague: What is the total amount of those grants combined?

Sharleen Q. Santos-Bamba, Ph.D., Senior Vice President and Provost Academic & Student Affairs, University of Guam: Right now it's definitely over 12 million.

Senator Telo T. Taitague: Okay. 12 million. Okay. And does that jeopardize anything that has to do with students at the University of Guam? Or is it just faculty?

Sharleen Q. Santos-Bamba, Ph.D., Senior Vice President and Provost Academic & Student Affairs, University of Guam: No, it has not jeopardized students in the sense that it will impact their academic progress. No, it may impact, it has impacted in the form of internships. So those internships have stopped. So not with regard to academic progress.

Senator Telo T. Taitague: How much is that on the intern? How much are we looking at the loss for the students on their intern?

Sharleen Q. Santos-Bamba, Ph.D., Senior Vice President and Provost Academic & Student Affairs, University of Guam: How much in dollars,

Senator Telo T. Taitague: Dollars Dollars

Sharleen Q. Santos-Bamba, Ph.D., Senior Vice President and Provost Academic & Student Affairs, University of Guam: or You're talking about how many students? Well, internships are not paid necessarily, but there are paid internships and those are based of course, on hourly wages.

Senator Telo T. Taitague: I see. Yeah. So how much did you pay in FY 24?

Sharleen Q. Santos-Bamba, Ph.D., Senior Vice President and Provost Academic & Student Affairs, University of Guam: Those were fairly new. Those were new grants.

Senator Telo T. Taitague: Okay.

Sharleen Q. Santos-Bamba, Ph.D., Senior Vice President and Provost Academic & Student Affairs, University of Guam: That were paused before we could even really roll out at this point.

Senator Telo T. Taitague: Okay. So the other question I have, and probably the biggest one is where are you gonna make these cuts?

Anita Borja-Enriquez, DBA, President, University of Guam: We're still receiving updates from all of our administrators as well as the task force on cost efficiencies and deficit reduction. So that is a moving target. We know that personnel encompasses the bulk of expenditures that means that people's jobs will be impacted if they indeed come under the recommendation for streamlining consolidation or total elimination. Again, there is a process we do have to work closely with our shared governance stakeholders, including the faculty union, the administrative council, the staff council, and the Student Government Association. These take time. We do have already experience cost reductions in dual hat administrators. We have at least a consolidation of eight administrators into four. And so those savings alone amount into the hundreds of thousands of dollars. And so the goal, again, is to arrive at least $4 million worth of cost, you know, reduction. So it, we're working on that. We wanna honor the respectful shared governance process and of course, the efforts that are ongoing at this time.

Senator Telo T. Taitague: Thank you so much. You know, of course there's that low hanging fruit and a lot of it is, you know, on salaries and staff. But I hope that at the same time, when you find these cuts, you also find alternatives, you know, providing, you know, any kind of technology to assist with that. I mean, many universities versus in other jurisdictions are using the a, you know, using a lot of AI these days, you know, to areas in which they can't fulfill and they fall short of, or where they may need to make cuts. So at the same time as you make those cuts, please, you

know, consider finding alternatives cost setting, even sharing resources from other government of Guam agencies.

Your IT department could be shared with other Government of Guam agencies that you might wanna look into those cost saving measures as well. And it's gonna all be about that for everybody so okay. Other than that I hope you know that that we all, I think we all support education. Of course we do. You know, that's the backbone of our society and our growth of our economy deals with that. But we also have to be realistic when it comes to the situation we're in right now. And we can learn from it. You know, it might be, you know, sad days coming ahead, you know, and cutting costs, but we can also really take from that and grow with it. And like I said, we can learn from that. So, thank you so much, Mr. Chair.

Chairman Christopher M. Duenas: Thank you. Senator Taitague. Just a couple of clarifications. I do agree that your testimony is benchmarked against your request versus your prior request just like most agencies that come before us, their request is significantly different than what they actually get in actuals appropriations. I think that's an inappropriate comparison. Also, in my notes from OFB, we are the ones to be putting in the pass through funding in your budgets. The governor's request is in the budget, and we will make sure we make that adjustment. I'm just gonna have OFB from here on out. Just put it all in to the budget. It's kind of been an understood practice, but we will do that for all subsequent budgets that have passed through funding. To just put it into the budget, but it's not part of your budget. It's an appropriation from the legislature. As per public law, you are just administering you have a ministerial duty to those funds. So, with that Senator Perez, you may proceed.

Senator Sabina F. Perez: Thank you, Mr. Chair, and good morning to everyone. And thank you university for your tempered testimony considering the uncertainty of fin the times today. I think a lot of the questions have been asked, I, you know, regarding, you know, the concern about cuts to federal government and what that means to our institutions. And maybe if you can clarify, how much money is yo OG receiving through their federal through federal grants in total?

Sharleen Q. Santos-Bamba, Ph.D., Senior Vice President and Provost Academic & Student Affairs, University of Guam: Well, I think it was late last year where we celebrated, 100 million in our Total Grants portfolio. Of course that has fallen some since then. Madam Senator, but I have to say, if we're not at a hundred million, we're very much close to that.

Senator Sabina F. Perez: Alright. So, have you estimated potential impacts to potential cuts?

Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam: Yeah, I mean, we're looking at that every day. We're, we get weekly reports on what feedback our principal investigators are getting from their grantors. And so we have reports that are classifying things that we need to monitor closely, things that we're fairly comfortable with. So we're we're looking at that almost every day.

Senator Sabina F. Perez: Okay. And so in regards to personnel, so we know that's the biggest cost to the UOG? Have you actually looked at it at a granular level to see, you know, how the personal costs are gonna be impacted and how can you shift around cost perhaps? So, that there's less of a impact?

Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam: Yeah, so, so far there's been about five staff positions that were, are no longer being funded. And fortunately we've had vacancies and other grant funded positions, and so we've been able to shift them so far. But yeah we're looking out to see what if this continues and what's the damage gonna be if if they continue.

Senator Sabina F. Perez: Okay, so I'm just looking at your, his historical request and appropriations. And so in 25, the request was for 67 million. Dollars roughly around there. But the appropriations was 40 million. And so this year the request now is 55.8 million, is that correct? And so considering that, you know, I think historically whatever was asked for, we generally didn't give you that amount. And so what was your coping, how did you cope to that? The reductions in appropriations, I mean, was there any specific method that you used to adjust?

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: Thank you, Senator. So, the 60, I'm gonna guess the 67 million is all inclusive of everything that's under the chapter as opposed to the 55. That's kind of targeted a little bit more to items that are university specific as opposed to funds. We might, that we might just administer moving, like, like the cancer trust fund and things of that sort. And so, what we have been doing for the past several years, and this has been going on since we were in the pandemic as well, is as vacancies arise, we ask ourselves, can we still fund this moving forward? Is it, you know, what's the priority in, when it comes to who do we hire? And I think several of my colleagues behind me, well, like they've knocked on my door throughout the whole year saying, Hey, can I hire this?

So, and you know, so and so's leaving. Is there any way what's your answer? Like, they try to get the answer before they have to start the process. And it is a very it's a very rough process, I think because every unit as well as every agency they're so used to their staff count being what it was. And as technology continues to come on and as we continue to look to where, look to like on how to cut costs sometimes those positions need to transform to better serve our students, to better serve the college or the unit that position is being held, right? So we want more analytical people who are tied to IT related spaces, or if our systems are a little bit more upgraded, which are part of our plans being analytics of all of it, you know, you don't really need a technician as opposed to an analyst, right? And so all of that is, is a very fluid conversation university-wide, but on Aside from that we've also entered into projects where we're figuring out how to reduce utility costs but the savings that we've realized in utilities, you know, we've got four new buildings that are coming online. Those savings are being reallocated and reprogrammed to kind of absorb those costs as well. So, we're, it's a day by day thing. It's a week by week thing, a month by month. And so wherever we're at when budget talks come around, this is kind of where we've been able to present to you.

Senator Sabina F. Perez: Yeah. So this is not a something unique to the university. And unfortunately our talks or our negotiations for insurance happens after the budget and so unfortunately the decision was made that the agencies were gonna bear the cost for the increase and. That is probably why there's an increase in

personnel cost, I'm assuming that you're asking for. And again, that doesn't necessarily mitigate the future negotiations for insurance and so I think it's important to kind of, position reposition I mean, every agency that comes before us has to position themselves for a very conservative year you know, notwithstanding what's happening outside of Guam considering our own issues, right. Regarding insurance, the timing of that. And so that's something I guess, and I'm sure you're well aware of you guys are intelligent. So yeah, I think that you know, anything that you can do to kind of streamline the process and make it more yeah, just a bit, a little bit more responsive to the times in regards to financial, the financials. I think that's something that we are probably gonna ask of every agency that comes before us.

The other thing is maintenance of effort. So, I know that's something that every educational institution has to be concerned about. You know, whether you know, whether we can continue to support increases and in to ensure that maintenance of effort is stabilized. And so what is your maintenance of effort?

Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam: Based on it's the total revenues we receive from the legislature for our general operations appropriation divided by the total appropriation.

Senator Sabina F. Perez: And so when we talk about pass through budgets, does it include that too? Okay. All right. And yeah, the concern I have is the personnel management of personnel. So I know initially when you were responded to my colleague's question that you weren't sure about how many and how, I guess there's a lot of shifting happening. And so I think that's something perhaps what is your approach to that to ensure that, you know, the 'cause that's the biggest cost for UOG. So how are you managing that to ensure the costs are managed well?

Rachel Field, MBA, Associate Budget and Administrative Process Officer, University of Guam: So, thank you very much senator for that. And it's more so the count and the employee type 'cause there are several employee types that are under the University of Guam. We don't just have classified staff. We have faculty, we have administrators, we have federally employed, federally funded, employed employees. And so, employees who are tied to the general operations budget, it's just a segment

of our employee count and it's a big segment. It's about 408 total of our warm bodies to date and that's what's included in our budget request. And so if to break it down by faculty and staff and administrators, I think there's about 40 administrators, there's about 120 plus faculty and then the remaining may be staff, but I can get those counts to you after this session.

Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam: Senator, if I can just add every, I think she was describing this earlier, but every time there's a vacancy we take a look to see, is this still needed? Is there a greater need in another area? And so can there be a shift that we make? So those are some of the things that we do to to try to make sure that we're reprioritizing and trying to make the most of the funding that we have.

Senator Sabina F. Perez: Thank you and then one last question about the cultural repository. So it's not, I believe it's not here in this budget request, and I guess the expectation that it's gonna be covered under a different agency, but according to this, it's still under UOG. So maybe that's something that we can.

Randall V. Wiegand, MBA, CFE, CPA, CGMA, Administration and Finance Vice President, University of Guam: Yes. So Senator, the we had a three year agreement with the Guam Museum to try to help stand up the repository, and that terminates in May of this year. And I'm not aware that has been extended. So we, we didn't know if we should put that in the budget or not.

Senator Sabina F. Perez: Okay. That's something that we'll have to take a look at. Okay, Alright. Thank you. I know a lot of questions are asked already, so thank you so much. Thank you, Mr. Chair.

Chairman Christopher M. Duenas: *Si Yu'os Ma'åse* Senator Perez. I just have a few closing comments, I guess, because I want to thank you and your team for coming in for the public and for our committee, maybe new committee members. I know our chairman did attend for the public's information. We meet with all of the agencies prior to this public hearing to really go over and. And try to get to, as close to as possible the proper appropriations for operations. I want to thank you and your team for being very diligent and coming forward.

My commitment to you and my commitment remains as a baseline to include your supplemental appropriation that you received as the baseline for your budget. We'll see where we can go from there. We're also gonna monitor, of course, and ensure you're gonna report to us your progress throughout this remaining of the fiscal year in consideration of your supplemental appropriation.

It is my commitment to get as close as possible to we can to your request in consideration of the situation we have government wide in those considerations. For most even if you look at the governor's request, it's basically tracking to what had happened with a supplemental appropriation that was passed by the legislature. I think that if we are able to meet that will be God's work be beginning wise. But I think you can kind of take some comfort in that your efforts in terms of bring on this body for what you need to be able to continue going forward. Just two other comments you know, unfortunately the internet and blogs can be a wonderful place and sometimes they can be a very difficult and trying place and I want to say I've been disappointed in while we're talking to the people of Guam right now, that you know, some of the comments on the university in terms of what some public perception are. You know, the university's not worth it, you know what I mean? Send your kids off island, you know, what are they doing?

And I just, I want to take this opportunity as your chairman of finance and also as having spent a lot of time up at the university by your invitation and as well as our chairman and many of our colleagues. Yeah, nothing can be further from the truth. Our University of Guam is a premier institution and a premier institution at the rate of slightly over $5,000 a year for, you know, tuition. I think the people of Guam have a lot to be proud of. The engineerings, the nurses, the teachers, the social workers, the finance people, business all of the students. And I'll tell you what, you cannot go in the private sector and the government of Guam right now and not find many UOG alum that are holding up this island in terms of their performance in the public and the private sector even if they had a post-secondary degree, a lot of them have their degree initially from the University of Guam. And so I just want to take that opportunity that I hope our public can please understand and maybe visit, you know, and maybe go on the website and look at what the university is doing and maybe

talk to some of these students who are so proud, you know, to be graduates of this university.

You know, you can't replace that. You can't replace that. You know, my father told me when I was a young boy, son, there's one thing that nobody can ever take away from you. And that's your education. Everything else can be stripped from you, but what's right here, what you learn and what you're taught, nobody can take that away from you. So,I just wanna mention I have a little bit of a cold, but I just wanna mention that you know, I am proud of everything you do. Now, of course, we have to scrutinize and we have to do everything that we do as a body because we are a coequal branch of government with an awesome responsibility, you know, to provide for our people on all levels, but I cannot overemphasize how important it is right now with our recovery. And what we're doing going forward that you, along with GCC, along with Trades Academy, along with the charter schools, along with the Department of Education, sinking or swimming right now is really based on what you do every day and there is no future for Guam in terms of building and getting out of financial difficulties or the things without what you do. Every day is absolutely critical. And so I just wanted to make that comment. And also while our people are watching, 'cause believe it or not, particularly probably during the supplemental budget we have become our own TV show. So, we're very well watched and monitored and rightly so. You know, this is a great thing about the modern day the great side of the internet and all of the exposure to media is the fact that, you know, people can watch what we're doing. But I'm on taking time now as I close, 'cause I think we all agreed on one thing today walking out of here. We need to tell the eulogy story. We need students that are in sixth grade, seventh grade, first grade, second grade, third middle school, high school, to know that they have a premier institution to attend even if you just go there for the first two years, you know, if you've already articulated out you've applied to other schools, maybe take the time to take that first and second year here at UOG.

You never know you might just stay. But the fact of the matter is that we have to tell that story because as you mentioned, just with a mere 250, 500, a thousand more students, close to $6 million. I mean, there's the Gulf that we have to, you know, traverse right now in terms of if you get inclusive of your supplemental budget, I

think our community can produce a thousand students in the coming years for this premier institution and so I hope this gets as much publicity as it can. I hope we continue to bring the kids up there like you did on Charter Day. And I hope that we can tell, continue to tell the University of Guam's story. I think with your construction of your buildings, I think when I go to the campus, it's always well kept, you know and in closing one more time, I think too we have to remember that this is not just a university for Guam. This is a university for the region. You know, we have our brothers and sisters from all throughout Micronesian and the Marianas that come and rely on this university to go back and serve their people in their governments, you know, in their social services, in whatever fields that they have.

So, this is not just the University of Guam, this is the University of Micronesia. And so the bottom line is that keeping all of that in mind, I know there's a lot of things we gotta do and we've gotta make sure we're accountable across the board, but I want to accentuate the positive and say, let's see how we traverse that golf. Tell the great story of the University of Guam and all the work the professors are doing and tell the story that all the research institutes and the, like, they're all funded. Those are economic drivers for our island. What would we do without WERI, you know, testing and making sure our water quality is up is up to par. What we would do without all of the social services, the disabled, and the other things that you guys do without that being at the University of Guam, if we didn't have a University of Guam, those programs might not even exist. These are things that we have to tell the people of Guam, a lot of the people that you're servicing that have disabilities, even the *Månako*' even other services that emulate out of the research component of the university is vital to our daily lives. And so with that jump off my soapbox, but I wanted to leave on a positive note and read my concluding remark that I have to for every public hearing. This will conclude this morning's budget hearing on Bill 44-38 (COR) relative to the Guam Community of College, or I guess we had Guam Community College page in here, University of Guam, excuse me. The committee will continue to accept written testimony on the bill within seven calendar days from the day today, which may be addressed to myself, Senator Christopher M. Duenas, chairman of the committee and mailed to 163 West Chalan Santo Iane. You may also send your testimonies to my email at senatorduenas@guamlegislature.gov.

This morning's budget hearing is now adjourned and the time is 11:39 a.m. and this session is now adjourned.

[ACTION OF THE BODY: THE BUDGET HEARING ADJOURNED AT 11:23 A.M.]

Office of Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Wednesday, April 30, 2025, at 9:00 A.M.

Guam Charter School Council

Office of Senator Christopher M. Dueñas
259 Martyr Street, Hagatna Guam 96910 | Tel: 671-989-9554 | senator.duenas@guamlegislature.gov
Like and follow @senatorduenas

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on April 30, 2025

2 messages

Office of Finance and Budget <ofb@guamlegislature.gov> Wed, Apr 23, 2025 at 8:44 AM
To: phnotice@guamlegislature.gov
Cc: "stephen.ofbguam@gmail.com" <stephen.ofbguam@gmail.com>, "vanessa.ofbguam@gmail.com" <vanessa.ofbguam@gmail.com>

FOR IMMEDIATE RELEASE
April 23, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on April 30, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Wednesday, April 30, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
- Charter Schools of Guam

2:00 pm
- Guam Department of Education

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

This ad was paid with funds by the Office of Finance & Budget

--
Si Yu'os Ma'åse,
Camarin L. Breton
Budget Analyst Assistant
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Office of Finance and Budget (OFB)
Website: www.ofbguam.org (671) 646-4416

2 attachments

senator-duenas-headshot.jpg
70K

1st Notice OFB Budget Hearing 4.30.25.pdf
725K

Ed Pocaigue <sgtarms@guamlegislature.gov> Wed, Apr 23, 2025 at 9:10 AM
To: Office of Finance and Budget <ofb@guamlegislature.gov>

Hafa Adai,

Posted on calendar.
[Quoted text hidden]
--

Edward S. Pocaigue, Jr.
Sergeant-at-Arms

I Mina'trentai Ocho Na Liheslaturan Guåhan
Guam Congress Building, 1st Floor
163 Chalan Santo Papa
Hagåtña, Guam 96910

1-671-969-3514
sgtarms@guamlegislature.gov

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April 23, 2025

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2:00 pm
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FIRST NOTICE - FY26 Budget Hearing on April 30, 2025

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FIRST NOTICE - FY26 Budget Hearing on April 30, 2025

PUBLIC HEARING

Posted on: 04/23/2025 08:32 AM

Posted by: Ashley Shinohara

Public Hearing Date: 04/30/2025 09:00 AM

Department(s): GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
April 23, 2025

MEMORANDUM

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Chairman, Committee on Finance and Government Operations

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9:00 am
Charter Schools of Guam

2:00 pm
Guam Department of Education (GDOE)

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Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on April 30, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Mon, Apr 28, 2025 at 9:08 AM
To: phnotice@guamlegislature.gov
Cc: "stephen.ofbguam@gmail.com" <stephen.ofbguam@gmail.com>, "vanessa.ofbguam@gmail.com" <vanessa.ofbguam@gmail.com>

FOR IMMEDIATE RELEASE
April 28, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

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9:00 am

- Charter Schools of Guam

2:00 pm

- Guam Department of Education

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--
Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

2nd Notice OFB Budget Hearing 4.30.25.pdf
731K

FOR IMMEDIATE RELEASE
April 28, 2025

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SECOND NOTICE - FY26 Budget Hearing on April 30, 2025

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SECOND NOTICE - FY26 Budget Hearing on April 30, 2025

PUBLIC HEARING

Posted on: 04/28/2025 07:12 AM

Posted by: Ashley Shinohara

Public Hearing Date: 04/30/2025 09:00 AM

Department(s): GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
April 28, 2025

MEMORANDUM

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Chairman, Committee on Finance and Government Operations

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2:00 pm
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PBS GUAM
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Guam Educational Telecommunications Corporation

P.O. Box 21449
GMF, Guam 96921
Phone # 671-734-5483

Invoice

Date	Invoice No.
4/29/2025	2025-26

Bill To
Office of Senator Christopher Duenas Calvo Arriola Bldg. Ste 101-13 259 Martyr St. Hagatna, Guam 96910

P.O. No.	Due Date	Rep	MOU No.
	4/29/2025	CDC	

Item	Description	Qty	Rate	Amount
Air-Time	Public Notices 4/30/2025 Hearing - ist Notice 4/23/2025 2nd Notice 4/28/2025		250.00	250.00

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Ina Marie V. Carillo
General Manager

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BUDGET HEARING AGENDA

Wednesday, April 30, 2025 – Guam Congress Building

Bill No. 44-38 (COR) - Committee on Rules by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

9:00 am:

- Relative to Charter Schools of Guam

2:00 pm:

- Relative to Guam Department of Education (GDOE)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: April 30, 2025 **Time: 9:00 a.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

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-- Relative to Charter Schools of Guam

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	JOYLEEN SUBA	MT. CARMEL CHARTER SCHOOL	[redacted]	Jsuba@mtcarmelguam.com			X	
2	Helen Nishihira	iLearn		hnishihira@ilearnguam.org	X		X	
3	Maria Dunn	iLearn		mdunn@ilearnguam.org			X	
4	WIL CASTRO	CAREER TECH		Principal@Careertechguam.org			X	
5	BATANNA ATAY	BTACS		[redacted]			X	
6	Evangeline M. Ogata	GACS Chamorro		[illegible]	X		X	
7	Dylan Sablan	BTACS		dylan.sablan@btacsguam			X	
8	Ann Santiago	GACS		asantiago@guahanacademy	X		X	
9	Bradette Lacap	GACS		[illegible]				
10	RONRANGA	SIFA		pcc@sifaac.com			X	
11	JAY SUNGA	"		"	X		X	
12	MAMA RANGA	"		"			X	

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: April 30, 2025 **Time: 9:00 a.m.**

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-- Relative to Charter Schools of Guam

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Ma'ina Diego	Maga'lahen Hurao	[redacted]	[redacted]			✓	
2	Donna Cruz	Maga'lahen Hurao					✓	
3	Sonya Concepcion	Career Tech		sonya@careertechguam.org			✓	
4	Jenny Joseph	Career Tech					✓	
5	Ann Marie Ano	Magalahen Hurao		[redacted]	✓		✓	
6	Ryan Salas	Maga'lahen Hurao					✓	
7	Michael Cabral	DOA		michael.cabral@doa.guam.gov			✓	
8	RAY GUEVARA	DOA		raymond.guevara@doa.guam.gov			✓	
9	Felix Alfaro	GSCSC/DOA		felicitas.alfaro@doa.guam.gov			✓	
10								
11								
12								

BUSINESS &TECHNOLOGY ACADEMY CHARTER SCHOOL

BTACS After Term 1 & Term 2: Growing Strong and Ready for More! 🚀

We are thrilled to share how BTACS has grown and blossomed after completing our first two terms! Although Term 1 got off to a delayed start and we faced the challenge of losing about half of our initially registered students, we worked closely with Guam Public Health to ensure our school meets all health and safety standards — creating a secure and welcoming environment for every student. In Term 1, we proudly opened our doors to over 50 students. Fast forward to today — entering Term 3 — our student population has grown to 76 students! It's been an exciting and inspiring journey seeing new faces and watching our BTACS community thrive.

Our campus has continued to expand and improve. We now have eight regular classrooms, each set up for specific focuses: a Math Room, Art Room, Marketing Room, Weights Room, Recording Room, Public Speaking Room, and two additional classrooms for core subjects. We also have a fully-equipped Science Lab, a Library/Collaboratorium for research and creative collaboration, a large Auditorium for events and presentations, and a Cafeteria where free lunch is served to students every Monday to Friday. We also boast a field dedicated to our Physical Fitness Program and plenty of parking for students, staff, and faculty.

Exciting upgrades are already underway! Our current foldable chairs and tables will be replaced with modern business and technology workstations by the 2025-2026 school year, with orders placed early this month. Every classroom is fitted with an interactive board, and every student has a personal computer device to enhance their learning experience. At BTACS, we proudly implement Project-Based Learning and Standards-Based Grading, ensuring education stays relevant and prepares students for the real world. In addition, we have a school van that transports students to their internships every Friday.

Our team is made up of dedicated individuals committed to student success: five Core Subject Teachers (whom we also call Mentors or Success Navigators), three Business and Technology Instructors, one Admin Assistant, one School Counselor, and two Administrators — the Principal and the Academic Coordinator. We are proud to announce that we applied for accreditation through ACS WASC and were observed on March 25, 2025. We are now eagerly awaiting news of our commissioning and are praying for positive results soon.

Opportunities for students continue to grow at BTACS. Every Friday is Internship Day for sophomores to seniors, while freshmen enjoy workshops, guest speakers, and field trips. Our current internship partners include ADztech, Cars Plus Guam, APA Asia Pacific, Title Guaranty Guam, Guam Autospot, Tech Evo, and the Guam Women's Chamber of Commerce. We are also proud to partner with JA (Junior Achievement) and are finalizing partnerships with other local companies, with plans to expand into international tourism partnerships in the near future. BTACS is also an active member of the Guam Visitors Bureau (GVB).

Finally, we are excited to have a strong online presence through our website and social media platforms, helping keep our families and community connected. BTACS has come a long way in a short time — and we are just getting started! We are proud of our students, our staff, and the strong, supportive community we are building together. Here's to even bigger dreams, stronger partnerships, and continued success in Term 3 and beyond! BTACS: Building Leaders, Dreamers, and Innovators of Tomorrow!

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We are thrilled to share how BTACS has grown and blossomed after completing our first two terms! 🌱

Although Term 1 got off to a delayed start and we faced the challenge of losing about half of our initially registered students, we worked closely with Guam Public Health to ensure our school meets all health and safety standards — creating a secure and welcoming environment for every student. 🏥✅

In Term 1, we proudly opened our doors to **over 50 students**. Fast forward to today — entering Term 3 — our student population has grown to **76 students**! 📈 It's been an exciting and inspiring journey seeing new faces and watching our BTACS community thrive.

Our campus is looking fantastic too! Here's a snapshot of what we have so far:

- 🏫 **Eight regular classrooms** — each with its own focus: Math Room, Art Room, Marketing Room, Weights Room, Recording Room, Public Speaking Room, plus two core subject classrooms!
- 🔬 **One Science Lab** for experiments and discovery.
- 📚 **A Library/Collaboratorium** — perfect for research, quiet study, and creative collaboration.
- 🎭 **An Auditorium** for school events, assemblies, and presentations.
- 🍴 **A Cafeteria** providing free lunch to our students every Monday to Friday.
- 🏟️ **A Field** for our Physical Fitness Program — keeping our students active and energized!
- 🚗 **Plenty of parking** for students, staff, and faculty.

Exciting upgrades are already in motion!
Our current foldable chairs and tables are scheduled to be replaced with **modern business**

and technology workstations by the 2025-2026 school year — orders were placed early this month! 🪑🖥️

Other highlights:

- 🖥️ Every classroom is equipped with an **interactive board**.
- 💻 **Every student** has their own computer device to maximize learning.
- 📚 We're proud to use **Project-Based Learning** and **Standards-Based Grading**, making education relevant and real.
- 🚐 We now have a **school van** to transport students to their internships every Friday!

Our amazing BTACS Team includes:

- 5 Core Subject Teachers (also called **Mentors** and **Success Navigators**!)
- 3 Business and Technology Instructors
- 1 Admin Assistant
- 1 School Counselor
- 2 Administrators (Principal & Academic Coordinator)

Accreditation Update!
We applied for accreditation through **ACS WASC** and were officially visited on **March 25, 2025**. Now, we are eagerly awaiting our commissioning news any day now — and we're praying for great results! 🙏🎓

Student Opportunities:

- **Internship Day** every Friday for Sophomores to Seniors. (Freshmen enjoy guest speakers, workshops, and field trips!)
- **Internship Partners** include:
    - ADztech
    - Cars Plus Guam
    - APA Asia Pacific
    - Title Guaranty Guam
    - Guam Autospot

    - Tech Evo
    - Guam Women's Chamber of Commerce
- **Partnership with JA (Junior Achievement)** to boost business skills.
- **Member of Guam Visitors Bureau (GVB)** — and working toward international partnerships, especially in tourism!

BTACS Online Presence:

- 📱 We have our own **website** and **active social media** pages to keep our community connected!

BTACS has come a long way in just a short time — and we're just getting started! 💥
We're proud of our students, our staff, and the strong community we're building together.
Here's to even bigger dreams, stronger partnerships, and continued success in Term 3 and beyond! 🎉

BTACS: Building Leaders, Dreamers, and Innovators of Tomorrow! 🚀

BTACS
GUÅHAN

My experience at BTACS Guam:

My experience at BTACS Guam has been nothing but positive and refreshing. The school's approach to making every student feel appreciated and understood is something I have never experienced before. Having left a school where teachers were under-appreciated and ignored, it was a breath of fresh air stepping into an environment where my needs were not only heard, but met with swiftness. On countless occasions, they asked me if there was anything they could provide to achieve goals set forth by me and the students. When I provided them with a list of materials to be obtained, I received everything within a matter of weeks. The employee atmosphere is also very welcoming with a noticeable lack of toxicity and vapid power dynamics. Everyone helps everyone, no one is walking on eggshells and no one feels as if they have a target on their back. To say this without acknowledging the precedent set by our founder and admin, would be neglectful. I have no issues walking into Mr. Guerrero or Siñot Sablan's office to bring up any complications about anything. I have had many conversations with Zar Atallig, where he has brought up how he refuses to use or view the students as a means to make a profit. Our leaders are ones we can trust and I have the utmost respect for them. As much as I wish I could say the same for the previous charter school I worked for, I simply cannot as it would not be true. Coming from a school where greed and oppression overruled any mission set in place, I can say with complete certainty that BTACS has restored my faith in charter schools and has reminded me that some people genuinely care about nurturing the future of Guam.

Jonah Cruz aka Saina Hångai

BUSINESS
&TECHNOLOGY
ACADEMY CHARTER SCHOOL

I am a teacher who started working at BTACS during their second term of the school year. My experience working at this school has been uplifting and rewarding. Since working at BTACS, I have come into such a positive environment fostered by an administration team who demonstrates professionalism, mutual respect, and true collaboration. We are a school in its early stages of development, so there is always room for growth. Whether it came to topics of school policies, accreditation, curriculum, or student behavior, it is evident that every action taken by the administration is done with the best interest of the faculty, staff, and students in mind. There was always a willingness to listen and a commitment to creating a positive school culture.

Because of the school's emphasis on Guam's values, project based learning, and career readiness, I get to teach a classroom full of students who are safe, feel included, and are empowered to take charge of their own learning. I am so impressed by the work the school has done to set these students up for their academics and future careers. It is rewarding to be part of a student's growth, especially when you have a school that will give them lifelong tools necessary for them to succeed.

BTACS does not just feel like a workplace, but a community where both educators and students feel valued, supported, and inspired. I am grateful to be part of this team.

Kind regards,
Camille Zapata
Art Teacher
camille.zapata@btacsguam.com

BUSINESS
&TECHNOLOGY
ACADEMY CHARTER SCHOOL

My name is Joshua Miller, a teacher at the Business and Technology Academy Charter School (BTACS). My experience over the past four to five months has been incredibly rewarding. Teaching Marketing, Entrepreneurship, and Data Analysis at BTACS has allowed me to witness firsthand the immense creativity, potential, and enthusiasm of our students.

One of the standout aspects of BTACS is its openness to innovative and creative initiatives, from hosting carnivals to integrating diverse projects across subjects. This culture of embracing creativity aligns perfectly with the school's mission and creates a dynamic learning environment.

I also deeply value the support BTACS has shown for the Junior Achievement program. As the Executive Director of Junior Achievement of Guam, collaborating with a school that is equally committed to uplifting the community in Guam has been a true pleasure. The leadership, including Principal Dylan Sablan and dedicated faculty like Richard Guerrero, Ned Zee, and all the teachers, fosters a collaborative and supportive environment where educators can thrive.

Overall, BTACS is a place where creativity meets purpose, and I'm grateful for the opportunity to be part of this dynamic and forward-thinking educational community.

BUSINESS &TECHNOLOGY ACADEMY CHARTER SCHOOL

BTACS Testimony Narrative

At BTACS, our commitment to the mission and vision is the foundation of everything we do. As a school, we aim **to inspire and empower students to become innovative leaders, problem-solvers, and contributors to Guam's private sector economy** through a transformative education grounded in **business and technology**. Our mission reflects this commitment by ensuring that every student receives **meaningful, research-based learning opportunities aligned with college and career readiness standards**. We are intentional about helping each student **earn a high school diploma while building a personalized pathway toward success in education and employment**. We believe that education should not only prepare students academically, but should also empower them to pursue their strengths and passions confidently — with real-world skills in **entrepreneurship, technology, aviation, and leadership** development at the core of our approach.

Our **strengths-based approach** is central to how we serve our students. Each student is recognized as unique, with individual talents, interests, and potential. From their first days at BTACS, students' skills and career goals are thoughtfully identified, nurtured, and developed. Many students have been placed in programs and internships that directly match their aspirations — whether it's working with **aviation companies, exploring mechanical and pre-engineering pathways, diving into IT and cybersecurity, gaining experience in banking and accounting, or building portfolios in business, marketing, and communications**. By aligning their learning experiences with their goals, students grow in both competence and confidence.

We offer **innovative learning experiences** that go far beyond the classroom. Through **project-based learning, real-world internships, and career exploration opportunities**, students engage in hands-on learning across multiple fields such as **aviation, pre-engineering, marketing, business, information technology, banking, accounting, art, and music**. These immersive opportunities challenge students, inspire creativity, and help them apply academic concepts in professional environments. Every project is intentionally designed to be meaningful, engaging, and practical.

BTACS is built on a **supportive and collaborative environment**, where faculty and staff work as a unified team to guide each student's academic and career journey. Teachers and leaders model strong professional relationships, and school leadership is **approachable, open to dialogue, and highly collaborative**. We make it a point to value every voice, often **including teachers in important decision-making processes**. For example, before implementing new systems or structures, we consult with the teaching staff to ensure that changes align with classroom realities and student needs. This culture of inclusivity strengthens our shared commitment to student success.

Personalized student support is made possible through our small class sizes and intentional programming. Teachers at BTACS don't just instruct — they mentor. Through initiatives like our **Success Navigation program**, students receive one-on-one guidance in academic planning, career readiness, and personal development. This individualized attention ensures that every student receives the support they need to thrive holistically.

BTACS also values **the professional growth of its educators**. Teachers are empowered to grow in areas such as **leadership, curriculum design, and specialized fields** that align with their own passions. Creative and innovative teaching methods are encouraged — not only to enhance student engagement, but to allow teachers to bring their full selves into their work. Our culture of **inclusivity** extends to staff as well, where we foster a workplace where collaboration, innovation, and shared leadership are the norm.

We place a strong **emphasis on character and life skills**, knowing that these are just as important as academic or technical knowledge. Our approach includes intentional development of **responsibility, communication, leadership, and problem-solving** abilities in students. At BTACS, we integrate **restorative justice practices** into our approach to discipline and conflict resolution. These practices encourage accountability, reflection, and healing — helping students grow through challenges and learn to take ownership of their actions in a supportive and respectful way.

Our **connection to the community** is another defining feature of BTACS. We actively partner with **local businesses, industry professionals, colleges, and organizations** to provide students with authentic, real-world learning experiences. Just as importantly, we prioritize **family engagement**. Parents and guardians are invited to be part of their child's educational journey, and we make space for their voices in major school events, planning processes, and community-building efforts. We believe that student success is strongest when school and family work hand-in-hand.

Flexibility and adaptability are hallmarks of how BTACS operates. Whether we face **challenges like staffing limitations or resource gaps**, we remain focused on our mission and values. We adapt by leveraging our team's creativity and collaborative spirit to ensure students continue to move forward. Even in discipline, we return to our commitment to **restorative justice** — focusing on growth and relationship-building, rather than punishment. This ensures that students feel seen, heard, and supported — even when they make mistakes.

At BTACS, we **celebrate student success** in all its forms. We've seen students discover new passions, excel in internships, gain job offers, and grow into responsible, confident individuals. Here, students aren't afraid to **make mistakes** — they're encouraged to **embrace those experiences as learning opportunities**, building resilience and wisdom in the process. Our culture normalizes growth, reflection, and continuous improvement.

Ultimately, BTACS is not just a school — it's a launchpad. We are proud to say that we are not just preparing students for graduation — **we are preparing them for life**.

Government of Guam
Fiscal Year 2026

Agency Budget Certification

Agency: BUSINESS & TECHNOLOGY ACADEMY CHARTER SCHOOL

Agency Head: DYLAN SABLAN

I certify that the attached budget, submitted herewith, has been reviewed for accuracy and that all requirements by the Bureau of Budget & Management Research (BBMR) have been met. I also acknowledge that this budget document will be returned to this department if any of the **BBMR requirements** is not met and/or if there are **inaccuracies** contained therein.

Agency Head: DSablan Date: 01/16/25

(Signature)

[BBMR DP-1]

Decision Package
FY 2026

Department/Agency: BTACS **Division/Section:** _____

Program Title: BTACS

Activity Description:

BTACS will provide high school students with education and career development opportunities focused on business & technology, preparing them for postsecondary education or gainful employment. Acitivities include contextualized curriculum delivery, mentorship, internships, and workshops aligned with career readiness standards

Major Objective(s):

1. Enroll 200 students in Year 1, increasing to 400 students by Year 3.
2. Implement a curriculum that prepares students for higher education or careers in business and technology.
3. Facilitate credit attainment through diverse methods, including traditional coursework, online learning, service-learning projects, and dual enrollment programs.
4. Conduct remediation and intervention strategies to ensure student success.

Short-term Goals:

1. Achieve first-year enrollment of 200 students across grades 9 to 11.
2. Award 24 credits per student in alignment with graduation requirements.
3. Establish faculty-led remediation plans for students requiring credit recovery or additional support.
4. Launch service-learning projects integrated with course requirements to enhance community engagement and practical learning.

Workload Output

Workload Indicator:	FY 2024 Level of Accomplishment	FY 2025 Anticipated Level	FY 2026 Projected Level
1.Enroll 200 students Achieve First year enrollment of 200 Students Across grades 9-11	$1,560,000.00	$ 1, 950,000,00.	$3,120,000.00
2.Enroll 250 Students,Establish faculty-led remediation plans for students requiring credit recovery or additional support.			
3. Enrollment of 400 Students. Launch service-learning projects integrated with course requirements to enhance community engagement and practical learning.			

BTACS								
A	B	C	D	E	F	G		
Transaction/ Obligation Date	**Transaction Type**	**Vendor**	**General Fund ($)**	**Special Fund ($)**	**Federal Fund ($)**	**Reasons for Nonsubmittal or Nonpayment**		
Total			**$0.00**	**$0.00**	**$0.00**			
Notes:								
Column A: Completion date of transaction or event prior to October 1, 2025.								
Column B: Transaction Type such as personnel action, contracts, etc.								
Column C: Vendor or Party owed								
Column D, E, & F: Identify funding source and dollar amount inclusive of associated penalties or fees; if more than one transaction, need to total all transactions.								
Column G: Note item of concern.								

Function : BTACS					
Department/Agency:					
Program:					
EQUIPMENT/CAPITAL LISTING:					
Description	**Quantity**	**Percentage of Use**	**Comments**		
24K BTU AC	1	100	MAIN AREA		
TEACHER DESK	1	100	MAIN AREA		
CHAIR	1	100	MAIN AREA		
TEACHER DESK	1	100	PRINCIPAL'S OFFICE		
DESK	1	100	PRINCIPAL'S OFFICE		
TEACHER DESK	1	100	ACADEMIC OFFICE		
CHAIR	1	100	ACADEMIC OFFICE		
36K BTU AC	3	50	CAFETERIA		SHARED AREA
COOLER	1	50	CAFETERIA		SHARED AREA
ROUND TABLES	8	50	CAFETERIA		SHARED AREA
CHAIRS	80	50	CAFETERIA		SHARED AREA
TABLE + BENCH	10	50	CAFETERIA		SHARED AREA
ROUND WOODEN TABLES +4 CHAIRS	2	50	CAFETERIA		SHARED AREA
REC WOODEN TABLES + 6 CHAIRS	2	50	CAFETERIA		SHARED AREA
36K BTU AC	2	100	E1 CLASSROOM		
INTER DISPLAY	1	100	E1		
STOLLS	20	100	E1 CLASSROOM		
STUDENT TABLES	8	100	E1 CLASSROOM		
36K BTU AC	1	100	E2 CLASSROOM		
INTER DISPLAY	1	100	E2 CLASSROOM		
STUDENT TABLES	8	100	E2 CLASSROOM		
36K BTU AC	1	100	D1 CLASSROOM		
TEACHER DESK + CHAIR	1	100	D1 CLASSROOM		
36 K BTU AC	1	100	D2		
TEACHER DESK + CHAIR	1	100	D2		
36K BTU AC	1	100	A1 CLASSROOM		
TEACHER DESK + CHAIR	1	100	A1 CLASSROOM		
STUDENT TABLES	8	100	A1 CLASSROOM		
STUDENT CHAIRS	16	100	A1 CLASSROOM		
INTER DISPLAY	1	100	A1 CLASSROOM		
36K BTU AC	1	100	A2 CLASSROOM		
TEACHER DESK + CHAIR	1	100	A2 CLASSROOM		
STUDENT TABLES	8	100	A2 CLASSROOM		
STUDENT CHAIRS	16	100	A2 CLASSROOM		
INTER DISPLAY	1	100	A2 CLASSROOM		
36K BTU AC	1	100	A3 CLASSROOM		
TEACHER DESK + CHAIR	1	100	A3 CLASSROOM		
STUDENT TABLES	8	100	A3 CLASSROOM		
STUDENT CHAIRS	16	100	A3 CLASSROOM		
INTER DISPLAY	1	100	A3 CLASSROOM		
12K BTU PORT AC	1	100	RR BOYS		
DEHUMIDIFIER	1	100	RR BOYS		
12K BTU PORT AC	1	100	RR GIRLS		
DEHUMIDIFIER	1	100	RR GIRLS		
36K BTU AC		100	B1		
36K BTU AC		100	B2		
36K BTU AC		100	B3		
36K BTU AC		100	B4		
14K BTU PORT AC		100	RR BOYS		
DEHUMIDIFIER		100	RR GIRLS		
12K BTU PORT AC					
DEHUMIDIFIER					
STUDENT LAPTOPS	100	100	BTACS OFFICE + CLASSROOMS		
TEACHER LAPTOPS	10	100	BTACS OFFICE + CLASSROOMS		

ADMIN LAPTOPS	2	100	BTACS OFFICE		
SPACE REQUIREMENT (for Personnel and Equipment/Capital)	**Total Program Space (Sq. Ft.):**		**Total Program Space Occupied (Sq. Ft.):**		
Description	**Square Feet**	**Percent of Total Program Space**	**Comments**		

[BBMR FP-1]

Government of Guam
Federal Program Inventory
FY 2025 (Current) / FY 2026 (Estimated) Funding

FUNCTION: BTACS
DEPARTMENT/AGENCY:
PROGRAM:

	A	B	C	D	E	F	G	H	I
				FY 2025	FY 2026				
Federal Grantor Agency / Federal Project Title	C.F.D.A./ SAM No. / Enabling Authority	Grant Award Number	Match Ratio Federal / Local:	Received / Projected	Estimated Funding	Local Matching Funds	Federal Matching Funds	100% Federal Grants	Grant Period
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	NONE	NONE

Government of Guam Fiscal Year 2026 Budget Digest

[BBMR BD-1]

Function: BTACS
Department: EDUCATION
Program:

		A	B	C	D	E	F	G	H	I	J	K	L
		GENERAL FUND			SPECIAL FUND 1/			FEDERAL MATCH			GRAND TOTAL (ALL FUNDS)		
GFMIS Account Code	Appropriation Classification	FY 2024 Expenditures & Encumbrances	FY 2025 Authorized Level	FY 2026 Governor's Request	FY 2024 Expenditures & Encumbrances	FY 2025 Authorized Level	FY 2026 Governor's Request	FY 2024 Expenditures & Encumbrances	FY 2025 Authorized Level	FY 2026 Governor's Request	FY 2024 Expenditures & Encumbrances (A + D + G)	FY 2025 Authorized Level (B + E + H)	FY 2026 Governor's Request (C + F + I)
	PERSONNEL SERVICES												
6111001	Regular Salaries/Increments/Special Pay:	0	665,800	747,449	0	0	0	0	0	0	0	665,800	747,449
6112001	Overtime:	0	0	0	0	0	0	0	0	0	0	0	0
6113001	Benefits:	0	0	270,955	0	0	0	0	0	0	0	0	270,955
	TOTAL PERSONNEL SERVICES	$0	$665,800	$1,018,404	$0	$0	$0	$0	$0	$0	$0	$665,800	$1,018,404
	OPERATIONS												
6220001	TRAVEL- Off-Island/Local Mileage Reimburs:	0	0	22,100	0	0	0	0	0	0	0	0	22,100
6230001	CONTRACTUAL SERVICES:	0	642,000	601,500	0	0	0	0	0	0	0	642,000	601,500
6233001	OFFICE SPACE RENTAL:	0	0	0	0	0	0	0	0	0	0	0	0
6240001	SUPPLIES & MATERIALS:	0	162,200	54,450	0	0	0	0	0	0	0	162,200	54,450
6250001	EQUIPMENT:	0	40,000	50,000	0	0	0	0	0	0	0	40,000	50,000
6270001	WORKERS COMPENSATION:	0	0	0	0	0	0	0	0	0	0	0	0
6271001	DRUG TESTING:	0	0	0	0	0	0	0	0	0	0	0	0
6280001	SUB-RECIPIENT/SUBGRANT:	0	0	0	0	0	0	0	0	0	0	0	0
6290001	MISCELLANEOUS:	0	0	77,500	0	0	0	0	0	0	0	0	77,500
	TOTAL OPERATIONS	$0	$844,200	$805,550	$0	$0	$0	$0	$0	$0	$0	$844,200	$805,550
	UTILITIES												
6361001	Power:	0	120,000	126,000	0	0	0	0	0	0	0	120,000	126,000
6362001	Water/ Sewer:	0	0	0	0	0	0	0	0	0	0	0	0
6363001	Telephone/ Toll:	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL UTILITIES	$0	$120,000	$126,000	$0	$0	$0	$0	$0	$0	$0	$120,000	$126,000
6450001	CAPITAL OUTLAY	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	TOTAL APPROPRIATIONS	$0	$1,630,000	$1,949,954	$0	$0	$0	$0	$0	$0	$0	$1,630,000	$1,949,954
	1/ Specify Fund Source(s)												
	FULL TIME EQUIVALENCIES (FTEs)												
	UNCLASSIFIED:	0	0	0	0	0	0	0	0	0	0	0	0
	CLASSIFIED:	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Government of Guam Fiscal Year 2026 Agency Staffing Pattern (PROPOSED) [BBMR SP-1]

FUNCTIONAL AREA: Business and Technology Academy Charter School

DEPARTMENT/AGENCY: Education

PROGRAM: Business and Technology Academy Charter School

FUND: Government of Guam Allotment and Fundraising

	Input by Department								
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
No.	Position Number	Position Title 1/	Name of Incumbent	Grade/ Step	Salary	Overtime	Special*	Increment Date	Increment Amt.
2		Principal (Mr. Dylan Sablan)	1		75,000	0	0		0
3		Academics Lead (Mr. Richard M. Guerrero)	1		75,000	0	0		0
		Counselor (Mr. Babyano Retuleilug)	1		40,000	0	0		0
5		Core Academic Teacher 1 (Mrs. Justine Rae-Rodriguez Flores)	1		40,000	0	0		0
5		Core Academic Teacher 2 (Mrs. Flora Asanoma)	1		40,000	0	0		0
5		Core Academic Teacher 3 (Mr. Craig Stilwell)	1		40,000	0	0		0
5		Core Academic Teacher 4 (Ms. Camille Zapata)	1		40,000	0	0		0
5		Core Academic Teacher 5 (Mr. Joshua Miller)	1		40,000	0	0		0
5		Core Academic Teacher 6 (Vacant)	1		40,000	0	0		0
6		Core Academic Teacher 7 (Vacant)	1		38,500	0	0		0
7		Core Academic Teacher 8 (Vacant)	1		38,500	0	0		0
8		Core Academic Teacher 9 (Vacant)	1		38,500	0	0		0
11		Custodial/Maintenance	1		34,125	0	0		0
11		Custodial/Maintenance	1		34,125	0	0		0
12		Special Projects Teacher (Mr. Jonah Cruz)	1		30,799	0	0		0
13		Support Role 1 (Staff) (Ms. Zhila Kusto-Ned)	1		35,000	0	0		0
14		Support Role 2 (Staff) (Vacant)	1		31,900	0	0		0
15		Business and Technology Teachers (Mr. John Zilian)	1		9,000	0	0		0
16		Business and Technology Teachers (Mr. Jared Ramos)	1		9,000	0	0		0
17		Business and Technology Teachers (Vacant)	1		9,000	0	0		0
18		Business and Technology Teachers (Vacant)	1		9,000	0	0		0
19					0	0	0		0
20					0	0	0		0
21					0	0	0		0
22					0	0	0		0
23					0	0	0		0
24					0	0	0		0
25					0	0	0		0
			Grand Total:	----	$747,449	$0	$0	----	$0

*** Night Differential / Hazardous / Worker's Compensation / etc.**

1/ Indicate "(LTA)" or "(Temp.)" next to Position Title (where applicable).

2/ FY 2026 (Proposed) GovGuam contribution rate of 34.80% for the Government of Guam Retirement is subject to change.

Government of Guam Fiscal Year 2026 Agency Staffing Pattern (PROPOSED) [BBMR SP-1]

Input by Department

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
				Special Pay Categories					
					1/	2/	3/	4/	5/
No.	Position Number	Position Title	Name of Incumbent	Holiday Pay	Night Pay 10%	Hazard 10%	Hazard 8%	Nurse Sunday Pay 1.5	Nurse Pay 1.5
1	#REF!	#REF!	#REF!	$0	$0	$0	$0	$0	$0
2		Principal (Mr. Dylan Sablan)	1	0	0	0	0	0	0
3		Academics Lead (Mr. Richard M. Guerrero)	1	0	0	0	0	0	0
4	#REF!	#REF!	#REF!	0	0	0	0	0	0
5		Core Academic Teacher 1 (Mrs. Justine Rae-Rodriguez Flores)	1	0	0	0	0	0	0
6		Core Academic Teacher 2 (Mrs. Flora Asanoma)	1	0	0	0	0	0	0
7		Core Academic Teacher 3 (Mr. Craig Stilwell)	1	0	0	0	0	0	0
8		Core Academic Teacher 4 (Ms. Camille Zapata)	1	0	0	0	0	0	0
9	#REF!	#REF!	#REF!	0	0	0	0	0	0
10	#REF!	#REF!	#REF!	0	0	0	0	0	0
11		Custodial/Maintenance	1	0	0	0	0	0	0
12		Special Projects Teacher (Mr. Jonah Cruz)	1	0	0	0	0	0	0
13		Support Role 1 (Staff) (Ms. Zhila Kusto-Ned)	1	0	0	0	0	0	0
14		Support Role 2 (Staff) (Vacant)	1	0	0	0	0	0	0
15		Business and Technology Teachers (Mr. John Zilian)	1	0	0	0	0	0	0
16		Business and Technology Teachers (Mr. Jared Ramos)	1	0	0	0	0	0	0
17		Business and Technology Teachers (Vacant)	1	0	0	0	0	0	0
18		Business and Technology Teachers (Vacant)	1	0	0	0	0	0	0
19				0	0	0	0	0	0
20				0	0	0	0	0	0
21				0	0	0	0	0	0
22				0	0	0	0	0	0
23				0	0	0	0	0	0
24				0	0	0	0	0	0
25				0	0	0	0	0	0
			Grand Total:	$0	$0	$0	$0	$0	$0

1/ 10% of reg. rate, applicable from 6pm-6am, employee must work 4 hours consecutive after 6pm for entitlement of the pay
2/ Applies to law enforcement personnel
3/ Applies to solid waste employees
4/ 1 ½ of reg. rate of pay from 12am Friday to 12 midnight Sunday
5/ 1 ½ of reg. rate of pay on daily work exceeding 8 hours
6/ Applicable only to GFD ambulatory service personnel. 15% of reg. rate of pay

						Input by Department			
(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)
	Benefits								
(E+F+G+I) Subtotal	Retirement (J * 34.80%) 2/	Retire (DDI) ($19.01*26PP) 3/	Social Security (6.2% * J)	Medicare (1.45% * J)	Life 4/	Medical (Premium)	Dental (Premium)	Total Benefits (K thru Q)	(J + R) TOTAL
75,000	26,100	0	0	1,088	0	0	0	27,188	102,188
75,000	26,100	0	0	1,088	0	0	0	27,188	102,188
40,000	13,920	0	0	580	0	0	0	14,500	54,500
40,000	13,920	0	0	580	0	0	0	14,500	54,500
40,000	13,920	0	0	580	0	0	0	14,500	54,500
40,000	13,920	0	0	580	0	0	0	14,500	54,500
40,000	13,920	0	0	580	0	0	0	14,500	54,500
40,000	13,920	0	0	580	0	0	0	14,500	54,500
40,000	13,920	0	0	580	0	0	0	14,500	54,500
38,500	13,398	0	0	558	0	0	0	13,956	52,456
38,500	13,398	0	0	558	0	0	0	13,956	52,456
38,500	13,398	0	0	558	0	0	0	13,956	52,456
34,125	11,876	0	0	495	0	0	0	12,371	46,496
34,125	11,876	0	0	495	0	0	0	12,371	46,496
30,799	10,718	0	0	447	0	0	0	11,165	41,964
35,000	12,180	0	0	508	0	0	0	12,688	47,688
31,900	11,101	0	0	463	0	0	0	11,564	43,464
9,000	3,132	0	0	131	0	0	0	3,263	12,263
9,000	3,132	0	0	131	0	0	0	3,263	12,263
9,000	3,132	0	0	131	0	0	0	3,263	12,263
9,000	3,132	0	0	131	0	0	0	3,263	12,263
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
$747,449	$260,113	$0	$0	$10,842	$0	$0	$0	$270,955	$1,018,404

(J) 6/ EMT Pay 15%	(K) (D+E+F+G+H+I+J) Subtotal
$0	$0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
$0	$0

Government of Guam Fiscal Year 2025 Agency Staffing Pattern (CURRENT) [BBMR SP-1]

FUNCTIONAL AREA: Business and Technology Academy Charter School

DEPARTMENT/AGENCY: High School Education

PROGRAM: Business and Technology Academy Charter School

FUND: Government of Guam

Input by Department

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)		(I)	(J)	(K)	(L)	(M)	(N)	(O)
								Increment				Benefits				
No.	Position Number	Position Title 1/	Name of Incumbent	Grade / Step	Salary	Overtime	Special*	Date		Amt.	(E+F+G+I) Subtotal	Retirement (J * 30.77%)	Retire (DDI) ($19.01*26PP)	Social Security (6.2% * J)	Medicare (1.45% * J)	Life 2/
1		Chief Admin Officer			$0	$0	$0			$0	$0	$0	$0	$0	$0	$0
2		Principal	Mr. Dylan Sablan		46,000	0	0			0	46,000	14154	0	0	667	0
3		Acacdemic Lead	Mr. Richard Guerrero		57,000	0	0			0	57,000	17539	0	0	827	0
		Counselor	Mr. Babyano Retuleilug		39,000											
4		Core Academic Teacher 1	Mrs. Justine Rae Rodriguez-		34,999	0	0			0	34,999	10769	0	0	507	0
5		Core Academic Teacher 2	Mr. Craig Stilwell		34,999	0	0			0	34,999	10769	0	0	507	0
6		Core Academic Teacher 3	Ms. Camille Zapata		33,999	0	0			0	33,999	10461	0	0	493	0
7		Core Academic Teacher 4	Mrs. Flora Asanoma		32,999	0	0			0	32,999	10154	0	0	478	0
8		Core Academic Teacher 5	Mr. Joshua Miller		32,999	0	0			0	32,999	10154	0	0	478	0
9		Special Projects	Mr. Jonah Cruz		27,999	0	0			0	27,999	8615	0	0	406	0
10		Advisor	Dr. Juan Flores		75,000	0	0			0	75,000	23078	0	0	1,088	0
11		Custodial/ Maintainance	RB		32,500	0	0			0	32,500	10000	0	0	471	0
12		Support Role	Ms. Zhila Kusto		29,000	0	0			0	29,000	8923	0	0	421	0
13		Business & Technology Teacher 1	Mr. Jared Ramos		1,000	0	0			0	1,000	308	0	0	15	0
14		Business & Technology Teacher 2	Mr. Roke Mantanone		0	0	0			0	0	0	0	0	0	0
15		Business & Technology Teacher 3	Mr. John Zilian		3,000	0	0			0	3,000	923	0	0	44	0
16					0	0	0			0	0	0	0	0	0	0
17					0	0	0			0	0	0	0	0	0	0
18					0	0	0			0	0	0	0	0	0	0
19					0	0	0			0	0	0	0	0	0	0
20					0	0	0			0	0	0	0	0	0	0
21					0	0	0			0	0	0	0	0	0	0
22					0	0	0			0	0	0	0	0	0	0
23					0	0	0			0	0	0	0	0	0	0
24					0	0	0			0	0	0	0	0	0	0
25					0	0	0			0	0	0	0	0	0	0
			Grand Total:	----	$480,494	$0	$0	----		$0	$441,494	$135,847	$0	$0	$6,402	$0

*** Night Differential / Hazardous / Worker's Compensation / etc.**

1/ Indicate "(LTA)" or "(Temp.)" next to Position Title (where applicable)

2/ FY 2024 GovGuam contribution for Life Insurance is $187 per annum

	Input by Department										
	(A)	(B)	(C)	(D)	Special Pay Categories (E)	(F)	(G)	(H)	(I)	(J)	(K)
					1/	2/	3/	4/	5/	6/	
No.	Position Number	Position Title	Name of Incumbent	Holiday Pay	Night Pay 10%	Hazard 10%	Hazard 8%	Nurse Sunday Pay 1.5	Nurse Pay 1.5	EMT Pay 15%	(D+E+F+G+H+I+J) Subtotal
1		Chief Admin Officer		$0	$0	$0	$0	$0	$0	$0	$0
2		Principal	Mr. Dylan Sablan	0	0	0	0	0	0	0	0
3		Acacdemic Lead	Mr. Richard Guerrero	0	0	0	0	0	0	0	0
4		Core Academic Teacher 1	Mrs. Justine Rae Rodriguez-Flores	0	0	0	0	0	0	0	0
5		Core Academic Teacher 2	Mr. Craig Stilwell	0	0	0	0	0	0	0	0
6		Core Academic Teacher 3	Ms. Camille Zapata	0	0	0	0	0	0	0	0
7		Core Academic Teacher 4	Mrs. Flora Asanoma	0	0	0	0	0	0	0	0
8		Core Academic Teacher 5	Mr. Joshua Miller	0	0	0	0	0	0	0	0
9		Special Projects	Mr. Jonah Cruz	0	0	0	0	0	0	0	0
10		Advisor	Dr. Juan Flores	0	0	0	0	0	0	0	0
11		Custodial/ Maintainance	RB	0	0	0	0	0	0	0	0
12		Support Role	Ms. Zhila Kusto	0	0	0	0	0	0	0	0
13		Business & Technology Teacher 1	Mr. Jared Ramos	0	0	0	0	0	0	0	0
14		Business & Technology Teacher 2	Mr. Roke Mantanone	0	0	0	0	0	0	0	0
15		Business & Technology Teacher 3	Mr. John Zilian	0	0	0	0	0	0	0	0
16				0	0	0	0	0	0	0	0
17				0	0	0	0	0	0	0	0
18				0	0	0	0	0	0	0	0
19				0	0	0	0	0	0	0	0
20				0	0	0	0	0	0	0	0
21				0	0	0	0	0	0	0	0
22				0	0	0	0	0	0	0	0
23				0	0	0	0	0	0	0	0
24				0	0	0	0	0	0	0	0
25				0	0	0	0	0	0	0	0
			Grand Total:	$0	$0	$0	$0	$0	$0	$0	$0

1/ 10% of reg. rate, applicable from 6pm-6am, employee must work 4 hours consecutive after 6pm for entitlement of the pay
2/ Applies to law enforcement personnel
3/ Applies to solid waste employees
4/ 1 ½ of reg. rate of pay from 12am Friday to 12 midnight Sunday
5/ 1 ½ of reg. rate of pay on daily work exceeding 8 hours
6/ Applicable only to GFD ambulatory service personnel. 15% of reg. rate of pay

Input by Department			
(P)	(Q)	(R)	(S)
Medical (Premium)	Dental (Premium)	Total Benefits (K thru Q)	(J + R) TOTAL
$0	$0	$0	$0
0	0	14,821	60,821
0	0	18,366	75,366
0	0	11,276	46,275
0	0	11,276	46,275
0	0	10,954	44,953
0	0	10,632	43,631
0	0	10,632	43,631
0	0	9,021	37,020
0	0	24,166	99,166
0	0	10,471	42,971
0	0	9,344	38,344
0	0	323	1,323
0	0	0	0
0	0	967	3,967
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
$0	$0	$142,249	$583,743

[BBMR TA-1]

Schedule A - Off-Island Travel

Department/Agency: Business and Technology Academy Charter School

Division: High School

Program: Education; Business and Technology

Purpose / Justification for Travel
Attending the National Charter School Conference (NCSC) from June 29 to July 2, 2025, in Orlando, Florida, presents a valuable opportunity for professional development and organizational growth. As the largest national gathering of charter school leaders, educators, and advocates, this conference offers a unique platform to gain cutting-edge resources, innovative ideas, and transformative strategies that directly benefit our school

Travel Date: June 29- July 2, 2025 **No. of Travelers:** 4

Position Title of Traveler(s)	Air Fare	Per diem 2/	Registration	Total Cost
Principal	$ 2,700.00	$ 2,100.00	$ 725.00	$ 5,525.00
Academic Director	$ 2,700.00	$ 2,100.00	$ 725.00	$ 5,525.00
Faculty	$ 2,700.00	$ 2,100.00	$ 725.00	$ 5,525.00
Faculty	$ 2,700.00	$ 2,100.00	$ 725.00	$ 5,525.00
			Total	$ 22, 100.00

Purpose / Justification for Travel
Attending the National Charter School Conference (NCSC) from June 29 to July 2, 2025, in Orlando, Florida, presents a valuable opportunity for professional development and organizational growth. As the largest national gathering of charter school leaders, educators, and advocates, this conference offers a unique platform to gain cutting-edge resources, innovative ideas, and transformative strategies that directly benefit our school

Travel Date: June 29- July 2, 2025 **No. of Travelers:** 2 1/

Position Title of Traveler(s)	Air Fare	Per diem 2/	Registration	Total Cost
	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -

Purpose / Justification for Travel

Travel Date: _____ **No. of Travelers:** _____ 1/

Position Title of Traveler(s)	Air Fare	Per diem 2/	Registration	Total Cost
	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -

1/ Provide justification for multiple travelers attending the same conference / training / etc.

2/ Rates must be consistent with Title 5 GCA, Div.2, Ch.23, §23104 and federal Joint Travel Regulations

Schedule B - Contractual

Item	Quantity	Unit Price	FY 2026 Request	FY 2025 Authorized	Variance Increase/ (Decrease)
Facilities Lease (Classrooms)	8	$18,000.00	$ 144,000.00	$ 115,200.00	$ 28,800.00
Facilities Lease (Science Lab)	1	$27,000.00	$ 27,000.00	$ 21,600.00	$ 5,400.00
Facilities Lease (Ent. Lab)	1	$27,000.00	$ 27,000.00	$ 21,600.00	$ 5,400.00
Facilities Lease (Cafeteria)	1	$54,000.00	$ 54,000.00	$ 43,200.00	$ 10,800.00
Administrative Offices	1	$18,000.00	$ 18,000.00	$ 14,400.00	$ 3,600.00
Faculty Dev. Room (counselor's room)	1	$18,000.00	$ 18,000.00	$ 14,400.00	$ 3,600.00
Online Curricular Materials	250	$74.00	$ 18,500.00	$ 14,000.00	$ 4,500.00
Student Information System	250	$26.00	$ 6,500.00	$ 5,000.00	$ 1,500.00
Learning Management System	250	$26.00	$ 6,500.00	$ 5,000.00	$ 1,500.00
Payroll, Accounting	1	$15,750.00	$ 15,750.00	$ 15,000.00	$ 750.00
Insurance	1	$20,000.00	$ 20,000.00	$ 15,000.00	$ 5,000.00
School Meals	250	$945.00	$ 236,250.00	$ 180,000.00	$ 56,250.00
Local Transportation	1	$10,000.00	$ 10,000.00	$ -	$ 10,000.00
Total Contractual			$ 601,500.00		

Schedule C - Supplies & Materials

Item	Quantity	Unit Price	FY 2026 Request	FY 2025 Authorized	Variance Increase/ (Decrease)
Instructional (Classroom)	6	$7,875.00	$ 47,250.00	$ 60,000.00	$ (12,750.00)
Administrative Supplies	12	$250.00	$ 3,000.00	$ 2,400.00	$ 600.00
Maintenance Supplies	12	$350.00	$ 4,200.00	$ 1,800.00	$ 2,400.00
Total Supplies & Materials			$ 54,450.00		
Classroom Furniture					

Schedule D - Equipment

Item	Quantity	Unit Price	FY 2026 Request	FY 2025 Authorized	Variance Increase/ (Decrease)
Classroom Furniture	250	$200.00	$ 50,000.00	$ 40,000.00	$ 10,000.00
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
Total Equipment			$ 50,000.00		

Schedule E - Miscellaneous

Item	Quantity	Unit Price	FY 2026 Request	FY 2025 Authorized	Variance Increase/ (Decrease)
Faculty Development	8	$5,000.00	$ 40,000.00	$ -	$ 40,000.00
Summer Enrichment/ Remediation	15	$2,500.00	$ 37,500.00	$ -	$ 37,500.00
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
Total Miscellaneous			$ 77,500.00		

Schedule F - Capital Outlay

Item	Quantity	Unit Price	FY 2026 Request	FY 2025 Authorized	Variance Increase/ (Decrease)
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
	0	$0.00	$ -	$ -	$ -
Total Capital Outlay			$ -		

Schedule F - Capital Outlay

No capital outlay items listed, assumed as zero for FY 2026.

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Christopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the
corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Wednesday, April 30, 2025** at **9:00 AM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media broadcasting outlets on **Thursday, April 23, 2025** (5-Day Notice), and again on **Monday, April 28, 2025** (48-Hour Notice).

SENATORS PRESENT

Honorable Senator Christopher M. Dueñas, Chairman
Honorable Vice Speaker V. Anthony Ada
Honorable Senator Sabrina Salas Matanane
Honorable Senator Telo T. Taitague
Honorable Senator Vincent Anthony V. Borja
Honorable Senator Eulogio Shawn Gumataotao

ORAL TESTIMONY:

Evangeline Cepeda, Chairperson, Guam Charter School Council
Helen Nishihara, COO, iLearn Academy Charter School
Ann Santiago, CEO, Guåhan Academy Charter School
Anthony J. Sunga, Ph.D, CEO and Chairman, Science is Fun and Awesome (SIFA)
AnnMarie Arceo, Founder, *Maga'låhen Hurão*
Joyleen Suba, Project Director, Mount Carmel Charter School
Dylan Sablan, Principal, Business and Technology Academy Charter School (BTACS)

WRITTEN TESTIMONY:

Jonah Cruz "Saina Hångai", Teacher, BTACS
Joshua Miller, Teacher, BTACS
Camille Zapanta, Art Teacher, BTACS

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **[09:04 A.M.]**

[Questions and Discussion] **[***Begins at 00:00:45 and ends at 02:28:42*]

Chairman Christopher M. Duenas: *Håfa Ådai* Good morning *Måñana Si Yu'os* and welcome to your Guam legislature. The Committee on Finance and Government Operations is now called to order at 09:04 a.m. This is April 30th, 2025 today. First notice that this public hearing was disseminated to all senators and media outlets on April 23rd, 2025, with its second notice disseminated on April 28th, 2025.

The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's public notice portal. The committee will now hear Bill number 44 -38 (COR) introduced by the Committee on Rules by the request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam, an act making appropriations for the operations of the executive branch of the government of Guam for the fiscal year ending September 30th, 2026, making other appropriations and establishing miscellaneous and administrative provisions.

Today, we are hearing this hearing is relative to the Charter Schools of Guam. Joining me for this budget hearing is our Chairman of Education, Senator Borja, Senator Jesse Lujan, and Senator Sabrina Salas-Mantanane. Thank you colleagues for joining me this morning to those testifying on Bill 44-38 relative to the charter schools of Guam. Please take a seat and you have very efficient and you're signed up also to testify. Before we begin, I'd like to remind everyone in attendance of the *I Liheslåturan Guåhan,* General Rules of Conduct, individuals testifying shall first be recognized by the chairperson before speaking, and shall state their full name for the record keeping purposes. Questions and testimony shall be confined to the substance and nature of the bill and the nature of what is on the agenda. Personal inferences to character or motive of any senator or individual testifying is not permitted. The chairperson of the committee may order removal from the hearing of any member of *I Liheslåturan Guåhan* or the public audience who fails to observe proper decorum pursuant to the 38th Guam legislature, standing rules, any violation of this general rule of conduct will result in immediate removal from this public hearing room.

I don't expect this from such distinguished individuals in our community, such as yourselves, but we have to read this into the record so that people know what's going on here and our rules. At this time. I'd like to ask our sergeant arms to please swear you in if you can all rise in all budget hearings. We do this because we're discussing numbers and of course things that have to be verified. So please understand and be sworn in.

Edward Pocaigue, Sergeant at Arms: Agree. Do you all affirm that any, all information you provide today, whether be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth? Mr. Chair, under oath, you may proceed.

Chairman Christopher M. Duenas: Thank you, Sarge. With that, we'll now proceed to hear testimony on Bill 44-38. So, I'd like to ask the panel to when you speak clearly into the microphone. Identify yourselves for the record as we will be putting the committee report together. And so, whenever you're speaking, identify yourself so that when we do our transcription, it's very clear.

Thank you. So at this time I have signed up to give oral testimony. Helen Nishihara, is she here? Okay. Sorry, I'm just trying to read that. Evangeline Cepeda, Ann Santiago, Jay Sunga and AnnMarie Arceo. So, at this time as you are basically the overall executive Ms. Vangie, I'll go ahead and start with you and then we can proceed from there.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Thank you. Senator Christopher Duenas, chair on budget and government operations. Thank you for having all of us here today. Thank you to our chair on education, Vincent Borja. We appreciate you, Senator Freshman and to our great supporter of the charter school, Mr. Jesse Lujan, Senator, and to the freshmen on the far end Senator Sabrina Salas-Mantanane. We get hope to get your support on this bill. With that said, Good morning *håfa* ådai bueñas. My name is Evangeline Marie Cepeda . I am the chair of the Guam Academy Charter School Council. Today, we come before this legislative body to justify that we will remain as promised on the 37th Guam legislature, 7,800 per student pupil as promised, we will keep that and we are only requesting for FY2026 budget, an increase only on the enrollment and

the student cap to increase that. The demand is out there. There is a long waiting list in some of the schools and some of the schools they can't open because of our student cap and our enrollment. The number of enrollment per charter school. This is very different from the capacity in each charter school. Okay? So, some charter schools like Mount Carmel can go up to the capacity a large capacity, but they're only asking what is in demand.

So with that said, under public law 29-140, better known as the charter chapter 12 of the Guam Academy Charter Schools Act of 2009, we, I wanna give you a little history for the new senators on board here first. With this in August, 2010, Guam *Guåhan* Academy Charter School was the first to be chartered on Guam. That's almost 15 years ago so just keep in mind, senators that when we come before this body, that the charter school is very much fairly new. Okay? We have made mistakes, we've had hiccups, but at the end of the day, we found resolutions and moving forward with that said the second charter was island, which was back in November, 2014.

The third charter was Sifa Science is Fun and Awesome, which was in January 2018, followed by Career Tech, which was Charter, and then Mount Carmel Charter Academy, which was in 2023. Okay? Keep in mind career tech did come up for the charter, but COVID happened. It was put on hold for a year and a half. So, with that said, and then on 2024 which was our sixth and Seventh, we had business Technology Academy, charter school. And last but not least *Maga'låhen Hurao Chamoru* Academy Charter School, both in 2024. We have met the requirement under this law, seven charter schools. We fulfilled that with this.

I come to you and I plead with this body to please support our increase with our budget. Again, we will remain at 7,800 per student pupil. We will work with what we got or what we receive. This body here, seven charter school representatives that lead these charter schools to ensure that they run smoothly that they are very much in compliance with the law as the law requires.

And I like to say this firmly, that all these seven charter schools under public law 29-140, all meet these requirements to this day and are current. First, when they

applied for the charter and the petition, it met all requirement as required and the council reviewed it. It went through the process, and it was approved and passed.

All charter schools are accredited, okay? They're accredited by law. Okay. The next is with regards to audit findings. Okay. We've had concerns where they say, well, audit findings, all I can speak on Mr. Chair is that audit findings as far as six years ago and five years ago. We can defend because I was here.

I can't speak anything prior to that. I can tell you that with all the audit findings, for example, *Guåhan* Academy Charter School, which is the longest running charter school in the last five years, they've had zero audit findings. And so that's something to be regarded as amazing. Okay. With that, we meet all local laws with regards to education such as public health.

The two new schools, they couldn't, they didn't open on time. They were almost two months behind, and that was because again, it had to meet and pass public health requirements and at the time, public health was more concerned and focused more on DOE and getting that moved. And we're not blaming anybody, we're just saying that these are the things that we had to take care of and the schools, they took care of it, and they're in full compliance. As far as public health is required and are current. As of today, all of the seven charter schools are nonprofit under revenue and tax. If you go into the charter school offices, I've required them to post up the public health. I've requested them to post all this up so it could be visible for all to see.

With that said, and then as law requires all of them, provide the council at the end of the fiscal year, within 30 days, to provide the council with an annual report to include student achievement, student progress, all these other factors to see the progress of each charter school. Please keep in mind, some people may say with this senators that, oh, how do you measure *Huråo*? Very unique. You can't measure it. There's no measurement. The measurement is as the wonderful, beautiful lady to, to my right here, stated speaking it day in, day out, all day. That's the progress. That's the magic. Okay. And what may work for *Huråo* may not work for business and technology because their mission is very different. Very the same, but very

different. And then we have career tech and we have all these SIFA, all of them are unique and very organic in way they do education. I need to say that. Okay.

And last but not least I need to say before I move on, is that people forget when they say, oh, you know, you put these kids at charter school. Do they not forget that these students are students of Guam? Then we serve the same population. The only difference is that the parents and the students are given the opportunity to place their students in a very kind of sorta Private school setting except you don't pay for it. And so they say, well, charter schools, you know, are free.

Look across America Charter School is part of the Government. The state pays for the charter and the charter performs. We do have our hiccups, we do have our problems. We are working it out and the things we're working out, we're bringing before this body so we can amend or change these laws to improve it. But a day in, day out, I'm gonna sit here and defend these seven charter schools and say they work hard, they multitask.

And I'm not here. I've set this before since I've been chair. We're not fighting against DOEI was elected three terms to the Department of Education as the Lago district. I'm very in supportive of this children of Guam. I am saying to you today that with less money, we can show results. It's a smaller program, it works better.

Everyone in this seat before me, they wear 12, 15, 20 hats and the great thing about the charter schools is not every charter school, not all charter schools have no certified teachers. Many of them are certified, but what works for the charter is that they're flexible to get teachers that are certified that wanna get paid less.

Unfortunately, it's the way it works, but some people want less stress. Some people wanna go home at the end of the day with less stress. Peace of mind. So, what works for these charters? My job is not to go in there and impose anything on the charters. My job is to ensure that the things that I mention under the law, that I as a council one council member and my other council members review and ensure that they comply with the law. I'm not here to babysit. I'm here to ensure that they follow through, that they do as they're expected, and that the main mission is students first mission and follow the mission. Whatever mission they may have in

their school, what works for their school, works for a lot of the students. And if you go to our charter schools and you visit them, you will hear this live testimony from their very mouth, from the student, from the parents.

I have calls, and I've mentioned this to the senators before, I receive many calls from parents asking me, Ms. Cepeda, why is it that I can't? I'm on the waiting list. I've been on the waiting list for six months. I call, I follow up. I'm still number two and the school knows who I am because I call what's going on?

What's the status? But this is the this is what's going on. The demand is greater. And now we come to the second batch. We have the military families wanting to put their child in the charter schools. This is another factor that you people have to consider. Is that this is happening, it's happening here and now.

This is something that must be needed. And the only reason why we're increasing with our FY 2026 budget is because of enrollment, not because of student per pupil. We will work with the7,800 per student. People, like I've always said to these people, be innovative, work within your means. Make it work.

7,800 we're keeping and I want Senator Duenas to please under understand this, and I implored this to him passionately that our seven eight will remain, but it would, our increase is on the enrollment. Okay, with that said, I come to you today and I say to you that we have seven of our representatives from our seven charter schools.

If you may have any questions in regards to their, to what they do or what is required, they may they may answer, but I come to you today in support for our FY2026 budget for all charters for 28,970,435, okay? And that's where, that's almost 2 million more from last year, but keep in mind last year the two new charters came in midway and now it's a full fiscal year.

And then the enrollment we've had, we have four charters right now that have pleaded with me to fight for the enrollment. So this is where I'm at today. I want to fight for the enrollment to increase the enrollment for these four charters out of

seven. And I hope to get your support in this Senators and I thank the 38th Guam legislature for hearing me out. Thank you and God bless!

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase*, Ms. Vangie! So next signed up as we go forward. Helen Nishihira from ILearn.

Helen Nishihara, Chief Operations Officers, Ilearn Academy Charter School: *Håfa Ådai* Senators, Honorable Senators. I'm Helen Nishihara from iLearn Academy Charter School. Thank you for giving us your time this morning. There's so much I could share about iLearn. As I'm incredibly proud of what our team has accomplished over the past 11 years, what iLearn has achieved is truly groundbreaking, and it's been my hope that it would continue to pave the way for meaningful change in education on our island. But none of that actually matters if I can't answer a more pressing ques concern is I learned fiscally sound. I learned has just completed our FY 24 audit. We have had a clean audit every single year. Our submissions are always timely, with the exception for our most recent one. This is due to ARP funds triggering us into a single audit. When we exceeded the $750,000 threshold, this caused a month's delay as we waited for a required statement from GDOE. This significant. This was significant because our ability to complete our audit hinge on receiving that statement as GDOE. Being the ARP recipient had reporting authority, not iLearn, acquiring a letter from GDOE took some time because we weren't sure who to turn to for the letter, but fortunately, we were able to receive that and complete the audit. While iLearn was not responsible for reporting directly to USDOE, we took seriously what this meant for our friends at federal programs. We were quick to respond. We attended all necessary meetings, provided timely information to support federal programs compliance.

We didn't spend all of the ARP funds made available to us because we had maximized the use of ESF-I and ESF-II prior and those were as you know were very hefty sums to begin with, but I believe we were the biggest non-GDOE schools in terms of spending. We invested in technology for classrooms, including electronic whiteboards, teacher laptops, student iPads, every student, all 780 in total have a student iPad thanks to ARP; Administrative computers, robotic kits, both Lego and VEX and VR goggles. We also purchase agricultural materials, art and office supplies along MDM systems to manage and secure student devices,

protecting our students from inappropriate online contents and streamlining the services of almost a thousand student tablets.

Beyond that, we shared our strategies with other charter schools and with GDOE Federal programs. At the time, only Guan and SIFA were eligible for these funds. As these were GDOE grants, we underwent onsite inventory checks twice a year. Our inventory was extensive, is extensive, requiring two GDOE employees over two days to complete.

That's how much materials we were able to get with these funds. Each visit we would earn 100% rating not only were we thorough in accounting for our assets, GDOE also witnessed these assets in action during their visits. We took it even further by demonstrating how federal funded professional developments were being used by
ILearn.

We created our first set of webinars to be accessed on our website, created by two teachers showcasing these federally funded tools, directly enhanced instruction. Ensuring these investments yielded educational benefits. The team at GDOE federal programs have been a great support for this. I want to thank our tireless colleagues at GDOE Federal programs.

Their support in helping us procure software, supplemental curriculum and professional development was invaluable. When I voiced my concern that most consolidated grant fundings tend to favor secondary students and programs. They listened and together we sought out ways to change this. This year's federal programs team has been open-minded and innovative. Investing time to expand. I learns career focused needs and ability to take our robotics programming to a higher level. To them, I say a heartfelt thank you.

Now back to Fiscal soundness. BJ Cruz may never admit to saying this about iLearn, but I have witnesses who can attest to his statement In our third party it was through our third party auditing team. At our most recent audit entering meeting entry meeting BJ Cruz had told the third party auditor, you won't have a problem with iLearn. In fact, the government of Guam, if the government of Guam ran like

I learned, I would have no problems. So I do recall a time when BJ Cruz did not think this way. I remember our first very first entry meeting with him years ago.

Where we debated whether charter school contracts should require the ags review and the governor's signature. He argued it was necessary for accountability, but I believe it was too restrictive and undermined the very purpose of charter schools. I explained that if those signatures were required, the contracts would essentially be government owned, though we still be responsible for paying them, therefore control the possibility of default while the government would be left holding the bag.

That didn't seem fiscally sound to me, and we eventually agreed. While I didn't convince him that day to support charter schools as a working concept, we did leave that meeting agreeing to two things. One, he claimed that he strongly felt that my husband was crazy, which I honestly agreed, and two, charter schools must be responsible and held accountable for every penny given and therefore every contract signed.

iLearn has honored this principle since we've always operated. Knowing that there isn't a safety net for us, understanding that we are entrusted with taxpayer dollars and our results must reflect that responsibility. There is something I do want to refute however, something BJ Cruz alluded to during discussions of Bill 68-38, he suggested I learned success was due to being part of another school.

This is simply untrue. None of our audits indicate this, and therefore I'm not understanding this conclusion. The statement gives illusion that I learned has had advantages over other charters. We pay rent, utilities, internet, copier, machine rentals, security, food services, everything just like everyone else.

In 2017, 18, when the government agencies faced an 8% budget cut across the board, we ran out of money. By the first week of August that fiscal year, we were short about 22 thou, $250,000. That might not sound like a lot to a government agency, but to iLearn it was nearly two months rent and services at the beginning of a school year, we had nothing to fall back into. No savings, we had just started and like every business needed time to secure our fooding that was just kicked out

from under us. We negotiated a payment plan with our vendor to slowly pay down the lease and service agreement at 7% interest. We were able to do this with no supplemental funding. The legislature, however did allow for the following fiscal budget to be used to pay down prior year obligation, and that did help, but this was not supplemental funding. It was budget. We abide by when schools closed for COVID-19, we continued paying our vendors. If we ceased to pay, the contracts would not be in place for when the students came back. On. On a side note, we quickly transitioned to distance learning, leverage our existing technology infrastructure and maintain continuity and instruction.

There was no discounts or favors. We paid every single time. So I want to dispel the notion that iLearn had it easy and this is why we were able to succeed. It was hard and it if it weren't for the encouragement of the council and other CEOs sitting at this table and truly the peace of God. I don't know if anyone could really survive this industry Through faith and prayer and careful decision making, Ilearn is what it is now.

Dr. Juan Flores asked me last year how I said, only God. God has been our source and our guide and I'm not going to hide this fact. We have lived within our means. We could use more funding absolutely. I sometimes wish allotment were merit based. The better the school, the bigger the budget. But I'll leave you with this.

Charter schools are no longer an experiment. We had notable successes and some epic fails, not just in Charter, but in education in Guam as a whole. This needs fixing, but we cannot continue to replicate, fails and think our results will be different. That's why we have Charter to do something different. We're supposed to be different. We cannot be the same as our predecessors. Don't get me wrong. I would love more money. I could use more money. I always need more, but honestly it might not be the solution for everything. And I don't think anyone at this table would like me to say that. But if we don't fix our problems, money's not going to fix it. Charter school remain a valuable part of our islands education system and Island stands as proof that with integrity, accountability, and heart, great things are possible. Thank you!

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase*, Ms. Nishihara, at this time, I'd like to recognize a couple of our colleagues that has joined us. Vice Speaker Tony Ada, who also is the vice chair of this committee office of Finance and Budget, and also Senator Telo Taitague. Thank you Senators for joining us. Now I'd like to move on to the testimony of Jay sga. Please proceed.

Anthony Jay Sunga, PhD, CEO and Chairman of Board, Science is Fun and Awesome (SIFA): Good morning, honorable Senators. My name is Dr. Anthony Jay Sunga. I'm from SIFA Learning Academy. I'm the CEO. I'm here. Helen spoke a lot about the challenges and the things that SIFA that charter schools go through, and I agree with those things. I'm not here to speak to I'd like first to really speak to the successes of the charter schools charter schools in general and in SIFA. And I'll embody this with a letter from one of our students. I have here in front of me, 15 letters from students from sixth, seventh, and eighth grade. And it says here he titled it, "My Experience at SIFA." Before I joined SIFA, I was feeling down and depressed since I no longer felt confident and wanted to isolate myself, I wanted to have a fresh start when I would go to middle school. After moving to Guam, until I enrolled to SIFA, everyone was kind and supportive. Whenever I met the staff members, the students helping me boost my confidence. The teachers are supportive and helping me during our engaging lessons, Steam projects, my classmates are friendly and relatable by sharing interest and having a safe and supportive place to learn and study. Being at SIFA has helped me be a better person since it boosted my self-esteem, raise my grades and help me have friends. I want to thank SIFA because of what they have done for me.

I have again 15 letters like this, all expressing the same sentiments of what we do for our children. When we opened SIFA Learning Academy, our goal was really to provide the alternative learning space for our children, for our people of Guam and that, and I believe the success that SIFA and all the other charter schools have done in their special way of education is accomplishing that we have just completed our accreditation review last week. And in regards to their recommendation, they are they not official yet. We are waiting, but the recommendation is to move forward with a six year accreditation in their exit rubrics. We have several highly effective, and somewhat effective check marks without with no ineffective check marks in what we do for our school. Our school works our parents are coming in. We do

have a waiting list. And so the request for increasing our cap is there and I support that and I hope our the Honorable Senator will support that as well. We based our school in Science is Fun and Awesome and we do it not just through academics because we feel that the mind, the health of the mind, the health of the heart is very important for our students moving forward.

We have over 200 student athletes and it's not just being an athlete, but it's also academics. 200 student athletes with a GPA of 3.8.- 3.2.. We are athlete won top honors at and running. We placed in the bowling and so athletic programs actually helped us in regards to academics. We won the science fair first place math counts. We are involved, so there is really successes that we can speak of in terms of not just SIFA Learning Academy, but you'll hear all of these stories with the charter schools itself. Yes, we have issues. Yes, we have problems, but every issue that we've come across it was always made a priority to address those issues. And are we still gonna stumble? Yes, we are, but we have a great leader in terms of Ms. Vangie in giving us the advice and allowing us to, to do what we can. And again, the support of all the other charter schools. We speak to each other. We have meetings and asking, you know, we ask the questions of how can we make things better?

And so I cannot say that we don't have problems but we are addressing them. There's not an issue we aren't addressing. And so I truly believe in charter schools. I truly believe in SIFA Learning Academy. I don't believe that we are in competition with public schools. I myself actually, go and train department of Education teachers in terms of science and training them and we feel that there's that comradery and how we need to learn together. Again, charter schools are very specific to how we implement our lessons, how we implement education and every student has different ways of learning. One could be truly academic one could be holistic and in sense of sports or just steam projects, project based. And so SIFA does it in a sense where we do what we call project based, steam based learning, hands-on learning to not just capture the academic proficiency of our students, but also to really enlighten, as you saw in, in, in the message, to really just build up our students mo more in terms of the mind and of the heart so they could be better citizens cause that really is our goal for our students, is to be better citizens for Guam and the academics will follow. I would like to say thank you again, and I

hope that our honorable senators will support moving forward with our 750 cap and again, remaining at 7,800. So thank you so much.

Chairman Christopher M. Duenas: *Si Yu'os Ma'åse*, Mr. Sunga. På'go *para bai hu rekognisa si Siñora AnnMarie Arceo. Ginini Hurao noh?*

AnnMarie Arceo, Founder, *Maga'låhen Huråo*: *Maga'låhen Huråo*

Chairman Christopher M. Duenas: *Maga'låhen Huråo .Dispensa yu.*

AnnMarie Arceo, Founder, *Maga'låhen Huråo*: *Hunggån.*

Chairman Christopher M. Duenas: *fino CHamoru yu' sa' I yo-mu* Charter School *para Chamoru.*

AnnMarie Arceo, Founder, *Maga'låhen Huråo*: *Låo* debi *I fino Chamoru kada diha*

Chairman Christopher M. Duenas: *Ha'ha nai låo para hågu nai sa' ti hu tuñgo' kåo ma Chamoru todus hit* with the exception of *Siñot* Will Castro. *Kunsigi Kunsigi på'go*

AnnMarie Arceo, Founder, *Maga'låhen Huråo*: *Eyu gui' nai na debi ta chogui este sa' un diha siña tafan fino' Chamoru kadda diha todu I tiempo Chamoru hunggan Buenas si Yu'os ma'åse' guåhu si Ann Marie Arceo guåhu I* CEO *yan I prinsipat gi ma ågang Maga'låhen Huråo* Chamoru Academy Charter School *på'go gof na' umitde para nai gaigi guini matatatachong guini gi menan mi yu' på'go na diha bente åños du hu na' falagu Huråo put este mismu na minalagu' na para ta lå'la'la' I fino' Chamoru låo ti enåo ha' ni para ta na'metgot I famguon-ta ya u ma tuñgo håyi siha håyi siha emptåntte på'go na ora bente åños ni hami ha' nu mi espiha håfa na salappe para bai en na' låla' este finenena na bihåhi en chile' este na oputtunidåt para bei en* charter *trabiha ti en seseda' I palåbra para* Charter School *låo espisiat na eskuela noh sañgi noh I edukasaion I G*DOE *låo siña ti un hongge todu I siento na famaguon ni mangagi gi Huråo på'go manugågåndu yan manmalålågu ya manfifino' CHamoru ha' manmumumu gi fino;*

CHamoru ya mangekeha gi fino' CHamoru ti fa' hongge' mångge' kada diha kuåmkati yu' kada hu li'e' i preba na siña to chogui' kada diha I Let me know if you guys need interpreters. There's some sitting at the back. Okay. Sorry. *para ta Chålek ha' låo bai u ayuda hamyu dididi noh bai ayuda hamyu dididi*

One day my wish is to create, I see leaders in these kids that we're creating who are gonna be our governor, governors, senators, just like you, leaders in our community who are strong in their identity. I'm sure you can relate that you have this hole in you not, you know, being cheated or raised. And not to anybody's fault, except our history and our colonization and so our responsibility right now, or the question is, are we gonna be responsible tomorrows to restore and give this back to our children today? We have a chance, we have an opportunity to do this now, and we are proving it over and over again, 20 years under our bout of just continuing to do this with, you know, little funding from the government just on our own and now even more we can maximize it with the help of the government. That, that is the true goal. And the uniqueness of *Maga'låhen Huråo* is to create powerful leaders that can lead our community. We have to fast forward even 10 years, 20 years from now when these children become adults in our community who know and can self determine what our needs are truly, and not be confused about Western thoughts or Western, not that it's bad we've used Western, but to use these opportunities to our advantage as an indigenous people that's what we're creating at *Maga'låhen Huråo* in this uniqueness. I wanna just share that you know, we started the school year with a 70/ 30 model, and I'm not sure if you know the details of how we run the school, but we teach math, language arts, science, and social studies all in *CHamoru*. Language arts is just in *CHamoru*, imagine in *CHamoru*.

And we have to find those words every day, creating those words of, you know, what is hypothesis in *CHamoru*? It's simple, right? *Håfa mohon mumiyonga* Right. We make it so difficult. We're trying to look for a word for hypothesis, but really it's just right? *Håfa mohon mumiyonga* What could it be? Right? And so to show our children that we have these words in our, you know, what is an atom?

How do you, in science, what's the word for atom, right? So we're having to work, we work double time. The teachers are working double time, not just trying to

execute the lessons, but to also find these vocabularies and these words that we've never really put into use before. And so, that's really what we're about.

We started with 70/30 to give that 30% for children who are just first language, I mean second language speakers coming in, in their first year to give them the benefit to still be able to pass the academic subjects and teach them language at the same time. We are now, I'm proud to say that in increasing that in their fluency, even the first year students, we are now at almost a hundred percent of just speaking to them in tomorrow. And it's may, it's gonna be May the end of the year. So guess what? And I wanted to explain the cohorts and how it works. It's very different. We cannot just keep taking in and taking in enrollment without one, creating the teachers. And we're working with GCC and UOG and their *Chamoru* studies certification and tomorrow studies programs to create these teachers.

You can't just, even if and Tan Maria know how to speak CHamoru, they don't have the skills to bring that, to teach right, or to translate the information to the kids in a way or approach that they can learn also, maybe they can story tell. And so we need to build capacity to grow these teachers.

That's, and we're working with them. So it's all the way up, right? It starts from pre-K three all the way up to college, the college level, this whole program that we need to work on to be built. We need to think 20 years, 30 years ahead of time from today. It's not just today that we're existing. We have to build 'cause it's moving faster. Our enrollment and waiting list right now is bursting at the seams for next year. They've seen what we've done this year and so it's, I, we don't know how to, we're trying to figure out how to accommodate them and it breaks my heart to turn them away because I know we've seen the progress this year of what we can create, right.

But how it works, and this is very important, is that if a child starts, for example, at pre-K three and then moves to pre-K four next year, that's two years of fluency. We need to create that fluency in order for them to get math, in order for us to teach language arts, math, and science in *Chamoru*, and for them to easily understand it as they get, they go through the grades. So every time we take on a new student it's a challenge, right? Because if it's their first time, they don't understand. So we need

to give a little bit of leeway speaking them to them in a bilingual approach in order to catch them up on their fluency. And so we have to be very strategic about how we recruit and what how we, we enter them into those cohorts 'cause if there's a cohort that came from pre-K three and is in kinder, they had two years of experience in the language and are fluent, and now they're ready to go in kinder to go, you know, to be taught in all the subject areas. However, if a child enters, for example, in the third grade or the fourth grade with zero fluency, that's where the challenge lies, right? So we're trying to grow the cohorts from the bottom up so that we create more speakers as they move to learn. I just wanted to share how that works. 'cause I know it's not a you know, just a everyday normal education or kind of education. And so I wanted to share with you that's how we're doing it. It works. The kids are fluent even more than their parents. We have parents come to attend parent classes once a week in order for them to learn and be able to speak at home. See, I also wanted to touch on our partnership with BTAC's and how we're working together. We have a memorandum of understanding on the operational level to support each other and growing the high school to a capacity where in their intake our kids can go to BTA's and use their, what we've built them up to be in their language and identity and be able to learn indigenous peace speakers and know who they are, and then learn those things, the skills they need to know and technology to be able to go out to the world and represent us as to globally. That's so powerful that we continue that pathway for them and strengthen that. I just think it's a very unique opportunity for us to build this kind of education that we have ahead of us. And so, *puedi siña en supotte håfa enchchegui'*

it's a lot of work. It's just, you know, I know it's just never enough money, right? But, you know, God provides, and I'm not gonna go without saying that because we've made it through this far, even starting late, even with, you know, the funding is, it's never enough, but we're appreciative and we're grateful. *Si Yu'os Ma'ase en agradesi este maseha dikiki na ayudu låo bai hu eppok hamyu na kumu mañamoru kumu CHamoru hit nisista ta gotte este na momentu sa' tåya otru påo chogui' para hita hita ha' ni CHamoru tåya' pu åluk I Korean pat I Tagålu pat otru para ma sañgan oh maila ya bai såtaba i lengguahen mi-yu achuka mangaigi guini gi tano'ta hita hita ha para ta chogui' tåya' otru para ta anggokku pues nisisita ta desidi ha' hu hu fafaisen hamyu todu guenåo hulo' put fabot ta fanhagotte kånnai ya ta fana'ayuda uniku este na opottunidåt på'go na momentu*

If we wait another 10 years to move or do anything and just keep not prioritizing this, guess what we're creating also better citizens just because they know who they are and they know the responsibility and take ownership of our land and our resources. But when they grow up not knowing their identity, *eyu gi na meggai na prublema sa' ti ma tuñgo håyi siha*

And so they're looking for ways getting into trouble *låo anggen manmetgot ya ma tuñgo håyi siha siempre mås måolek I kuminidå-ta lokkue' pues enao gui' gågågåo hamyu ni sinapotten mi-yu na muñga ma hasso' na para este ha' I I out I fondon I salappe noh ha' I I put I fondon I salappe guini mås dångkolo ki hita este mås dångkolo ki hita ya nisisita ta påran ñgaihun ya ta hasso mnu håfa na Chålan par ta Chalåni pra I famguon-ta måna magåhet tåya otru påo chogui' hita ha' sen magof yu' na todu hamyu CHamoru guenåo hulo' ya guaha risponsibiliåt-ta hunggan guaha risponsibiliåt-ta muñga hit manmalefa CHadek* todu este I I lina'la' I tano' CHadek siña ta manmaleffa hit ni håfa mås empotåntte ta Chogui' fondu kosaki mandångkolo este na famgamguon siña ma arekla I taotao-ta yan kufiånsia yni ma tuñgu håya siha si Yu'os ma'åse' But, you know,

Chairman Christopher M. Duenas: *Hågu mås un dångkolo si Yu'os ma'åse' para I che'chu' mi-yu yan todu yo-mu ni mu ayuda håo magof yu' para hågu si Sinora Arceo. At this time I'd like to recognize also that, Shawn Gumataotao,* Senator Gumataotao for joining us as well. And so I will now recognize the Chairman of Education. I know that we have other schools here that did not sign up to provide verbal testimony, but of course, the panel you are of course free to ask any one of the charter schools, seven charter schools that are represented here any questions with regard to their budget? So, with that, Mr. Chairman Senator Borja, please proceed.

Senator Vincent Borja: Thank you, Mr. Chair. You know, thank you to the to Vangie Madam Chair and the rest of your leadership team from the different charter schools for coming down today. I think, you know, one of the big things that or not necessarily in regards to your budget, but as like the new oversight chair on education, one of the things, and to kind of, you know, carry on from the testimony from iLearn in regards to some of the things about, you know,

assessment. One of the things that I, you know, I wanna, I guess ask in, in regards to just all the different cards to the charter schools, and this is not necessarily about whether or not the You know, the, it's not about whether questioning the ability or the capability of the schools but really I think where we go in regards to data is what the outcomes are of all the different charter schools.

You know, who are *Maga'låhen Huråo*, you know, eventually, I know they're new. BTACs is new SIFA, just the different things as the charter schools evolve. Where we see these students go, right? Are we gonna see students from morale you know, go on to become CHamoru Teachers in the public schools or in other cultural programs. Seeing some students go from SIFA into some of the science and arts programs at the university or even just into, you know, careers in those specific fields. So my question is I know I, you know, I looked at the charter school law and I'm really trying to understand it and this is obviously a discussion that we continue can have moving forward is how, you know, not necessarily assessment based on academic achievement, but how do we, you know, how do you guys currently assess these types of , you know, accomplishments or return on, on, on what the charter school is doing across the island, the charter schools.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Thank you Senator Borja. Okay. For that, for example, with, let's use a *Guåhan* Academy Charter School, which is the longest running. They had three years ago, they had their first 12th grade graduates. So the council came before them and said, okay, now we need to see the progress made for the students that attended first grade to 12th grade, and they graduated. What were the results? Where did they go? What are they doing? And so, I can give the floor to *Guåhan* Academy Charter School. They have the, those res results.

Ann Santiago, CEO, *Guåhan* Academy Charter School: My name is Ann Santiago and I am both humbly and honored to represent Guåhan Academy Charter School, the first charter school on Guam that only serves from kinder to 12 grades students. This is, we have served about 3000 students from the time of our operations back in 2013 and 85%, 82% to 85% of our student population, our title one students below the low income bracket, which means that, yes we are blessed to be not paying free rent, but we also provide the same social services and

supports GDOE gives to our students the same taxpayer to our families because we're the only charter school or we're the only, yes, the only charter school who is approved for the national breakfast and lunch program administered by U.S.D.A, we provide nutritional meals for both breakfast and lunch, 100% free for all our students, 85% of our students.

Two years ago or last year, we were able to provide the EBT cards, summer EBT cards that only GDOE schools and DODEA schools provide for our students. And that year, the influx of students coming in is really, we had to put them on hold because knowing that they are qualified to get this summer summer EBT it's what they say we can avail off in registering or enrolled in DOE schools or DODEA, but they cannot avail if the school is not approved under the Child nutrition program.

Another is our assessment we're the only charter school who accepts diverse culture. We accept our program, our instructional program. Our academic program focuses on accepting all different students of different academic levels and our goal is to put them in, they come out of our school a better version of themselves, not just academically, but also socially. Our set of seniors, juniors, and seniors. For the past two years, the first time that we, as we gave or we administered the assessment of work keys, 40% of our juniors and seniors are national career ready. These are assessments we have to redefine our definition of student achievement. And this is for 50% of our students also who are graduates, immediately go to the workforce. 25, 28% only per pursue higher education. But we prepare them for both college and career and also their social services. We also have, we accept students under the IEP we have about 30 students or 20% 8% of our student population. We provide the same services, GDOE and the US for our in need of need students.

Senator Vincent Borja: Alright, thank you for that and I guess my second question relates to staffing and teacher retention. Are there trends in the employee turnover or staffing challenges across the charter schools? Is there any data collected you know, for by the council in regards to this?

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes, we do. Senator, we do have that, our student retention, like everywhere else, some leave to go to DOA with more DOE with more pay. But for the most part, from what I'm

hearing from the leaders on this table is that they stay, they're happier where they're at less pay, but they're less stress. They go home with so much less stress. They like the environment that's a big plus for them. The retention, I'm not going to deny it; a lot of them do leave. DOE pays more and a lot of them do come back. So, you know, it's a back and forth and keep in mind the bodies that sit before this table, they're very innovative. They try to work around with the needs. Sometimes it's not even about pay, it's about they wanna be home by three o'clock for their kids. So they're very innovative in that way where they say, okay, then you can teach in the morning. And they're very, they work around it, you know. A prime example, Senator Will Castro; he always tells me like he works around the need of the teacher to keep them and what works for the teachers. You know, he kind of does more other than the money or the pay, he does extra. And he's very innovative that way and he reminds me this every time we talk because, you know, again, we are like, we're going in there with seven, eight, we're not gonna ask for anything more than that. Seven, eight. So with that said, Senator they are very innovative in that way with keeping them, for the most part. A lot of them are happy and they stay where they're at. And that's where we're very blessed with. That's very unique. With regards now to certain charters like *Maga'låhen Huråo* where the teachers' need is very different and very unique in itself, but for the most part that's where we're at with that.

Senator Vincent Borja: Thank you. And then my last question is, go ahead. Sorry.

AnnMarie Arceo, Founder, *Maga'låhen Huråo*: Summer camp and after School Program *Despensa yu' Sinadot si Yu'os ma'åse' ginen finenena na kuestion-mu ya-hu magof yu' yan banidosu yu' bai sañgan na put I bente åños achuka'* summer camp *ha' yan I* after school program *para bente åños gi Huråo este ha' I singko åños na en titun I neni* Academy, but I'm proud to say that eight of the. 18 staff members that we have on board are those kids that went to house since they were 3, 4, 5, and six. Wow. Awesome. They are the staff today. That's good, fluent very fluent, no doubt. Steady and stable in who they are. Ready to pay it forward ready to pay it forward.

And then secondly many of the students that we've graduated through the summer camps and afterschool programs are out there in the public working at the museum

and leading in these areas of indigenous the revitalization of our language, culture, history at the, at UOG. They're all out there working and leading in these areas. *Si Yu'os Ma'ase!*

Senator Vincent Borja: That's good. Thank you.

Helen Nishihara, Chief Operations Officer, Ilearn Academy Charter School: I just wanted to share that I learned our employee retention is the turnover rate is very low. Most of our employees have, actually on our 10th anniversary, we awarded those who've been with us for the 11 years, and there was about a good handful of them, but they tend to stay. They enjoy the environment, they get the great support. And with student retention, we have great student retention, which is why it's difficult to get into iLearn because nobody's leaving. You can't get in. So we are the ones that have the difficulty because the wait list is long on our enrollment date, we open on February 3rd, by 5:30, people are waiting in line at the gate for a seven o'clock open. Right? So, and we, this past year, we had, this year we had about 120 parents waiting in line before 7:00 AM to get into iLearn. So that's that's what I wanted to share.

Senator Vince Borja: Appreciate it. Thank you. Go Ahead.

Ann Santiago, CEO, Guahan Academy Charter School: I would like to share for Guåhan Academy Charter School, our retention rates we have been tracking our retention or attrition rates, or turnover rates for the past four years and starting ju school year 21, 22, which is after the pandemic. Our retention rate is going higher and higher. Attri turnover rates are going lower from 45% in school year 21, 22 down to 26%. We, I'm very honored to be working and representing our committed and dedicated faculty and staff. Who are 20% of them are certified, actual certified teachers who's enjoying only 20 to 20, 25 to 30% less of their pay of GDOE, but choose to stay at Guåhan Academy Charter School because they found their home and they are able to serve our students. 11% are retired employees, certified retired GDOE employees who are, who has their master's degree and their doctorate's degree, but choose again to stay at Guåhan Academy Charter School because they serve their purpose and not from these employees who leave who is just 26% recently. The number one reason is for career

advancement and we reinvest with our faculty and staff as we send them through training professional developed training in partnership with GDOE.

And I would like to thank GDOE with that because they send our teachers, professional staff as well accessible for all these development. Second reason, highest rate of the reason why they're leaving out of the 26% is just family circumstances, which is unavoidable. It's something that is out of our control. So that I would like to just share with you of how we track our data.

Senator Vincent Borja: Thank you. And one last question is regards to federal grants with GDOE, I know that there are different ways for them to be creative in how, you know, the charter schools can probably use some of the grant funding considering they give some of it back. Just kidding, but yeah is there, you know, I mean, 'cause I am in discussion with them. It's just some other ways to be creative in using some of the federal grant that, that they have available, that they've had for a while. So if you can just kind of, share some thoughts on you,

Evangeline Cepeda, Chairperson, Guam Charter School Council: Thank you Senator.

Senator Vincent Borja: on how those are going. Those discussions are going.

Evangeline Cepeda, Chairperson, Guam Charter School Council: A few months ago I did ask we did meet with the schools that were receiving federal dollars. To answer your question, my question was have you utilized all the money and their responses? Absolutely. They didn't make the, whatever they were awarded or given from the federal side, they utilized to full capacity. And so that, I hope that answers your question. Keep in mind that the monies that they received from the federal side was not their, they utilized that and try to not hold the local funds. So they did utilize whatever they have available. They do have some money, but it is confirmed that is being used and it's not going to be returned that is for sure. I may, I reiterated that to them that, you know, I understand federal dollars when I worked for the government, I understand I handled federal grants. That was my job, never returned back a penny. And so, with that said, the schools that do

have it will not be returning it, and they've utilized it to its full capacity. I hope that answers your question, Senator.

Senator Vincent Borja: Appreciate it. Thank you.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Thank you.

Senator Vincent Borja: And, you know, we'll, I'll continue to as I continue to have discussions with them it's, you know, I think we always try to figure out how we can you know, spread the love in regards to, especially expending the federal funds that

Evangeline Cepeda, Chairperson, Guam Charter School Council: yes

Senator Vincent Borja: they have, that they've had for years and so trying to figure out how to spend it. So we look forward to that. Thank you, Mr. Chair.

Chairman Christopher M. Duenas: Thank you. *Si Yu'os Ma'ase,* Chairman Senator Borja. This time I'd like to recognize the Vice Speaker the vice, also vice chair of this committee.

Vice Speaker V. Anthony Ada: Thank you, Mr. Chairman. Thank you to the charter school members for being here. You know, I'm just sitting here, not sure how Mr. Castro, being a former senator, can just sit there and not say anything. It's, it is truly amazing because usually on the other side of the table, he has a lot of questions. He has a lot of comments, so I'm gonna give him this opportunity, you know, to offer up some commentary if he does have any.

William Castro, Principal, Career Tech High Academy: *Si Yu'os Ma'ase* Vice Speaker, *Buenas dias put este na oputtunidåt bula na guaha pun sañgan* Vice Speaker but the truth is I was actually learning a lot from my colleagues. I was a little with great trepidation I was gonna speak because when the good chairperson mentioned my name about flexible hours and getting off, I was really, *pinalo-ku na pun sañgan na sen marititira yu' sen tåftåf gi talo'åni* but the truth is that I get off early and that's one of the benefits actually *bula pun sañgan låo måtto yu' put sa'*

bei hu supopotte I ge'hilo' I kumiteha gi bandå-ku So my primary motive for being here, Mr. Chairman and members, distinguished members of the legislature is to support the testimony as offered up by the council chair. I do *este na oputtunidåt na pa un sañgan håfa guagua ha gi ekuelå-ku na bonitu put I estudiente-ku lokkue'* I do have a lot to share, vice speaker and couple things. If I couldn't please, lemme know when my time is up, Mr. Vice speaker. But the truth is there was a question, *håfa taimanu pun midi* how would you measure student achievement or success within each of the charters? And as you could see, you only heard from two or three, but you can go down as professional educators and talk about basic metrics, right?

You talk about. Student achievement using a Likert scale, A through F, or, you know, zero to a hundred percent. Some of us like to look at a change in behavior. In my school we have a very unique population as well. We also welcome a diverse population. We also have well over 10% of our student body made up of persons with learning disabilities or some other special need, but even a student coming to school once or twice a week when you know that he or she has persistently been absent in my book, is a form of student achievement. But then you go down the rubric just like anybody else, like any professional certified or not, you would look at maybe a change in knowledge, right? I mean, I could list 10 things. One of my students who's autistic has memorized, as a matter of fact, one of our navigators is here. *si Yu'os ma'ase' put I finato-mu*

My friend Jerry Joseph in his traditional seafaring and navigation class, one of the, one of our students is able to recite from memory the star chart. Now maybe here, she doesn't place well on the core courses like English, math, science, social studies, but he or she's able to recite from memory with little to no error at the star chart, I made a list as everyone was speaking about some other ways you can measure student achievement. I'll give you one solid one that does fit right up there in the western framework of education. Right? For the first time we introduced a Merchant Mariner credential program. This is a bonafide adult program that our students took and they passed. What that means is they take it to the next level and register themselves appropriately. As we will support, they immediately qualify for a $60,000 a year job. This is fact. Now, maybe it's not, you know, spelling bee champion, or maybe they weren't Math Olympia Champion, which I'm not

knocking. We will enter those competitions as well next year, but these kids took the Merchant Mariner credential program and that's in front of them.

You want to talk student retention? Gosh, I would say students leave because they relocate. Maybe one or two didn't feel challenged, but like the other charter schools, many of them wanna be there in our school and I'm sure for your school as well. For two reasons. For real love and support, as the good chair had mentioned, and as my colleague at Guåhan had also verified from her vantage point, retention is high, both from the students and faculty perspective. We lost one faculty member this year. Not because he or she wanted to leave, but because of certain complications. We stay because we love what we do. We love our vocation and we love our students hands down. That's the one thing that we can do within the flexibility within the nurturing environment that's created for ourselves within our specific learning communities.

Maybe I should stop there. Is that five minutes, my Vice Speaker? Because I could talk to you about what we do at Career tech. Career tech, that's uniquely different and maybe I'll mention one or two points and I would like to offer something up because it was mentioned. Federal pro, federal funded programs was mentioned, and also the successes in the schools, and maybe there's some, someone alluded to the state education system. Let me talk about a cultural center. We had the privilege to use our monies accordingly and define CIPS or capital improvement projects as lifting, erecting a cultural center. I couldn't be more honored than to have my teacher, my CHamoru teacher right here. *Gaigi ha' I maestrå-ku gi fion hu* Right? In terms of CHamoru certification. Yes, we also have certified teachers in our school too. And I'll tell you, the cultural center is a distinct quality or asset that we have because we have a *Guma Sackma*. And in that, *Guma Sackma* is a, is our two traditional seafaring vessels with a master navigator who's world recognized, who's the son of the grandma, the late Mao Pialuk. Right next to it we have a *Guma Tahak*. That's where they cook underground and prepare meals when they take it out. In the next three weeks, we're gonna start, we're gonna ground break for the *Guma Hotnu*, which is an outdoor bakery. All of that would make a make up our Sagan CHamoru, not just *Hågat*, but all of the South.

And a lot of that's inspired by the good work here of who I really believe is a prime mover and a true mother of the movement. Okay. That's just one example. Now let's talk about the state education agency. I will never knock. Compulsory state education and the need for a state system, but I will always contend now that I've been on this side of the block, 'cause I've also been on the private school side as a director of advancement for probably one of the most prestigious college preparatory institutions in the region. I've seen both sides of the private school management equation, state education system. I really think, and I would like to submit for your consideration, break the mold in the paradigm, challenge the status quo by extrapolating the state education agency from that of the local education agency. There is a functional difference and as we've come to see, or maybe many haven't, because they're not familiar with that system, they are bifurcated in most states. That means that the state education agency is the one who's primarily responsible for administering and ensuring compliance and you leave it to the LEA's.

Now, what's a LEA? That's a local education agency like DOE, but DOE happens to also be the state agency. But you know what, look here, while we're not centrally controlled by any single unit, we operate as a charter school familia, this could also qualify in my book as a local education agency. *ya muñga u nu malefa siha gi otru na bånda* on the private school system. And then what about the homeschool systems? So, what am I trying to say? I'm trying to say that I think if you extract, take away the SEA responsibilities and funding. And create an LEA type structure that we can equitably and fairly compete for those funds because you're not both the police and the executor, you're not the compliance officer and the person administering.

I'll give you an example without pointing names and divisions. We have a student body known as the Deaf and Heart of Hearing Academy, and I called our colleagues and they're very hardworking people. I could see that most of them are just really bonafide good people of earth, if you know, *gi fino-hu kilusyanu* I right? But yet the standard response I get in petitioning for service to my students with special needs and learning of disabilities, right? Oh, our hands are tied. We don't have the personnel, no one's applying. *Put Fåbot* Bråt *na' I yu un CHansa na'i yu ni salappeña put guiya na' I yu un CHansa* Give me a chance to RFP that out and

get a consultant. If you have five people in the entire Pacific Rim will have a specialized service, right, who are asking $50 an hour. You pay that $50. It's immaterial that costs when the need is invaluable, when the outcome is the true indicator of student achievement, isn't it?

Yet, we accept the fact that we're returning money because my hand, your not my hands, their hands are tied, whoever their hands are. And that therein lies another wonderful gift of the charter school system. She's right. When I have a member of my staff that didn't fit where they're challenged *sa' lekkña gui lekkña gui gi aplikasioña na sen måolek put* marketing or curriculum or administrator. But I'm not doing a great job because I don't know, maybe I'm a ineffective communicator. I don't fire people. We don't fire people. We work with them to move them around 'cause we have that flexibility as administrators, don't we? And so I suggest, again, going back to this body to revisit the discussion I'll come fully loaded and prepared with a bunch of literature and a whole lot of case studies that can speak to the advantages of extracting the SEA from the LEA. You wanna see change? And then tell me what you think *si Yu'os ma'åse' put este na opottunidåt påre* Vice Speaker for giving me the privilege to speak. I don't know what, 12 minutes now? *Ginen guåhu yan I familia-ku hu guaiya hamyu put todu nu I bidan mi-yu* For the students at *Guåhan*. Thank you Biba. Biba Guåhan.

Vice Speaker V. Anthony Ada: Thank you. I knew it. I knew it. He couldn't just sit there and keep quiet and, you know, there is a difference between five minutes and a five a Will Castro Five minutes. So, my other questions that I had was any of the charter schools that hired personnel under the ARP and still carried them on their personal staffing now move to General Funds? None? Okay. Alright.

So, the other two questions I do have, or the other question I have is with I believe it's more with SIFA and Guåhan. So SIFA, I know there was headline issues about landlord and school, and has those issues been resolved? Are they coming to terms as to what is going on and how it, because I know that affects the children directly and that we don't want to see any child being picked up in the middle of a school year because landlord and tenant disagreements. So, has that been rectified and solved for the long term?

Anthony Jay. Sunga, Ph.D, CEO and Chairman, SIFA: Well, for on, on in that regards senator it is being addressed. And so we in, in all honesty, we were taken to court that has been dismissed and so moving forward, our legal has really we're looking at to, to move forward from this. And is it being addressed? Yes, it is. And are we afraid that it will affect student academics? No, it won't because the priority for me is to make sure that next year we will have we will not stop in terms of what we want to do in terms of our mission for our students. That is our priority. On the other legal end that's why we have our legal team to do those things in regards to taking care and making sure that we do right for our kids. And we do right for, again, the budget for that you guys provide for us we are definitely transparent in whatever we're using our funding. And so the legal terms or the issues regarding the landlord is being addressed. Yes.

Vice Speaker V. Anthony Ada: Okay. So we don't need to worry about the remaining of 2025 and into FY2026 that the school would be closed because of landlord tenant disagreements. Are we rest assured that?

Anthony Jay Sunga, Ph.D, CEO and Chairman, SIFA: Yes. Yes, and in fact and that's why we actually requested even a higher cap because of, as you heard, our colleagues there we do have wait lists and people are excited and to come in there our school, we already at full capacity at the campus we're in now. And so, think of thinking of the future and moving forward, we are looking at these other opportunities where we can actually expand in regards to our school population. So I attest to that, that yes, we will have a school year next year.

Vice Speaker V. Anthony Ada: So, you're telling me then that you're requesting for a student for a cap, for an increase in your cap.

Anthony Jay Sunga, Ph.D, CEO and Chairman, SIFA: Yes.

Vice Speaker V. Anthony Ada: But currently you are already at full capacity in your current facility.

Anthony Jay Sunga, Ph.D, CEO and Chairman, SIFA: Yes.

Vice Speaker V. Anthony Ada: So how are we going to, how are you gonna, maneuver that we..

Anthony Jay Sunga, Ph.D., CEO and Chairman, SIFA: so

Vice Speaker V. Anthony Ada: if you get an increase in your student population being at full capacity in your current facilities?

Anthony Jay Sunga, Ph.D., CEO and Chairman, SIFA: So, with our current facilities, we are moving forward to increasing the mobile classrooms to accommodate those and also we're looking at other offsites to accommodate the, those so great thing about charter schools is we're not tied to the four walls of a classroom. And so we are collaborating with partners in the community to open up spaces for, so that our students will have mobile places to go to, to learn. And we feel that the new kind of academic or education is not so much just about memorizing or getting these high scores in math and inside, but it really is about being able to understand the dynamics of life and where you have to find a job, where you have to learn. And so our community partners have provided a lot of those opportunities for us to accommodate for that increase. And that's, and because we are confident in receiving those extra spaces, that's why we're confident to request for a higher cap.

Vice Speaker V. Anthony Ada: Okay. I see. Thank you for Guhan. I know that currently your current facility, you're in a government facility, correct? And you're not paying any lease or any rental payments. So what do you, I mean, I know the other six charter schools either pay lease or rent.

Ann Santiago, CEO, *Guåhan* Academy Charter School: Yes, and it's a blessing that we enjoy and we thank the governor, the government for that provision, but it has to be noted that for consecutively five years we have been in we have been, we have had unexpanded balances continuously year after year. This shows that our ability to incapability to pay our lease, should we have our own. We have actually if I may quote the office, Mr. Guerrero from the Office of Public from BBMR, he

said that we have been frugal and that shows because we are not using our ex, our appropriation to the fullest year after year. Just recently we returned about 800,000, not technically return, but we did not use that 800,000, which is an equivalent amount of our lease under the government. So we have visibility and support to pay our debts. We are zero, we have zero debts, and we get our appropriation.

Vice Speaker V. Anthony Ada: Yes, I see. So do you pay utilities at your school? Yes, we do. You pay for the utilities? So when is it that we will see Guåhan now be in the same level playing field as the other six charter schools that are paying rent or lease or..

Ann Santiago, CEO, *Guåhan* Academy Charter School: So currently that's our goal as to have our allocation to have this allocation for acquiring our own facility at lease or a lease from a vendor, but we have allocated that amount. We are working with USDA and several f federal or banks to support our loan for supposedly, if it's a construction of our new facility.

Vice Speaker V. Anthony Ada: And when would that be? We, hopefully are we looking at one year, two years, three years? What are we looking at?

Ann Santiago, CEO, *Guåhan* Academy Charter School: the support of the government? Most likely two years.

Vice Speaker V. Anthony Ada: And when would you be new moving into a new facility?

Ann Santiago, CEO, *Guåhan* Academy Charter School: Hopefully, again, with the support of the government and with the statutes of the law, we are able to move into two years.

Vice Speaker V. Anthony Ada: In two years. So, you anticipate that a facility will be built. Within the next two years and you guys will be in that facility in two years.

Ann Santiago, CEO, *Guåhan* Academy Charter School: It's either we, it's built or we will lease, but the fact remains that we are capable and we have that funding

that supports that we have been frugal and prudent with the, with our expenses. We live within our means. We don't request for anything more because we live within our means.

Vice Speaker V. Anthony Ada: I see. Okay. I think that perhaps be the only question I have, Mr. Chair. I know that Mount Carmel and BTAC's probably didn't have an opportunity to give their opinions, so perhaps you would like to share that with you can go ahead and do that, sir.

Chairman Christopher M. Duenas: Certainly. Mr. Chair. Would either of the schools care to share a few remarks before I go to Senator Sabrina Salas Matanane. Joyleen Suba, Project Director, Mount Carmel Charter School*: Bueñas, Guahu si* Joyleen Suba. I represent Mount Carmel School. Guam, Mount Carmel Academy Charter School, and we're very proud to say that Mount Carmel just became a charter school officially as of 2023. So we are actually in our first year, our first full year as a charter school. Again, we are we do take students as far as Yigo, and we have families from Yigo all the way from Yigo, all the way from Malojloj to Inarajan. We are island wide. So, it is it is very, how would you say this? It's very, God, I'm lost for that word. Anyways it's just very we see the interest in our charter school.

You were speaking about, or you were asking about the fact of the retention of the teachers. I can tell you, although we just became a charter school, we do have teachers who are 36 years who are reaching their 36 year mark in Mount Carmel school. So you know that the tradition and the culture and the heritage is very strong down at Mount Carmel School and we actually do promote that. In there. We have a music program. We have a mixed martial arts program, and we have a spoken chamorro program that we really dig deep into and preparing the students to to excel in these areas. Currently the You spoke about the how many students have come back to Mount Carmel School? Although it was not a charter school, I am an alumni of Mount Carmel School, and we do have several other teachers who are also alumnis from Mount Carmel School, but that's prior to being charter. We have a a music teacher. We have a mixed martial arts coach who are former students of Mount Carmel as well.

We do have Patrick Palomo because we actually love our music program. We have Patrick Palomo in there teaching the students, everyone from pre-K three all the way up to our middle school. We go from pre-K three up to eighth grade and he touches every student. He teaches every student and shares his his talent with them as well and his knowledge. But again, it's it's a privilege being here and I truly hope that all of you support our initiative here. And we thank you all for doing so. So, thank you.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Joyleen. Okay. Dylan, would you like to share a few thoughts?

Dylan Sablan, Principal, Business and Technology Academy Charter School (BTACs): *Håfa adai si Siñot si Dylan Sablan yu' Yu'os ma'åse' put este na Chånsa pa bai na' tuñgo hamyu guennåo hu'lo' pa håfa en che'che' gui gi* BTACS I am. Yes, I'm a little nervous to be up here 'cause this is my first time and I'm the youngest one at this table too. I think I might be the youngest principal on Guam actually. So, you know, I know I'm on the naughty list with Auntie Vangie over here because I don't really respond to her emails. But like she said we wear many hats at the charter schools and so I actually missed the part about gathering testimonials from students and parents. I asked the teachers last minute yesterday, if you guys wanna say anything, you're welcome to, but I'm happy I didn't because I would much rather you guys come to our campus unannounced, just come, I'll give you a visitor's ID badge and you can walk around as much as you want. And in, yeah our signs are in CHamoru too. Our visitor ID badge is in CHamoru 'cause we really love our neighbor here, Huråo.

And please ask our students, ask our teachers what they think of what we are doing about going to internships on Fridays rather than class so that they can learn professional skills in actual professional settings. Ask them what they think about having an international affairs class for social studies rather than your typical US government and Guam history. And ask them about what it's like to have only three classes and where you're not really taking tests, you're not taking quizzes. Honestly, we don't even have homework sometimes because you have two hours to get your work done in those classes. And please, I can assure you right now that if you come to our school and you ask the students they get mad at me all the time

because we've been going to DOE schools, we've been going to private schools to recruit, and we see that the interest and the intrigue in what we are doing with aviation, with information technology, with all of the other career clusters that we offer, and we're also a college readiness school. They get mad at me because they don't want any more students to come and we're only at 75. But, you know, it's easy. I can come up here and say, yeah, more students brings more money, but I, that's not the person I am with our school. We're trying to solve problems on Guam and in order to do that, we feel like we need more students to do that.

I'm very passionate and I'm very proud of what we've been able to do in the past few months. I don't want to take up too much time, but also just to touch on the success navigation part of our school, we don't have a disciplinary problem at our school, and we have taken over a dozen students who have had previous track records at their last school and they have turned around a complete 180. They are model students at our school. Please come and meet them and see that what we are doing is working and we're only in our first year. Now with things like assessment employee retention, again, it's our first year, and so we're in the process of tracking all that data. But you will see from the teachers that they're very happy to be working together and to be working at BTACs. And we're also very happy, I always say, to share the campus with Huråo because they offer our kids a deeper sense of purpose in what we are doing to make sure that we take our kids, root them in their culture, and prepare them for the world. Thank you.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase* Dylan. Now we'll go to Senator Sabrina Salas Matanane.

Senator Sabrina Salas Matanane: Thank you, Mr. Chair. I don't have a lot of questions, but I just wanna say that what I see before me is just a whole lot of passion and it's beautiful. AnnMarie, I've known you for a very long time, and I know this has always been a dream of yours to open this charter school. My daughter was there when you were holding the *Huråo* Academy summer camps at *Sinajana*. So I'm just happy to see you having the charter school, but one of the things that I wanted to ask and bring up is the disparity I see in terms of you guys are requesting 7,800 per pupil and maintaining it for FY2026. And so when you look at the Guam Department of Educations budget requests, you're seeing, I guess

when you do the math, they're looking at a $2,000 increase per student. How do you feel about that disparity and why aren't you guys requesting an increase?

Evangeline Cepeda, Chairperson, Guam Charter School Council: Thank you, Senator for that. Okay. I can't speak on behalf of DOE. I can only say for the charters. You know, when we sat with each of the seven schools, I said to them, I'm good. My word is good. I promised the 37th Guam legislature with Senator Tele Taitague, and I said to her, back then, we will remain at seven eight. We'll work within our means. And so we come before the 38th and we're going to stick with that. Now, I said to them, okay, we're, I'm going to fight to the nail to do the increase in enrollment because every one of them pleaded that, okay, we'll work with the seven eight, but we need the increase in enrollment because they have a waiting list. With that said. Senator I can't speak of on behalf of DOE. I don't know what's, what in detail, why they increase with less students. I can just say on behalf of the charter schools, because, you know, this is not a tug of war maybe for you because of the money situation and what's going on with USDOE with the whole extrapolation of all the federal funds. With that said, I can only speak of the here and now and on defense to the charter, that each of these charters have their day in, day out problems, but they work within their means. They wear, sometimes today they wear their hat 20 different titles and tomorrow it's two. And they learn to adjust to that and they're very creative in that way and they love it. And so they apply this to all the staff, you know, DOE has, you know, has I forget who was it, where they have, they're restricted to what they do with the titles. I forget the word. I apologize, I just went blank. But with the charter schools we have Ms. Ann Santiago today we'll be the school aid, be the principal, do the tickets, do whatever's necessary to make the day go smooth at the end of the day 'cause it's the student and each of their missions. And they're okay with that. Some may say, well, you know, I've heard someone from DOE said to me, you know, Ms. Cepeda, your CFOs make more than the principals. But that's the beauty of working at a charter school. They work with the budget they have if they wanna pay them a lot, but guess what? They do quadruple of what you do. And I'm not taking away from that. But they're restricted in DOE to do. If you go, if you don't guess what, here comes the what do you call that, the, when you do your jobs at DOE, the union. The union, I'm, I apologize, the union where they say, oh, civil, you can't do that. This is what they're entitled to do. They're certified teachers. They can only allow

to do this. There's a, you heard it from this body. There are many certified teachers in their designated schools and they do other things. And I think a lot of it is too, is that at the end of the day, they love the environment.

I mean, that's a plus. I don't I can't answer, I can only speak of the seven charter schools with regards to that. We'll keep it at seven, eight. I'm not here to take away from anybody. I'm not here to do that. Working at DOE and being on the board of education, I was there. It's tough. It's the Pacific Ocean and we are little aquariums making it work. And I just wanna use that analogy, but. They're innovative, they're amazing. These people up here sitting on the table are amazing leaders in their schools. I am tough on them. And Dylan being the youngest, yes, I want this, I need this. And, you know, he's learning, he's amazing. He was on the radio about three weeks ago and I was listening and he didn't made his jobs, representing his school and all, as all the charters. I can only speak again, Senator, to the charters, and I hope that answers your question.

Senator Sabrina Salas Mantanane: I did wanna also just talk about something that one of my colleagues also asked about a little bit earlier, but I wanted to see if you could expand on it a little bit with people sharing their concerns that there's no performance evaluation and no manifested KPIs, key performance indicators, no system in place that really shows student progress as compared to GDOE. So what do you propose we can implement to address those concerns?

Evangeline Cepeda, Chairperson, Guam Charter School Council: Okay, I'm gonna say to that Senator, that is not an accurate statement. That is not at all. Three years ago I came before DAC because they, their first graduate. I said, I'm gonna prepare you as part, as your fiscal report to me. I'd like you to provide us a council in regards to results where the students have gone monitor all these factors and they do have this provided. And we can provide that to you, Senator. And we can provide it to all the senators. And this is why I asked these three sites today to sit in this site because these are the three charter schools that were first chartered. So these are the three that we're gonna get results from in regards to that.

And these are fairly new, so we are working with them with regards to requiring this, the law under the law to giving us our annual reports to the council. But these three schools do have results. So that is an inaccurate statement with regards to say,

and I wanna make the very clear for the record that these three schools do have results that can attest to where they've gone, how they've done the student achievement and all the other factors that is required under the DOE. If you were going to compare the two.

Senator Sabrina Salas Matanane: Thank you for clarifying that.

Helen Nishihara, Chief Operations Officer, Ilearn Academy Charter School: Yes. We actually participated the district-wide assessment, which is with the Department of Education. The past, the last year was the first one with a smarter balance. And that is a, when you're doing trends, you need three markers. So that was the first marker for that trend. But prior to that, we were using ACT Aspire And in that trend, we not only had the district-wide assessment, but we had three other assessments in-house that testified that what the result is for ACT Aspire was in fact supported by what was, and I can proudly say that iLearn did very well in those assessments and in all of our end of the year report, you'll find the results of those. So we are held accountable to all of that.

Senator Sabrina Salas Matanane: Thank you and the reason why I asked that Ms. **(inaudible)** is I wanted to make sure that it was clear to the public and anybody that's watching or anybody, any other colleagues that had any questions. So, for me the charter schools are hitting the marks for me making the grade a for achievement, accountability, accreditation. And in me, you'll also find an A in terms of an advocate so, thank you.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase* Senator Salas Matanane. Now Senator Telo Taitague proceed.

Senator Telo T. Taitague: Thank you, Mr. Chair. Good morning to my colleagues. I apologize for being a little bit late, but I was listening on my way over here. I was not going to miss this one. As you know, I'm one of the biggest fans for charter schools and here to you know, fight for what I think is doing very well, even though some people are saying that charter schools are you not showing the test scores that are needed. And I beg to differ, you know, that's why you have long lines, you know, wanting to get into your schools. Parents, I mean, they talk

amongst each other. Social media tells you how well their children are doing in charter schools. So, you know, I'm one of the biggest fans, but I'm also the one that keeps an eye on charter schools to make sure that everybody crosses their t's and dots their i's right Vangie?

So, I'm just gonna go over a couple things. First, let's talk about busing. Are you, is any of the charter schools having any issues with busing? Can you go ahead and speak? We'll go ahead with the Helen.

Helen Nishihara, COO, Ilearn Academy Charter School: Hi.

Senator Telo T. Taitague: Thank you.

Helen Nishihara, COO, Ilearn Academy Charter School: The, and I had shared this in our pre-budget hearing that one of the big things that busing could do for us is that there is there is a group of people that we would totally love to see in the charter school. And those are the ones who are well below the financial, right, the economic level, because they don't have the transportation except for the school buses that go by. But for charter school, just like private schools, the way the busing system works is their children are in the bus about almost two hours just to get to school and then two hours to get home. And the way that's done is once the Department of Education children are picked up, another bus comes and picks up every single private school, charter school, and they all get into one bus, head down to eo, jump into another bus, get into into, to get to the school of their choice. And. That's a really, actually a nice system. It sounds like a mass transit to me. But I had met with, and I could get into trouble for this because he is a beautiful gentleman, but I did meet with DPW bus director and I said, Hey, look, I'm right behind Juan and Guerrero. Can you just pick up my kids with them and then drop them off? And because of the double sessions and the timing and the lack of busing and the last bus drivers, the answer was no.

But I was saying he, what if when you get a little bit more funding, you get a little bit more bus drivers? Can we revisit this because we're right there with Juan M. Guerrero. You pick up the same constituents. Why do my kids have to go all the way down to Paseo? But you know, it's in spite of that the parents still choose

charter school, even though 700 cars line up to get to pick up the kids every morning and pick them up after school as well.

Senator Telo T. Taitague: Santiago, go ahead please.

Ann Santiago, CEO, Guahan Academy Charter School: Same with us, because we are close to Tiyan High School. And as I have said, 85% of our students or our population don't have their own vehicles. And they have, they spend one and a half hours at the Paseo at the Paseo to wait for their second bus, the bus that will bring them to their home. And we have been struggling, but ours, 400 families choose to bring their students at *Guåhan* Academy. And we are thankful because that's a service that is provided by DPW. But of course, we also have our wish list. We serve the same public students. We are spending the same we are holding accountable to the tax money that we get from our parents. And we should return that to our parents also as well.

Senator Telo T. Taitague: Thank you, Ms. Santiago. It looks like Vanjie, we need to start working on that together.

Evangeline Cepeda, Chairperson, Guam Charter School Council: And I have Senator. Okay. I have looked into this because I brought this to the attention when we had Mount Carmel. I had a mother called me from *Agafa Gumas* and said to me, I want to keep my three children going to Mount Carmel, but that means they have to get up at four in the morning to be at school on time. So, I did speak with DPW in regards to this senator, and again you're hearing the testimony from the two women beside me that DOE is first, which I understand that it's crazy if you're coming down from Agafa Gumas, you're going to have to meet at Midway. By the time they get to the school, it's almost two and a half hours. So, the parents every day to this day, make a sacrifice. The mother works in *Tamuning*, drives down to Mount Carmel with her three children, drops them and comes back to *Tamuning*. But this is a prime example of a family where Three Children, well she had five children going to Mount Carmel. Two have already graduated from there, three are still attending there, and she lives in Agafa Gumas. But this is her choice to have her children go to Mount Carmel. And so this is what you're hearing is exactly what's going on with regards to the busing. And a lot of parents make sacrifices to

get up and work around their busy schedule in the morning and take their kids to and from the schools. But we I don't know what else to say. We can go back to the table and discuss this. As of today, it is. What it is. You know, we work with what DPW can provide for the charter school students.

Senator Telo T. Taitague: Okay. It's something I think we need to think outside of the box on something like this.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Agree.

Senator Telo T. Taitague: I mean, if there's any grants out there to provide even the service for the school, to have their own buses at one point in time, you know, moving forward it's an idea to do that. So I know Ms. Santiago, you're itching to say something. Please turn on your microphone. Okay.

Ann Santiago, CEO, Guahan Academy Charter School: I just want to share this with you because as we speak about Sammy's choices to stay with us regardless of the busing challenges, we also have our employees who wear different hats. We take turns to make sure that we go to the bus interchange to make sure that our students are being safe are safe, and we, it's out of our jurisdiction already when they leave campus. But because we care for our students who we have kindergarten staying with their older siblings, their students too. They get distracted, they want to walk around. Right. But what do we do? We provide, we send our own personnel, our principal, assistant principal, our counselors, who's not supposed to do this work. beyond their responsibilities, just to make sure that our students are safe outside of our jurisdiction.

Senator Telo T. Taitague: Thank you for that. In fact I called a couple years ago, I think Vangie, when I spoke to you, I had to call DPW. Yes. I mean, not DPW, GPD.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes.

Senator Telo T. Taitague: Because I got a complaint from some parents that were going to charter schools down at Paseo that there was fights going on down there.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes.

Senator Telo T. Taitague: And that we need more of a presence of GPD or somebody with authority to oversee that. So, please stay on top of that too, if you have any issues that you know, GPD is not coming forward, and we'll talk to the oversight chair if public safety and bring him into the loop of things and saying this is an issue that's happening over at Paseo.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes. And thank you, Senator. We, I will follow up on that. I just taken noted on this. Yes. I wanna also add that I know that Senator Castro over here, I know we were talking about this, about busing. 'cause you know, he's very innovative in that extra way. And he was talking about busing. I know he was speaking about that.

Senator and I know he wants to discuss that. So you know that we are on top of this and we are thinking ahead of the times. Thank you. Okay.

Senator Telo T. Taitague: You're welcome. Go ahead, Senator. Thank you.

William Castro, Principal, Career Tech Academy Charter School: Actually, chair that's not my idea. It's actually the product of a few of us here. And yes, you're always in the loop. Madam Chair. Senator thank you for that question. I just want to add to the conversation. By putting two more considerations on the table for you. Someone mentioned too early to rise, four 30 to 5:00 AM Perhaps you might hear the conventional response while everybody else does it. *put hami gi bandå-ku* just 'cause they do it and it works for them doesn't mean we can accept it and it works for us, not us. And so we would like you to reconsider that. And then the late end time, so we end at three, we end around the same time and these kids gotta go back the same way they came and they come home in the later afternoon. Oh, but everybody else goes through that. Does that make it okay? I don't think so. I got two more though.

I wanna mention that hasn't been put on the table yet. Field trips. It's an exorbitant amount to take a public bus to a field trip. At 250 bucks a pop. You gotta leave by eight and be back by 1159 'cause they have to get back in the circuit. That's

ridiculous. We have a self-contained classroom at our school career tech that goes every Friday for experiential learning. And I'm talking about my deaf and hard of hearing students. Thanks to the gratitude and the generosity of their deaf teacher, Mrs. Myra Mendola her a SL interpreting team as well as our consultant, Ms. Kirsten Rosario, they transport them. Is that okay? Yeah, I wanna put that on the table for all learners. For all of you to think about in terms of the cost that we're billed per transit. Now that's not a, that's not a dig on DPW, nor is it on our awesome bus driver, Mr. Mendiola, who we love so much. He watches our kids, okay, we appreciate him, but it doesn't even solve this question. No one talked about what they do on Fridays.

And what we're gonna start to do because of proximity, career tech will be opening an extension campus in central Guam. For what purpose? For job placement, internship and executive training for our school. The number one barrier to place these students in that environment is transportation. And I'm gonna pay 250 a pop to get my kids from A to B every Friday.

No, I don't think so. That's unacceptable. So our team has been meeting on occasion with a few folks here. We'd love to sit at the table with you, Senator Telo in an informal round table over the good committee chair and the chairman on ways and means because there are many ways to skin this cat. It's not just DPW, there's GMTA. There's all kinds of opportunities to come together using a different box, if you will, or some other contraption where we can use the flexibility of the charter school law to our advantage. And if it works, replicate it. And I'll leave you with this since it's a dollar question. Almost always, if we're performing at 70 cents to the dollar to deliver the same instructional services. Perhaps then challenge us to deliver the same transportation services at the same ratio. I'll leave that with you. Thank you.

Senator Telo T. Taitague: Thank you. Senator Castro. I knew I stuck something with you in that one. Thinking outside of the box is what you're very good at doing, sir. So, I look forward to that round table. Okay. I am holding it to you because this is one of the biggest issues that our parents have problems with. So look at that. We also wanna look at the National Lunch school programs. Okay. I know that I think Guahan Academy you do avail yourself at this, but what about

other, the other charter schools? There are many students that go there that don't have this opportunity like DOE does. So, go ahead. Doctors I learned..

Helen Nishihara, COO, Ilearn Academy Charter School: Actually, chose not to participate in the school lunch program for this very reason. The reimbursement money actually is very restrictive. And then the so we weighed the costs and the benefits under really the there was no cost savings for us if we went that way. So the way we've been doing school lunches has worked for us and has allowed us to live within our. Our means the parents who do have reimbursed us, and we are able to use that reimbursement with some flexibility in terms of like maybe purchasing supplemental curriculum or supporting a program. So it gave us a lot of freedom to move, but this is a specific choice that ILearn has calculated to do that we did not see any benefit financial gain in doing the child nutrition program.

Senator Telo T. Taitague: Helen, how much do you charge for breakfast and or lunch?

Helen Nishihara, COO, Ilearn Academy Charter School: We don't do breakfast. And here's a, here's an interesting thing. Okay. So, and this is difficult for a lot because we've always been doing this. GDOE always provided food for the kids, but there was a time in, during this school year where our school lunch providers had issues. So we shut down for two months and the students did not starve. I mean, that's really sounds very callous for school to say, but the parents stepped up and provided the foods for the kids and with our food that we. We pay a certain amount, but we only ask reimbursement for $2 for, from the parents if the they choose to eat the food. Most of it goes into the dumpster, not because the food isn't good. As these kids, they would pr they're fine. So we're devoting a lot of time to providing food and spending money on food when that money can go somewhere else. So it was a calculation that iLearn had chosen that it did not benefit the school or its program and our kids are fine.

Senator Telo T. Taitague: Yeah. Okay. What about *Huråo* Academy? What is the food situation there?

AnnMarie Arceo, Founder, *Maga'låhen Huråo*: The free lunch program that we've looked into just has too many requirements. It's not even worth it, honestly, it's the paperwork is this and then, you know, to keep up with it.

Senator Telo T. Taitague: Okay.

AnnMarie Arceo, Founder, *Maga'låhen Huråo*: It's really hard. And so we've paid the first half of school and then the second half were the parents pay the other,

Senator Telo T. Taitague: how much do you charge?

AnnMarie Arceo, Founder, *Maga'låhen Huråo*: they're paying $2.

Senator Telo T. Taitague: So it's four two a meal?
AnnMarie Arceo, Founder, *Maga'låhen Huråo*: It's $2 per student for the parents, but we pay the other half. **(inaudible)**

Senator Telo T. Taitague: So do you decide, or does your board decide, is it administrative choice or did the board decide which company to oversee your food service?

AnnMarie Arceo, Founder, *Maga'låhen Huråo*: So our board is the one who decides.

Senator Telo T. Taitague: Okay.

AnnMarie Arceo, Founder, *Maga'låhen Huråo*: And then we have an MOU with the endowment and that's how we've been working lunch. So we don't have to go through all of that.

Senator Telo T. Taitague: Is ILearn about the same amount $2 and?

Helen Nishihara, COO, Ilearn Academy Charter School: Yes, we pay two. Well, the parents reimburse us $2 for the meal. We pay the rest.

Senator Telo T. Taitague: How about Mount Carmel, Hi Joyleen, Good to see you, my friend.

Joyleen Suba, Project Director, Mount Carmel Charter School: Good morning. Mount Carmel, we have a vendor that actually provides lunch food services. So we have breakfast at $4 and lunch at $5 for students.

Senator Telo T. Taitague: Do they pay the full amount or does the school help reimburse some of it?

Joyleen Suba, Project Director, Mount Carmel Charter School: No. Like the other, the parents students pay the full amount.

Senator Telo T. Taitague: Well, that's quite high.

Joyleen Suba, Project Director, Mount Carmel Charter School: Yeah, that's quite high.

Senator Telo T. Taitague: You can look at something to lower that down. Okay.

Joyleen Suba, Project Director, Mount Carmel Charter School: Yes, absolutely. Thank you.

Senator Telo T. Taitague: Maybe they can assist you with that and helping Mount Carmel in that perspective, who decides on the ratio of teachers student teacher ratio in the classroom? Is it done by the board? Is it done by the charter school? Is there guidelines?

Evangeline Cepeda, Chairperson, Guam Charter School Council: Senator, it's each charter school dictates that. I mean, really, like, it all depends on the need. Like the deaf, for example. It's a very unique situation. It all varies to each charter school and what fits for them. So some, you could put 20 in a classroom and others only 12. You know, it all varies on their, on the assessment and the need per the student, the teachers and this the people sitting on this table, they, they basically manage that with regards to that.

Senator Telo T. Taitague: But do you oversee that Vangie as you know, the administrator for the charter schools? Do you oversee to make sure that the ratio teacher to student ratio is not, you know, really out of, you know, content.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Okay, so this is why doesn't do any good. This been a very strong opponent of caps of the caps because I like the idea of that the charter schools have this very personable with the students, right? And very minimal and not be overcrowding at 35 students per teacher, for example. But unfortunately we have to go with what's going on now. The demand, the demands of charter schools growing. This is why we are requesting today for the enrollment and to increase the cap because there is a long waiting list in each of these charter school, but there will be additional classrooms. Keep in mind I just wanna reiterate that doesn't mean that when we increase the enrollment, that there are going to be more students in a classroom, 35 students to one teacher. It means they will open more classrooms with…

Senator Telo T. Taitague: Yeah, but you don't have control of that.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Pardon?

Senator Telo T. Taitague: You won't have control of that.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Understand

Senator Telo T. Taitague: that it's each, every school will have that determination, not..

Evangeline Cepeda, Chairperson, Guam Charter School Council: I understood.

Senator Telo T. Taitague: So if we are gonna put a restriction,

Evangeline Cepeda, Chairperson, Guam Charter School Council: but, you know, I do. This is the questions I ask Senator. This is why when with the schools

and myself and Fely, we monitor the schools, that they can tell you that sometimes I am a real bugaboo because these are the things I ask for. Just so it eases my mind. Just so when a senator calls me directly, I have the answers and I can honestly swear to uphold the truth in regards to how many students per classroom. So yes, we do. Just recently, I've assured them that please keep in mind the enrollment, how you're going to do this. Are they gonna add classrooms? They're gonna add more classrooms with new teachers into the classroom if they increase the enrollment. So, just so you know the council is fully aware of that, and this is why it's important that I know these things so. The council knows this, and so we can report this to whoever, whoever may ask from this body.

Senator Telo T. Taitague: Yeah. And I understand that you know, you're trying to keep the status quo for most of you but you're increase, wanting to increase the enrollment. Well, the whole purpose of charter schools and why parents are taking their kids to charter schools, it's because of the student ratio.
Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes.

Senator Telo T. Taitague: They were getting such a high, you know, ratio in DOE and that's why they're moving there. They need that one-on-one, you know, more attention paid to the individual students. So, you know, here if you're asking us to increase this, you know, and we're not seeing any change in the school as far as hiring, because I don't know about you. We're having a hard time finding teachers. Yeah. Period. There's a shortage of teachers. And what we're doing seeing at UOG is we're graduating them, but they're leaving off island. So we're, it's important that we keep that ratio. That's the whole nemesis of charter schools. So, I do wanna bring up I know you wanna say..

Evangeline Cepeda, Chairperson, Guam Charter School Council: But rest assure though, Senator, that rest assured that the student ratio per student for teachers, it will be kept small and personable. Rest assured of that for each of the charters. Thank you.

Senator Telo T. Taitague: And I'll be watching out there. Dr. Sunga from SIFA, right? How are you sir? Good to see you as always.

Anthony Jay Sunga, Ph.D., CEO and Chairman, SIFA: Fine. Good afternoon.

Senator Telo T. Taitague: Okay. There is a retention as far as like principals and people overseeing, you know, these charter schools, so, you know, you got your teacher retention, but I always see the leadership of these charter schools stay in place for so long. So I greatly appreciate that you really believe in what you're doing. So, however, CI do have a question regards. In FY 24 you had a expenditure and sense of 3,225,000 and then FY 25, a total of authorized level of 3,000,600, 3,633, 895. And then that is the authorized level.

FY26 total governor's request for SIFA was 5,000,850. However, the variance between that FY25 and 26 is like 2.2 million. Can you kind of, and regards to what, why it's so increased this much to 2 million in regards to the governor's request at 5 million and then yet it was 3 million. Did somebody give a call out to the governor to ask for it to increase or are you familiar with this that the increase on your budget? **Anthony Jay Sunga, Ph.D., CEO and Chairman, SIFA:** The increase in our budget? Well, what I'm looking at is we requested for an increase in our cap, which increased that appropriation for that for, so we started at 300 the previous year, and then we increased our cap to 500. And so that was at the increase of the appropriation.

Senator Telo T. Taitague: So, so this increase is just for the student enrollment then the student growth?

Anthony Jay Sunga, Ph.D., CEO and Chairman, SIFA: Yes, student enrollment.

Senator Telo T. Taitague: Okay, has nothing to do with salary increase or adminis administrative?

Anthony Jay Sunga, Ph.D., CEO and Chairman, SIFA: Well, every year we do a in terms of salary again most charter goals, including SIFA, our salaries for our teachers are one of the lowest on the island. And so every year we have implemented a percentage increase for our teachers as well. So, yes, we do increase our teacher salaries in a percentage while, but that increase in appropriation was the increase in the cap, the number of students.

Senator Telo T. Taitague: I'm also finding that in FY26 requested for an administrator and an academic administrator of academics in the middle school.

Anthony Jay Sunga, Ph.D., CEO and Chairman, SIFA: Yes.

Senator Telo T. Taitague: Right, at an annual salary of $50,000 annual. Is this news position or change in the title of the current position of chief academics or accreditation at 45,000. So you've increased it to 50?

Anthony Jay Sunga, Ph.D., CEO and Chairman, SIFA: So, as our chair had mentioned, our staff and our faculty and even our administrators, we wear many hats. And so the board decided that instead of labeling it as chief or principal we brought that, we made the term kind of General so, administrator administrator, school administrator and that school administrator now carries many different roles. And with those many different roles, we will, of course we wanna compensate that particular person for working.

Senator Telo T. Taitague: More so that explains the administrative of student affairs receiving $50,000.

Anthony Jay Sunga, Ph.D., CEO and Chairman, SIFA: Yes. So, so it's not just a disciplinary, it's other roles that we need them necessary.

Senator Telo T. Taitague: Yeah. You also have an administrative student affairs for high school level. It's vacant at this time. And that amount was for $52,000 a yearly. Is that a still vacant?

Anthony Jay Sunga, Ph.D., CEO and Chairman, SIFA: Yes. So we are only a middle school right now.

Senator Telo T. Taitague: Okay. So, regarding the BTACS request who's, okay, that's 50K. There is a expender, of course. You know, in 24 you were not there. You're just a new school. I'm seeing a variance between a $1.6 million difference compared. So that again, is increase in students, has nothing to do with increase in

salaries or anything like that. I just wanted to verify that, but can you explain the justification in requested salary for a position of chief administration administrative officer? Excuse me, at 95,000?

Dylan Sablan, Principal, BTACS: So that is based off of, I believe, the petition that was approved by the charter council way back before I took the position that I'm in now. There could be a change to that going forward if that comes up with our board meetings, but we were just basing off of what the petition said.

Senator Telo T. Taitague: I've noticed too that there was a request for a principal from 45,000 up to 75,000 increase.

Dylan Sablan, Principal, BTACS: Yeah, again, that's what we..

Senator Telo T. Taitague: That's quite a big jump we're basing off of.

Dylan Sablan, Principal, BTACS: Yeah.

Senator Telo T. Taitague: That's quite a big jump.

Senator Telo T. Taitague: I mean, I don't need it if that's what you're asking. Yeah I can show that.

Senator Telo T. Taitague: But I always wondered how these salaries come about. I mean, I know you, you have the flexibility, especially when you were talking when I wasn't here, I was listening about contracts, you know, and not having the attorney general, you know, sign on this, that, that has to do with salaries too as well. You know, and we know that teachers are probably, that work for charter schools probably make so much more so much less than DOE, but then you're seeing these administrative positions making so much higher that's questionable. People are gonna question that and we need to keep an eye on that because if you ask me, it's a teacher should be getting more money having to endure what they have to do at these charter schools. So I'm just letting you know, I'm keeping an eye on these costs that are going up substantially. And I do know that it's all done by boards, right? I know there were a talk about the attorney General's office

signing on off contracts. I think that's something that needs to sit down as a round table to discuss, because this is important, you know, we don't want to have a situation where we're the ones holding the back at the end of this government, you know, for the and also the liability on the board members themself. They can be liable for an a contract amount of a million dollars. And that what worries me is that now you're gonna get board members not wanting to serve on these boards because they don't want the liability. So, we have to be very cautious on who sits on these boards that they know what they're doing, or discuss whether to have the attorney general sign off on these contracts and have another set of eyes for accountability for these. Go ahead.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Senator.

Senator Telo T. Taitague: Vangie.

Evangeline Cepeda, Chairperson, Guam Charter School Council: You know what I'm going to say about this passionately, I disagree with that. It would be bottleneck. This is why the schools do what they do. Well. Maybe we can do another option to do away with the AGs because we already have the ag. Overwhelmed. Overwhelmed. And so with that said, I'm gonna passionately say as the council chair that we not go that route. Don't break something that's not broken. I say to this body is that maybe we could go with another option with, allow them to do what they're allowed to do within, maybe add in, like I mentioned to you, and I will bring this before you, so you bring this before this body a hundred. Anything over a hundred thousand, let them have a certified person sign on it. That certified person will, at the end of the day, it would be responsible because they're certifying this and that will not bottleneck that. And I think that's the easiest possible way to make these charter schools do what they do. You know, if we put the AG in this, I'm not picking on anybody. I'm just saying whoever the AG is, I'm talking about the position, not the person, the position, then we're gonna be like every government of Guam. Procurement is bottleneck. That's the problem. There's a reason why across the United States of America to include Guam, the charter schools work because they don't go that route; that route is broken.

Senator Telo T. Taitague: Okay, then I think I tell you what because for the sake of time. Yeah.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Thank you.

Senator Telo T. Taitague: We will have that conversation because it's important to have, you know, the government should not be be held holding the back at the end for people making decisions that they don't have the money to pay for contracts. I was happy to see Mount Carmel did not have any change. It still stays at 42 4,200,900 and there is no variance with regards to this. However, I did see a discrepancy though. I saw a teacher, a fourth grade teacher making 35,000, but then yet the Marshall Arts teach, well, no, actually it's a vacant vacancy. You have it advertised for 35,000, but you have a martial arts teacher for 50,000. It's a big difference. Is there any reason why there's such a difference between a teacher and a martial arts?

Evangeline Cepeda, Chairperson, Guam Charter School Council: If I may I can speak on that. 'cause I asked the same question. Yeah. Okay. And so, Mr. Michael Phillips educated me quick. Okay. Okay. These martial artists are in a different field. And so when they come and they share this with the students, right? They come with different belts than that they wear the belt colors dictate their expertise. They come in and they not only teach the student discipline, self-discipline, they teach them mind control. They teach them all these other factors that. You know, people do when they take martial art, right? The reason why it costs this much is because a lot of them have their own business. And so we're taking from them and we're saying, okay, come to our school, come to Mount Carmel and teach the students this, the art of martial arts, but the self-discipline self-control, all these other factors. And this is the gentleman that does this, is an owner of his own business, and unfortunately, the, this is how much he pays to do this outside of his business to go to the schools and do this. And this is how much he charges. Okay. And so that's why it is what it is, Senator.

Senator Telo T. Taitague: Okay. ILearn Academy, there's a variance difference of 177,376. It doesn't sound like it's an increase of a student enrollment because it's such a small amount. There's a reason for this 177,000 increase.

Helen Nishihara, COO, Ilearn Academy Charter School: Oh, the increase increases. It's in increments, natural increments.

Senator Telo T. Taitague: Increments. Okay. Okay. That sounds good. Lastly I'm sorry, Mr. Chair, and thank you for indulging me and allowing me this opportunity to talk to one of my favorite groups coming before us when it comes to budget time.

You know, I do whatever I can to provide this. The need, like you said, it's all about the need. And the parents want this so badly, so. It's our job to ensure that we give you what you need. Right. Senator Castro. Right. Oh wait. Before you talk. 'cause *Ai Adai* wait, because, you know, I just had the indulgent, we're definitely gonna have a sit down for sure on that.

Okay. Lastly, I just wanted to make sure that especially with Guåhan Academy, you know, have you looked into the apprenticeship program called the GRAP Okay. It pays full tuition, you know, so this might help you in getting students, more students not worrying about us, giving you the money to increase your cap. So, take advantage as a high school. Who else does high school? Just you. Oh, yeah. As well as Senator Castro. The GRAP program is one of the, I mean, it pays for everything. It even shadows pays the teachers as well 50% of their salary, you know, overseeing these students. So please take advantage of it if you have any other concerns that can help you. I oversee Department of Labor and we're, we just went to a program on it. I hope you get some more information, updated information to help with these apprenticeship programs. I'm trying to get at a middle school area to even bring kids in that area, so I hope, hopefully, we can add more charter schools to this apprenticeship program. Okay. So I'm working on that as well. Other than that, Mr. Chair, thank you for indulging me. And again, thank you so much for all your hard work and especially to those parents that make the sacrifice for their children, *Un Dangkulo na Si Yu'os Ma'ase*, that's our next generation that's gonna take care of us. *Si Yu'os Ma'ase!*

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase* Senator Telo Taitague. Senator Shawn Gumataotao.

Senator Eulogio "Shawn" Gumataotao: Thank you, Mr. Chair. And I know I'm standing in between everyone and lunch, so I'll try to make it as quick as I possibly can. I just wanna start real quickly, Vangie, I kind of took exception with your earlier remarks saying that charter schools are kind of small against the big system. I disagree I think by the showing in this room that charter schools have a significant or make a significant impact on this community. So, do not come in here and tell us that you're small anymore. Thank you. I am a big proponent of charter schools. That's why I say that. And I start that. I just have a, I have a mess of questions, but I'll try to keep 'em brief. 'Cause I mean, when you look at this, it, I just wanna ask if I could, are charter school employees eligible to participate in the government of Guam retirement program? And if employees elect to participate in the system, are any of these employees also contributing to social security with employer costs required for participation in both retirement systems?

Evangeline Cepeda, Chairperson, Guam Charter School Council: Okay. To answer your first question, government of Guam retirement. No. To answer your question to social security, yes.

Senator Eulogio "Shawn" Gumataotao: Okay. Now I just will get me to my other questions. I just wanna get that for the record. 17 GCA Section 1211076 allows charter schools to solicit and accept any grants or gifts subject to financial reporting requirements and applicable loss. For the record, what portion of our charter schools have been supported by any grants or gifts during at least the past three fiscal years?
Even a round number's fine or a round percent?

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes. Well, consolidated grant? Yes. Consolidated grants? Yes. With other gifts or anything that I'm aware of? No.

Ann Santiago, CEO, *Guåhan* Academy Charter School: ARP. So the three charter schools like Ilearn.

Senator Eulogio "Shawn" Gumataotao: I don't know if ARP has been a gift to anybody recently at this point.

Ann Santiago, CEO, *Guåhan* Academy Charter School: I mean, so I guess federal grants for from gu, for GACS speak because we get federal grants for the reimbursements of our national lunch program. We also have been granted with AmeriCorp, which is under the Serve Guam Commission.

Senator Eulogio "Shawn" Gumataotao: Okay.

Ann Santiago, CEO, *Guåhan* Academy Charter School: It's a 800,000 grant that we received as well. But that's separate from, so we can actually be sustaining our expenses through other federal funding.

Senator Eulogio "Shawn" Gumataotao: Okay.

Helen Nishihara, COO, ILearn Academy Charter School: For iLearn, we were also able to this year participate in the block grants. So, kids who wanted to do our afterschool program that was paid for by CCDF. And then we have an a GEDA grant and we also had a Homeland Security grant to beef up our security system in the school.

Senator Eulogio "Shawn" Gumataotao: Okay, Vangie, if I can, to what extent are gifts and donations factored into each of the charter schools budget and operations for the fiscal year?

Evangeline Cepeda, Chairperson, Guam Charter School Council: I'm going to tell you, I don't, no one here gifts. No gifts. You know, it's safer to stay that route.

Senator Eulogio "Shawn" Gumataotao: It's not Vangie, it's not like I'm asking for a package that we gave. It was more like what are the contributions, financial support, those types of things. That's when we talk. I mean, 'cause there's so many people that are here supporting you all.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes.

Senator Eulogio "Shawn" Gumataotao: And I know that's not silent.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yeah.

Senator Eulogio "Shawn" Gumataotao: They have, you have to report that, right?

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yeah. Yes, we do. But I'm gonna tell you, we, we try to keep it honest up here. You know, everything is about transparency. You know, I told, I've mentioned this time and time again to, every time there's leaders of each charter school, we have to be transparent so we can get what we need. And if we, if things are not working and we have something that we need to work on the end. End is to find a solution. Stop. No finger pointing. We're not gonna finger point. We're going to own up to it and we're gonna find a solution. And I think that's what has worked with the charter schools in the last five or six years. **(inaudible)**

Senator Eulogio "Shawn" Gumataotao: I'm not arguing and might even arguing that today. I think that the biggest thing for us is knowing that if someone in this community, they're very generous and they want to give to the schools individually. That's what my point is. Yeah. And just ensuring that each of the charter schools are accounting for the gifts that are given.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes.

Senator Eulogio "Shawn" Gumataotao: If it may, I've been to to Will's school. It, let's say they give lumber.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes.

Senator Eulogio "Shawn" Gumataotao: That's what I'm talking about.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes.

Senator Eulogio "Shawn" Gumataotao: I'm not saying that.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes.

Senator Eulogio "Shawn" Gumataotao: Okay. It, you know, these are things that you can tangibly use as part of your education programs.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Right.

Senator Eulogio "Shawn" Gumataotao: So I'm hoping that as we're here talking about this, that and it's a good segue to my next question. Again, making sure that you're holding accountable the things that you receive.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes.

Senator Eulogio "Shawn" Gumataotao: Okay. One last thing relative to procurement. Mr. Chair 17, GCA section 12111 (F) provides that the Guam Academy Charter School Council shall utilize the office of the Attorney General of Guam and its legal counsel, unless the Attorney General in writing authorizes the counsel to utilize private counsel. So can I ask we, we heard him mentioned earlier, but to what extent is the office of the Attorney General involved in the review and approval of any procurement, employment contracts, establishment of MOUs? And other matters requiring any legal services?

Evangeline Cepeda, Chairperson, Guam Charter School Council: None whatsoever with regards to that. I do, I will say that four years ago I did write a letter to the ag in regards to one of our council members.

Senator Eulogio "Shawn" Gumataotao: Right.

Evangeline Cepeda, Chairperson, Guam Charter School Council: With a conflict of interest. And he responded back in his, with regards to his legal response, and that was the only time that we ever used the assistance of the AGs office.

Senator Eulogio "Shawn" Gumataotao: So Vangie, why I asked that is, and I've asked this over all the agencies under my oversight, is if you in fact engage the

office of the Attorney General, the reason is to ensure that when you guys are coming down here, it's not gonna always be about money, it's gonna be about policy.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Right.

Senator Eulogio "Shawn" Gumataotao: So, at times unless you guys are like the most experienced policy writers, it's to use the resources of a legal team or a legal office to be able to help you create good policy especially what it has to do with the operations of not just the the Charter School Council, but for all of the schools.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes.

Senator Eulogio "Shawn" Gumataotao: So hence why my question was that okay? Okay. Okay. And just lastly, Mr. Chair and this is pretty much, and this is how we started the meeting earlier is this is more to probably to AnnMarie in the world. There are 3,193 endangered languages in the world. And the technical term, I think we can debate it 'cause I do a lot of work in my other part of my other hats as an instructor at the University of Guam. But when there's 1500 speakers or less, that's considered endangered for the most part. And people may argue it, but I wanna give you kudos because with your program, if you look at every year that we, people are in it and leave, we are far from the endangered languages list or the endangered language thing because of the efforts of that.

So as you're going back to what Vangie you said earlier, we are small. No, you are not. The demand is high to get into your schools. You are competing and people want to be there. So I am just saying as you guys come in here, you are at an equal footing to your counterparts in the Guam Department of Education. Vangie, Thank you and thank you to the rest of you. Thank you, Mr. Chair. Thank you for your time.

Chairman Christopher M. Duenas: Thank you Senator, Senator Gumataotao and great note to wrap up the panel, I have a few comments and in the closing so I remember in the pre-budget meeting, we had a discussion on the students and the

enrollment numbers going up. However, there was a discussion on at some point you may be able to do it within your current cap.

I'm saying this because I'm sure you've been reading the same headlines as everyone else. And I just wanna be honest and frank with you, we appreciate everything that you're doing. We, I have been a huge fan of charter schools. And I know exactly everything that you're doing going forward. We will come back to you before we actually prepare the bill for the floor to let you know where we're at with that and what we can do.

What I don't want to do, 'cause I want to work with you on this, what I don't want to do is have you also miss out on that opportunity by adjusting numbers if we have some agreement that you can still do it with, if you don't get the full appropriation, but if you want to keep your number as a flexibility, the reason why I wanna do that to you is just because, you know, if you're able to then you know, you can get your enrollment without the limitation by law.

We'll figure out where that might be. We're gonna do everything within our power to to get to this number. The one thing I do want to say is, and I mentioned this to many of you during your pre-budget hearings, you know, I believe right now with the growth of charter schools, with the success of charter schools we are now clearly operating two parallel educational systems.

And I think, and I've asked the chairman to join me that after this fiscal year budget has passed, one of the first things I want to engage in with charter schools and with the Board of Education and with Department of Education and even the Governor's office is. I think at this time, especially with the closing of schools and all the conversations, I think it's time for education to basically be reorganized.

And I think that's where the discussion is gonna come in. I, you know, we also, and I know we constantly say this, we appreciate everything that Department of Education does every day as well. But frankly speaking, with the reduction of senate of students right now, basically just around 8 to 10,000 and the emergence of the constant need and desire for expansion in charter schools, I think it just only makes sense, but Van Vangie, I want to go back to something that I was so pleased

to hear of, particularly with SIFA. And I know a couple other schools have this experience that although we have a DoDEA system, we actually have DoDEA children who are attending our charter schools. And I've even heard of some dependent teachers who have either expressed or are also working in our, I think this is one of the premier examples of the success, you know, 'cause we have, that's an outside marker of success because that's a view from individuals who have a school system that's within doa, but yet they choose to go out and work with charter schools, which is a very stark choice and so, can you comment on that? 'cause I want to, I have another comment that I want to make beyond that.

Evangeline Cepeda, Chairperson, Guam Charter School Council: Yes, thank you, Senator. You know, it's funny how the teachers, right, like you said, there's school inside the gates and the fact they choose to do their study, do their homework, and parents wanting to put their students, there's children in charter schools. A lot of them in the mainland were in charter schools. And so when they found out like Guam has charter schools they didn't realize Guam had seven charter schools and basically I said, it's on the website. You can go on the website, you can read about it, and then you can decide from there. But either way, it's going to work if you put your kids there, they'll love it. It seems to be the new way of things. The new fam things are growing, you know, up at Camp Blaz and it's growing and they seem to want, their choice of school is charter schools now. It's amazing you have employees from Doea and wanting to work for far less, as far as money's concerned, working at the charter schools. A lot of them believe in the charter schools. And so, I applaud these seven charter schools for doing that. But it is, it's, it seems to be like the new way of doing things. And this just this year, last year, I think towards the end of the fiscal year, that's when we started, people were calling me asking me about this.

My, I live in base, but I'm willing to take, no, I was honest about the bus transportation. And they're like, okay, I'm gonna say ILearn right now. You're, there's a waiting list. Because they inquired about iLearn. I said, there's a long waiting list, and that's a long wait. But there are other charter schools. And I said, you can go into their website, read about it, and take it from there and do your homework. And you your choice. I'm gonna tell you the busing may be a problem,

but if that, if no, that's not a problem for us. So that seems to be where a lot of the parents from inside the gates are choosing to go with.

Chairman Christopher M. Duenas: And so with that, I want to mention this and, you know, hopefully we, we've got a lot of people who watch our hearings and so, you know, I like to communicate with our public through, through this forum as well on what the committees are doing. I have Senator Gumataotao and others, I've been speaking with the chairman and other senators that and we had several meetings now with our congressmen, given the fact that the whole, the whole system of government, as we know, is under transformational change on the national side. But I think with that transformational change, what happens is opportunities come out of that as well. I'm understanding that in close talks with several federal officials that they don't want to grow DODEA schools anymore. They don't want to build any schools. It's, you know, the federal government has found that within the DODEA system as well as housing, it's just exponentially more expensive with those milcon contracts. So with our downsizing of schools and the opportunities and the emergence of our charter schools, we are gonna continue talks with our federal partners to possibly start to take some of these schools that are being mothballed and start making offers now to transform that into an opportunity for them.

Because, you know, we're gonna have a quite a big growth of population over the next 10 years. They've set as much as 30,000 you know, personnel, 35,000, many of them are gonna be families and they're gonna have children. They're gonna require education. So I think this is another opportunity where we can create this transformational change, and I'd like the charter schools at as a community, your individual units, but as a community to continue to think about this and the offerings that might be available, because probably the best mechanism because we have a storied history between the federal system and the local system is probably the pathway would be charter schools because that relationship is a little bit different. The hierarchy, the bureaucracy, the you know, that's, I think that's the magic of what you've been able to eliminate.

And, you know, I mean, it's not an apples and apples, but the truth is that the effectiveness of what you're doing, I think has a lot to do with your flexibility

without the bureaucracy and the ability to be kind of self-contained. And with that, a lot of those you know, tertiary expenditures a lot of times go away because you're managing at a level really, where you honestly have just a budget that allows you to operate.

You have no real flexibility in it. So I just wanted to put that on the table that I think this is gonna happen sooner than later. So within your planning to start thinking along those lines, I think that's the greatest opportunity for growth, is gonna be some sort of partnership. And so as we go forward in that Vangie, I just wanted to mention to you, I know that there's been this back and forth and there is a bill to build in, and I want the charter schools to take this away as well, because you got, we work with your boards and you have policy and you're entering into contracts.

You know, there is that, you know, that, that reality of liability, so you know, I think there can also be a happy medium here. What I really want to say to the charter schools that with all of the, you know, with whatever contracts, construction of new campus, you know, whatever contracts you're getting into, that expands basically what your operations are.

You know, the minimum you have to do is have legal counsel review, and for the board to understand this new bill basically will mean that there's, they're on notice that the boards are on notice. That these contractual obligations that they're getting into are going to be something that, you know, is gonna create liability across the board.

So I think that's just being fair with you, right? If we come up with a system that is effective, if we come with a system that's not as bureaucratic, but yet it has a legal stamp on it that says this is good, true to form, and all parties, you know, are protected, I think we can get there, but I just don't want it to be, you know, we don't have the AG, but yet we're gonna continue in the same path because I just don't think it's not fair for either party, and it's also in the end of the day, gonna come back to the government. There's just no other way around that When there are legal issues, when there are, you know, ex expenditures, when there are things that ended up being some tort, some type of settlement. You know, it's, most people are

not gonna be able to pull out of pocket to make these payments, and so it will come back to the government.

So, that's why I just wanted to put that caution out. I know all of you are entering into, you know, responsible contracts. I know that the things you're doing possibly include debt service. And the, so there's that layer too. Right now you have the financial institution and others that they're gonna want to protect their assets as well and things like that. So, I believe we're gonna have a happy medium, but that bill, you know, if it becomes law, will really be the catalyst so that all of you have more guidance and more of a parameter to work with regard to that. But, you know, with that, I really think that's it work like I said, we're gonna work our tails off to do this.
I want you to keep an open mind about what your number means. And I also want you to keep in mind that I really think going into the following fiscal year, in between that time, the discussion on reorganization, the discussion on, you know, how even the Guam Department of Education has to recognize we'll have them over this afternoon and discuss this with them as well. But that's gonna, I think, drive where we go 'cause certainly your model is working and certainly your model is extremely efficient. And so we need to marry these systems as opposed to two parallel systems. So with that I hope I think this has been a very fruitful dialogue today. Like I said

your continued growth is a continued representative representation of your success. So, you know, we depart by saying, you know, continue the good work. So housekeeping says this bill. This will conclude this morning's budget hearing on Bill 44-38 (COR) relative to the Charter Schools of Guam.

The committee will continue to accept written testimony on the bill within seven calendar, seven calendar days from today, which may be addressed to myself, Senator Christopher M. Duenas as chairman of the committee, and mailed to 163 West Chalan Santo Papa *Hagatña.* You may also send your testimonies to my email at senator.duenas@guamlegislature.gov.

This morning's budget hearing is now adjourned and the time is 29 minutes early for lunch. That means 11:31. *Si Yu'os Ma'ase* everyone. We're in recess.

The Budget Hearing was adjourned at 11:31 a.m..

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Wednesday, April 30, 2025, at 2:00 P.M.

Guam Department of Education (GDOE)

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on April 30, 2025

2 messages

Office of Finance and Budget <ofb@guamlegislature.gov> Wed, Apr 23, 2025 at 8:44 AM
To: phnotice@guamlegislature.gov
Cc: "stephen.ofbguam@gmail.com" <stephen.ofbguam@gmail.com>, "vanessa.ofbguam@gmail.com" <vanessa.ofbguam@gmail.com>

FOR IMMEDIATE RELEASE
April 23, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on April 30, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Wednesday, April 30, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
- Charter Schools of Guam

2:00 pm
- Guam Department of Education

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The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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--
Si Yu'os Ma'åse,
Camarin L. Breton
Budget Analyst Assistant
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Office of Finance and Budget (OFB)
Website: www.ofbguam.org (671) 646-4416

2 attachments

senator-duenas-headshot.jpg
70K

1st Notice OFB Budget Hearing 4.30.25.pdf
725K

Ed Pocaigue <sgtarms@guamlegislature.gov> Wed, Apr 23, 2025 at 9:10 AM
To: Office of Finance and Budget <ofb@guamlegislature.gov>

Hafa Adai,

Posted on calendar.
[Quoted text hidden]
--

Edward S. Pocaigue, Jr.
Sergeant-at-Arms

I Mina'trentai Ocho Na Liheslaturan Guåhan
Guam Congress Building, 1st Floor
163 Chalan Santo Papa
Hagåtña, Guam 96910

1-671-969-3514
sgtarms@guamlegislature.gov

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April 23, 2025

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FIRST NOTICE - FY26 Budget Hearing on April 30, 2025

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FIRST NOTICE - FY26 Budget Hearing on April 30, 2025

PUBLIC HEARING

Posted on: 04/23/2025 08:32 AM

Posted by: Ashley Shinohara

Public Hearing Date: 04/30/2025 09:00 AM

Department(s): GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
April 23, 2025

MEMORANDUM

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9:00 am
Charter Schools of Guam

2:00 pm
Guam Department of Education (GDOE)

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Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on April 30, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Mon, Apr 28, 2025 at 9:08 AM
To: phnotice@guamlegislature.gov
Cc: "stephen.ofbguam@gmail.com" <stephen.ofbguam@gmail.com>, "vanessa.ofbguam@gmail.com" <vanessa.ofbguam@gmail.com>

FOR IMMEDIATE RELEASE
April 28, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

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2:00 pm

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--
Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

2nd Notice OFB Budget Hearing 4.30.25.pdf
731K

FOR IMMEDIATE RELEASE
April 28, 2025

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SECOND NOTICE - FY26 Budget Hearing on April 30, 2025

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SECOND NOTICE - FY26 Budget Hearing on April 30, 2025

PUBLIC HEARING

Posted on: 04/28/2025 07:12 AM

Posted by: Ashley Shinohara

Public Hearing Date: 04/30/2025 09:00 AM

Department(s): GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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April 28, 2025

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PBS GUAM
KGTF Channel 12

Guam Educational Telecommunications Corporation

P.O. Box 21449
GMF, Guam 96921
Phone # 671-734-5483

Invoice

Date	Invoice No.
4/29/2025	2025-26

Bill To
Office of Senator Christopher Duenas Calvo Arriola Bldg. Ste 101-13 259 Martyr St. Hagatna, Guam 96910

P.O. No.	Due Date	Rep	MOU No.
	4/29/2025	CDC	

Item	Description	Qty	Rate	Amount
Air-Time	Public Notices 4/30/2025 Hearing - ist Notice 4/23/2025 2nd Notice 4/28/2025		250.00	250.00

Certified to be true and correct:

Ina Marie V. Carillo
General Manager

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Total $250.00

BUDGET HEARING AGENDA

Wednesday, April 30, 2025 – Guam Congress Building

Bill No. 44-38 (COR) - Committee on Rules by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

9:00 am:

- Relative to Charter Schools of Guam

2:00 pm:

- Relative to Guam Department of Education (GDOE)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: April 30, 2025 **Time: 2:00 p.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

-- Relative to Guam Department of Education (GDOE)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Justin Castro	GDOE		jbcastro@gdoe.net			✓	
2	Jordan Bukikosa	GDOE		jdbukikosa@gdoe.net			✓	
3	K ESAIASON	G DOE		KESAIASON@GDOE.NET	✓		✓	
4	Angel Soblan	GEB					✓	
5	M. WADE PAUL	GDOE		MWPAUL@gdoe.net	✓		✓	
6	LOUTICIA SAHAGON	GDOE		tsahagon@gdoe.net			✓	
7	Ae Tanayan	GDOE					✓	
8	Jonah Benavente	Guam POST		Jonah@PostGuam.com				
9	Melissa Hernandez	~~GDOE~~						
10								
11								
12								

Guam Department of Education

I Mina'trentai Ocho Na Liheslaturan Guåhan
Budget Hearing April 30, 2025

Bill 44-38, *Executive Budget Request*

Miscellaneous Appropriations Proposed in the EBR

- CHamoru Studies and Special Projects Division: $513,824
  - GDOE requests for **$624,968** to be appropriated for the CHSSPD in FY26 budget request.

✓ Menstrual Hygiene Products for Public Schools: $25,000

✓Maintenance of Schools: $8,500,000 ⬅ **YES!! (appropriate funding to run a successful GDOE maintenance program for our schools).**

- Interscholastic Sports (*HFF*): $614,165
  - GDOE requests for **$767,730** to be appropriated for the Interscholastic Sports Fund in our FY26 budget request.

✓Health and Physical Education (*HFF*): $277,589

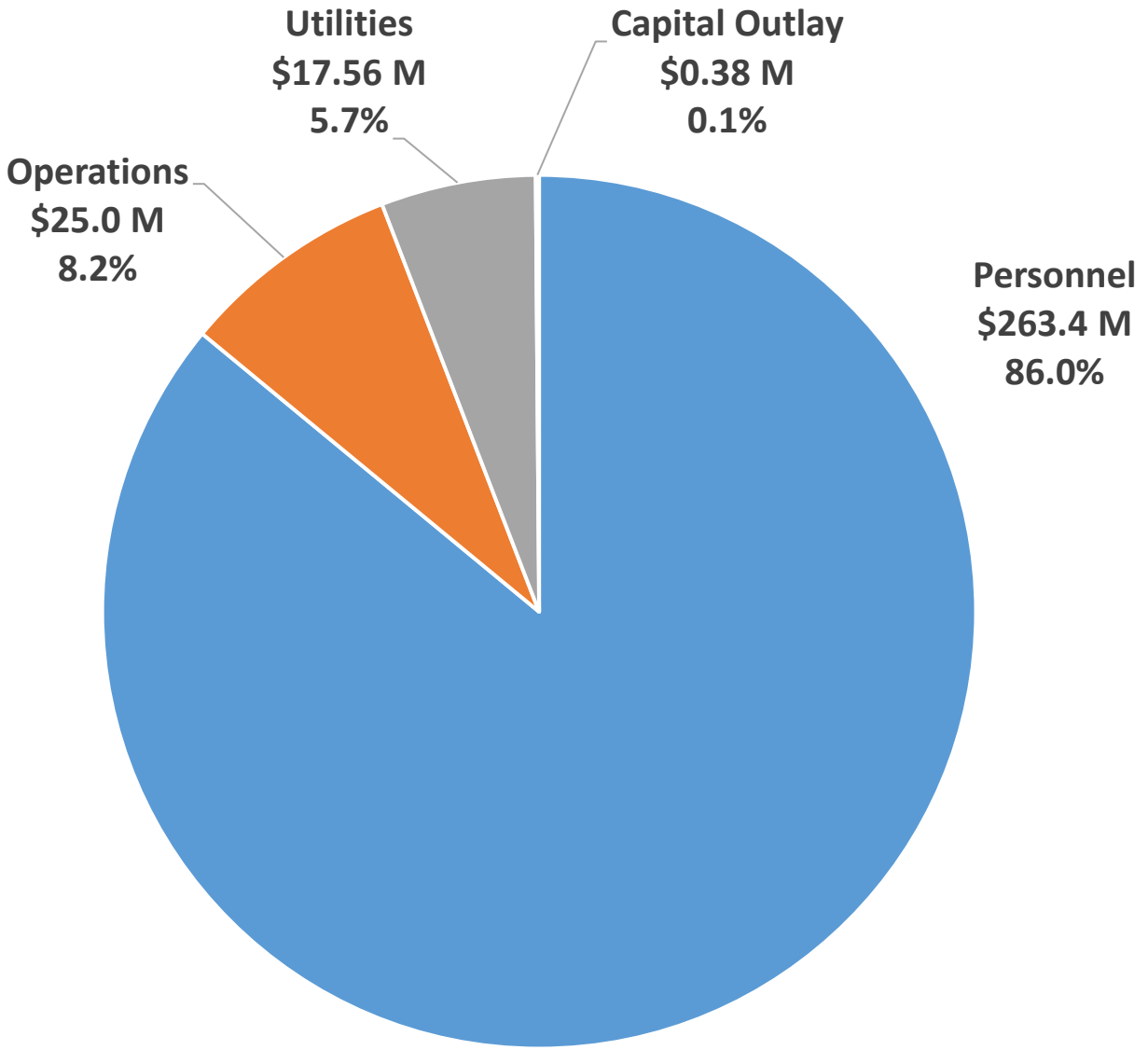
✓Alternative Dispute Resolution/Mediation (*GEFF*): $40,000

✓Grounds Maintenance (*GEFF*): $385,022

Introduction Discussion Points

- Pandemic related funds are no longer available
  - Prior year shortfalls were funded through pandemic funds.
- Increased medical/dental government share
- Everything in this budget is mandated.
  - P.L. 21-136 - *Y Kuentan Salåppe' Prinsepåt* (Principals' Fund)
  - Collective Bargaining Agreement requirements

FY26 Budget Request - $306.3M



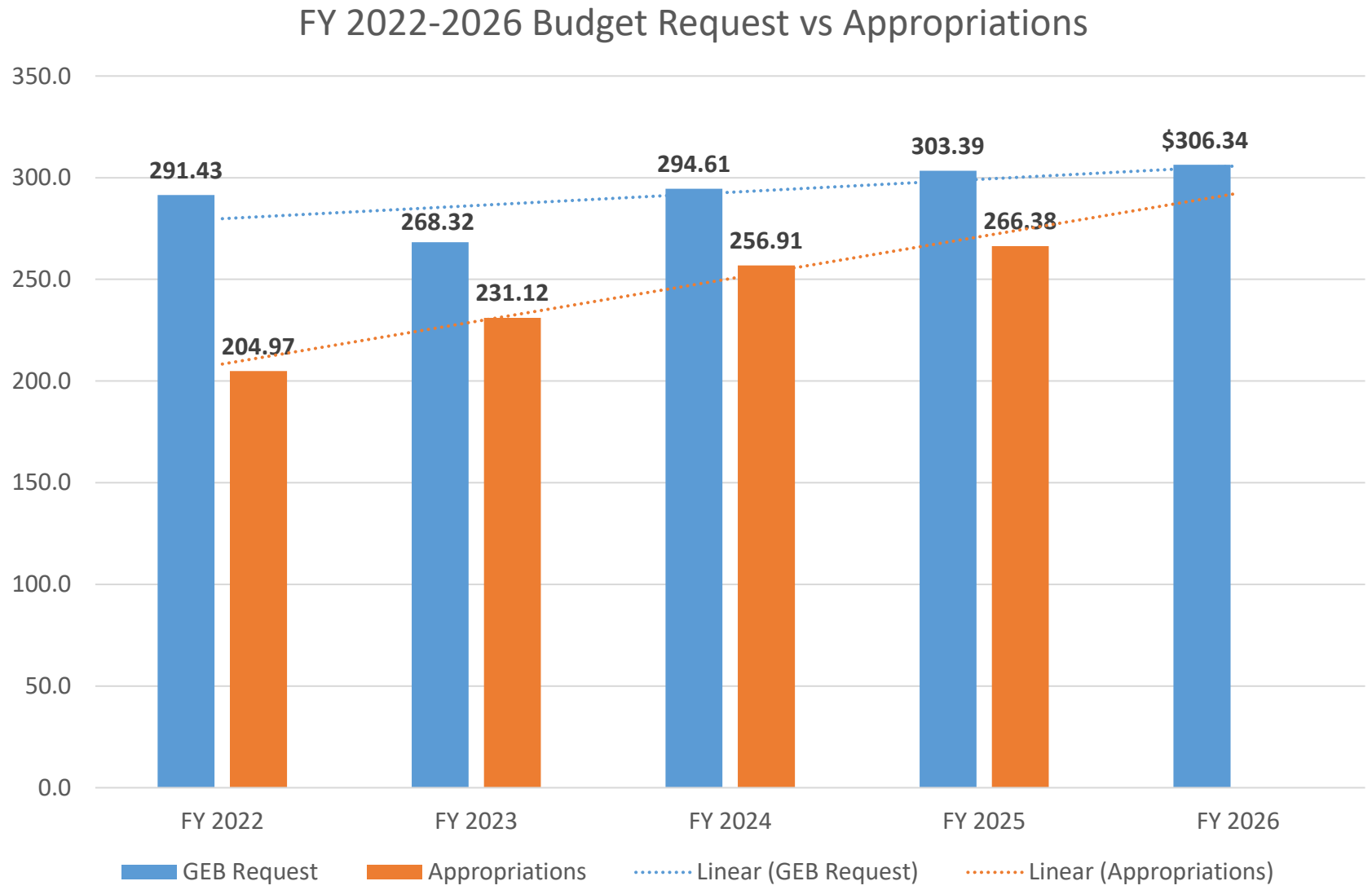
FY 2022-2026 Appropriations

FY 2026 Budget Request:

- GDOE's FY 2026 request is **$306,345,817**
  - Request increased 0.97% compared to FY 2025 budget request.

Request vs. Appropriation

- Recent Payroll Increases
  - 2022 EPP 20%
    - Admin Differential
  - 2023 GPP 22%
  - 2024 Attorney PP 24%
  - 2024 Nurse PP 18%
    - Nurse Differential
- Retirement costs increased 4%
- Increased healthcare costs.
  - $6 M YoY increase from FY24 Actual to FY25 EoY projection.



Increased Medical/Dental Costs

	FY2024 (Actual)	FY2025 (Projected)
Medical	$ 20,882,002.41	$26,800,000
Dental	$ 1,725,205.08	$ 1,900,000
TOTAL	**$ 22,607,207.49**	**$ 28,700,000**

- Roughly $6 M increase from FY 2024 (actual) to FY 2025 (EOY projected)

Personnel Budget Request – FY 2026

Personnel Budget Request – Filled Positions

School-based filled positions make up the majority of the FY26 personnel budget request with **2,286** school-based positions at **$219.8 M.**

SCHOOL-BASED FILLED POSITIONS	COUNT	AMOUNT
ADMIN ASST,ADMIN OFCR,ADMIN SECRETARY II,CLERK II, CLERK III, CLERK TYPIST I, II,III, COMP OPER I,II,III, SEC I, II TYPIST	161	$ 11,047,743
ELEM ASST & PRIN, SEC ASST PRIN, SEC PRIN MID & HIGH	86	$ 12,984,904
CAFETERIA MGR, COOK I, COOKS ASST	27	$ 1,524,609
COMM PROG AIDE, HEAD START AIDE, SOCIAL WKR, SPCH LANG CLINICIAN, AUDIOMETERIST	12	$ 954,330
HLTH COUNSLR II, III, LIC PRACT NURSE II	42	$ 5,138,877
BLDG CUSTODIAN, MAINT CUSTODIAN	9	$ 641,508
BUS DRIVER I.W.D.	5	$ 341,194
PSYCHOLOGIST	4	$ 592,823
LIBRARY TECH I, II	4	$ 263,019
SCHOOL ATTND OFCR, SPRV	8	$ 583,888
SCHOOL AIDE I, II ,III	259	$ 15,900,685
TEACHERS, JROTC INSTRUCTORS	1669	$ 169,789,996
TOTALS	2286	$ 219,763,576

Personnel Budget Request – Filled Positions

Central-based, filled positions make up **$15.02 M** of the total personnel budget request with **159** total positions

DIVISION	CENTRAL OFFICE-BASED FILLED POSITIONS	COUNT	AMOUNT
SUPERINTENDENTS OFFICE	SUPT OF ED, DEPUTY C&I, DEPUTY FAS, EEO OFCR, EMP MGT RELATIONS, FED PROG ADMIN, ATTORNEY IV, ADMIN OFCR	13	$ 1,788,001
RP&E	RPE ADMIN, PROG COORD	2	$ 276,255
FSAIS	DATA PROCESSING MGR, PROG COORD III, COMP SYS ANALYST, COMP TECH, ADMIN ASST	6	$ 572,738
CURRICULUM	ADMIN OFCR, SCH PROG CONSULTANT, PROG COORD	4	$ 502,218
CHAM STUDIES	CHAM STUDIES ADMIN, CHAM LANG CULT SPEC, SCH PROG CONSULTANT, PROG COORD, GRAPHIC ARTIST, ADMIN ASST,	6	$ 624,968
FINANCIAL AFFAIRS	GENERAL ACCT SPVR, ACCOUNTANT, ACCT TECH SPVR, ACCT TECH, MGT ANALYST, CHIEF PAYROLL OFCR, PAYROLL SPVR, PAYROLL CLERK, PROG COORD	18	$ 1,567,025
HUMAN RESOURCES	PRSNL SVCS ADMIN, PRSNL SPEC, ADMIN ASST	13	$ 1,445,400
FACILITIES & MAINTENANCE	FAC & MAIN MGR, BLDG MAINT SUPT, BLDG MAINT SPVR, SAFETY ADMIN, PROG COORD, WAREHOUSE SPVR, STOREKEEPER, CARPENTER, ELECTRICIAN, PLUMBER, TRADERS HELPER, WELDER	54	$ 3,992,932
STUDENT SUPPORT	ADMIN OFCR, PPL PERS SVCS ADMIN, PROG COORD	3	$ 403,753
FOOD & NUTRITION	ADMIN ASST, FOOD SERV ADMIN, PROG COORD	9	$ 846,942
PROCUREMENT	SUPPLY MGT ADMIN, BUYER SPVR, BUYER, SEC II TYPIST	7	$ 587,627
WAREHOUSE	INVENT MGT OFCR, PROPERTY CONTROL OFCR, WAREHOUSE SPVR, STOREKEEPER	6	$ 489,114
ESCL	ADMIN OFCR, COMTY HLTH NURS ADMIN, ADMN	4	$ 524,176
SPECIAL EDUCATION	ASST SUPT SPED	1	$ 202,217
INTERNAL AUDIT	CHIEF AUDITOR, AUDITORS, MGMT ANALYST III, PROG COORD	5	$ 596,991
CAPITAL IMPROVEMENT	PROG COORD	2	$ 201,933
TOTALS		159	$ 15,018,334

Personnel – Vacant Positions (con't)

The personnel budget request also includes **95** total vacant positions from prior years, which accounts for **$5,745,133** of the total personnel request.

Vacant Positions	Count	Amount
Teachers	16	$ 1,265,420
School Support Staff (Aides, Clerks, Admin Staff)	15	$ 678,455
School Cafeteria Staff	5	$ 209,098
School Administrators	1	$ 101,197
SPED Direct Services Staff	4	$ 259,578
School Attendance Officer	1	$ 61,130
Facilities & Maintenance Workers	37	$ 1,841,837
Facilities & Maintenance Chief Planner	1	$ 110,010
Budget & Finance Staff	6	$ 430,069
Comptroller	1	$ 118,557
Human Resources Staff	2	$ 168,599
Procurement Staff	2	$ 107,114
School Prog Consultant/Program Coordinators	3	$ 234,726
Deputy Superintendent (ESCL)	1	$ 159,349
TOTALS	95	$ 5,745,133

Personnel – Vacant Positions (con't)

Of the 95 vacant positions, **79** are vacant positions from FY25, which accounts for **$4.64 M** of the total personnel request.

Vacant Positions	Count	Amount
Teachers	16	$ 1,265,420
School Support Staff (Aides, Clerks, Admin Staff)	15	$ 678,455
School Cafeteria Staff	5	$ 209,098
School Administrators	1	$ 101,197
SPED Direct Services Staff	1	$ 71,143
School Attendance Officer	1	$ 61,130
Facilities & Maintenance Worker	34	$ 1,677,717
Facilities & Maintenance Chief Planner	1	$ 110,010
Human Resources Staff	2	$ 168,599
Procurement Staff	1	$ 53,557
Program Coordinator	1	$ 84,300
Deputy Superintendent (ESCL)	1	$ 159,349
TOTALS	**79**	**$ 4,639,975**

Personnel – Vacant Positions, Prior Years

The personnel budget request also includes **16** prior year vacant positions, which accounts for **$1.16 M** of the total personnel request.

Vacant Positions	Count	Amount
SPED Direct Services Staff	3	$ 188,435
Facilities & Maintenance Workers	3	$ 217,677
Budget & Finance Staff	6	$ 430,069
Comptroller	1	$ 118,557
Procurement Staff	1	$ 53,557
School Prog Consultant/Program Coordinator	2	$ 150,427
TOTALS	16	$ 1,158.722

Personnel Budget Request – NEW Positions

The personnel budget request also includes **160** total unfilled positions from prior years, which accounts for **$7,488,176** of the total personnel request.

Vacant Positions	Count	Amount
CBA POSITIONS	152	$ 6,948,003
- School Aides	82	$ 3,652,166
- Clerks	39	$ 1,603,790
- Library Technicians	21	$ 1,007,787
- School Counselors	10	$ 684,260
NON-CBA POSITIONS	8	$ 540,176
- FSAIS Staff (Comp Sys Analyst, Comp Tech, Operator)	7	$ 455,877
- Accountant III	1	$ 85,300
TOTALS	160	$ 7,488,176

Operations Budget Request - $25 M

GDOE's operations budget request of **$25 M** is to address the services, supplies and equipment to support the department during the upcoming fiscal year.

FY25 Operations Budget Requests	Amount
CNP – Reimbursement Fund	$ 4,845,945
CNP – Local Subsidy & Commodities	$ 3,010,000
Interscholastic Sports (HFF)	$ 767,730
Health & Physical Activities (HFF)	$ 277,589
JFKHS Insurance & Maintenance (pass-through)	--
OHS Expansion Insurance & Maint. (pass-through)	--
School Grounds Maintenance (GEFF)	$ 385,022
Facilities & Maintenance Contracts	$ 3,918,185
Technology Contracts	$ 5,138,018
Food & Nutrition Contracts	$ 260,175
Administrative Contracts (Advertisements, Audit, Memberships, etc.)	$ 371,362
Student Support / Section 504 Services	$ 374,400
Security & Safety for Schools	$ 65,846
Salappe' Prinsepat	$1,221,534
Supplies & Materials	518,726
Menstrual Hygiene Products	$25,000
(Public Library Resource Fund)	$915,082
Interscholastic Sports - Healthy Futures Fund	$200,000
FSAIS - Computer Equipment	$169,855
SPED - SPED Buses - Federal Match	$299,000
Workers Compensation	$250,000
Drug Testing	$1,000
Unallocable Federal Payroll Costs	$2,000,000
TOTALS	**$25,014,469**

Utilities Budget Request - $17.6 Million

Power
$12,456,094

Water
$4,701,050

Telephone
$410,066

Capital Outlay Budget Request - $380,225

GDOE's FY 2026 capital outlay budget request of **$380,225** is comprised of the following:

Capital Outlay	Amount
Sports Facility Fund (Limited Gaming)	$ 380,225
Total Capital Outlay Budget Request	**$ 380,225**

$275 M Budget Proposal

$279 M Feasibility

Consequences of Cuts

Each category of cuts presents real risks to both student learning and well being.

- GDOE's inability to hire unfilled CBA positions opens GDOE up to legal issues.
- GDOE is already short on utilities in FY2025, further cuts put us at risk of non-payment
- IT related contracts have been requested for multiple years, but due to budget shortfalls, they have gone unaddressed.

Si Yu’os Ma’åse

Backup Slides

Financial Analysis and Cost Estimates- **Chief Brodie**

Current Operational Costs

School #1: Current Cost to Operate: **$2,708,223.96**

School #2: Current Cost to Operate**: $4,801,104.38**

Total Current Cost to keep both schools operational: **$7,509,328.34**

Potential Cost Savings:

Total Current Cost to keep both schools operational: **$7,509,328.34 (a)**

Total Cost to run the consolidated school: **$5,396,018.47 (b)**

Fixed Cost to run decommissioned school vacant: **$199,768.00 (c)**

Potential Cost Savings a-b-c: **$1,913,541.87**

Financial Analysis and Cost Estimates- **LBJ ES**

Current Operational Costs

School #1: Current Cost to Operate: **$2,870,717.46**

School #2: Current Cost to Operate**: $4,619,133.10**

Total Current Cost to keep both schools operational: **$7,489,850.56**

Potential Cost Savings:

Total Current Cost to keep both schools operational: **$7,489,850.56 (a)**

Total Cost to run the consolidated school: **$5,108,748.08(b)**

Fixed Cost to run decommissioned school vacant: **$81,628.43 (c)**

Potential Cost Savings a-b-c: **$2,299,474.05**

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Chirstopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Wednesday, April 30, 2025** at **2:00 PM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Thursday, April 23, 2025** (5-Day Notice), and again on **Monday, April 28, 2025** (48-Hour Notice).

SENATORS PRESENT
Senator Christopher M. Dueñas, Chairman
Vice Speaker V. Anthony Ada
Senator Sabrina Salas Matanane
Senator Telo T. Taitague
Senator Vincent Anthony V. Borja
Senator Eulogio Shawn Gumataotao
Senator Therese M. Terlaje
Senator Chris Barnett
Senator Sabina Flores Perez

ORAL TESTIMONY:
Justin Castro, General Accounting Supervisor, GDOE
Jordan Bukikosa, Management Analyst III, GDOE
Angel Sablan, Member, Guam Education Board

WRITTEN TESTIMONY:
K. Erik Swanson, Ph.D, Superintendent, GDOE
M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **[2:02 PM]**

[Questions and Discussion] **[***Begins at 00:33:00 and ends at 02:51:41*]

Chairman Christopher M. Duenas: Bueñas Tåtdes and Håfa Ådai! Welcome to the Guam Legislature Committee on Finance and Government Operations is now called Order at 14:02. That's two o'clock and two minutes. This is April 30th, 2025. First notice that this public hearing was disseminated to all senators and media outlets on April 23rd, 2025, and its second notice disseminated on April 28th, 2025.

The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's public Notice portal. The committee will now hear bill number 44-38 (COR) introduced by Committee on Rules by the request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam, AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS. This afternoon, we are hearing the budget for the Guam Department of Education. Joining us for this public hearing is of course our Chairman of Education, Senator Borja, also Senator Sean Gumataotao, and Senator Chris Barnett.

Thank you Senators for joining us for this budget hearing with Department of Education. This afternoon, those testifying on the bill number 44-38 (COR) relative to the Guam Department of Education. You've already been seated and at the hearing table, and then I'll be getting my sign-in sheet. Before we begin, I'd like to remind everyone in attendance of the *I Liheslåturan Guåhan's* General Rules of Conduct. Individuals testifying shall first be recognized by the chairperson before speaking, and shall state their full name for the record and record keeping purposes. Questions and testimony shall be confined to the substance or the nature of the bill that's on the agenda. Personal inferences to character motive of any senator or individual testifying are not permitted. The chairperson of the committee may order the removal from the public hearing room of any member of *I Liheslåturan Guåhan*, or the public audience who fails to observe property quorum. Pursuant to the 38th Guam legislature Standing Rules, any violation of this general rule of conduct will result in immediate removal from this public hearing room. At this time, I'd like to ask the Sergeant Arms to, first of all, we'll have our panel rise, and the sergeant arms will swear you in for this budget hearing

Edward Pocaigue, Sergeant at Arms: Under penalty of perjury do you affirm that any and all information you provide today, whether it be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth. Mr. Chair, under oath, you may proceed.

Chairman Christopher M. Duenas: Thank you, Sarge. And also I'd like to welcome our Vice speaker and the vice Chairman of this committee vice chair vice speaker Tony Ada. Welcome to the hearing this afternoon. So, this time we'll get started on the presentation from the Guam Department of Education. I understand that we have a PowerPoint presentation and that will be delivered. Mr. Superintendent who's gonna deliver this PowerPoint presentation?

K. Erik Swanson, Ph,D, Superintendent, GDOE: Good afternoon Senators. Thank you very much for the invitation and this opportunity. My deputy for finance, Mr. Paul will be presenting the details of the information, but we're all prepared to answer questions for you.

Chairman Christopher M. Duenas: Thank you, superintendent Swanson. So, Mr. Paul, identify yourself for the record when you begin, and please proceed with your presentation.

M. Wade Paul, Superintendent of Finance and Administrative Services, GDOE: Okay, I'm the Deputy Superintendent for Finance and Administrative Services. Services for the Guam Department of Education. My name is Morgan Wade Borja Paul. I go by Wade and Paul is the last name.

Good afternoon, Vice Speaker Ada, Senator Duenas, Senator Borja, Senator Gumataotao, and Senator Barnett. I don't know if we have the slides up yet. Yep, there we go. The first part of we want to address is Bill 44-38 sort of give you a one slide summary of how we feel about those proposals. The items with check marks beside them, we are a okay with that's sufficient enough funds to cover our requirements in those areas. The *CHamoru* studies and special programs division our budget requests we're asking for about 110,000 more than what's in the proposed bill. A lot of our costs you're gonna see in this briefing are due to increased health insurance, both medical and dental, and also increased retirement fund contributions from the Guam Department of Education regarding the maintenance of schools. Yes, exactly this is what we need in order to, I brief legislature back in February on our Plan to try to put maintainers back down at the schools. I'll let y'all know that we had about 41 wrench, actual wrench, turners plumbers, electricians, carpenters, and

we're trying to beef that up that's, that comes out to about one maintainer per campus, and we're trying to beef that up. So we have at least these teams of 10 down at eight different sites closer to the schools, and to do that and to provide them with the appropriate materials every year their, the pay of course, and their tools will run us about 8.5, I apologize. Interscholastic sports in the current bus fiscal year, we are finding that we will be short, approximately four, 400,000. So, based on that, we're looking at approximately we're requesting 768,000 approximately to cover that shortfall. This was a shortfall we had last year where we're taking from our general fund pot. And we're experiencing the same difficulties this year trying to pay for the athletic directors, the coaches, and the associations that referee our interscholastic team for our kids after school sports programs. I don't know if you want to ask questions with each slide or go through the briefing and then ask questions.

Chairman Christopher M. Duenas: Yeah. Mr. Paul, I'd like to complete the briefing and then we'll start the questions.

M. Wade Borja Paul, Superintendent Finance and Administrative Services, GDOE: Alright, next slide please. So, I'm starting this briefing off just to remind everybody that all of our pandemic related funds are gone. ARP ESF II are we are not using, we can't use those funds. We're having difficulty drawing what we have left on those funds and we relied on them heavily in since they were introduced in 20 21, 22, 23 to pay things like our utility bills.

The Guam Cleaning Masters contract was paid by ARP. So many of our contracts were paid using the pandemic federal funds, and that's one reason we need an increase in our requested budget. We'll discuss the increased medical and dental costs briefly, but they're a major component of the increases requested in this budget.

Next slide, please.

One thing I do wanna say that everything in this budget is absolutely necessary. There's no fluff. The *salape* pot is based upon Guam Law that's how we supply our schools. We're trying to meet the collective bargaining agreement with the Guam Federation of Teachers requirement. And that is 152 positions that we are currently not filling because we don't have the budget for it. So, it's sort of our obligation to

meet that requirement. And yes, I have talked to the GFT about trying to renegotiate that contract that was signed several years ago in the slide before you, this is our budget request.

306 million breaks down into the amounts; 260.4 million in personal cost, 25 million in general operating costs, 17.6 million in utilities cost, and a measly 380 thousand in capital outlays, which in my personal opinion, is not sufficient to take care of our schools especially with the larger contracts, as is usually the case personnel is the largest port of portion of this budget, 86%. The 25 million in operations represents 8.2% of the request. This covers GDOE's contractual needs, supplies and equipment. Utilities costs round out the budget at an estimated 17.56 million covering power, water, and telephone services that's 5.7% of the requests, and then capital outlays are very minimal. Basically covering what's appropriated from the limited gaming fund for sports facilities. That again, that we're only reserving this limited amount for our schools tells us that we need to come before you with another budget request. That's separate, that identifies the capital improvement project needs that we have for each of our schools.

Next slide please. Here we have a five year comparison showing the relative stability of GDO E'S budget request over the years. As mentioned earlier, in prior fiscal years, the budget shortfalls were subsidized by pandemic era and federal grants that covered down the opera on the operational needs of the department that local appropriations were insufficient for.

As some of you may be aware, ESF and ARP funds paid for our utilities for several years, as well as funded district-wide supplies and equipment needs. These costs are now moving back into the local budget as they are recurring costs that must be addressed to maintain operations moving forward. GDOE is making every effort to be fiscally conservative as evidenced by the restrained approach to increasing the GDOE budget request. You can see our budget request has pretty much remained steady over the years. This is the amount that's appropriate to fund GDOE, but as costs have been climbing over the years, and those costs again are the medical and dental insurance that we pay for our employees, the retirement even the increments, the required increments, those every year drain sort of drain our budget.

Next slide. Okay. We're. So this is a bur next slide. This is what we actually spent on medical and dental in FY24 and what we're projecting for FY25. Just to give you an idea of how those costs have increased, it's roughly $6 million, and based on what we're hearing in public hearings we foresee that there's gonna be further increases in FY26.

Next slide. So here we have the breakdown of personnel cost. The top line personnel request is an additional 30.2 million compared to FY25. The breakdown of at, of that difference is at the bottom of the slide.

What constitutes 13 mil? The $13 million difference from FY25 is generally, it comes from the increased healthcare and retirement costs, employee increments, nurses pay plan, et cetera. Most vacancies from the 2025 budget requests were cut due to the budget shortfall. We have a significant request for on-call substitutes. The second line our role is generally we budget for 10% of a school's population of teachers. Currently with the money we have allocated for that, we can hire about 34 substitutes that they are paid hourly. They're not paid a salary. So, the money is only dispersed when the on an hourly basis when the teacher shows up to cover our class. But our average absenteeism is about 10% any school day and to meet that requirement for all the 41 campuses, it’s the true cost is about 7.7 million.

Next slide. Okay. I'd like to go back to that last slide please. Teacher reclassification. Why is that reclassification doubling from previous years, the current year cost exceeded the appropriation level of 850,000 figure. The 850,000 figure more closely aligns with expected costs of teacher reclassification based on the budget meetings with the principals. Why does GDO need GDOE need more teacher prep pay when it's already requesting so much more on, on-call substitutes. It's a balancing thing. We either pay substitutes or we pay teachers to spend their additional prep time in the classroom handling a class for an absent instructor. How can just GDOE justify millions of dollars in vacancies and new positions? We have slides addressing the breakdown of both vacant positions and the new positions following this slide. Generally, these vacancies are positions that were requested, but were not funded in FY25. These positions went unfilled, putting undue hardship on our on our school system by not filling vacant position vacated positions, GDOE was able to reallocate funds towards other district needs that were cut.

Due to the FY25 shortfall, the new positions that you're gonna see in the next slides are 90 some 9% requirements set out by the CBA, the collective bargaining agreement.

Next slide. For the field positions our bottom line cost is 219.8 million for 2,286 Currently field positions, school based, I'm sorry. These are based on the December 31st, 2024 staffing pattern. The school-based positions under this budget, they include all school employees as well as employees hired by the divisions who provide school-based or directly service schools and students, GDOE on the cafeteria, GDOE does operate for cafeterias requiring ca, cafeteria managers and staffing.

Next slide. This is our central office field positions, a total of 159. And the expected cost for those positions is 15, approximately 15 million.

Next slide, please. These are current year vacancies. We're continuously trying to hire all school-based vacancies and board authorized positions, which include facilities and maintenance workers, the comptroller and procurement staff.

Next slide. So, these are vacant positions also that we're trying to hire, and we've included in there the fif, the 34 additional maintenance workers that brings our maintenance teams up to approximately two wrench turners per school.

Next slide. Right now we have procurement staff that are being hired through federal grants. We have two procurement people that are paid by Consolidated Grant in our procurement office. We have in our procurement offices, we just had one individual depart, but he was the buyer for the SPED program. The last item at the bottom are school program consultants. These are people we need to manage textbook coordination and program coordinators and SRO program coordinators.

Next slide. These are brand new positions that we are trying to hire, DOE hasn't been able to fill and most of these are the CBA requirements. You can see at the very top, those are the collective bargaining agreement requirements and these are based upon Student population. So when the school submitted their budget to us we gave them

guidance to look at the CBA and indicate their requirements based upon the school populations. And then the budget staff also went in and crosschecked what they submitted with the actual to verify that it was in accordance with the collective bargaining agreement. And then we have the positions at the bottom. There's 16 that we are trying to fill. Those are non CBA positions. I'm sorry, a total of eight. And that's for our IT department and budgeting office, business office.

Next slide. This portion of the budget is the operational budget, 25 million. Basically, it's all our contract services supplies that we require to support our schools.

Next slide. Utilities. It cost us about a million per month, just slightly over a million per month for power.

Next slide. And then the capital outlay budget. I've been asked before I know we're up at two point for our capital outlay 2.1, we're up at 2.1 because we haven't spent that money over the years. But if we were to spend out this money 380,000, for example, in one year, we wouldn't get anything that's just enough to cover that. That's not enough to cover the repair of one gym floor. So we need to accumulate this money over years and then spend it on the bigger requirements. And one of the things that the committee and I, the educational the ESFC and I have been considering with what we've accumulated, the 2.1 million is to use that towards southern high schools athletic fields.

However, with the requirement to now pay ARP bills upfront that idea is sort of put on hold because we're gonna use some of that money to pay ARP bills and then in the future we can still use it to do things. Big projects like the Southern High School athletic field. Bottom line again, is the funds we receive in this arena are just insufficient to take care of the major projects required in all of our schools.

So, we were asked in a meeting about a month ago at the OFB to come up with a budget proposal of 275 million. And my question is, what do we cut? What of these essentials do we cut? Do we cut out? The collective bargaining agreement positions. Do we staff the school with 5% of substitutes rather than 10%?

It's, I mean, hev as I said in the beginning, everything in this budget is essential. It's based on do we cut the principles *salape* pot by half. It's and we've approached that and we want to show this to the legislature that yes, we have considered cutting our requirement down to 275 million as OFB asked us to, but it comes with risk. So, in the notes on the bottom of this slide we can cut out all the new, the vacancies and new positions, but then we're risking again, maintenance. Big slide right there. They're not seeing it.

Oh, next slide. I'm sorry. There we go. Thank you. As I said, we can cut out the on-call substitutes and reduce that by half and that impacts a classroom. Then you have, as when I was teaching down at Southern and instructors were absent, they sent all the kids to the cafeteria and put two or three school aides in there to manage them, but they weren't getting classroom instruction. I used to have that those school aides send the ROTC kids up to me to so that we can at least have them sit in an ROTC class rather than, you know, joking with their friends down in the cafeteria. But when we're asked to make budget cuts or to bring our budget to a certain number just to meet that number, it's, it is literally putting different areas of GDOE at risk.

Next slide. So, we did look at, okay, what can we get to, besides 275? We could possibly go to 279 million, but again, that puts things at risk. In the field positions, we would for example, we're currently funding 227 million. We're asking for 240, so that's where we can make up a shortfall. But then again, we're not filling the requirements for GDOE. This, this is just a slide that presents, okay, you want us to go there, but this is what happens if we go to that amount. So, we're trying to present you with an honest picture of what we need at GDOE.

Next slide, sort of a wrap up of consequences of our cuts. On, on the biggest one is our, we're unable to hire CBA positions. We're already short on utilities. When we submitted our Schedule F back at the beginning of the fiscal year to match it against the appropriations, I had to cut out all of the contracts. And a lot of those contracts, again, some of them were funded by ARP but no more. We don't have that, that ability anymore. And then the other thing we had to do is reduce our utilities, but on paper. But the utility costs are real. And right now we're estimating we may have to take out of our general fund 5 million to cover utilities prior to September 30th.

Our IT related contracts are a large portion of our budget request, but that's simply because we have aging IT infrastructure out at the school switches need to be replaced. And the switches, I've asked our IT person to be here today. Switches are not cheap. The board asked about when we submitted our budget request asked about why are these switches so expensive? And we had to provide the board with an answer for that, but our infrastructure needs to be maintained. We need to maintain our IT PowerSchool, all the systems we run on informa, on IT PowerSchool units and network security for the safety of our kids. So, these are all contracts that that we rely upon to provide internet service to our schools.

So, if we're gonna cut the budget, it's gonna go back to those areas. We are not gonna be able to staff the required CBA positions. We're gonna find ourselves drawing from the general fund, our general fund in order to pay utilities and hope we're gonna make it through the year. And then we are risking IT related services to our students.

Next slide. We're ready for your questions, Senators.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Mr. Paul. So, I noticed you have a couple of backup slides here. I guess that'll be part of a discussion after we finish this back and forth. Is this potential savings as well on your backup slides?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yes, Senator. I expected, tried to foresee what your questions would be, and I wanted I thought maybe you would you would ask about our plan to close schools and what the savings are on those.

Chairman Christopher M. Duenas: Okay.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: And so we provided you the cost savings and those backup slides.

Chairman Christopher M. Duenas: And these are not contemplated within the budget, but they are potential savings.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: They are potential saving, yes. Okay. They're not contemplated in the budget.

Chairman Christopher M. Duenas: Okay. So, in addition to what you discussed on what you would need to do this would be on, on, on top of that this would, right.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: This would help us. I mean, this would help us save some money and reduce our budget requirements.

Chairman Christopher M. Duenas: If this happens. Okay. Before I go to the chairman, I just wanted to outline a couple of things for perspective, Mr. Chairman. So, for our listening audience and following along, we, in general budgeting practice, kind of on a fiscal year basis is kind of a three year look three year average.

And so, just so that we can put it in perspective in 2024 expenditures and encumbrances grand total was 248,000,345. Authorized level for fiscal year 2025, which we're currently in, is 266,000,613. And of course at this time you mentioned, of course, yes, OFB did give you a number to work within the governor's request for my colleagues. We wrote it in to save paper, but it was just not totaled from the governor's request. So the governor's request is close to what we asked you to work with as well. The 270, her request is 276,668,647. And that includes the 8.5 of course for maintenance. So, with that, I just, I have a couple of additional questions just to also kind of put things in perspective.

Lemme go to my notes real quick. First of all, what is what is the status of your compliance with the audit and if not having completed the ability to send it forward for the big audit with regard to the OPA can you give us a status on that?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Sir, we're still working on our audit. There were, in our last meeting last week, there were several items. One is a s that still need to be completed. And my budgeter audit qualified a gentleman, Justin Castro was here. I'm sorry. I

should have introduced my team here. Jordan Bukikosa is the budget. He just took on the job about two months ago, a month ago to become our Chief Budget Officer.

And then Justin Castro's been with me since October last year, transferred over from GWA and he's one of our general accounting supervisors. But he's, his main focus is now the audit. So, there are items that are due. We have another Zoom meeting with OPA this Friday, and Justin can give an update on where we are with completing the requirements that Ernest and Young.

Chairman Christopher M. Duenas: So, the clarification is you haven't closed the books?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Say ity again, sir.

Chairman Christopher M. Duenas: The clarification is you haven't closed the books 2022.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We have not completed the audit, no.

Chairman Christopher M. Duenas: Okay. And this is important because I've been predating everything that we're doing, getting as close as we can, as have a picture what the audit's going to look like. As far as I'm concerned, 2023 is dated. It's somewhat useful, but not as useful as, of course a complete audit would be. I've got a kind of a promise from DOA that in June they'll at least give us the first quarterly, which kind of is is a picture of where things would be and an on kind of like, a draft. And so that's why I'm asking this 'cause this is gonna be important for when we go and hit the floor. So. The books aren't closed. Can we just get an answer on that?

Justin Castro, General Accounting Supervisor, GDOE: Justin Castro, General Accounting Supervisor for GDOE yes, that is correct. We are still making period 13 adjustments to finalize our SEF Red, which is needed to clo to finalize a final, the financial audit, which would then go to EY for their, for the government wide closure, yes.

Chairman Christopher M. Duenas: Okay. And the one again, once again, the reason why is this question, 'cause I was going through and I was looking at some of the numbers. 'cause we're talking about a number that's being presented as being no fluff, but I just wanted to go through this GDOE's audit have shown operational surplus in the last two years. Can you tell me if you're tracking that surplus this year? And if so, what would that surplus be? Even with the funding we gave you last year that's what the audit shows.

Justin Castro, General Accounting Supervisor, GDOE: Alright. Is he talking about the

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: For FY 24, we did have a surplus lapse approximately $4 million. But that la I mean that money was quickly spent within the next payroll. I. Pay period. A lot of it went to payroll. But that's the only lapse I'm aware of.

Chairman Christopher M. Duenas: Okay, so with that, I will..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Now regarding the SEFRAD, one of the issues we're trying to resolve is we're showing expenditures greater than revenues on the federal side. And so Justin is working hard to review to reconcile what that difference is. And one of them is the $51 million request that we submitted to USAID that was shown as an expenditure, which it truly is not, but we put in it as a journal entry. And that's causing issues right now. So, we have to ver reverse that general entry.

Chairman Christopher M. Duenas: So, what if you were to receive that? It would clean it up.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: It would clean it up, yes.

Chairman Christopher M. Duenas: Okay. With that, I'm gonna go to the chairman Chairman, Senator Borja.

Senator Vincent Borja: Thank you, Mr. Chair. I you know, I, it's not that I don't have any questions, but I. Obviously been working with my new best friends over the last couple months in regards to helping them, trying to facilitate the ARP dilemma in regards to, to the refurbishment in the FEMA project or the federal project. So, I'll go ahead and defer to my colleagues and continue to work with them and take notes as well, so that there, those are things that we can also address as I continue to work with them with their finances. Thank you, Mr. Chair.

Chairman Christopher M. Duenas: Yeah, I asked the oversight Chair your chairman the other day. Did you schedule a meeting with DOE, He says I'm meeting them twice a day for the past several weeks. So yeah I think he's kind of familiar with everything that's going on at GDOE. So, with that for this, for our senators I have because of this as a budget meeting and you know, a lot of material to go over, I have implemented a 10 minute clock. And when we complete that, I will go back for follow ups as well. So, I just ask you to use your time wisely. But you know, it is double the five minutes we normally do. And then I will allow also for follow ups, sometimes other senators ask questions that, you know, answer other people's questions as well. So, we'll just do it that way. So, in the order of arrival Senator Gumataotao, you're next.

Senator Eulogio Shawn Gumataotao: Thank you Mr. Chair and thank you to GDOE for being with us today. Let me just go ahead and start for the record. While the total budget requirement for field positions at GDOE increased from 140,098,195 and FY25 to 153,231,650, or 13.1 million more in FY26, the total budget requirement for employee benefits decreased from 86,943,856 in FY25 to 84,243,148 or $2,700,000 less in FY26. What information is available on the reason or the reasons for the $2.7 million decrease in employee provided benefits next fiscal year, recognizing that retirement and health insurance costs continue to increase?

Justin Castro, General Accounting Supervisor, GDOE: Sure. So with the budget call that we got from BBMR. The new positions that we allocated for the benefits were as if the individual was single or non had no dependents. So they were budget at a lower rate. And in actuality GDOE employees many of which have families from their will, will get skewed. We won't get the true numbers until we actually see the true rate.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: They were, we were basing the proposal off of BBMR guidance of how to calculate healthcare cost.

Senator Eulogio Shawn Gumataotao: Okay. Recognizing that GDOE'S FY26 budget request is based on an employer retirement contribution rate of 34.8%, what information is available at this point confirming whether the contribution rate will further increase? And if this were to occur prior to the new fiscal year, how exactly will GDOE absorb the additional cost?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: How will we absorb it? How we absorb everything else. We look at our general fund and say what can we pull out of that? Or where can we borrow money from one of the other appropriations to pay a bill that's in excess of what we can. We don't have the current cost or percentage rate for retirement retirees. So, we went off of that 34.8%. I don't know if that answers your question, Senator.

Senator Eulogio Shawn Gumataotao: No, thank you. Of the 95 vacant positions plus another 160 new positions that are noted in your budget request, how many of these, I say I see it twice, but for the record, how many of these are teaching positions, including those positions, which the annual budget law authorizes to be filled temporarily with the help of retired GDOE educators?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: 16. Yeah. Teachers vacant, current vacant positions is 16 per the chart, per the presentation for this one. But showing, yeah, we're not showing in the CBA, we're only showing the school aides, the library techs, the clerks and the school counselors. We try to fill the teacher positions. There's no stopping on that. So, a lot of these vacant positions are purely based upon the, as far as the 16 are purely based upon teachers leaving and us, you know, rehiring.

Senator Eulogio Shawn Gumataotao: Okay. 'cause as I look at the it's a little confusing 'cause you have two sections of showing. I have 16 vacancies. So, is it 16 or is it 30? You know what? Whatever the number is. 32.

Jordan Bukikosa, Management Analyst III, GDOE: Thank you. Senator Gumataotao. My name is Jordan Bukikosa. I'm the new Management Analyst III with the Department of Education.

Senator Eulogio Shawn Gumataotao: Thank you.

Jordan Bukikosa, Management Analyst III, GDOE: So, the reason why it's split up between the vacant and the new you know, this is more based on, of course, GDOE's understanding of what constitutes a true vacancy. We're looking at positions that are under those 95 vacant positions. You see on the slides. We broke it up into those that were from FY25. So, these were positions that were authorized by the board. So that's why you see those 34, or, sorry, one second. The 30? Yes, the 34 facilities and maintenance workers, these were positions that we, that were created within 2025. There was funding available to them, and so that's why they're now listed as vacant, moving into FY26 versus the new positions.

These were positions that were. Complete. They're basically brand new. So of course, the CBA requirements have existed since the CBA was signed. But the way that we create them in the system is different from these vacants. So that's why on the teacher side that you're seeing the 16 teachers. Those 16 teachers, like, the deputy said they're based off of teachers who were working in 25 but now have since left, whether through resignation, retirement, or transfer, et cetera. And now we are trying to refill those VA recently vacated positions, whereas new positions we wouldn't necessarily see them. This is more something that I, you know, and I wish that we had a representative from Commander that's our committee to maximize district resources. 'cause then they would be able to explain a little bit more about how the vacancies are looking in terms of teacher recruitment and maximization. And they would be able to provide that information. So if you would allow us, we would happily gather that information to respond.

Senator Eulogio Shawn Gumataotao: Yeah, no problem, Jordan. I think that as long as you get it back to the committee that it's absolutely critical.

Jordan Bukikosa, Management Analyst III, GDOE: Thank you.

Senator Eulogio Shawn Gumataotao: With respect to teachers who are absent due to long-term medical illness or military orders, for the record, what information is available regarding the average length of a teacher's temporary absence from the classroom? And aside from the help that's being offered by retired GDOE educators, what steps are being taken by you all, Mr. Superintendent and the rest of GDOE to minimize the impact these absences may have on student learning?

K. Erik Swanson, Ph.D, Superintendent, GDOE: First of all Senator, the effort, we try to make the deal with the military absence first. We try to work with our folks that are in the guard and we have an on any given, since I've been here any given time, we had anywhere from 35 to 50 of our employees activated with the guard. We've been able to plan in advance for most of them, it's not a surprise. So we can basically handpick a substitute or temporarily hire a retired teacher who's got the background and certification in that area to be able to cover the class. And when in the cases of building principals that get deployed, we actually take one of our other administrators and detail 'em to that or have them share the responsibilities across schools. We have that in operation right now.

Senator Eulogio Shawn Gumataotao: Alright. Thank you, Mr. Superintendent. I only have a couple more questions, Mr. Chair. Since my letter of April 4th, 2025, requesting the office of the governor of Guam, specifically the governor of Guam, to deploy financial and grants management personnel from other agencies to provide GDOE with technical assistance, which may be necessary to preserve federal resources for their intended use. For the record, what assistance has been extended by the big executive branch to include the Guam State Clearinghouse Bureau Budget and Management Research and the Department of Administration? Are they coming to help?

K. Erik Swanson, Ph.D, Superintendent, GDOE: At this juncture, we're doing everything in-house. We haven't received any assistance from outside.

Senator Eulogio Shawn Gumataotao: Have they extended the offer to you?

K. Erik Swanson, Ph.D, Superintendent, GDOE: Not to me.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: They have not. I have not received anything offering assistance, so.

Senator Eulogio Shawn Gumataotao: Okay. Thank you for being straight. I think that for all of us as we're watching this and I think at any hearing over the last three or four months, other executive branch help could be useful. At this time, I only have one more question, Mr. Chair. 5 GCA Section 211.1 (F) provides that with the exception of the judiciary of Guam, the Guam Community College, the University of Guam, and the Department of Education, and not withstanding any other provision of law to the contrary, no application for any federal aid programs, grants, loans, contracts, contributions, advances, direct federal development or other federal funding shall be submitted or deemed approved on behalf of the government of Guam or any agency division, office department, or instrumentality thereof, or any public corporation without the final approval of the Director. This being the Lieutenant Governor Guam of the Guam State Clearinghouse, recognizing that legislation is under consideration by us here in the 38th Guam legislature requiring a thorough review of all applications for federal assistance or participation in federal programs prior to the submission of such applications to the federal government.

What discussions, if any, have taken place on the possibility of extending the intergovernmental review to GDOE, recognizing the challenges that your department continues to face in managing these resources and the fact that we have failed to take full advantage of federal resources, a good portion of which could be returned to USDOE?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We have a review process with the board as far as the grants. But if you're asking, if we support further review it would lengthen the timeframe to get a grant application into the US Department of Education or whatever takes over the grants if, when they go away. But I don't see any issue with it. It would just be a timing issue for us to. Okay. The grant, the application is due on this date, then we need a back plan.

Senator Eulogio Shawn Borja: Okay, Mr. Chair, I actually had a half of a question. This is more toward the board chair. In our recent meetings, we discussed whether or not there would be, might be a change in policy relative to some of the double sessions. There's a current policy that allows if you're a student that lives within one mile of a school to perhaps walk and use critical bus operations resources to maybe address some of the other parts of your district, especially with double sessions. Is there a consideration to push this out in the next school year? That, well, one, we'll ensure probably some of our kids are a little healthier when they come back and throughout the academic year and two, to really protect those critical bus resources at a time when we really I think we could probably detour it to help support some of the other double session needs in the department.

Angel Sablan, Board Chairman, Guam Education Board: Angel Sablan, board chair of Guam Education Board. Thank you for the question, Senator. Yes. We're looking at this as a holistic approach because some of the options that have already been put on the table by the commander team also depends on bus operations and how far these buses, if we took some kids from Yigo and send them to GW or even farther away. Where would the buses come from and can they get to school on time after picking them up? So, the whole thing about walking to school, unfortunately, there's a lot of schools that are not very, especially high schools, that are not very close to residential areas. So, most of them, if not all of them, have to be bused or drive their own vehicles, the high school students, or be taken there by parents. But yes, we are looking at that whole approach.

Senator Eulogio Shawn Gumataotao: Oh, no. And I agree. I think that we have elementary and middle schools where there's busing happening and our roads are much better that perhaps the idea of walking within one mile of a school could be absolutely critical.

Angel Sablan, Board Chairman, Guam Education Board: And so our team is working with DPW to make sure that all this works..

Senator Eulogio Shawn Gumataotao: Thanks.

Angel Sablan, Board Chairman, Guam Education Board: for everybody…

Senator Eulogio Shawn Gumataotao: Alright. Thank you Mr. Chair. And thank you, Mr. Chairman for the time this afternoon. Appreciate it.

Chairman Christopher M. Duenas: Si Yu'os Ma'ase, Senator Gumataotao. Senator Barnett, you're recognized it this time.

Senator Chris Barnett: Mr. Chair. And thank you to the Sup and the management team and Mr. Chair for being here.Wow, what a place we're in too. As Guam Department of Education as in my eyes, reaching a tipping point. As you know, we're facing severe financial, operational legal challenges that are being addressed in my opinion, in isolation instead of as a collective and a systemic failure. And I think that's also reflected in the fact that we don't see. Anything in the budget relative to some of the payments that have to be made to finish construction on the schools. I'm just of the opinion that you should have put it all in here. You know, if we're talking about 25 million to complete FBLG and Agueda Johnston, or 17 million to address the schools in the south which I haven't heard much of in a lot of these discussions that have been happening with the committee.

As you know, we're facing lawsuits with the Adequate Education Act. We're facing lawsuits with special education and the challenges continue. I kind of wanted to first start with Mr. Paul, I've been receiving a lot of concerns from teachers relative to the Aspire program. For those who don't know what Aspire is, it's an afterschool program for instructional remediation and enrichment, and it's designed to provide additional support and enrichment for students. And grades K through eight, it offers supplemental classroom instruction and activities beyond the regular school day, focusing on skills taught during the day, and providing opportunities for students to engage in activities they wouldn't typically experience during the regular school day.

So, as you may or may not be aware, I've been in receipt of a lot of concerns and complaints from our hardworking public school teachers about the status of the Aspire payments. And I'd like to firstly ask why were Aspire program teachers not paid within the required 20 day period after the program's ending? And who is accountable for this failure to meet the basic legal obligation?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Sir, that's if anybody's accountable. Since I'm the DFAS, I'm accountable for it. And I it's another system we're trying to fix. The whole process starts in curriculum and instruction. They provide us with the documents first. They provide us with the plan of what the funding requirement's gonna be. And then they provide us actual hours of work for the Aspire and early bird teachers. There has been a problem. Of course as let you know earlier, Jordan Bukikosa just came on board last month. He's been busy working with the ARP issues and then the budget, this budget request briefing. But I have he's cleared all the documents that we've received from curriculum and instruction. We've certified the funds and my instructions to payroll today was we need to pay them out tomorrow for the Aspire and Early Bird. But I think we can fix this. It's just one of those areas I've gotta go into and look at how the flow is and and try to reduce the length of time of that flow. Yes, sir. Can you hear me okay? Sorry.

Senator Chris Barnett: Thank, Move closer. Yeah. Mr. Paul, thank just a little bit louder. Okay.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: So, so I said th this is a systemic problem that I need to address in the DFAS section, but it. It also ties in with curriculum and instruction. We getting the documents in because it's not the first time we're late on getting Aspire (Inaudible)

Senator Chris Barnett: So it kind of sounds like you're saying that curriculum and instruction dropped the ball in submission of the documentation.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No, I'm not claiming my partner. It's a problem that because sometimes the holdup, in fact the holdup, I just beat up Jordan, like every day this week my fiance is an Aspire teacher. So I get beat up, not by, just by my boss but also, and by you, Senator Barnett, but also by my fiance. So, we will have this the most recent Aspire payments out by tomorrow.

Senator Chris Barnett: And is that gonna cover the totality of what's to, due to the aspire teachers?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We're only behind the current period. Okay. Yeah. We've, but it's been I'm not gonna lie to this body. It's been a systemic problem that I need to dig into and figure out how we shorten the timeline of getting the Aspire instructors paid.

Senator Chris Barnett: Okay. So, before I kind of get into what your current budget request entails, I want to kind of go backwards a little bit and ask about some of the appropriations specifically the, $10 million appropriation we're able to give to the department as part of the supplemental budget bill, as you know, the ask was for this, and this was Superintendent Swanson. My original intention was to earmark the whole 10 for maintenance of facilities because we've never set aside funds specifically for the maintenance of the school. So, that was my intention but in talking with superintendent Swanson, he wanted to half it and put 5 million towards maintenance, and then 5 million towards operations.

And then, so, the 5 million was supposed to be used to fund the leveling up of GDOE's maintenance staff. And you would come out with a, you did a great slide presentation, I believe, at the Southern high town hall. And you talked about purchasing equipment purchasing skilled laborers so that we don't have to you know, ask DPW or other entities even private entities for assistance because this is how we kind of used to do it with the Guam Department of Education, where they had their in-house robust maintenance staff. And then come to find out that you are, you have used, I don't know if it's the whole 5 million that was set aside for maintenance, but, or a chunk of it. But the point I'm trying to make is you didn't use it for what we had given it to you for, so what is the status of that 10 million and how was it spent?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: In regards to maintenance, and I'll ask my Justin to come up with what we encumbered for that 10 million. But we have we have on the street right now on our website, the advertisement to hire eight HVAC people. This is a problem I saw when I came on board. We got 4,000 air conditioners in GDOE, and we don't have one HVAC repair guy. We have electricians that are experienced with working on air conditioners, but we need about, you know, and those team concepts. I put

one HVAC person per team. And if that person goes on leave, then another team covers down, et cetera. We have used some of that money also close to over a million dollars for current, excuse me. The intent of that money was to build a warehouse stockpile Senator Borja has been in the military, so we call it a prescribed load list where the maintenance guys get their materials from and but what's happened is we've used that money with various vendors, Benson, home Depot, et cetera, to, or not Home Depot home center to purchase materials for current needs. And that's been about a million some dollars. We can give you a further breakdown on what what we encumbered on the 10 million.

Senator Chris Barnett: But just for clarity's sake, the plan that you had submitted to the public relative to, you know, we're gonna get this many riding mowers, we're gonna hire this many plumbers, this many electricians. And it was pretty significant. I mean, you were gonna hire you know, I believe it was like 40 upwards of 40.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yeah. It's 34, 34 additional maintainers.

Senator Chris Barnett: So, is that thrown in the trash can now or is this something that we're thinking about doing with the 8.5?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No, we're, we are going there.

Senator Chris Barnett: Okay.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Our new deputy is taking over his facilities and maintenance, and I'll make sure she and I talked to get that plan moving.

Senator Chris Barnett: Was any of them

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: ‘Cause reassured the public that we would have two of those teams set up by, by June.

Senator Chris Barnett: And that's been part of the systemic, when we talk about systemic issues, that's been part of it is that we haven't had that dedicated maintenance.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Right. And this is why I was happy to see the governor's proposal of 8.2 million towards maintenance because

Senator Chris Barnett: Right.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: That's about what it's gonna cost to maintain our schools every year.

Senator Chris Barnett: Right.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: But it's, and that's just general maintenance.

Senator Chris Barnett: Correct. But it's also discouraging to hear that you and we went through this last year in the previous budget cycle where you guys had submitted a request of 303 million.

And I remember sitting in this hearing, I was sitting next to the then appropriations Chair Senator Agustin, and he was like, oh yeah, we're good Oh 303, we can do it. Yeah, no problem. Everyone's gonna be happy. *Lanya,* when it came time for the budget to hit the floor, it was 256 you were shorted $47 million. We were able to appropriate the extra 10, but you were still short $37 million. And you know, here we are. You guys are coming to us saying that 306 million is not a, I don't think there's any fluff in there. I think it's just a float. Right? And it's gonna get you to where you need to go.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We need to be.

Senator Chris Barnett: But now I had heard this morning that OFB and the finance chair already indicated to you guys to that there was no way you would get 306 and that to and now we know that you've prepared another number, which is 275 million?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: And we just wanted to show all the senators, okay, this is what we're gonna risk. This is if we cut from our true requirement between 303, 306, this is what we're gonna risk if we start dwindling down that number.

Senator Chris Barnett: Yeah, and it, it's just interesting to me, this that narrative, because we had the charter schools in, in here this morning, and this senators were falling all over themselves talking about, oh, an increase in your budget means you're successful. But, you know, you guys come in here and you tell us what you need to make ends meet, and we want to cut you by, you know, a significant 306 down to 275. That's $31 million. Let's see how we move forward.

Chairman Christopher M. Duenas: Point of information Senator,

Senator Chris Barnett: oh, sorry.

Chairman Christopher M. Duenas: Just need to correct you on that. I was very clear when I closed out the budget that we were gonna do the best with their additional requests, but it was gonna be very difficult. And we made no promises to increase based on the numbers of students that they asked for additional. I was very clear that it's gonna be very tight and we'll do what we can.

Senator Chris Barnett: Thank you, Mr. Chair. The people that Guam can go back and watch the hearing and decide for yourselves what was said and what people think they said. Can you, can we talk about the status of the $20 million? That I believe Senator Duenas and the other centers in the 37th legislature had appropriated to DOE. This was the $20 million that the Adelup bamboozled you guys, they took the $20 million. We went through this whole run around with trying to get it back to you. Superintendent Swanson, you had basically said that you wanted to leave it with the office of the governor. And then, you know, I've only heard that there was a

reimbursement for the National Guard to maybe like $6 million, but what has happened to the balance of that money? And have we ever realized the contracts for the fencing and the mold mitigation that money was supposed to go towards?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yes, sir. I believe the remainder 11 million was for the mode mitigation and then three, which are both contracts being worked by GSA. The other one was,

Senator Chris Barnett: Are you serious still up to now these contracts are being worked…

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yes, sir.

Senator Chris Barnett: By GSA? That's ridiculous.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: The mode mitigation contract, from what I understand, is in protest and they have not completed there were hiccups along the way regarding the fencing. I tried to propose that we go ahead and just cancel that mode mitigation contract, and we use some of that money to solve our FBLG problem.

Senator Chris Barnett: Good idea. What's the status on that? Is that something you've initiated?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yeah, the proposal wasn't by all the personnel that I sent that re-proposal to, it wasn't I was told it's not gonna work.

Senator Chris Barnett: Yeah. But I'm not sure how much mold is happening in this weather..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Right.

Senator Chris Barnett: Happened lately.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Right.

Senator Chris Barnett: Who were..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: The solution of..

Senator Chris Barnett: I'm sorry. Sorry, Mr. Paul, who did you make the request to and who told you that it wasn't gonna happen?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Not to Mr. Birn said, look, that's not DOE's money to begin with. So, you know, it was it was money set aside for FEMA related projects and said it would wouldn't be addressed. I'm trying to stay out of all the politics of this. I just want to get a job done.

Senator Chris Barnett: I mean, there's not really anything political going on. We appropriated the money to the Guam Department of Education and it was subsequently taken and mingled into a fund with other typhoon Mawar related funding. So, I would just ask the and I'll follow up as well. Maybe the chair of the education committee can kind of track down the balance of this $11 million you said and see if we could put it towards what's..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Actually 14. 'cause the 3 million was for the fencing..

Senator Chris Barnett: Even better

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: and discussed in within GDOE management. We think, okay, we can put some of those maintenance guys out maybe slower and get some fences up

where they were damaged by the typhoon and then claim FEMA reimbursement on that. But the contracts are taking so long that right now our top priority is FBLG and that was a source of funds that I was looking at to try to get contracts out for FBLG.

Senator Chris Barnett: I think of the two, the more pressing need is the fencing because as I've explained to you a million times before we're there are great security risks with our schools perimeters not being you know, lined by fences. You know, we've got so many instances of bad actors in the community and you know, our school's not being protected at that very basic level due to all of this political run around. It's really just unacceptable. Can I also follow up on the status of public law 37-44, and this is a law we pass in a 37th Guam legislature relative to the performance of a management audit for the Guam Department of Education. And this I think we are, this is mandated to be completed by June 30.

K. Erik Swanson, Ph.D, Superintendent, GDOE: So, what's the status on that? Yeah, they are the RFP has been put out and approved, and the vendor's been selected. Right now that is back to procurement for final publication and execution of the purchase order. So, we it's late getting started. I'm not satisfied with the pace that it's taken to get that through the process, but it is done, it's in place.

Senator Chris Barnett: And it doesn't seem like that's gonna something that's gonna be done by June 30th, alright.

K. Erik Swanson, Ph.D, Superintendent, GDOE: It's not gonna be done by, not now, but by, certainly by the end of July. That's, we are taking that very seriously.

Senator Chris Barnett: I attended over the weekend, the elementary school volleyball playoffs. Congratulations to the UPI Toto's for winning the championship. But one thing I learned at the tournament was that elementary school sports are not something that we budget for in the Guam Department of Education budget. So, what ends up happening or what what has happened over the last about six years or so, is we have teachers and staff at the schools who have organized entire leagues with elementary schools playing each other. I believe volleyball soccer. There's about four different sports that these people are, they're making it happen for our kids and they're just not getting paid for it. But we budget for middle and high

school sports. So, the commitment I made when I visited the tournament was to see if we could get a dollar figure from you guys so that we can add this to the budget or otherwise, you know, encourage you to fund it. So, do you have a number?

K. Erik Swanson, Ph.D, Superintendent, GDOE: There's been no discussion of interscholastic sports at the elementary level and customarily in American education. We do not do that. It's extremely expensive. Remember that you have, for elementary school, you have more than half of our student population is in that. So whatever we're spending on interscholastic sports, which does not show up in the budget in a number of places, will more than double. So we're, if you're prepared to go after that kind of money and appropriate, we can look into it. But finding the staff, especially when you're looking at the numbers of people that we need to have involved in terms of coaching and all the operational things that go with it.

Senator Chris Barnett: That's the point.

K. Erik Swanson, Ph.D, Superintendent, GDOE: It's gonna be a challenge..

Senator Chris Barnett: Mr. Superintendent is, they've already been doing it, they've been doing it for several years.

K. Erik Swanson, Ph.D, Superintendent, GDOE: And I would submit to you that's an appropriate community activity that should be going on at that level. That is not something that's part of our charter. If it's gonna become that, then this body can change that.

Senator Chris Barnett: Yeah. That's why I'm asking you for the dollar figure because I think with all the challenges facing our youth from drugs, bullying vaping, I mean, it's a no brainer that we should be providing activities for these young kids. I mean, we do it for the middle schoolers. And I think if you had come to that tournament and seen just the excitement with which these kids compete the enthusiasm that they display knowing that you know, they have a bunch of grownups who go through these efforts to you know, secure the facility and to staff a coach and officiate the games I think you would agree that it's a worthy investment.

K. Erik Swanson, Ph.D, Superintendent, GDOE: There's no disagreement that sports are good activities for young kids. No disagreement whatsoever. I think it's outside of our mission. It's certainly not something we're structured to finance and do. And if we want to make that happen, then we're gonna have to reconsider how we're put together a little bit.

Senator Chris Barnett: Thank you Mr. Swanson and Mr. Chair. I've got 10 seconds left, so I'll save my follow ups for later. *Si Yu'os Ma'ase* Mr. Chair.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Senator Barnett and before I move on, I want to welcome Senator Perez also as the chair of OFB and Appropriations, and as along with our director wanna make this statement to our panel and to all senators.

We remain open to any senator to visit OFB. I will work with them as well as the chair and to make any changes in the budget where you want to take money and move it anywhere within the budget categories. We have been given a budget ceiling this year by the governor in terms of her you know, appropriation level.

And we are tracking right now at about 30% of excess revenues than what we have been tracking in prior fiscal years. We have the hospital, which is bursting at the seams right now with expenditures, and we'll probably be down asking for additional money this year. When they come to see us next Monday.

So, I remain open for all of these senators. I'll make time, or OFB will make time and you're free to come in and move money eliminate agencies, do anything you want to do to find the resources to reach these budget levels that are requested for. So, I just wanted to put that on the record that you know, we're open to your suggestions at this time, I'll recognize Senator Terlaje.

Justine Bukikosa, Management Analyst III, GDOE: Sorry, Senator real quick, could I just make a small comment with regards to the OFB?

Chairman Christopher M. Duenas: Sure.

Justine Bukikosa, Management Analyst III, GDOE: You know, I did want to apologize the slides, you know, I was really working on preparing a lot of the slides and so, you know, the portion where we mentioned that it was at OFB's recommendation and all that.

I did want to apologize 'cause it, it really, I was looking for the right word for it. We had discussed, you know, what would be something closer to what would be an appropriate number. So it was not like at OFB's like, oh, you have to prep this or anything to that effect. So I did wanna just apologize for that confusion 'cause I know that, you know, that point was brought up. It wasn't that OFB was telling us, no, your number is this, it was just, you know, look at what your previous years were. Look at where, you know, you can move money or try to cut down money. So it wasn't necessarily that OFB was saying you have to meet 1 275. I did wanna apologize for that 'cause I know that was on our slides.

Chairman Christopher M. Duenas: No, you don't need to apologize for that. Mr. Bukikosa I'm just gonna be straightforward with you. I mean, that's why we're open. We tell you what we see right now..

Justine Bukikosa, Management Analyst III, GDOE: Right?

Chairman Christopher M. Duenas: We tell you that's why I opened with the historical data. You know, you are now tracking, thankfully, basically your last year's budget plus your 10 million supplemental appropriation.

Is it gonna be enough? You know, based on your representation, it's gonna be really challenging. There's no question about it. That's why I asked you about the audit, because when we look at the audit financials, even if there was a minuscule surplus, it means that you held the line and you ran the operation as best you could with the money you had.

We're graduating that, you know, to the levels that we believe can work with the totality of the budget appropriations. You know, we probably can get a little bit closer here. We'll figure out when the time comes. But no we openly give you that number to work with because just as much as you wanna be real with us in terms of

what your request is, we want to be real with you in terms of what we see as a forecast. And that's all we can do. We can forecast this going forward. And anyone, like I said, any one of my colleagues who wants to say, you know, this is the bottom line and that's the number, well then they have to work with us too. You know, they have to come to us and show us how they're gonna help us arrive at that number because that's always the wrestle that we have across the hall there, you know, when we get down and, you know, get our pencils out and try to figure it out.

But I'll just tell you right now, though those days of massive excess revenues are just not here. And the other issue, I wanted to make sure that you understand and your chairman has been doing a hell of a job really trying to help you get along with these issues with ARP and outstanding issues nationally.

We are prepared and we are preparing an opportunity to discuss what we need to do, what every government does normally, and this government has done with CAPEX projects. When you're talking about across the government right now, you know, probably in, in the area of 120 to $200 million of projects that could fall off based on a full denial from the federal government. That is not gonna be an appropriation. That is not gonna be a fixed cost in a budget. That is going to be a financing scheme that is gonna take debt service. And if we have to do it, we're ready to do it. We're talking to GEDA, we're talking to other officials, we are ready for contingency plans. But I'm glad you didn't put it in your budget because that wouldn't be your budget.

Your budget is your fixed cost and your operational costs and you're gonna need over a year for your to do your, do what you're doing. You know, I've done the same thing with GMH. They have, you know, CapEx projects that they need done, that money was pulled away from them, from ARP bottom line is probably gonna have to put it all in one bucket. And at some point we're gonna have to go out on some financing. That's the way capital improvement projects are done. They're not fixed costs in a budget. So I appreciate your submission. Don't have to apologize we gave you a number 'cause we're trying to be as honest with you as you're being with us. Senator Terlaje, You have the floor wants.

Senator Therese M. Terlaje: *Si Yu'os Ma'ase,* Mr. Chair. I'm a first time I've heard that we're gonna go get a bond for some of these projects. That's a big, huge policy

shift. It's on the table shift. Yep. If GDOE could just tell me how much was the fencing estimate and how much was the mode mitigation? You said 11 million for the mode mitigation, how much for the fencing and how much is the FBLG estimate

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: To complete the FBLG? I don't have my data in front of me, but it's approximately 15 to 16 million. We 6.7 million to get the contract moving. Again, that's what's remaining on the contract. And then we have 3.5 million for collateral equipment. We have a change order number two, which is another 3.5 million that is not ARP. And so we think we've identified the money for that. Or we can pay for it internal with the supplemental that we received this year. And then the..

Senator Therese M. Terlaje: What do you mean?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: The part of the 10 million? I mean

Senator Therese M. Terlaje: Maintenance?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Well, yes, the 10 million that there was supposed to be five for maintenance, five for operations Because we're in this predicament now I'm looking at using 3.5 to pay or is it 3.5 or 3.33 million some to pay for the change order number two for FBLG. 3.3. 3.3, right? 3.3, yeah. 3.3 million.

Senator Therese M. Terlaje: And what..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: and then the one other bill with FBLG is getting their cafeteria up and running that's approximately 1 million.

Senator Therese M. Terlaje: And how was this supposed to be part of the $51 million worth of projects in the ARP? So, you wanting to fund this?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: The change order was part,

Senator Therese M. Terlaje: Not the change order.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: But yes, the change order, we were expecting to get that reimbursement back and apply it to the change order. The other, the 6.7 million that remains on the contract, that was just gonna be normal ARP funding. So, two, although the change order was gonna be paid by when the, if the reimbursement had come in with the 51 million, then we were, that became local money, and then we were gonna use that local money to pay the change order.

Senator Therese M. Terlaje: Alright. So, GDOE

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: And the collateral equipment…

Senator Therese M. Terlaje: Alright.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: And the kitchen.

Senator Therese M. Terlaje: And these were all going to be covered by ARP originally.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Only the remainder of

Senator Therese M. Terlaje: 7 Million.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: The contract 7 million was on ARP bill.

Senator Therese M. Terlaje: Alright. So, you always had to find this other money, but it's not part of your budget right now?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No.

Senator Therese M. Terlaje: And the 7 million, you're suggesting that if that could be found that you need that right now, but it's not part of your budget either

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: To get the contract moving again to so that the contractor can get back to work?

Senator Therese M. Terlaje: Yeah. Alright. And what was the estimate for the fencing?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: For the fencing? I believe that was 3,000,003 I believe that was 3 million.

Senator Therese M. Terlaje: Alright. And okay. Are there, you haven't talked about the loss of the ARP money or the potential loss and what other projects is, you know, except for that little bit you talked about FBLG. So are we able to proceed with the school year next year without addressing any loss of those ARP monies? For example, the work that's supposed to be done on the other schools? You're not talking about it if that's not able to be done with ARP, it's not being talked about today on budget day.

K. Erik Swanson, Ph.D, Superintendent, GDOE: We are operating right now with those, the contractor in place and we have the ability to, regardless of the outcome, we've got a workaround that we're looking into to, regardless of the outcome of the ARP situation to be able to finish the contract. But even at that, if they had to stop and demobilize, we can return all of the facilities. They're already in a safe situation because they've been doing that work all along in the process. So we can, we could, if we had to stop entirely and demobilize, we can make them safe. Now, they would

be incomplete. We'd have three schools that are done, and we would have one or three more that just have the roof all done, but the roof is all done. So I've asked the contractor to, if that's an eventuality, look at where you are in each complex in the stage of your work. And when you, if you have to stop, you stop at a point that makes sense. Make it safe.

Senator Therese M. Terlaje: Right. Appreciate that and but you, but it's not estimated in here, right? How that will affect your budget? Or you're saying you're able to cover that out of operations?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No, none of the this budget was approved by the board prior to all of the haywire going on with ARP. So, what we're presenting to you is what the board approved. It's the local budget, so none of the ARP issues are included in this.

Senator Therese M. Terlaje: Alright. Well, I, that's hard for us because Yeah. I just think it's gonna get more. Difficult, not less difficult as we go on towards September or towards August when we're gonna be doing these in the session. But you said you might need 5 million more for utilities before September 31 for the current fiscal year. And then you told us how much you need for the next fiscal year. There was a newspaper article that you used some of that maintenance 10 million to pay for the utilities.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: I know this, when we were first told to Reim that ARP is on a reimbursable basis back in March we did use whatever money we could scrounge up to pay $8 million worth to see how the system's gonna work. I.E we pay the bill, we submit the invoices and all the required documentation to US Department of Education and then they reimburse us. And I don't think we took out of the maintenance money, but I'll ask my budget..

Senator Therese M. Terlaje: For utilities. Did you see that article for utilities? Wasn't there an article, but there was an article that said that,

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Can you take…..So we did take out of the supplemental..
Senator Therese M. Terlaje: The 10 million, right?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yeah. Some money to, to front ARP bills and..

Senator Therese M. Terlaje: ARP bills or utilities?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Well, we had put aside some money because our utilities are not fully covered for the year. We used some of the su, we encumbered some of the supplemental 1.5 million to cover our utility bills, but then we had this additional issue with now ARP funding. So, we had to take that money, pay the a RP bills, get the money back, and then we used it to pay utilities.

Senator Therese M. Terlaje: Okay. So you've paid 1.5 from that maintenance fund for utilities?

Justin Bukikosa, Management Analyst III, GDOE: We, out of the, we encumbered 1.5. Yeah. But March, this most recent bill, it was adding up to just over $1 million. So that came out of that encumbrance. So five ha or 1 million now has now become actual.

Senator Therese M. Terlaje: Okay. Alright. So, none of the 10 million that was in the supplemental budget has been used for an addition for maintenance teams, is that correct?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No, ma'am. They have as I said, the. We have up a couple of million dollars we've spent on materials to meet the health inspections, to get our schools up and running and the schools are passing with better grades currently. So we used about 2 million of that for materials. But this isn't the idea that I had, that I presented to the legislature of stockpiling a warehouse. So, it's time consuming to

get the procurement in order and like a blanket purchase order and then go buy those materials, which are immediately brought down to the school.

So yes, we did use some of the supplemental for maintenance or the eight HVAC workers that we're trying to hire. That's coming out of the out of the supplemental.

Senator Therese M. Terlaje: Okay.

And we purchased through the GSA we purchased trucks, maintenance trucks for our maintenance teams. Is a dump truck in that one? Yeah. That's encumbered. No. Yeah. We have a dump truck to d deal with the annual *Baligasgas* cleanup. Get junk out of our schools. Rather than renting a truck, it will be, we identified that it would save us money if we had a. GDOE truck to do that. So yes, we did use, we, it's either spent or encumbered against the supplemental and thank you Senator Barnett for that supplemental.

Senator Therese M. Terlaje: Alright, so out of the 8 million, 8.5 million that you want for next year's maintenance or that the governor's requesting for maintenance of schools that's less than 10, you're saying you're gonna use that this time as you proposed last time for teams of maintenance crews?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Well, it'll pay the normal, the salaries of those teams, the salaries..

Senator Therese M. Terlaje: the HVAC that you're currently

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: 80, that's all 80 people, is gonna run us about 7 million in salaries. So then we have and we still gotta do that now..

Senator Therese M. Terlaje: new people..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: 80

Senator Therese M. Terlaje: 80

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: 80 maintenance workers. Yeah.

Senator Therese M. Terlaje: When are you getting those? Because you, you said you only got eight HVAC?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yeah, there's we are the requirement to be up, our maintenance was from 46, I believe I briefed to 34 more. But right now what we have because it's our urgent need is to take care of the air conditioners 8 HVAC people on our website.

Senator Therese M. Terlaje: Okay. So, the 8.5 will cover 34 more for sure.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yeah. Annual salary.

Senator Therese M. Terlaje: Salary. Alright.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: And then the additional money we can use for materials.

Senator Therese M. Terlaje: Okay. Alright. My other question is, somebody said that we couldn't renegotiate the contract or it hasn't been renegotiated the bargaining agreement. Could you just tell us why or what's the status of that and how, when is the next time it's supposed to be renegotiated?

K. Erik Swanson, Ph.D, Superintendent, GDOE: It has another 18 months on the contract, but we can reopen any part of it. And I've been talking to our union leadership about that eventuality, but getting it into negotiations right now is a little bit more than we need to have on our table.

Senator Therese M. Terlaje: Okay. And you're saying that this current budget proposal will cover 34? Well, it covered well you have 34 substitutes that you cover

with the current budget, but you need, I think the number was really high according to the CBA, you needed 156 substitute positions.

Justin Bukikosa, Management Analyst III, GDOE: So, Senator, the CBA is not touching the substitutes that's more of a set aside for, as part of our personnel request.

Senator Therese M. Terlaje: Oh.

Justin Bukikosa, Management Analyst III, GDOE: So the request that we put in that $7 million figure, that would cover 156 substitutes, which we based off of 10% of the teacher population at each school. The difference of course is, you know, we're comparing current year costs to previous year costs. So it doesn't currently fund 34. I'd have to look at the, you know, the actual hiring and speak with Dr. AdamOs since she would have a more accurate tracking of how many weeks old we have. But the current year, 1.7 million, I believe, that was appropriated based on the spend plan. We made. It's much, much less, of course, you know, given the complete difference of the numbers.

Senator Therese M. Terlaje: Okay. And then the IT contracts, if you cut these you're, that's one of your proposals or you're saying that's one of the consequences of kind of a status quo budget? None of these were able to be covered by any of that the IT expansions that the government of Guam and the governor's office have been part of.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yeah, actually I just found out about that governor's office and intend to try to meet with them either this week or next week for that those grants. Yeah. But we do internally deal with the E-Rate..

Senator Therese M. Terlaje: Yeah.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Grant. And when we have an expense that's it related, we try to charge it to the E-Rate. But that's one of those contracts where you gotta pay, I mean, one of those grants that you gotta pay up front and then we get a certain amount reimbursed.

Senator Therese M. Terlaje: Alright. Yeah, because I'm shocked if they're rolling out this entire program, for example, for the South right now, and DOE is not included. It doesn't make sense to me. But the other thing was you were talking about using some money for Southern High facilities or you're saying that the amount that you get from that search and fund, the limited gaming fund is not enough, but Yeah, it's, I just heard the Lieutenant Governor talking about they have a grant that's taking care. Apparently there's an MOA between you and Southern High and that they're going to be taking care of the facilities. Are you aware of that?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: I'm not aware of that.

Angel Sablan, Board Chairman, Guam Education Board: I'll respond to that.

Senator Therese M. Terlaje: Hello..

Angel Sablan, Board Chairman, Guam Education Board: Senator?

Senator Therese M. Terlaje: Yes. Mr. Sablan

Angel Sablan, Board Chairman, Guam Education Board: The grant that the Lieutenant was talking about is actually, department of Interior Compact impact money that he's looking at to assist GDOE, what we need from GDOE. And we are actively working on that agreement. It's going to be a joint use agreement between Southern High and DPR, where we will go ahead and take over the maintenance and upgrade the facilities at Southern High. Priority of the use would be Southern High School students, and then after that, the community can be allowed to use it. But it, for us, it's a win-win situation because we know GDOE does not have the funds. It's gonna cost millions of dollars just to get the southern high facilities back into operation. We're talking about track and field baseball volleyball. The swimming pool actually is gonna be out of the question because that itself gonna cost around $6 million just to repair and renovate. But the rest of the recreational facilities that is what we're working on now. The agreement between Department of Defense and GDOE for the use of that property as Southern Heights actually expired in 2021. So

we're now allowed to be able to make use of the entire facility without worrying whether or not DOD is gonna come back and say, gimme back the property. It's over. It's expired and it's over, and we're now able to use it. So that's where we're at with that situation.

Senator Therese M. Terlaje: Alright. Well, so it sounds to me like somebody, maybe DPR solicited, DOI, that's this be the project that DOI is going to fund and that they're going to enter into an MOA with DOE, but I'm not sure that was DO e's priority. Like why didn't we partner with DOI for FBLG and get that done or something That's very critical to opening these schools back up. But I mean, I have no objection to fixing those facilities and sharing the use, the idea, the concept fine. But it's weird to me that DOE, I mean, DOE doesn't have an MOA right now, and that we've already solicited funds in some other end of our government for use of those facilities, and they, that this is the priority that we've represented to DOI as opposed to schools, right. Or the whatever we're not able to do with ARP, even when we had ARP guaranteed. So I, I don't know Mr. Swanson, are you familiar with that agreement?

K. Erik Swanson,Ph.D, Superintendent, GDOE: Familiar? Not with the DOA and I heard about it on the news.

Senator Therese M. Terlaje: Okay.

K. Erik Swanson, Ph.D, Superintendent, GDOE: And it's like, there hasn't been any conversation with us, but the effort you have to understand that I have a number of campuses that need a significant amount of investment. The Southern High School athletic facilities. Are basically non-existent. We're about to get the gym back online, but all the outdoor facilities are in really rough shape.

Senator Therese M. Terlaje: I know. They need it and so we need it. But it's a policy decision, I guess. Is that something that the board decided, Mr.Sablan?

Angel Sablan, Board Chairman, Guam Education Board: No, it was something that the office of the Lieutenant Governor offered.

Senator Therese M. Terlaje: Yeah. Just the Lieutenant Governor and DPR.

Angel Sablan, Board Chairman, Guam Education Board: Yeah. It's not even signed by DPR yet. It's just being worked on by..

Senator Therese M. Terlaje: Okay.

Angel Sablan, Board Chairman, Guam Education Board: By the Guam Clearinghouse.

Senator Therese M. Terlaje: Yeah. I guess, you know, furtherance of what one of my colleagues was talking about this you know, we could be helping DOE much more with a more unified approach, whether they want to charge you or they don't. Still, there's so many things going on in the government that I think if DOE was the priority, for example, you know, we funded a school, one of the charter schools without of CDBG funds. If they can't use that for DOE, I mean, I want, I would like to know why are you pursuing CDBG grants for GDOE facilities as well, or infrastructure, converting to solar, anything?

K. Erik Swanson, Ph.D, Superintendent, GDOE: We've been working with Guam Power through Siemens to do quite a bit of that work. Unfortunately, the Engineering project that was put together to, to bring that to fruition was funded through ARP and so that was the Siemens folks suspended work on that because of the pause and the funding. If we're able to get that back, we can pick it back up and finish it because that is also in that work is an ADA analysis for the whole school system that you that the legislature has required for us to submit that research has been, it's about 80% complete. I just can't get the report yet because we have to get that $4 million check to Guam power for that research. But we are partnering with other agencies as we can.

Senator Therese M. Terlaje: Alright. And then two more questions hopefully for the teachers. So it says 16 teacher vacancies we're trying to fund and that's going to bring you up to what you need. Is that great news that there are only 16 teacher vacancies?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Those are actually those are vacancies that we are funding. We've already

Senator Therese M. Terlaje: Right.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We're already funding. Because teachers are the priority.

Senator Therese M. Terlaje: They were covered in FY 25.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Right.

Senator Therese M. Terlaje: You want to cover them again in FY26.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Right, right.

Senator Therese M. Terlaje: Okay. Are there other teacher vacancies that you are not funding or not proposing to fund?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No. Other than in the CMDR process we are saying, okay, where can we take these teachers for the schools that we plan to decommission and move them to fill vacancies in other schools. So those are mostly elementary schools.

Justin Bukikosa, Management Analyst III, GDOE: And, sorry, may I just also add on, it's again the 16, like the deputy said, and like, you're seeing it's, those are the vacancies that we, of course are refilling, but then the, any additional vacancies that do exist, it's not necessarily a matter of hiring more teachers at that point. Thanks to the efforts of the commander team it's a matter of, okay, how do we look at reallocating teachers across the department? So similar to like, the closure of certain schools, those teachers now will be smoothed out across the district in a way that's more efficient on our resources.

Senator Therese M. Terlaje: Alright. So, this budget encompass your realignment of schools?
M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No, as I said earlier, this budget was approved prior to the approval of the two schools that were considered for closure.

Senator Therese M. Terlaje: Alright. I see you have some supplemental pages in the back. Yeah. Closing the two schools will reduce your. Your cost estimates and allow you to use that under operations. Is that correct?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yes, Senator.

Senator Therese M. Terlaje: And these amounts looks like cost savings. In closing one school, Chief Brodie is 1.9 and closing LBJ 2.2 million. That's it? Yes. It seems so small versus Yeah. Closing a school.

Justin Bukikosa, Management Analyst III, GDOE: That's correct. Senator. The major savings, of course, is not coming from personnel, which is the major costs when it comes to our schools. So, because we're not going to be, you know, you know, decreasing the, we're doing a workforce reduction, those people are still gonna stay on payroll. It would just be really the savings from different contracts, utilities, et cetera.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Now we still need to move forward with the idea of leasing those facilities, and that would add revenue coming in for, to help us with our expenses.

Senator Therese M. Terlaje: But that's not part of your budget proposal, right? That you're counting on revenue from closed schools?

Justin Bukikosa, Management Analyst III, GDOE: We're counting the budget submitted does not, is does not address, is not considering..

Senator Therese M. Terlaje: Yeah, hope that's not part of it. That just seems very that's a whole other policy decision. I think I've seen a bill for that, but I've also seen. Proposals for other things, for the community needs. Alright. Okay. I'll stop there, Mr. Chair. Thank you. I appreciate the opportunity if there's additional time in the end.

Chairman Christopher M. Duenas: Sure. Thank you Senator Terlaje. At this time we'll recognize Senator Mantanane.

Senator Sabrina Salas-Mantanane: I am not sure if I have any questions 'cause I'm just still kind of in shock with some of the things I've heard today and some of the numbers that I've seen and have not seen. And I tend to agree with some of my colleagues who are wanting to see more details. And I understand that, you know, this budget is supposed to be about fixed costs fixed assets. But at the same time, you know, education is, it impacts all of us, right? With children. And I was hoping to see more about the CIPs, whether it was separate, how much it's gonna cost for Simon Sanchez High School. I know the RFPs still out there, but some kind of an estimate to hear about mold mold mitigation the fencing, it's still out there in where limbo.

It's just frustrating. And on top of that, to hear about this, MOU MOA with DOI and GDOE, you guys are sitting us sitting in front of us and you're like, we don't know anything about it. It's just ridiculous. So, I just feel like there just needs to be more communication, more transparency, whether it's bringing the governor's office down here, Lieutenant Governor's office down here, everybody down here just to get some straight answers. And our children, our parents, you guys, we all deserve to know what is going on. When you guys were here during the oversight hearing, it was the first time I heard $188 million in potential loss in ARPA funds. Prior to that, it was, oh, the 260,504 million here. But at the end on the slide, it was almost $200 million.

When you were here again last time I asked you, are you guys in a state of emergency? Everybody stood up. Then there was a press conference that was held last week by GDOE I don't know if it was Wednesday or Thursday, and there was this discussion about passing a resolution, I believe, to declare a state of emergency.

I mean, how much longer are we going to wait? Is it a state of emergency or is it not? And that's all I really have to say, but I just was expecting a whole lot more. Thank you.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: May I response, Senator. The it, you know, I've been in this job since July and I was sort of shocked to find out that we don't include capital improvement projects in our budget requests.

When I spoke with individuals on our board about why we don't do that, I was instructed, no, this is purely operational and we have to submit a and that's why I mentioned in the beginning of this, we owe the legislature a rundown of what all our major projects that need to be addressed in the schools capital improvement projects. And I was instructed that we should submit that as a separate budget request So..

Senator Sabrina Salas-Mantanane: right. But you know, with the Guam Memorial Hospital, we had our meetings with OFB and they gave us, you know, what their operational budget was. But on the side gave us, we need 21-22 million in CIPs. So again, I was just hoping to see more.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Senator Mantanane and I don't disagree with that. I think the thing is that when you put your CapEx together, what you're looking for is debt service 'cause you're not gonna put in your budget that you need $200 million. You know, that's not gonna happen. There's no $200 million sitting around anywhere. So, I agree. And for the finance team, you know, maybe this will be something new. Put together your CapEx, go to GEDA, work with them in terms of what the current market conditions are, work with you know, what that would look like. And then basically say in a scenario whereby we were able to carry out these CapEx requirements that are anticipated, this would be the debt service 'cause that's what you would be adding to your budget. There's no pot of cash that is gonna pay out your capital improvements. It's gonna be a financing scheme. So that's the point. I mean, I think you should go through the exercise, but if you're gonna go through the exercise, go through it fully to the point where you actually have a real number and a hard number in terms of if we were to be able to go to market within this fiscal year, this would be the debt service we'd be requesting.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yes, sir. We did have a meeting with GEDA, Mr. Fernandez Esteves and he's I'm sorry, with GHURA. He has a grant that he told us is possibly available to help us and we're in further communication with them on that, or we're gonna have further communication and we'll lay that out to him. Here's what we need at to cover our facilities requirements outside of the, what's a ARP is already contracted for.

Chairman Christopher M. Duenas: And I appreciate that because also what comes with CapEx is alternate funding sources. Meaning you're reaching out, you're doing everything. That's what we asked GMH to do. It's like, man, you know, it seems like with this big $508 million that's coming out and it's Mawar related and it's pre-Mawar and post-Mawar. I can't see anything bigger than our schools and our hospital in terms of taking the biggest hits and being related to being shelters, the gyms and the villages being tier two shelters. All these things seem on the table to me, but we continue to work with that as well. But, so that's the contemplation. What alternate funding sources are we working on? What is our overall CapEx that we've identified? And then if we, in a real world scenario, in today's money, what would that mean for debt service? I think that would be a great submission. Thank you. Mr. Vice speaker, Vice Chairman of this committee as well.

Senator V. Anthony Ada: Thank you, Mr. Chair. Perhaps just a couple of comments and questions on your budget comparison. What is your your contractual entail contractual number? Item 11. What does it entail?

Justin Bukikosa, Management Analyst III, GDOE: Vice speaker, you're looking at the budget the schedules?

Senator V. Anthony Ada: This 17 million 7 54. What does that entail? This page

Justin Bukikosa, Management Analyst III, GDOE: nine item,

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: He's got the breakdown here..

Justin Bukikosa, Management Analyst III, GDOE: 17. Apologies Vice Speaker, which 17 million are you referring to? I'm sorry I'm trying to find it here on our copy here.

Senator V. Anthony Ada: That's what you guys have contractual. Your proposed contractual budget is 17 million 75764272.

Justin Bukikosa, Management Analyst III, GDOE: Okay.

Senator V. Anthony Ada: It's the last page of this document that, yeah.

Justin Bukikosa, Management Analyst III, GDOE: Alright. Thank you very Vice Speaker. So based on what we're tracking, it's looking 18 0 1427190. That's for the contractual, it's under operations. These items, they encompass everything from the different special funds that go into interscholastic sports the Child Nutrition program, the funding for the reimbursement fund and their commodities. It encompasses the grounds, maintenance contracts, all the fire suppression contracts, the custodial contracts. It also then moves on to different IT contracts which is what we are referring to at that last slide. It includes the cost to run our cafeterias. It includes the cost for different administrative contracts as well, including the audit fees membership with NSB other, let's see our inventory tracking system. Sorry. There there's a good number of, I, you know, I'm sure you see the list.

Senator V. Anthony Ada: The miscellaneous were $2 million. What does that cover?

Justin Bukikosa, Management Analyst III, GDOE: Right, so this is inable Federal payroll costs. Did you wanna explain it? Alright, so this item we're requesting for $2 million due to some issues we are seeing with grant employee payroll. What we are experiencing is whenever grant employees are tasked to do non-grant activities, of course they must submit a time, what is it called? A Time distribution. Time distribution report. So A TDR. And so what's happening in our experience is that once these TDRs are submitted to the IAO our internal audit office, they're be, they're getting flagged due to whether it's some kind of error with the input, whoever

the employee was who prepared it, or with their supervisor not, you know, getting onto them and saying, Hey, make sure it's distributed properly.

So, IAO is flagging it, saying these costs are not applicable to the grant. And so they're not requesting the draw down for that part of their payroll. This is leading to, of course, because we are doing it on a reimbursement basis. We pay out the federal payroll first and request for the reimbursement. We're not getting back the full reimbursement. And so this fund is really set aside to just make sure that the general fund is not fully subsidizing it without getting coverage back.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Alright. I'd like to clarify that Senators, this isn't a matter of a documentation. This is a matter of us using personnel like school aids that are one-to-ones maybe that are funded with federal dollars and then they're redirected to do local work.

And so we cannot they each have to turn in a time distribution report whenever they're tasked. And that's why some of the shortages we have on the local side, particularly school aids we need that funding because otherwise we're taking the federal employees saying, go do this local task, maybe watch the gate entering into the school.

So, he spends two an hour or two hours doing that is not paid for by the grant and that's what our IO catches in those TDR reports. So, that's the 2 million we're asking for that to cover local expenses that are paying for the subsidies of these federal employees paying for the federal employees doing local work.

Senator V. Anthony Ada: Okay, thank you. And then also, you know, I don't see anywhere here vendor payables.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Vendor payroll, sir.

Senator V. Anthony Ada: Yeah, no payables. You guys have no vendors that are owed any money.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Those are all in the, that's all addressed in the contracts.

Senator V. Anthony Ada: In the contracts

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: for FY 26.

Senator V. Anthony Ada: Okay. So, under contracts, under the vendor payables, how much is out of the 17 million, how much is that is going to vendors?

Justin Bukikosa, Management Analyst III, GDOE: Vice speaker, are you referring to the federal bills that are on like an aging report that we usually discuss?

Senator V. Anthony Ada: I'm talking about vendors that from previous years owes to, to these companies. How much is outta the 17 million on contractual? How much is going to vendors?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Sir, these are, majority of those contracts are contracts with vendors, but that's, these are for the FY26. Now we do have bills from FY25 that are, that go to vendors.

Senator V. Anthony Ada: But those are, is that covered under..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: 94 of them 94 vendors are in the ARP situation. We have some from CG 22 that we're trying to pay. Consolidated Grant 22. A majority of the vendors on our aging report on the federal side are ARP and CG consolidated grant.

Senator V. Anthony Ada: Okay. How about vendors that are not on ARP?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We the local ones pretty much caught up with paying those.

Senator V. Anthony Ada: And how many days behind are we on local vendors?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We're on the, if you see our aging report, I just briefed the board the board's finance committee last Friday. We're actually caught up. We're current on local vendors, but our issue is with the federal vendors. And part of that is the public law for the budget says we cannot pay federal bills only if they are on a reimbursable basis and consolidate grant is still submit the invoice, receive the draw. But ARP was sort of, I like to say that's sort of a blessing in disguise. 'cause we can slowly pay some of those ARP bills that we currently owe because it's now become a reimbursable Yeah on a reimbursable basis.

Senator V. Anthony Ada: Okay. So on the contractual or even on the maintenance, we talked about this I think on the oversight where the schools that are still being maintained by the on the lease back. Have we got any update on that and how much are we owed or are we still paying them for work that they're not accomplishing or finishing off? What are we doing?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: I have a email from Mr. Birn and I owe him a reply that you know, this is the last year of that we get those schools back, but he asked me to let 'em know if he should stop payment this year on..

Senator V. Anthony Ada: And your response to him,

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: My response is gonna be yes.

Senator V. Anthony Ada: Alright. So, then we don't pay them for whatever remaining of the term..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Until we settle them doing accomplishing the requirements of the contract.

Senator V. Anthony Ada: Does this budget reflect the five new school, the five schools that will be returning back to GDOE inventory. And is there anything in here that includes in for their maintenance or anything like that?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yes, sir. This budget reflects the teams that we want to put out there. It reflects the cost of those teams so that we absorb, I mean, we assume the maintenance of the four **(inaudible)** schools.

Senator V. Anthony Ada: Yeah, but we've been assuming the maintenance, right. For how long?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We've been absorbing some of the maintenance. Our f and m teams go out and prepare Okkodo one. Regardless, 'cause the mission needs to occur to have those schools pass the inspection.

Senator V. Anthony Ada: What was the annual or the, do you pay them annually or monthly on the maintenance for the schools?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Senator, none of that money, that's direct payment from DOA to the GEFF contract. So none of it comes through GDOE, none of it, but I believe it's one point some million for the maintenance.

Senator V. Anthony Ada: For the five schools or..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: the four schools? For the four schools, yes.

Senator V. Anthony Ada: One point what?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: One point, you know..

Justin Bukikosa, Management Analyst III, GDOE: we can pull up the law.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yeah. I believe it's 1.4 or 1.6 million. I know it's in the mill. It's in the one point something million.

Senator V. Anthony Ada: So, did you tell Director Birn just to take that 1.6 million? Not pay it to the contractor and just give it to DOE because they could utilize that 1.6 million and go backwards another maybe..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We'd love to Senator, but I believe, you know, there's legalities and we've gotta settle the disagreement between us and the contract.

Senator V. Anthony Ada: Okay. Well, and in the community development block, grant disaster Relief, have you guys put a letter together to submit to GHURA so that you guys can justify for, you know, monies that you may need to repair the schools from the Typhoon Mawar.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We are preparing that letter. We had a meeting last week with the Vice chair, Dr. Swanson and I, we sat down with GHURA and he told us what the requirements are.

Senator V. Anthony Ada: And when will you guys be submitting that letter?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: I want to get it done and after I'm busy briefing the legislature.

Senator V. Anthony Ada: Okay. 'cause the comment period opens tomorrow.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Right.

Senator V. Anthony Ada: You know that.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Right, right.

Senator V. Anthony Ada: So, I would ask the chair Senator Duenas I ask Senator Borja to be sure if you can transmit a copy of that to the committee so that the committee can review that letter as well.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Okay.

Senator V. Anthony Ada: And seeing what you're asking for and how much you're asking for on from the committee development block grant disaster relief funds on your FBLG issue. You mentioned change order one and change order two. What was change order one?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: I don't have all the details in front of me. It's more of a, our capital improvements guy who's not here. Nick Cruz. So we, so I can't answer that, sir.

Senator V. Anthony Ada: But we can, yeah. And I, I hope that perhaps next time when we come before the committee, especially for the budget that we have the, those that are involved in answering questions, that's, that the committee asks that, you know, we have them here especially.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yes, sir.

Senator V. Anthony Ada: Like with vacancies as well. You know, we and the 3.5 million for collateral equipment that you mentioned. I think we had that discussion as well before. And now it's what are we looking at? The one point million for cafeteria. Is it gonna be one, 1 million now for cafeteria collateral equipment or,

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yes, your honor, we, and we set aside encumbered 1 million. That's what's on there. It's actually a little less than that. 800,000. That's what's on the the bid. And I probably shouldn't be published.

Senator V. Anthony Ada: So, then the overall for FBLG would be less than 16 million, right? Say that again sir? The overall cost now, looking for FBLG would be less than 16 million?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Right? I think we briefed last time it, it's 2 million less than what? We briefed..

Senator V. Anthony Ada: 2 million less, so now we're looking at 14 million. Okay. Alright. Thank you Mr. Chair. That's the only questions that I have and I thank the panel for being here today. Thank you very much.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Mr. Vice Speaker, Senator Telo Taitague, you're recognized.

Senator Telo T. Taitague: Good afternoon, Mr. Chair and my colleagues. Okay. So it's time to, to buckle down, figure out how we're gonna make this work. And first we gotta make sure where there's liabilities that it's not gonna put us in an even deeper hole and get sued. That's my concern. We're talking about contracts that you put a 45 day stop on payment in that event, 45 days. Is there something in the contract that allows you to do that with these vendors?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: All of our contracts, including the ARP ones, have a clause in it that says pending availability of funds, but..

Senator Telo T. Taitague: Okay. So we're safe there.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Right.

Senator Telo T. Taitague: Okay. So when you talk about also cuts I'm looking over here where it says that on you don't have a page number, but it's under the same line as 279 million visibility that, that section of your printout. And it says here it's just salaries, benefits, and buildings totaling 268.7 million. It says, and this does not account for other basic needs and required spending and parent student services SPED. Isn't there something by law that we are required to do this?

Justin Bukikosa, Management Analyst III, GDOE: That's correct, Senator. So that's why I just put that caveat of this is just really for the salaries, benefits, and the buildings. So we're not yet discussing the fact that there are maybe federal matches that are required to maintain the grants, or there might be other spending, like, a portion where GDOE required to pay for I believe it's called Section 504, things like that of that nature, where this is not even yet the floor. This is just saying if we wanted to forego everything else and just pay for the people who are workers, our employees, plus what it costs to do the maintenance on the building, that is 268.7. So if we, of course, wanted to do a, an absolute floor, I would have to go back and then just make sure, okay, each of these contractual items, are they obligated or are they mandated by law?

Senator Telo T. Taitague: Right?

Justin Bukikosa, Management Analyst III, GDOE: And then I would be able to prepare that information.

Senator Telo T. Taitague: So that brings me to my next question, said that the board had approved this budget that we have in front of us. Well, where's your revised budget? It's this printout here, so..

Justin Bukikosa, Management Analyst III, GDOE: Thank you, Senator. That's why we mentioned it's really just something that we in, you know, exercised into. To create a potential, like a proposal of what it could end up being like if we had to reduce down. So similar to how we oh, sorry. Go ahead Senator.

Senator Telo T. Taitague: No I think where we should have started was a revised budget. A budget where you come in front of us and tell us that this is exactly what's going on, because we have a budget that was approved by the board back in January and today's, you know, climate is totally different. We don't wanna, you know, especially sped, we know that a lot of money stopped in that area and we have to subsidize these children, those most vulnerable, that's very important. So, you know, Mr. Chair and DOE is the biggest you know, budget that we have to put out. And the most important one. So I think a revised budget to be provided to this body is called for something that, you know, and putting into count everything that you have under your belt because, you know, going back and listening to all my colleagues talk, it just jumps from one area to another and it confuses us. We're talking about a 7 million, we're talking about mold mitigation, we're talking about all these things that's not really, you know, categorized and helps us to understand really where you really need the help.

I mean, it's money, that's one thing. But you know, even when we gave you the money. We have a, this is very disturbing. Even when we gave you the money, we saw the audit report. The OPA released DOE's FY 23 financial audit in November 24. The audit highlighted significant issues in financial management and compliance. DOE returned over 26 million in unused federal grant funds. This was F 23 gentlemen. You can imagine what that OPA report will be in 24. So this is 23. Including challenges in fund utilization and program execution. You know, nothing in here is giving us comfort knowing that you've addressed some of the concerns.
A corrective action plan. You know, that's one of the biggest things we throw money at a department of agent and agencies just for it to be wasted because nobody decides to put a plan together, a corrective plan on past problems and issues. And one of them for DOE is finances. I didn't hear one thing in your presentation today to talk to you, talk to us about how are you gonna overcome these obstacles, especially in the OPA report in FY23.

So, other than that, I mean, I just. I think that we should come back, you know, DOE should provide a revised budget down to the nitty gritty on, on what really needs to be spent, areas that needs to be covered and my concern too, also is well, when it comes to the, okay, let me ask you this question.

I'm sorry. I see here I'm jumping. The Aspire in is funded by US DOE. That's right. The grant for the and my concern is this program in danger?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No.

Senator Telo T. Taitague: Okay. That's good to know.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Consolidated Grant is..

Senator Telo T. Taitague: Hallelujah!

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: is what funds aspire and no, it is not in danger.

Senator Telo T. Taitague: Okay. Well that's good. That's good to know. And see, I'd like to know..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: At least we have not received word from US Aid.

Senator Telo T. Taitague: Okay. See, and that's another thing that we needs to know, which really is, which one is in, in jeopardy here. You know, we're, everyone is kind of confused. We're just going from right to left and up and down and no real direction. So other than that, I mean, I really, I'm sure my colleagues have some more questions than next time around, but it just gets down to a big, you know, goulash of no direction. So, if we can provide us a revised budget to assist us in finding, seeing exactly what you're seeing, that'd be very helpful. But other than that, thank you, Mr. Chair.

Chairman Senator Christopher M. Duenas: *Si Yu'os Ma'ase,* Senator. Senator Perez you may proceed.

Senator Sabina F. Perez: Thank you Mr. Chair. And I agree with my colleague. When I'm looking at this budget and looking at what was submitted there's some discrepancies that I see. So, who certified this budget to be accurate?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: You're talking about the 306 million?

Senator Sabina F. Perez: Yes.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: As the DFAS I presented to my boss and we presented it to the board and the board approved it.

Senator Sabina F. Perez: Okay. Just like my colleagues said, I think things have changed and can somebody clarify cause when I'm looking at the budget that was submitted and approved, there's an operations fund. What exactly is that?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: That's our general operations fund. That covers like the contracts and everything listed on that on that slide.

Senator Sabina F. Perez: So, it's from general fund money.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: It's, go ahead.

Justin Bukikosa, Management Analyst III, GDOE: Thank you, Senator, for the question. So listed in that 25 million some of those line items, they have the actual fund, it comes out of. So, some of them are notated that it's Healthy Futures Fund, some of them are notated that it's Guam Educational Facilities.

Senator Sabina F. Perez: No. Talking about the original submission, we're looking at the source documents. It says Operations fund. I'm not. Yeah. So what was meant by that?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We have a you know, we break up our immune system into various accounts, and one of them is our operations fund. I.E. there's payroll, there's operations, there's and then there's subdivided into different, further different accounts. So, the operations fund covers the things that we have listed in this budget request.

Senator Sabina F. Perez: So, you didn't further delineate what the source of funding was when you put together this budget?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: You mean source of, you look at the funding as being federal or local?

Senator Sabina F. Perez: So if you look at your source document, for instance, if I look at the FSAS, if I look at the different divisions, it says operations fund. So, am I to believe that's general fund or is it a different fund? What's the source of money for that?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: That's our general fund.

Senator Sabina F. Perez: That's general fund. Okay. So I wanna ask to regarding your federal classified funding source, and it states here. 63 million for FY26. What positions encompass that are included in that? I don't see a clear picture in the submission that you provided?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Is this the person personnel?

Senator Sabina F. Perez: Yes. So in this particular handout that we receive, I'm sure you have a copy as well on the footnotes. It states classified federal and unclassified federal, and then it goes on to total federal FTEs and classified indirect costs. So, I am interested in seeing how that is broken down.

Justin Bukikosa, Management Analyst III, GDOE: Thank you, Senator. So of course what you're now I see we're looking at the same papers now. So the item there that you're looking at is the footnote section. Correct. That section is just detailing that these federal employees, of course, they're not part of the local budget, right? So we're not, they're not part of this 306. They're paid separately out of their own individual grants. They cover a huge variety of positions. We, you know, we could go back and prepare that based on our staffing pattern. It's, it provides what positions are funded federally versus locally. So we would be able to provide that breakdown. It, of course goes from, you know..

Senator Sabina F. Perez: yeah, I appreciate that because it wasn't clear in your original submission, what is general fund? What is federal funding? 'cause this is a really in important issue, and we're talking about federal funds potentially being withheld. And so this is a potential liability of our local government to fund. I mean, we just heard about Headstart. We heard about other potential programs that are really critical to Guam. How are we gonna fund this? And so I would like to see that in a revised budget. Also, I think last night or the townhall was mentioned that there was gonna be some decisions or recommendations made to the board regarding you know, consolidation or, yeah, consolidation of schools. And I think perhaps this budget hearing is a little premature because we really need to see what decision the board makes so we can have a budget that we can be confident in. So that's one of my concerns about this budget. And then also also the concern that I have is. What is the status of sanitary permits you know? I don't think this budget necessarily covers that. So, we would like to see a more definitive presentation about the GDE budget when it comes to sanitary permits.

The other thing I'm seeing is a discrepancy in the *Salape Principat* amount. So, what I see in the original submission was much greater than what you have in this presentation today. And so that's why I ask who checked this budget? Is it reconciled properly? So, I have, I don't have much confidence in the presentation today, and I would like to also reiterate the sentiments of my colleague here that, you know, I think it's necessary that maybe we need to come back and see your revised budget.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We can do that.

Senator Sabina F. Perez: Thank you. Thank you. Also the concerns, of course..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: I'd like to say that, you know, in the document you're looking at about federal employees, it's pretty clear there that we're talking about the federal portion of our fe, our number of understood federal employees understood and what that's costing. But those are all, that's not included in our local budget.

Senator Sabina F. Perez: Understood.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We provided..

Senator Sabina F. Perez: I understand that for information, but yeah, I understand that. But that is something that we have to think about considering the climate that we're in. Yeah.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: If, I mean, if we had ARP funded federal employees when I came on board 30 September, we told them, sorry, you don't, he was one of them. You don't have a job anymore because everyone of, even our personnel actions, when we hire someone, it says it's pending the availability. I mean, it's it's, what's the correct word? It's dependent upon the availability of funds. So, is your question, Senator, if we're gonna absorb these employees into local funding, I..

Senator Sabina F. Perez: Well, I do have concerns. I have concerns about positions that are funded federally that I think we need, we still need, especially when it comes to early childhood education.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: HeadStart Yes.

Senator Sabina F. Perez: So, the other thing I wanna ask you is the Unelectable Federal payroll funds, what does that do to?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: I'm sorry, repeat the question.

Senator Sabina F. Perez: So, in the budget you have federal payroll funds that are unelectable at $2 million. Can you explain?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: So Yes. That goes back to. Right now when we have a federally paid employee school aid, for example, that's funded by one of the grants, if a principal needs to redirect that employee to do local work that's not in the scope of the grant, that hourly bill becomes our bill. And so right now we're taking funds out of our normal payroll for all the other employees to pay those bills. And the longer we don't have, like locally CBA required school aides, the more we're gonna continue to pay those bills. I don't know if that answers your question clearly, Senator. That 2 million is to address this problem where we have not presented it before the legislature before that we are paying hourly wages for any federal employee. We put on a local task and it's not like we assign them permanently on a local task. It's when a school principal is missing a school aid to that he normally relies on to, for example, watch the gate entering the school. Then he has to take a. A federally funded one and put that individual there, and then we absorb that cost.

Senator Sabina F. Perez: Okay. So on the brighter side, so looking for revenues, right? Obviously the general fund is how we fund department of Education in addition to any grants. What is the status of the consolidated grant application and how much are we, how much is GDOE seeking?

K. Erik Swanson, Ph.D, Superintendent, GDOE: With that, we submit a projection and that's, that submission has gone into the Department of Education. They have received it. They've asked a couple of clarifying questions. We provided that input back to them. At the end of last week. We should know by the middle of June what the grant is. They said to anticipate the same level of funding that we had in the last fiscal year. So that would be approximately $35 million in a consolidated grant. And there are, I believe, 10 different projects that are operated under that grant.

Senator Sabina F. Perez: So, what is a *GAMOT*? Does it cover what does it cover? Covers.

K. Erik Swanson, Ph.D, Superintendent, GDOE: Our afterschool programs. It covers, oh, well, the whole list of things that..

Justin Bukikosa, Management Analyst III, GDOE: I have a little bit more knowledge about this. 'cause I used to be when I was an ARP employee, I was. Within the Curriculum and Instruction Office. So, they have, of course, like you said, multiple projects. We have the Life Readiness Project, which covers, you know, all these different, you know, between college and career tasks or not tasks are class not classroom, sorry, college and career preparation. They cover different special activities from academic Challenge Bowl to mock not mock trial the it's called the National Forensic League. So the speech and debate it expands to, they have certain portions of it that pay for sports activities. That's project one. They have project two, which I believe, I may get the number wrong, but it's curricular supports and interventions. This project, of course pays for Aspire *Eskuelahan Puenggi*. It pays for, I believe, a portion of summer school as well. They as the names suggest that they do interventions. The next project is what is IA assessments. I know they cover assessments. That one of course helps pay for AIMS web. It helps pay for portions of the SBAC, the smarter balanced that we are now using. There's the CHamoru studies special projects division that has a portion of the consolidated grant. That portion of the grant, I believe. And you know, again I'd have to go back to, to verify the, make sure it's 100% accurate. I believe that portion helps fund you know, supplies and materials and some contracts. So, I know that we are currently, or they are currently working on, like procuring smart boards and whatnot for the immersion program and all of these different things then we move on to it's called the school culture and climate, or school culture and school Climate and Cultural Engagement, or, sorry, I'm getting it mixed up with ESCL, which is the division. They're the the project that handles a lot of the social workers. They work closely with the nurses program where they kind of co-fund some supplies for them. Let's see, what else Do we have, attend, attends? Yes. Some of the SR, I'm not sure if it's the SROs or if it's the school aide. We have they're preparing to hire some more school aide under that

project. They're also funding radio equipment, so those handheld radios that the schools will be using.

I know that they're procuring a big procurement for those generally that's it. I'm, I believe that's the majority of the projects. I think it's 1, 2, 3, 3 under CNI Chamorro studies, and then the one under ESCL. And then of course outside of that, the CG grant also partially funds activities outside of GDOE as well. So, private schools, charter schools, dependent on their specific schools. They would have to submit an application, but they would also be partially funded under that. So, I apologize if Joe Sanchez was here, right. We would have him go run the whole *GAMUT* of all the activities. This is just based off of my recollection of what the different activities at CNI were when I was there.

Senator Sabina F. Perez: Alright. Thank you so much. The other thing is the decision about consolidation and potential savings you know, with the possibility of revenue generation. I know this was brought up at one of the board meetings to rent out the schools. And just, you know, thinking outside the box in regards to how do we kind of close the gap at this particular time.

And so, there was one thing that was mentioned yesterday at the apprenticeship workshop yesterday, that the the president actually signed an EO looking towards more apprenticeships. And I know this is a discussion I had with the superintendent regards to he's in support and in fact this is in line with the school plan to increase I guess apprenticeships within the schools, or at least pre apprenticeships 50% within three years and 80% within five years. And I believe this plan was put out in 2024 or so, or 3 perhaps. So, you know, what is the, are you aware of this first of all and what is, I mean, unfortunately sup deputy superintendent Sanchez is not here to address this, but I guess what is the status of that?

K. Erik Swanson, Ph.D, Superintendent, GDOE: We are still looking for ways to approach our school to work and programs and work. Working closely with Dr. Okada and GCC and the programs that we have in all of our high schools. They, the apprenticeship pre- apprenticeships get to be a little bit more challenging 'cause we deal with the age of the individual involved in federal labor law. And that's something that we haven't been able to defeat yet. Because when you put someone

in an industrial environment and they're under 18, there's a real situation with workman's compensation and that's something that we have to resolve. That's one of the major hurdles, but it's still something I'd like to see happen.

Senator Sabina F. Perez: Yeah, you already have a model that exists, the GCC model where, pretty much where they have satellite programs. So it's a pre-apprenticeship that potentially can lead to, to apprenticeship positions after graduation. So I think that's my con comments and questions for now. Thank you Mr. Chairman and thank you to the panel.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase* Senator Perez. On a follow up. Chairman Borja.

Senator Vincent Borja: Thank you, Mr. Chair. I have no follow up. Thank you GDOE for coming today.

Chairman Christopher M. Duenas: Follow up, Senator Burnett

Senator Chris Barnett: *Dispensa*, Mr. Chair. *Si Yu'os Ma'ase.* I just kind of wanted to ask about the, because I don't think we've had you discuss it on the record relative to the 27 million dollars in federal funds that was lost by the department due to a combination of factors to include grant expirations. So could you just kind of speak to that for the people watching to include the $8.8 million that was lost for special education on 118.

K. Erik Swanson, Ph.D, Superintendent, GDOE: In all of the grants that were involved in that FY22, oddly enough year and a half before I got here. However, we have got ability to reopen all those grants and refile, and we are pursuing that right now. I don't know that we can recover all the funds, but we can recover the majority of it. This is the special education fund. One of the categories we were advised to, not reopened by OSEP, which is the Office of Special Education with US Ed, but rather to reapply those expenses to the newer, a newer part of the grant and still recover those funds. So, we're working through all of them to be sure that we can get back as much as possible. I don't know exactly yet how much will be recovered because we're in the midst of that work right now.

Senator Chris Barnett: Thank you. What is your, what is the balance or of..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Senator? Senator, if I could just add to that? We just got word last week that our sped 19 and 21 grant they're gonna allow us to reopen it and draw against it, but they're gonna give us a two day window. So, we're, I have a team together getting, ensuring that federal programs is talking with business office, make sure we have the documents right. IAO is gonna review everything before we say, okay, we're gonna open on this date or before we inform when we're gonna open. So IAO will review, our internal audit, will review our documents, and then we'll let us a know, okay here's here's the time period and we have up until August to do that.

Senator Chris Barnett: And so you're anticipating if that goes through recovering the 8.8 million for special education118?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Yeah. We're partial. Partial. We're still gathering up all the documents to see what we can legitimately charge against it still. What's available?

Justin Bukikosa, Management Analyst III, GDOE: So, based on the email that we received from SPED, so they received it on their side and sent it, shared it with us. The this is only opening up for drawdown, so this is not necessarily saying, Hey, all of your old POS that you had sitting go ahead and start requesting for them to deliver and then invoice us. It's only for the expenditures that were already, they were already obligated and they need to be just paid down essentially. So, we're, that's what he's referring to with where we need to work with SPED to say, make absolutely sure where are these invoices or if it's not an invoice, if it's an employee payroll, where are these documents? So that way we have it ready on hand when IAO submits the request to USAID because like he said, it's only for one to two days and it's only just to open it so they can conduct the draw request and then anything outside of that, it would not fall allow, be allowable. So, we're working to see how much of that 8 million is actually something that we can be allowed to draw down on.

Senator Chris Barnett: Thank you. Is there a balance, Consolidated grants, FY23 -24. I was told there was 40 million, over 40 million. And is that in, in jeopardy of being lost?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: We're looking at the report.

Senator Chris Barnett: Okay.

Justin Bukikosa, Management Analyst III, GDOE: Senator, you said 23 and 24 consolidated grant?

Senator Chris Barnett: Yes, sir.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Sorry, guys, to, did you say you were told that those were lost?

Senator Chris Barnett: I'm asking..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No..

Senator Chris Barnett: I said I'm asking..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Those grants are still open.

Senator Chris Barnett: Okay. So no, the question was are they..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: 22 is the one where we had about a $9 million loss in not loss. I mean, we're trying to get 22, just like with the SPED we've requested through us a to reopen CG 22, so we can draw on those.

Senator Chris Barnett: Right. Let me just restate, the question I had asked was was there a balance for the consolidated grant for fiscal year 23-24, and is that balance in jeopardy of being lost?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: You're correct with the amount. But we have up until September of this year to obligate funds against those obligate contracts against those grants, and then we'll have a liquidation period after that. And I'm trying to put together a team again with federal programs. We're now meeting weekly with business office procurement and we're tracking specific contracts, invoices, whatever comes in. And then we're briefing the superintendent on a monthly basis and the board on a monthly basis.

Senator Chris Barnett: Forgive me..

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: On the details of those grants.

Senator Chris Barnett: Got it. Thank you. Thank you.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: Not just the available balance.

Senator Chris Barnett: So, forgive me if you answered this already, but does this budget request include the vendors who are owed the 94 vendors who were owed under ARP?

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No, sir. Because that's all on the federal side. It, this budget request is strictly GDOE's local requirements.

Senator Chris Barnett: Can you

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: local locally funded requirements,

Senator Chris Barnett: Can you explain if any vendors who were listed under the federal side with ARP have been moved to the local side at all? Because I'd heard in the press briefing that media had asked about that.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: No, I think there was confusion in that press briefing that one of our vendors showed up on the federal side, and then I ultimately moved to local, but that was two different, two different procurements. One was federally paid and one was locally paid.

Senator Chris Barnett: Okay.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: So that wasn't the same procurement. It was the same vendor, but it was two different procurements.

Senator Chris Barnett: Thank you for that clarification. So, you know, the last few weeks have been very, I think confusing for a lot of us because we had initially heard from US DOE that in order to, access ARP funds, we had to use local funds, and then there'd be a reimbursement. And then subsequently, March 28th, they came out with the letter that said hey, if you haven't liquidated these funds, the deadline to do that is today.

And I know that the chair had previously called for a couple well, one emergency session. And then there was a discussion that Senator Mantanane brought up about a possible emergency board meeting this week. And there was talk about the board declaring emergency so that the chair in education could ask for an emergency session. However, I heard all that is now on pause. So could you just speak to the people of Guam and explain why that is and what what happened to all of the emergency declarations and the emergency sessions that were being discussed by the chair of the board and chair of the committee as well? What changed?

K. Erik Swanson, Ph.D., Superintendent, GDOE: I'll give you my knowledge of the situation. And first of all, the discussion we've had with the, with our committee

chair and with other members of the legislature was in order for them to be able to react to the situation with the ARP funding, we had to have an emergency declaration from the board first to do that, But we're in the midst of working through some of these situations where we may not have to do what the. The committee was thinking we'd have to do with local appropriation. So, at this point, we need to work that process through because it's going to, it is going to depend on whether or not the money is actually released and given back to us.

Senator Chris Barnett: Which, which money? Superintendent.

K. Erik Swanson, Ph.D., Superintendent, GDOE: That's the ARP funding.

Senator Chris Barnett: Okay.

K. Erik Swanson, Ph.D., Superintendent, GDOE: And that amounts to a total of nearly $180 million. If that's released back to us, then what we need from this legislature is to be able to set up that revolving fund then just to be able to cycle through and pay the bills and be reimbursed. So that's much different than needing to figure out how to liquidate all of the assets involved so that the need is changing. And this is, again, this is part of the fluidity or material of whatever's gonna come out of the US Department of Education today is.

Senator Chris Barnett: Thread lightly. You don't wanna anger my Republican colleagues..

K. Erik Swanson, Ph.D., Superintendent, GDOE: One thing I know I could not count on its consistency.

Senator Chris Barnett: So, can you speak to the status of the 51 million dollars that you guys have previously mentioned?

K. Erik Swanson, Ph.D., Superintendent, GDOE: It's been submitted and we've requested that it'd be, we'd be paid because it's reimbursement for local payroll costs that were executed well within the midst of that period of liquidation. So, we've gone back again. We're waiting to hear on that. A little tough to check email today because

our net internet was gone, but as of this morning, there was no, no response yet from us head. But they gave us a couple predictions about when they would put out the list of entities, which is states, state boards of education, territories, and large school systems that have filed the same kind of things that we have. We're hoping to be on that list when the first one comes out, so we can turn this all back on and finish the job.

Senator Chris Barnett: So, I know that you issued a 45 day stop work order to CoreTech and then the other vendor, I think Northern construction, possibly more vendors. But I also understand that you met with Mr. Ho, the, was he the president of Coretech? Can you share with us the substance of those discussions?

K. Erik Swanson, Ph.D., Superintendent, GDOE: I don't know that I can share that yet, except that we've figured out a way forward that works for CoreTech and does not put us in a position of liability. But I still have to.

Senator Chris Barnett: Was there an agreement with Mr. Ho made that interest would not be charged?

K. Erik Swanson, Ph.D., Superintendent, GDOE: He could always charge interest. I.

Senator Chris Barnett: Right. I mean, that,

K. Erik Swanson, Ph.D., Superintendent, GDOE: that's in the law.

Senator Chris Barnet: I mean..

K. Erik Swanson, Ph.D., Superintendent, GDOE: that's business.

Senator Chris Barnet: But did he commit to the department of education?

K. Erik Swanson, Ph.D., Superintendent, GDOE: I'm not gonna speak, I'm not gonna speak for him.

Senator Chris Barnet: Okay. Well, you can speak for yourself if you attended the meeting.

K. Erik Swanson, Ph.D., Superintendent, GDOE: I can speak for myself, but I feel good about the potential and, but this involves a lot of other moving parts..

Senator Chris Barnet: Yeah.

K. Erik Swanson, Ph.D., Superintendent, GDOE: That I don't have control over and I don't have the authority to speak for and I won't.

Senator Chris Barnet: Okay. Well, I would just offer that maybe that meeting should have been held before you issued the stop work order.

K. Erik Swanson, Ph.D., Superintendent, GDOE: I think it's, I think it's a very strong way to go and we'll be fine. It took everybody's stress level down the couple of notches.

Senator Chris Barnet: Right. Okay. Think that's it. Yeah. That's about it. Thank you. Thank you. Superintendent Swanson and thank you. Deputy Superintendent Paul, Mr. Chair, *Si Yu'os Ma'ase* Chairman Duenas as well.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase* Senator Barnett. And my understanding is the crux of that in which it's gonna be a benefit to us, if it works out, is we could save $5 million, basically mobilization costs if we can work through some of these things. And that's why I've been saying openly today, we've had chairman's probably had six or eight meetings in the last 10 days with the board and with the Superintendent and with the fiscal team. Just to see that you know, we can do everything that we can. It's a huge savings. If we can get some agreements in place to, you know, discontinue the demobilization. That's a lot of money. $5 million. Vice speaker?

Senator V. Anthony Ada: Thank you Mr. Chair. Just to bring back on my colleagues, the 22 million the 2022 on the 9 million, when did the when did the contract end with the third party fiduciary?

K. Erik Swanson, Ph.D., Superintendent, GDOE: October 31st of 23.

Senator V. Anthony Ada: Of when?

K. Erik Swanson, Ph.D., Superintendent, GDOE: Of 2023.

Senator V. Anthony Ada: Of 2023?

K. Erik Swanson, Ph.D., Superintendent, GDOE: Correct.

Senator V. Anthony Ada: And what is the, what was the, their purpose for being in Department of Education?

K. Erik Swanson, Ph.D., Superintendent, GDOE: Their purpose was to monitor fiscal operations..

Senator V. Anthony Ada: Of federal funds?

K. Erik Swanson, Ph.D., Superintendent, GDOE: Yes, federal funds. US Department of Ed funding.

Senator V. Anthony Ada: So how did they not catch a 2022 of $9 million? That it was expiring. That we'd be losing it.

K. Erik Swanson, Ph.D., Superintendent, GDOE: Consolidated grant periods run in overlapping years, which is part of the piece that, that I still find a little bit difficult to understand. It is not fiscal year to fiscal year.

Senator V. Anthony Ada: I understand that.

K. Erik Swanson, Ph.D., Superintendent, GDOE: Grants were, oh, but why is it a problem with the, what they were overseeing? I could not tell you. I never worked with them because they were on their way out when I came in.

Senator V. Anthony Ada: So, who within the department worked with the third party?

K. Erik Swanson, Ph.D., Superintendent, GDOE: Yeah, his predecessor.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: It was the people before me.

Senator V. Anthony Ada: People before you.

M. Wade Borja Paul, Deputy Superintendent of Finance and Administrative Services, GDOE: I came in July of 24.

Senator V. Anthony Ada: I see. Okay.

K. Erik Swanson, Ph.D., Superintendent, GDOE: So, I would certainly offer that there are procedural things that were not being done well. I mean, I know this secondhand because I wasn't involved in the transition meetings either. So, I don't know the way the model was set up, but the documentation that was left to us from the third party was in a form that we could not get to all of the documents that we needed to be able to edit and understand and even audit. And we still have some difficulty with that and Wade has been wrestling with that for some time because rather than give us, giving us a live data transfer where we could just pull it into our system, they said they just shut it off. Then we had to go back and appeal it and everything came back to us in PDF forms. So, it's might as well like, like having a stack of papers. We couldn't go in and look at data and analyze it. So that really complicated the process of settling it, but in terms of the liquidation period. Part of the problem was our own folks not following the SOPs that are been established. We are well into the process of revising those and retraining people so we don't have this again.

Senator V. Anthony Ada: Okay. That's great to hear. And that's why I just wanted to get a little clarification as to where we're at, where we were and where we're at today, and how did we remedy some of those those actions that were not taken.

K. Erik Swanson, Ph.D., Superintendent, GDOE: And now that and a big part of it is cleaning up what is no longer the rule of the third party because it's not here. And what is the, what is and is not the role of everybody in the workflow.

Senator V. Anthony Ada: Yeah, definitely. Okay. Thank you very much for that that question and the, that answer, because I think that should actually clear up some of the questions that folks have about what we lost and how we got there and how did we lose it. So, you know, sometimes, you know, we raise our hand and we take the blame for it, but when the blame doesn't directly go to us, we need to show where the blame needs to go. You know, we, you know, we say, well, let's stop blaming, but when we're talking millions of dollars, someone has to be held accountable. So, I just wanted to make that clear. Thank you. Thank you, Mr. Chair.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Mr. Vice Speaker, Vice Chair. Senator Telo Taitague.

Senator Telo T. Taitague: Thank you, Mr. Chair. Just really short again, I please stress that you provide this revised budget. Because it's important for all of us. We're going to defend your budget on the session floor. When it comes time, we gotta know what we're talking about. We gotta know where the money's going, and if it gets too confusing, you know, people are just gonna give up and say, no, just give them this amount and let it go. Let them work it out. So, it's important to provide that these Aspire grant that I talked about earlier. If, I mean, you said that you haven't received anything from the federal government. We know it's a consolidated grant. But it doesn't mean that it could be taken away. I just wanna know how many children would be affected if that Aspired grant is no longer available and you don't have any way to subsidize it.

K. Erik Swanson, Ph.D., Superintendent, GDOE: Are you asking if the consolidated grant were to go away?

Senator Telo T. Taitague: Well, I'm talking about the Aspired grant because we know it's a consolidated grant. Right? But if it is in a consolidated grant that is jeopardized, then it subtract the Aspired grant, I'm just talking about the aspired

grant, the part that takes care of the afterschool program.How many students would be affected?

K. Erik Swanson, Ph.D., Superintendent, GDOE: That's be difficult to give you without really running a check to see what's going on in each school. But the, each elementary school has an Aspire program..

Senator Telo T. Taitague: Right?

K. Erik Swanson, Ph.D., Superintendent, GDOE: There are related programs in the middle school for academic support. So, it would certainly have impact across all of the elementary and middle schools.

Senator Telo T. Taitague: Exactly. I think probably in the thousands we're talking about affecting thousands of families and students with this particular grant. So when you're doing your revised budget, please incorporate, you know, this, how much it would cost and what it would affect, especially this particular grant program, which is very helpful for so many families across. And I can already see if this ends and there is no subsidies for this one. You are gonna get, we're gonna get phone calls. Every senator is gonna get, you know, hundreds of phone calls because of this. So just let us know that cost on this one. That's just a little, you know, I know there's other grants that are very important, you know, but this one I think is gonna really impact the schools if this no is no longer funded.

So, I thank you so much. Hi. Just coming in front of us you got a lot of courage, right? I know you're holding it all in, but you know, please do your very best. And, and looking forward to that revised budget. Thank you.

Chairman Christopher M. Duenas*:* *Si Yu'os Ma'ase*, Senator. So, I just have a couple comments as we close, just to go back to earlier in the day in our discussion with charter schools, you know, the charter schools are coming to us asking us to increase their budget because their door is getting, you know, knocked down basically with requests from parents to send their children, you know, to the schools.

That's what we're grappling with, and I made it clear to them that we'll do everything that we can. It's kind of interesting too, with the 3,500 plus students that they have when we now take their budget, if that was still a DOE budget, basically your request would be granted. Right? Now, if we add the two numbers together, my point is this, you have a deescalating, you have a, you're losing students, but you have an escalating budget.

I'm not gonna say that you don't need it. I'm not gonna say that, you know, you're you haven't presented something to us that's necessary. But what I'm saying is, at some point running these, and I said this morning, at some point, running these parallel education systems, I think is gonna require us to revisit where we're at in, in our process of education where charter schools are going, where DOE is going, and perhaps there's gonna be a discussion over your organization.

I mean, you're already, you know, you're already downsizing, you're already. You know, putting campuses basically to a situation where you're, you've anticipated and you have talked about and you have closed some schools up to date. And so the truth is that's where we're at and I talking about having real conversations with our community.

This is gonna be having real conversations with our community. The other thing, and I know you, I've talked to you about this, Mr. Swanson superintendent, is it's no secret that the federal government no longer wants to build out DoDEA schools. They want to do something different. When it comes to housing, when it comes to schools and structures in internally, they have the cost is astronomical, probably double even what you're providing in terms of per student ratio.

And so the truth is they're looking for different models and it seems logical that if we have schools on the outside, that we're closing. And I've talked to the Congressman about this, to approach them that charter schools, you know, want to expand instead of them building new campuses. You know, we don't, why don't we start getting in conversations about those schools that we are planning to close.

And then the charters can go in and they can probably come in and work with the charter schools to build out and to have two complimentary systems. I was so happy

to hear in our pre-budget meetings, and they said it again today with charter schools, there's actually DoDEA kids that are going to our charter schools.

There are dependents that are teachers. That are teaching and want to teach within our charter schools. They're choosing schools outside of DoDEA schools. So that already tells you that this model is getting ripe for a conversation. So we're gonna talk about your budget, we're gonna debate your budget, we're gonna deal with it in the totality of what the, you know, what the ceiling is and what we believe we can adopt as a level. And as I assured this morning, the charter schools, we're gonna get as close as we possibly can. You know, and whatever we can do. But I think it's important for the board and for others to start having some of these conversations about opportunities outside of what you currently have structurally and opportunities within the charter school arrangement and the DOE arrangement to see if we can't start to make, you know, some progress.

There's marines that are coming in now, probably by June from what we understand, the overall federal picture as you know, has been revised, is be somewhere around 34, you know, million or 34,000 persons upwards. There's gonna be families associated with that. There's gonna be kids that are that you know, that are gonna need schooling. So, this is something that we should start talking about now so that we have a plan going forward and opportunities going forward. And I really think there is a lot of opportunity there. So I just want to end with that and once again, let you know that we're gonna work absolutely as hard as we can to get to your numbers. If there is a, a revised budget, please feel free to send it to the committee. We'll disseminate it. If there's a need for another round we can call you back. Otherwise we can debate whatever you bring to us on the floor. And I'll give the courtesy, of course, of making sure that it goes to all senators will have the opportunity before we actually go into session to not only review, but to meet with OFB in terms of what the final picture looks like before we hit the floor.

So, we'll be fully transparent on what's going on so they know what they can do if they think they can do it on the floor in terms of moving money between budget categories. So that, I want to thank you for coming today and making your presentation. You know, of course we'll continue to have conversations with you about all the other issues that are ongoing.

I want to thank you for meeting with us consistently on this ever changing issue with regard to the ARP funds. But you know, I'm gonna make a statement to the people too, that, along with your statement, that we have a plan, we have a plan in place, and we have contingency funding in order to at least bridge us going forward.

And if we need an emergency session, we certainly will call one. Well, we thank you for all the work that you've done internally to find some additional resources. To work to make sure that the contractor can at least stay on as long as possible to avoid loss of additional resources and you know, your team has done a really good job in terms of working very closely with us.

So, I want to appreciate you and the team for that. Mr. Board chair, thank you too for taking all the meetings that we've asked you to take. With that housekeeping, this will conclude this afternoon's budget hearing on Bill 44-38 (COR) relative to the Guam Department of Education. The committee will continue to accept written testimony on the bill within seven calendar days from today, which may be addressed to myself, Senator Christopher M. Duenas as chairman of the committee, and mailed to 163 West Chalan Santo Papa. You may also send your testimonies to my email at senator.duenas@guamlegislature.gov. This afternoon the Budget hearing is now adjourned and the time is 4:54 and we are in recess. *Si Yu'os Ma'ase* team.

The Budget Hearing was adjourned at 4:54 p.m.

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Monday, May 5, 2025, at 2:00 P.M.

Guam Memorial Hospital Authority

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on May 5, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Mon, Apr 28, 2025 at 9:52 AM
To: phnotice@guamlegislature.gov
Cc: "stephen.ofbguam@gmail.com" <stephen.ofbguam@gmail.com>, "vanessa.ofbguam@gmail.com" <vanessa.ofbguam@gmail.com>

FOR IMMEDIATE RELEASE
April 28, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on May 5, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Monday, May 5, 2025,** beginning at **2:00 pm** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

2:00 pm

- Guam Memorial Hospital Authority (GMHA)

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

This ad was paid with funds by the Office of Finance & Budget

--

Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

1st Notice OFB Budget Hearing 5.5.25.pdf
730K

FOR IMMEDIATE RELEASE
April 28, 2025

MEMORANDUM

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From: **Senator Christopher M. Dueñas**
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This ad was paid with funds by the Office of Finance & Budget

FIRST NOTICE - FY26 Budget Hearing on May 5, 2025

PRINT

FIRST NOTICE - FY26 Budget Hearing on May 5, 2025

PUBLIC HEARING

Posted on: 04/28/2025 08:39 AM

Posted by: Ashley Shinohara

Public Hearing Date: 05/05/2023 02:00 PM

Department(s): GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
April 28, 2025

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Chairman, Committee on Finance and Government Operations

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2:00 pm
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Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on May 5, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Fri, May 2, 2025 at 10:19 AM
To: phnotice@guamlegislature.gov
Cc: "stephen.ofbguam@gmail.com" <stephen.ofbguam@gmail.com>, "vanessa.ofbguam@gmail.com" <vanessa.ofbguam@gmail.com>

FOR IMMEDIATE RELEASE
May 2, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on May 5, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Monday, May 5, 2025,** beginning at **2:00 pm** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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This ad was paid with funds by the Office of Finance & Budget

--

Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

2nd Notice OFB Budget Hearing 5.5.25.pdf
729K

FOR IMMEDIATE RELEASE
May 2, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **SECOND NOTICE - FY26 Budget Hearing on May 5, 2025**

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This ad was paid with funds by the Office of Finance & Budget

SECOND NOTICE - FY26 Budget Hearing on May 5, 2025

PRINT

SECOND NOTICE - FY26 Budget Hearing on May 5, 2025

PUBLIC HEARING

Posted on: 05/02/2025 09:03 AM

Posted by: Ashley Shinohara

Public Hearing Date: 05/05/2025 02:00 PM

Department(s): GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?division_id=267)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
May 2, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on May 5, 2025

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PBS GUAM
KGTF Channel 12
Guam Educational Telecommunications Corporation
P.O. Box 21449
GMF, Guam 96921
Phone # 671-734-5483

Invoice

Date	Invoice No.
7/30/2025	2025-38

Bill To
Office of Senator Christopher Duenas Calvo Arriola Bldg. Ste 101-13 259 Martyr St. Hagatna, Guam 96910

P.O. No.	Due Date	Rep	MOU No.
	7/30/2025	CDC	

Item	Description	Qty	Rate	Amount
Air-Time	Public Notice for: 5/5/2025 Hearing - (9:00AM Mtg) $250.00 (1st notice - 4/28/2025) (2nd notice - 5/1/2025) 5/5/2025 Hearing - (2:00PM Mtg) $250.00 (1st notice - 4/28/2025) (2nd notice - 5/1/2025) 5/15/2025 Hearing - $250.00 (1st notice - 5/8/2025) (2nd notice - 5/13/2025)		750.00	750.00

Certified to be true and correct:

Ina Marie V. Carillo
General Manager

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Total $750.00

BUDGET HEARING AGENDA

Monday, May 5, 2025 – Guam Congress Building

2:00 pm:

Bill No. 44-38 (COR) - Committee on Rules by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Guam Memorial Hospital Authority (GMHA)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: May 5, 2025 **Time: 2:00 p.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

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-- Relative to Guam Memorial Hospital Authority (GMHA)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Lillian Perez-Posadas	GMH/A	[redacted]	lillian.perez-posadas@gmha.org		✓	✓	
2	Belle Rada	GMHA	[redacted]	belle.rada@gmha.org		✓	✓	
3	Neal Concepcion	GMHA	[redacted]	neal.concepcion@gmha.org			✓	
4	YUKA HEKHANOVA	GMHA	[redacted]	yhakhanova@gmha.org	✓		✓	
5	R. EUSEBIO	GMH	[redacted]	reuseb@ttlguam.net	X		✓	
6	RODALYN GERARDO	GMHA	[redacted]	rodalyn.gerardo@gmha.org	X		✓	
7	JORDAN PAULUHN	GMHA		jordan.pauluhn@gmha.org	X		✓	
8	Lydie Taisacan	GMHA	[redacted]	lydie.taisacan@gmha.org			✓	
9	Zaldy Tugade	GMHA	[redacted]	zaldy.tugade@gmha.org	✓		✓	
10	Jesse Quenga	"	[redacted]	jesse.quenga@gmha.org	✓		✓	
11	Christine Tuquero	"	"	c.tuquero@gmha.org	✓		✓	
12	EDGAR AGUILAR	GMH BOT	[redacted]	egaguil@ttlguam.net			✓	

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: May 5, 2025 **Time: 2:00 p.m.**

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by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

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-- Relative to Guam Memorial Hospital Authority (GMHA)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	VERNA MYAMB	GMHA	[redacted]	[redacted]				
2								
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9								
10								
11								
12								

FY 2026 BUDGET REQUEST

May 5, 2025

"Committed to compassionate, forward thinking, quality-driven, and safe healthcare that honors the community."

Mandates and Services

Enabling Legislation: 10 GCA Health and Safety Ch. 80 GMHA

(a) Maintain and operate a facility providing acute, chronic and all other health care services, including those services specifically provided by contract for the Department of Mental Health and Substance Abuse, for the people of Guam.

Critical Care

Emergency services, ICU, surgery, and telemetry with advanced monitoring systems.

Family Services

Maternal child health including labor & delivery, pediatrics, and neonatal intensive care.

Diagnostics

Laboratory, radiology, interventional procedures, and specialized testing services.

FY 2026 Budget Overview

$213.6M

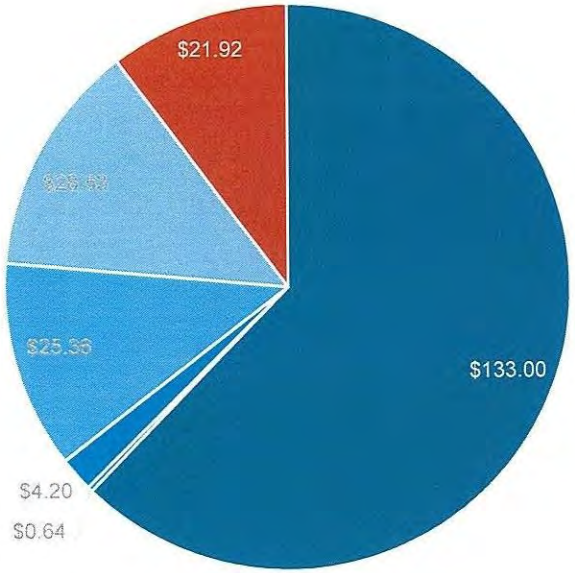
Total Budget Request

$191.7M

Funding Sources
In Millions

$21.9M

Unmet Need



Maintaining Current Services

$21.9M Funding Gap

Critical shortfall affecting all operational areas

Reduced Capacity

Fewer ICU and cardiac monitored beds available

Longer Wait Times

ER congestion and more frequent diversions

Staff Losses

Operating fund unable to support costs of maintaining Doctors and travel nurses

Without additional funding, CMS certification may be jeopardized. Diagnostic and treatment procedures will face significant reduction.

Potential Cost Containment Strategies

Workforce Reduction

Reduce total FTEs by up to 10%, freeze additional hires and salary increments.

Space Optimization

Outsource outpatient clinic space for cardiology, gastroenterology, and pulmonary services.

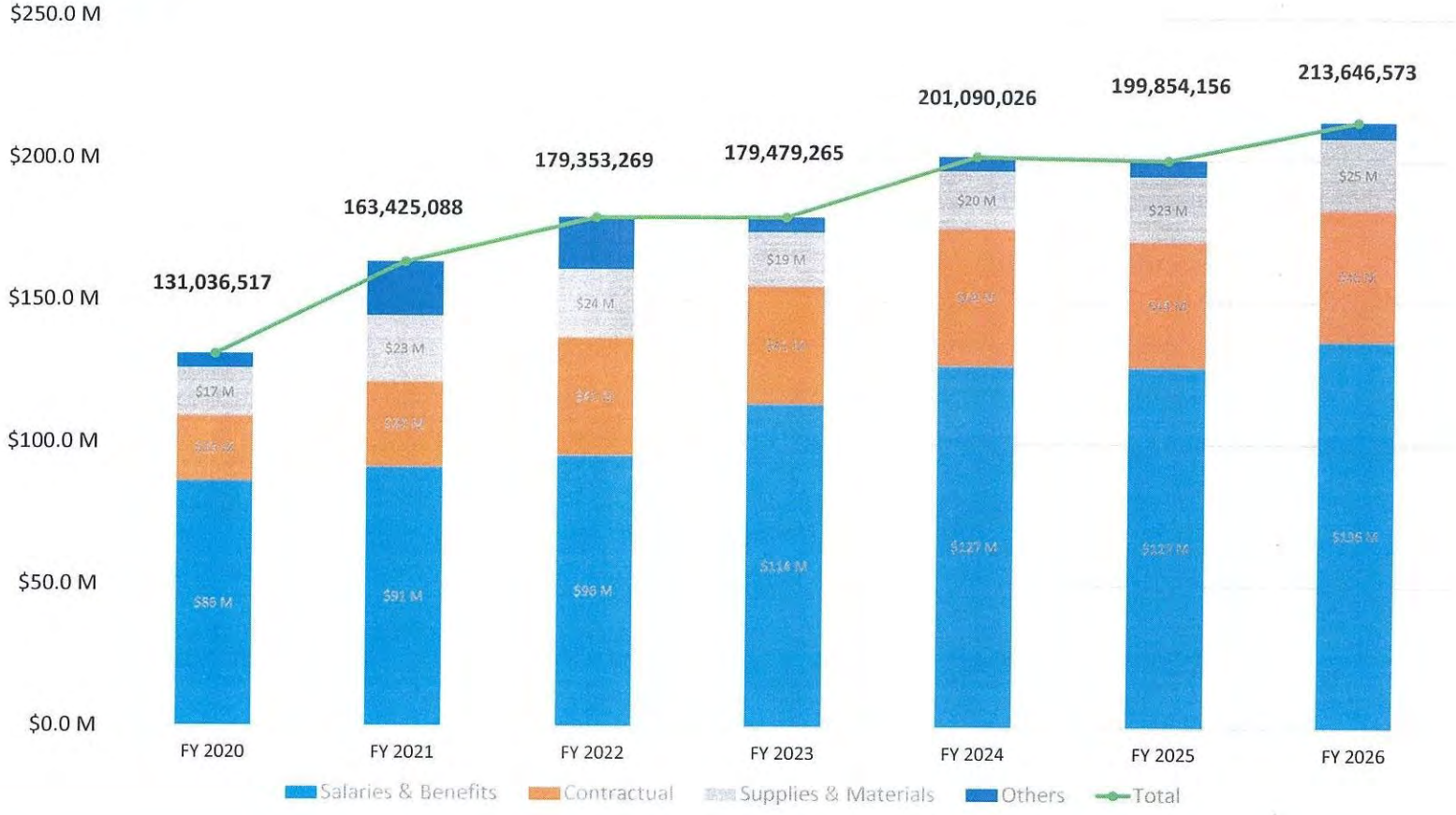
Service Contracting

Explore outsourcing options and renegotiate radiology contracts.

Compensation Adjustments

Reduce travel nurses, cut on-call pay, and freeze physician salary increases.

Expenses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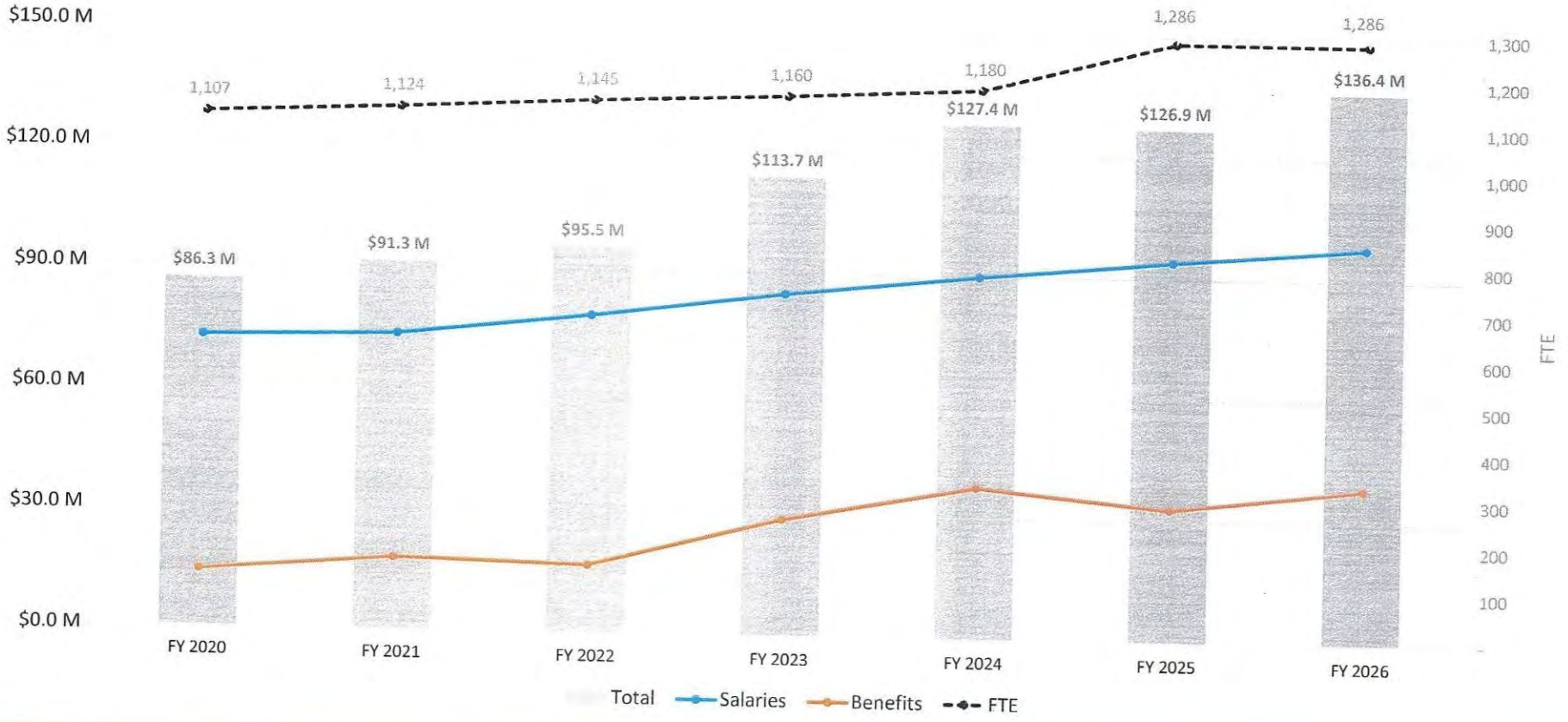
FY 2023
FY 2024
FY 2025
FY 2026
Salaries & Benefits
Contractual
Supplies & Materials
Others
Total

Personnel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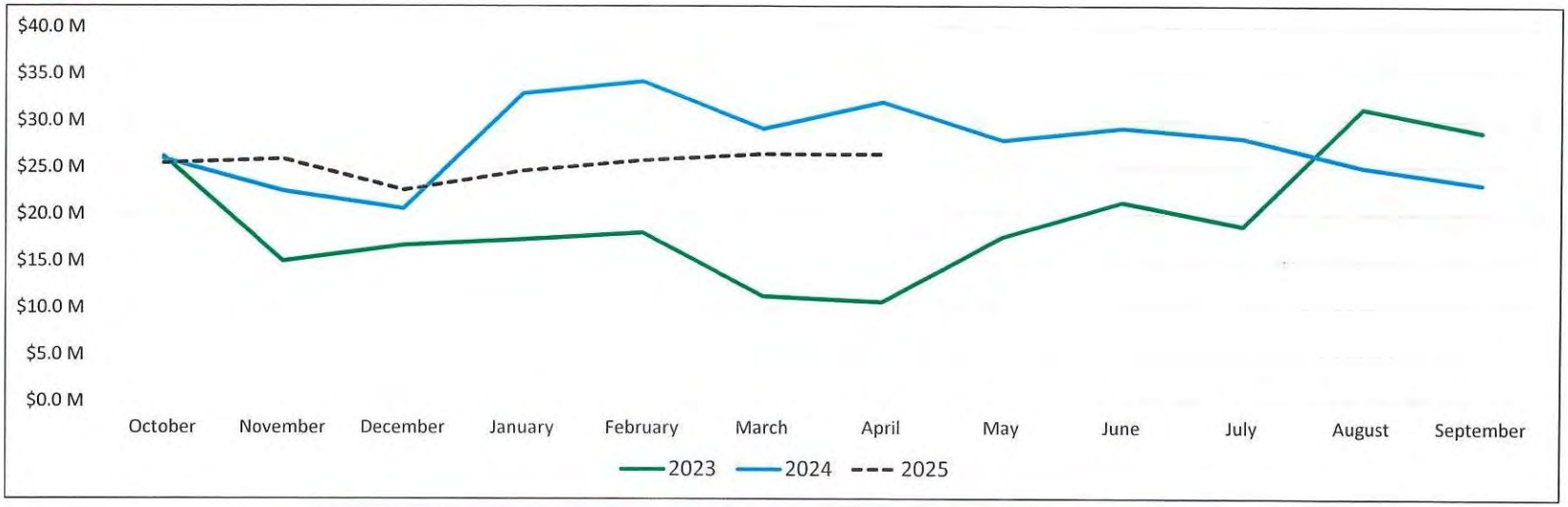
FY 2020
FY 2021
FY 2022
FY 2023
FY 2024
FY 2025
FY 2026
Total
Salaries
Benefits
FTE

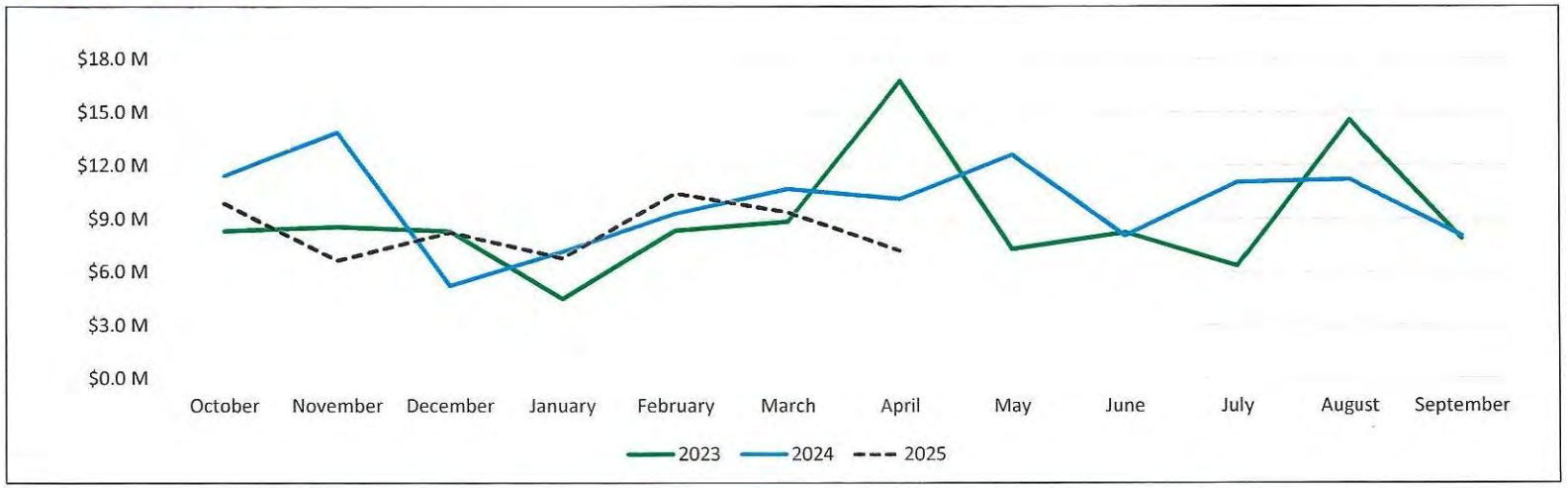
Billings



	FY 2025[1]	FY 2024	FY 2023
Medicare	$ 55.6	$ 89.5	$ 57.9
Medicaid/MIP	54.5	108.8	79.3
3rd Party Payors	46.6	83.0	66.5
Self-Pay	20.4	49.2	28.7
Total	**$ 156.7**	**$ 330.6**	**$ 232.4**
Avg monthly billing	$ 25.3	$ 27.5	$ 19.4

[1] As of April 30, 2025

Collections



	FY 2025[1]	FY 2024	FY 2023
Medicare	$ 12.7	$ 23.0	$ 15.1
Medicaid/MIP[2]	10.6	25.6	44.7
3rd Party Payors	30.9	60.2	40.5
Self-Pay	4.2	9.7	7.3
Total	**$ 58.5**	**$ 118.4**	**$ 107.6**
Avg monthly collections	$ 8.4	$ 9.2	$ 9.0

[1] As of April 30, 2025

[2] Net of Medicaid clawbacks in FY 2025 of $10.0M and FY 2024 of $9.2M.

Social Case Financial Impact

Charity Care Fund

Funding dedicated to supporting high-cost indigent care.

Inter-Agency Alignment

Coordinated efforts in social services, housing, and public health sectors.

Increased Public Funding

Subsidies aimed at offsetting uncompensated care costs.

Between FY2016-2025, GMHA faced $51.4M in uncollected social cases. There is an urgent need for increased Government support, improved insurance policies, and strong patient advocacy to bridge gaps in healthcare affordability for vulnerable populations.

Self-Pay Patient Challenges

$222.4 Million

Total accounts receivable from self-pay patients across current and aging accounts.

$15 Million

Actual collections from self-pay patients, representing a severely low recovery rate.

Legal Obligation

As a public hospital, GMHA cannot refuse care based on financial circumstances.

Without additional funding, we face a worsening cycle of financial losses that threaten care quality, staffing levels, and timely access to services.

SELF PAY	BALANCE
1999-2003	303,634
2004-2008	1,331,131
2009-2013	3,319,673
2014-2018	40,293,305
2019-2023	135,449,331
2024-2025	39,638,534
In-House	2,142,083
TOTAL	222,477,691

MEDICARE	Gross Charges	Payment Received	Per Diem/Other Adjustment	Balance
FY 2024	85,393,081	22,984,544	42,673,413	19,735,124
FY 2025	45,379,755	10,947,919	28,146,406	6,285,430
TOTAL	**130,772,836**	**33,932,463**	**70,819,819**	**26,020,554**

Medicare Reimbursement Gap

1 TEFRA System Constraints

Fixed $1,689 per diem rate

2 2024 Performance

$85.4M billed, $23.0M received, $42.7M in adjustments

3 2025 Performance

$45.4M billed, $10.9M received, $28.1M in adjustments

Without support, GMHA's ability to provide safe, timely, high-quality care is at risk.

MEDICAID	Gross Charges	Payment Received	Per Diem/Other Adjustment	Balance
FY 2024	93,741,439	25,331,116	56,263,347	12,146,976
FY 2025	42,808,885	9,799,392	25,998,004	7,011,489
TOTAL	**136,550,324**	**35,130,508**	**82,261,351**	**19,158,465**

Medicaid Reimbursement Challenges

$136.5M Billed

Total Medicaid services billed over past two years.

$35.1M Received

Actual reimbursement from Medicaid, severely below costs.

$82.3M Written Off

Per diem adjustments in FY2024 alone, not recoverable.

75% Projected Loss

Expected per diem adjustments on current $19M balance.

These shortfalls mirror Medicare gaps, forcing GMHA to operate at massive losses while delivering mandated services.

TakeCare Insurance Performance

FY2025 Billing

$10.0 million in gross charges billed to TakeCare Insurance.

Minimal Payment

Only $6.1 million received so far.

FY2024 Settlement Issues

In February 2025, GMHA agreed to settle $5.3 million in unpaid claims for $2.8 million.

Current Shortfall

Over $1.6 million is now due and remains unpaid, mostly from FY2025 charges.

TakeCare, a private insurer, is contractually obligated to pay for services rendered, unlike public insurance programs. Yet, TakeCare's payment performance significantly trails industry benchmarks.

SelectCare Insurance Challenges

	Gross Charges Billed	Payment Received	Adjustment for denials, non-covered benefits, patient responsibility	Balance
FY 2024	40,522,814	27,503,028	11,958,783	1,061,003
FY 2025	23,143,044	16,561,786	5,785,761	795,497
TOTAL	**63,665,858**	**44,064,814**	**82,261,351**	**1,856,500**

Billing Summary

$63.7 million billed to SelectCare and self-funded plans in FY2024-2025.

$44.1 million has been collected, with $1.9 million outstanding.

Payment Issues

Recent denials of physician professional fees for providers with private clinics have occurred.

These denials, starting in FY2024 and continuing into FY2025, have significantly reduced reimbursements.

Other denials for certain infusion administration have been ongoing that also reduced reimbursements.

Impact on GMHA

Unresolved denials jeopardize the hospital's financial stability.

As Guam's sole public hospital, GMHA cannot restrict services based on payer conduct.

Government Charges and Reimbursement

Legal Obligation

Care must be provided to inmates regardless of their ability to pay.

Local Government

$8.0M billed, only $760K reimbursed, leaving $6.9M unpaid.

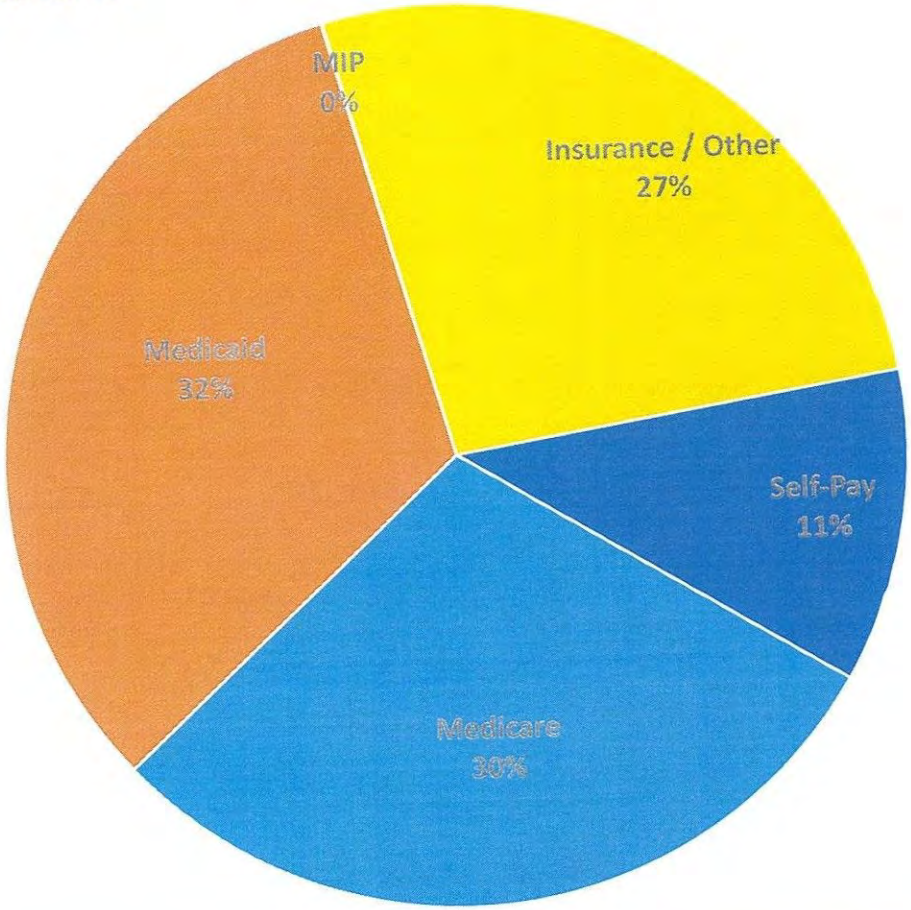
Regional Jurisdictions

$2.6M billed to CNMI, with $419K paid and $1.7M outstanding.

Historical Burden

Some outstanding charges date back as far as 1999 and remain uncollected.

Patient Population



Accounts Payable as of May 2, 2025

Type	Total	Current	Over 30	Over 60	Over 90
Pharmaceuticals/ Supplies	6,803,002	1,428,287	854,177	1,075,641	3,444,897
Payroll payables	6,754,287	2,512,577	1,659,919	1,643,029	938,762
CIP	2,832,602	43,091	763,246	175,971	1,850,295
Travel nurses	2,272,844	-		318,566	1,954,278
Services	1,244,903	234,262	110,212	114,448	785,981
Utilities	912,437	127,722		276,209	508,506
Grand Total	**20,820,074**	**4,345,939**	**3,387,553**	**3,603,864**	**9,482,718**

FY 2026 CIP Request- $29,345,995

Guam Memorial Hospital Authority

- 0 – 6 Months
- 6 - 12 Months
- 9 – 18 Months

✓ HVAC & Utility

- Remove & Replace Main Electrical Distribution Panel/Subpanels/Emergency Generators/Access Road ($5.16M)
- Fire Alarm System & Fire Protection Upgrades ($660K)
- MIS Server Room Upgrade ($500K)
- All Hazards Emergency Power Supply Project ($250K)
- GMH & SNF Elevators ($700K)
- LOX Emergency ISO Tanks Connections ($200K)

✓ Structural/Architectural

- Hospital Center Island Parking ($815K)
- Z-Wing Demolition, Space Retrofit, & Parking Expansion Phases ($400K)
- MRI Building Demolition & Renovation ($300K)

✓ IT Network/Systems Infrastructure

- Electronic Health Record ($14.56M)
- IT Network Infrastructure ($5M)

Legislative Amendments Sought by GMHA

1. **Procurement Reform:** Align GMHA's local small purchase threshold with federal simplified acquisition standards to streamline procurement.
   - *Proposal:* Add §5213.A to Title 5 GCA for medical supplies, equipment, and pharmaceuticals.
2. **Pharmaceutical Fund Enforcement:** Ensure consistent funding for GMHA.
   - *Proposal:* Add §26208.1.A to Title 11 GCA requiring monthly deposit of 6.19% of Business Privilege Taxes into GMHA Pharmaceutical Fund.
3. **Extension of Tax Credits:** Extend P.L. 35-138 "Tax Credits for GMHA" sunset provision to 2030, ensuring full benefit of the 5-year program with FY2026 marking first appropriation.
4. **Nurse Recruitment Funding:** Establish dedicated Nurse Recruitment Cycle appropriation like existing public safety cycles to address critical staffing needs.

Guam Memorial Hospital Authority

Si Yu'os Ma'ase! (Thank You!)

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Christopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Monday, May 05, 2025** at **2:00 PM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Monday, April 28, 2025** (5-Day Notice), and again on **Friday, May 2, 2025** (48-Hour Notice).

SENATORS PRESENT

Honorable Senator Christopher M. Dueñas, Chairman
Honorable Speaker Frank Blas Jr.
Honorable Vice Speaker V. Anthony Ada
Honorable Senator Sabrina Salas Matanane
Honorable Senator Telo T. Taitague
Honorable Senator Eulogio Shawn Gumataotao
Honorable Therese M. Terlaje
Honorable William A. Parkinson

ORAL TESTIMONY:

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA
Yukari Hechanova, Chief Financial Officer, GMHA
Jesse Quenga, Personnel Services Administrator, GMHA
Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA
Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA
Verrad Kwasi Nyame, M.D., Acting Associate Administrator of Medical Services, GMHA
Ricardo B. Eusebio, M.D., Operation Room Director, GMHA
Jordan Pauluhn, Legal Counsel, GMHA

WRITTEN TESTIMONY:

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **[2:03 PM]**

[Questions and Discussion] **[***Begins at 00:37:55 and ends at 03:18:00*]

The Budget Hearing was called to order at 2:03 p.m.

Chairman Christopher M. Duenas: Buenas Tåtdes yan Håfa Ådai to everyone. Welcome to your Guam legislature. The Committee on Finance and Government Operations is now called to order. The time is 2:03, 2 o'clock and three minutes in the afternoon. This is May 5th, 2025. First, notice that this public hearing was disseminated to all senators and media outlets on April 28th, 2025, with its second notice disseminated on May 2nd, 2025.

The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's public notice portal. The committee will not now hear BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF *I MAGA'HÅGAN GUÅHAN*, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Today, we are hearing the budget as it's relative to the Guam Memorial Hospital. Joining me for this budget hearing is Vice Speaker Tony Ada, the Vice Chairman of this committee, the Chairwoman on Health, which is our senator Sabrina Salas-Matanane, Senator Sean Gumataotao, Senator Therese Terlaje and Senator Telo Taitague.

Those testifying on Bill 44-38 relative to the Guam Hospital Authority. Please take a seat at the table at this time. Before we begin, I'd like to remind everyone in attendance of *I Liheslåturan Guåhan's* General Rules of Conduct individuals testifying shall first be recognized by the chairperson before speaking and shall state their full name for the record keeping purposes. Questions and testimony shall be confined to the substance or nature of the bill on the agenda. Personal inferences to the character or motive of any Senator individual testifying are not permitted. The chairperson of the committee may order the removal from the hearing from any member, from *I Liheslåturan Guåhan* or public audience who fails to observe property quorum Pursuant to the 38th Guam legislature, standing Rules, any violation of this general rule of conduct will result in immediate removal from this

public hearing room at this time as is customary during the budget we have our panel members to be sworn in. So, Sergeant Arms, please swear in the panel.

Edward Pocaigue, Sergeant-at-arms: Please stand and raise your right hand under penalty of perjury. You'll affirm that any information you provide today, whether be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth. Mr. Chair, they are under oath, you may proceed.

Chairman Christopher M. Duenas: Thank you, Sarge. So, with that, we'll now proceed to hear testimony on 44-38 (COR) relative to the Guam Memorial Hospital Authority.

I guess I'll start with the CEO Ms. Lillian Posadss. And I understand you have a PowerPoint presentation and so I think we'll just go through that first. And then are your panel members testifying or are they here in support and for any questions?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Some of them. Some of them will speak on some of the slides, PowerPoint slides. Some are here to answer whatever questions or provide you whatever data or information that we may not have in our PowerPoint slides, so they're available. Thank you.

Chairman Christopher M. Duenas: Okay, Lillian, Lillian, I'll give you the latitude. And so you just conducted how you want to until you're completed and then we'll start for questions. You may proceed.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Okay. Thank you. Senator Christopher Duenas and *Bueñås yan Håfa Ådai* Senator Christopher Duenas, Chairman of the Committee on Government Finance and Operations. Speaker, Vice Speaker Senator Tony Ada, Senator Sabrina Salas Mantanane, Chairwoman of the Committee on Health and Veterans Affairs. *Bueñås Guahu si* Lillian Perez-Posadas, Hospital Administrator.

I like to introduce our panel here To my right is Rodalyn Gerardo, who is our Assistant Administrator of Operations. To her right is Dr. Ric Eusebio, who is our OR director and to Dr. Eusebio's right is Mr. Jesse Quenga, who is our Personnel

Services administrator and then to my left is our CFO Ms. Yuka Hechanova, to her left is Jordan Pauluhn, who is our, one of our legal counsel and then to his left is Mr. Zaldy Tugade, who is our Associate Administrator of Operations and then in the back we also have some of our executive management council members nursing director and the assistant administrator professional support services and we have Ms. Sydie Taisacan also who is also part of the fiscal team. Edgar Aguilar. Oh, yes, thank you. We have one of our board of trustee, Trustee Edgar Aguilar. He's one of our trustees with us to support us and if you know you have questions of him, He hopefully available to answer whatever questions you have. So, okay, let me proceed with my opening remarks.

As I said earlier, Guahu si Lillian Perez-Posadas, hospital administrator on behalf of the board of trustees management, medical staff, employees, and the patients we service, thank you for giving us this opportunity to defend, explain, justify, and validate the hospital's fiscal year 2026 budget request. We hope to engage in a collaborative, constructive, deliberative, and strategic thinking dialogue. With me this morning, I've already introduced our team and I think I don't need to introduce any more. There is one more member of our executive team, and that's Ms. Danielle Manglona, she's our administrator of quality, patient safety and regulatory compliance. We also have Dr. Larry Lizama, who is our skilled nursing facility medical director, and Ms. Pauline Lizama, who is our Department of Corrections on-site clinic manager, nurse manager. And if I may, Senators, I want to make it unconditionally and undeniably clear without sounding monotonous or cynical.

As GMH is Guam's only public hospital, it is therefore a safety net hospital. What this means is that GMH has a legal obligation and responsibility to provide healthcare for and to all individuals regardless of their insurance status or ability to pay. This legal mandate requires GMH to serve all populations. GMHA is the go-to public hospital for the people of Guam, especially for the under underinsured, uninsured, and most vulnerable population. It is the only hospital that serves the maternal child health MCH population. We are it, I know you all know this, but I just want to articulate and reiterate this fact as emphatically as possible.

If we cannot provide or sustain basic medical care to everyone who enters the hospital because of the limited resources, be it financial staffing or supplies, then we

all fail in our duties and responsibilities, and we run the risk of closing the hospital, which we all hope we do not get to that point.

Therefore, I, and on behalf of our governing body, the board of trustees, our executive Management council, all our GMHA leaders and managers, employees, medical staff, and of course all the patients, we humbly ask this legislative leadership within its appropriation authority, responsibility, and role to support the hospital's funding needs, including the additional 21.9 million funds we need to keep the hospital operational with all the essential clinical and nonclinical services.

I also want to emphasize and reiterate that GMHA does not get 100% reimbursement by the different payers. There is empirical evidence throughout the US that payers, such as commercial health insurance plans and federal insurance programs, underpay and deny claims submitted by hospitals for services provided to their members and subscribers of their health plans.

Hospitals across the US are closing primarily due to financial issues affecting their sustainability and viability. To put it all into perspective and to hopefully assist you with what we are asking, attached is a recent literature from the American Hospital Association entitled Cost of Caring Challenges Facing America's Hospitals in 2025.

As noted in that AHA literature hospitals are not only centers of care, but also vital economic engines for communities. On that note, senators, please allow me to restate our request that as GMHA is Guam's only public hospital and is a safety net hospital, it is imperative to amend the GMHA fiscal year 26 budget to include the 21.9 additional funds.

I just wanna quote close my opening remarks with a quote from that, AHA article Supporting hospitals, mean supporting patients communities, and the entire healthcare system of our island. *Si Yu'os Ma'ase!* We can now begin our PowerPoint presentation. We can start with the first slide, which pretty much spells out our mission, committed to forward thinking, compassionate, forward thinking, quality driven, and safe healthcare for that honors our community.

Next slide, please. This is the mandate that requires us to then again, provide the services to everyone and anyone who comes through our doors. We provide critical care, we provide family services, and we provide all kinds of diagnostic procedures in our facility. Next slide, please and I'm gonna hand it over now to Ms. Yuka, our CFO. Thank you.

Yukari Hechanova, Chief Financial Officer, GMHA: Good afternoon, Senators. Thank you for being here today to listen to our presentation. Slide three begins with an overview of the FY 2026 budget. For FY 2026, GMHA's projected funding sources of 191.7 million will cover 90% of the projected operating expenses of 213.6 million.

GMHA is requesting an additional 21.9 million, which is only 10% of the operating expenses. Our funding sources include GMHA collections of 133 million, budgeted appropriations of 54 million from the general fund and pharmaceuticals fund, and $4 million from the Department of Corrections for the clinic services.This 21.9 million represents a funding gap that will result in unmet needs of the hospital.

Next slide, please. Maintaining current services with the 21.9 million, we can maintain current services. Without it, GMHA will have reduced capacity that will require bed closures. Our patients will have to wait longer in the ER for a bed. We will not be able to pay vendors for pharmaceuticals, oxygen, and vital supplies. We will not be able to pay contractors to service our medical equipment, our elevators, our boiler, and our water treatment system. We will not have enough nurses and doctors to care for our patients.

Next slide, please. GMHA has been exploring several cost containment strategies to include workforce reduction, outsourcing space and resources for outpatient clinics, and reevaluating all contracts for travel nurses and physicians among other contracts. This is in light of the possibility of us not receiving the funding. We will really have to go back to the drawing board, and we are exploring cost containment strategies right now.

Next slide please. GMHA expenses have increased dramatically since the COVID-19 pandemic in 2020. Labor costs continue to be the largest percentage of hospital

expenses. As noted in the recent cost of caring report from the American Hospital Association, the nation's healthcare systems are facing persistent cost growth and inadequate reimbursement. We are struggling to maintain access to essential medical services amid workforce shortages, supply and chain disruptions and tariffs. For FY 2026, GMHA's most notable increases in expenses are expected in personal costs, contractual services and supplies. Personal costs for FY 2026 are expected to be $9.4 million higher than FY 2025, mainly due to the high cost of medical and dental insurance premiums and the retirement rate increase. GMHA also factored in $1.8 million for nursing and professional support technicians pay increases.

However, the Department of Administration recently did not approve that pay increase, so that can be adjusted in our budget. Contractual costs are expected to be $2 million higher due to the continued need for contract travel nurses and for and physicians. Supplies and materials are expected to cost 2.2 more million dollars more than this year due to increases in the cost of drugs, liquid oxygen, and medical supplies.

Next slide please. Personnel, an increasing area in personnel costs have been in employee benefits, which are more than double for FY 2026 than FY 2020 amounts. While salaries have grown 36%, there have been several pay plan adjustments, the nurse pay plan in 2021 and 2024, the law enforcement plan in 2022 and the general pay plan in 2023, all with significant impacts to cash flow.Salaries and benefits in FY 2020 was 85.1 million, and in FY 2024 it is 138.4 million.

Next slide, please for billings, our revenue cycle staff in billing, coding, medical records, registration and receivables have worked tirelessly to ensure claims are billed on time and carefully monitored to ensure maximum reimbursement. So far in FY 2025, we have been on target by billing all gross charges FY 2024 billings were significantly higher as you can see in the slide due to catching up on many claim delays from the network shutdown in Typhoon Mawar in FY 2023.

Next slide please. Collections since FY 2024 collections have been impacted partly by a 50% claw back from the Department of Administration for Medicaid advances of $26 million. GMHA has paid back the advances. However, additional amounts have been deemed advances by DOA, such as a $5 million pharmaceutical fund

advance in October, 2024 and 4.8 million in travel nurse payments they made for us in 2022.

In FY 2024, 9.4 million was paid towards the Medicaid advance and in 2025, 10 million. If the advances were truly GMHA collections, our collection rate on billings would've been 40% instead of 33%. We also experienced challenges with some of our payers.

Next slide, please. Such as social cases. GMHA continues to provide care for patients deemed social cases that do not have any caregivers and have no acute conditions for hospitalization. Currently $51 million is the uncollectible amount for social cases. After these patients have exhausted their Medicare and Medicaid coverage but continue to incur charges due to being continually hospitalized.

Next slide, please. Although we have been able to help self-pay patients apply for Medicaid, old self-pay balances are a concern. Despite our best efforts to collect, GMHA's old self-pay receivables are $222 million. In FY 2026, We plan to outsource collections of old accounts. While our collection staff work on current accounts. We continue to encourage patients to execute payment arrangements apply for sliding fee discounts and tax garnishments are also a means for us to collect, but many patients simply do not have the means to pay their hospital bills.

Next slide please. A large part of our Medicare claims are adjusted for amounts uncollectible due to the fixed per diem rate. Our FY 2024 Medicare cost report showed that the current cap per discharge Medicare patient is $13,000. While the actual cost of discharge was $28,000, a difference of $15,000.

What this means is that in our cost report, it calculates that it actually costs us $28,000 when we discharge a Medicaid patient, a Medicare patient. But the cost report says that we are capped at $13,000 for that discharge. Since FY 2020, the cost of the COVID-19 pandemic, the gap between our reimbursement rate and actual cost has significantly increased. It's really since the pandemic that we've noticed the significant gap between what Medicare is paying us and what our actual costs are. So, rebasing our target rate to more current rates would help improve our reimbursements. One challenge in this area is the audit of our cost reports have

slowed down significantly. The last audit was for FY 2019 and it's the CMS contractor Meridian that performs these desk reviews and audits of our cost report. And for some reason, FY 2019 was the last one we started FY 2020, but that fizzled out and they're going to resume the audits. We had a meeting with them last month that was arranged by our Congressman, and we brought it to their attention that the cost report audits had slowed down and they're going to look into it so we can resume those audits when we have audited cost reports that gives CMS accurate verifiable information on what we would ex request in terms of rebasing. It gives them better numbers to rely on, but we're also exploring other more permanent solutions, such as a critical access hospital designation where we would receive 101% of all Medicare expenses instead of going back every 5 or 10 years to determine whether we need our rate rebased.

The critical access hospital designation would be something more permanent for us, and we're getting assistance wit this endeavor from the Congressman. He arranged a meeting between us and him and his staff, and they're going to help us explore that option as well. Another thing we would need in this area is we really need to hire our own consultant to help us explore all these avenues and options that we have with Medicare. We are we were working with DOA to get help on their end, but it's been very slow to progress. So, we'd like to move on and possibly get funding for a consultant to help us push these issues.

Next slide, please, for Medicaid. We also have reimbursement challenges, but mainly because Medicaid mirrors the Medicare per diem rates, so the reimbursement challenges are very similar. The balances in the Medicaid table that you see there of $19 million are for charges that we haven't billed yet and haven't been paid yet, but it's also a large portion of that is for the social cases that are still covered under Medicaid and still in the hospital.

Next slide please, Takecare Insurance performance, although we continue to strengthen our relationship with our payers and work closely with them to resolve billing issues quickly, delays in payment have been extremely stressful given the needs of the hospital. Payment is expected between 31 and 45 days of the bill date. Our challenges with Takecare have been delayed payments and settlements to clear old claims that after time become very difficult to reconcile.

Our GMHA legal team has issued demand letters for those claims that exceed 45 days and are considered late. We also charge interest at the end of the month for those claims that are over 45 days.

Next slide, please. For select care, our challenges are a little bit different. Select Care does pay, they pay us every week, and they've been pretty current. However, they have been denying claims for professional fees for physicians with private clinics, in addition to denying payment for IV infusion administration charges. And this is now amounting to approximately $800,000. So, we have ongoing discussions with them regarding this, and now we've reigned in our legal team to help us resolve these denials because they're getting very expensive.

Next, next slide please. Government charges is also and reimbursement is also an issue. The main reason here is we have very old DOC receivables for inpatient care running about $3 million. This is for pre 2020 inpatient claims, and there's also some old workman's compensation claims that haven't been paid and if there really will be no possibility to receive any collection on these accounts, we will propose a write off for these.

Next slide, please. And our patient population here, most of our patients are covered by Medicaid and Medicare, and we continue to see more self-pay patients moving to Medicaid because we've been assisting them with the applications for Medicaid or MIP coverage. However, for Medicare and Medicaid, as I've explained, we are limited to a per diem rate for inpatient charges, and that current rate is $1,689 for inpatient stays regardless of what charges are incurred and with the increases in labor and non-labor costs, this has a significant financial impact on GMHA to provide care for the patients.

Next slide, please. For accounts payable, we are at 20.8 million as of May 2nd, 2025. The legislature did graciously make supplemental appropriations to GMHA in October, 2023 for $30 million in July, 2024 for $1 million for the merit bonus payout. And in October, 2024, we got $20 million. And these supplemental fundings have brought tremendous relief as we were finally able to pay vendors and release our credit holds.

However, our payables are now at $20.8 million with the largest amounts owed to vendors for supplies and pharmaceuticals and even payroll payables for withholding taxes and insurance premiums. And now we have amounts climbing for CIP projects. Our current monthly cash requirements are between 16 and $17 million per month, and our total cash receipts average about 13 million a month, and this leaves a $3 million shortfall every month. Next slide please.

Senator Therese M. Terlaje: Sorry, is that on this slide?

Yukari Hechanova, Chief Financial Officer, GMHA: Should be the payables?

Senator Therese M. Terlaje: No, your summary, what you said about the net revenue.

Yukari Hechanova, Chief Financial Officer, GMHA: I can provide my testimony to you.

Senator Therese M. Terlaje: Could you just repeat that then about the net revenue part?

Yukari Hechanova, Chief Financial Officer, GMHA: The revenues,

Senator Therese M. Terlaje: or you said you're sure, I don't know, your monthly.

Yukari Hechanova, Chief Financial Officer, GMHA: Oh, the current cash requirements, so to pay for payroll and suppliers and vendors, our cash requirements are about 16 to 17 million a month. And our cash receipts total average about 13 million a month. So we are short about $3 million a month. And I'll turn it to Rodalyn for the CIP's.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: So on the CIP's, in the packet that you received this afternoon, there is a listing this is the same listing that was provided in the original budget submission. This but what I just kind of wanted to walk you through it. So as part, in addition to our operational

fund request of 21.9 million, there is also a $29.3 million request for CIP. And so I, in the listing, it looks like this. So, what you'll see is that we color coded it red meaning the most critical that we would need within zero to six months as far as identification of funding, yellow meaning six to 12 months, and then blue meaning nine to 18 months. You'll see again the total is $29.3 million. The biggest one in here really goes and speaks to our IT infrastructure.

So, this is related to our electronic health record and our IT network infrastructure. And so I know that in past hearings we've been asked about where are we on our electronic health records, and we've been informing you that because we don't have the identified funding source, we're unable to procure let alone put an IFB or an RFP together to procure the electronic health record.

But in line with our fiscal year 2020. Six it's actually in line with our five year CIP plan. The electronic health record is there, and it's still an estimate, but the estimate is at $14.5 million and then the IT network infrastructure is at $5 million. Again, these are all estimates but just to show you that there are needs, critical infrastructure needs that the hospital does have. And so, you know, we want it to be transparent that these are the needs that we do have, but also in line with our CIP is the removal and replacement of our main electrical distribution panel, subpanels and emergency generator. That is at least for the first year, the estimate is at $5.1 million and that's on there under utility systems projects. But we've also summarized it in the spread in the PowerPoint presentation for you all. Thank you. Next slide.

Jordan Pauluhn, Legal Counsel, GMHA: So there have been some talk about legislative proposals or amendments that can help GMHA advance its interests. So I'll take a couple of them and then Jesse Quenga will also address a couple at our, at one of our last hearings. Senator..

Senator V. Anthony Ada: If you can just state your name for the record.

Jordan Pauluhn, Legal Counsel, GMHA: Oh, sorry.

Senator V. Anthony Ada: Okay, Thank you.

Jordan Pauluhn, Legal Counsel, GMHA: Jordan Pauluhn Legal counsel. At one of our last hearings, Senator Mantanane was talking about procurement reform, and I know the governor has addressed that as well in her state of the island address. And so we have actually convened a group of employee procurement employees at the hospital to get together and review our procurement regulations and code.

And we're going through that line by line. One of the biggest challenges we run into, especially at the hospital, is the limitation of $25,000 for small purchases. You know, a purchase of linens regularly will even exceed the $25,000 threshold, and it just adds to delays to getting certain basic goods and supplies into the hospital.

So, one of our proposals would be to raise the local small purchase threshold to be in line with the federal simplified acquisition standards. The current federal simplified acquisition threshold is $250,000, but we, you know, we're open to discussions anything from the old threshold of a $100,000 up to $250,000.

And we will have a, i, we have circulated, I think, to a couple of the senators a written proposal on that portion, but we can also circulate that to the rest of the members. One of the other things we persistently run into problems with on the legal end is the pharmaceutical fund allotment the far, when the pharmaceutical fund was enacted into law, it designated one or 6.19% of the pharmaceutical fund to Guam Memorial Hospital Authority.

As part of the business privilege taxes, what happens every year when we get through the budget is we're given a, some certain, as an es, as a estimate of what those BPT collections are going to be. And so when collections actually exceed the estimates, were never actually given. 6.19% were shortchange, but when estimates do fall below and collections are short, they do withhold from us the, that same portion of the allotment.

So, if we can write into the budget bill or some other loss, some way to actually you, you know, audit or true up, so we actually get 6.19% of the pharmaceutical fund at the end of the year. That would be one way to help with the cash flow.

Jesse Quenga, Personnel Services Administrator, GMHA: Okay. Thank you Jordan. Senators, my name is Jesse Quenga, I'm the Personnel services Administrator. The other two amendments that we'd like to request first is to the extension of tax credits, public law 35-138, establish a new chapter, which was tax credits for GMHA. It was a million dollars max per year for five years and would allow businesses to procure much needed medical supplies and equipment.

Unfortunately FY 2026 reflects the first budget act, which would set aside the unpledged BPT. So, we're asking for an amendment to the Sunset provision to extend out to 2030, since this is the first year that GMHA would be able to work with businesses to get the tax credit. The final amendment that we'd like to request is similar to a public safety recruitment cycle.

If we can implement a nurse recruitment funding in our budget Act so that we can recruit for the anticipated graduate nurses out of the university Guam, the Guam Community College. And we've drafted up the text, which we can furnish to the committee and are available for questions. And I'll pass it back to our CEO for a question.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Thank you, Mr. Chair, Senator Chris Duenas before we move on, I know a lot of your senators are probably really just wanting to ask us some questions, but I'd like for Dr. Eusebio to be given a few minutes to speak. Thank you.

Chairman Christopher M. Duenas: Certainly proceed, Dr. Eusebio, and thank you for coming.

Ricardo B. Eusebio, M.D., Operation Room Director, GMHA: Okay. Thank you. Thank you for allowing me to speak. Mr. Speaker basically in regards to my practice here in 35 years, over 35 years of surgery in Guam, and I've been through all these budget hearings through the years, and with monies appropriated, money's not appropriated, whatever, but I've witnessed over the years this vicious cycle, really vicious cycle of failure and that's what this is. And it's based on a subconscious belief. Quite honestly. Listen to me, this is based on a subconscious belief that healthcare is free and it's rooted in the experience that originated in World War II

when the Navy established a system where everyone received free healthcare. This attitude has been pervasive in this government system, which all of your participants through the years and is present today. The reality is that healthcare is not free hospital physicians, nurses, and ultimately the patient pays whether receiving good healthcare or no healthcare. This is the crux of the matter, quite honestly.

And the question is whether you wish to uncouple yourself from this vicious cycle of failure or is it even possible? I don't know, but it's up to you. I believe this can be accomplished. However, through effective management, free from political influence, efficient operations and exception from procurement regulations and enforcement of collections, and the government. The Government Paying for their mandated responsibility of providing care to anyone presenting themselves to the emergency room that is uninsured Medicaid or MIP program. I just saw $222 million of un collected monies, and we're asking for 21. It's unbelievable. These are not subsidies, but expenses for services rendered. If I may use a metaphor, the government is mandating us to make bread and creates a store to sell the bread, GMH. However, it takes a dollar to make the bread, but the government only gives the store 60 cents to make the bread, and yet allows people to walk in the store and take the bread for free or pay less than a dollar to make the bread.

How is this store gonna be function? How is this store going to survive and continue? The fact is that the GRMC exists and it's good that GRMC exists because it demonstrates the possibility that a private entity can be successful in Guam. It provides patients with an option, but for GMH to compete with GRMC, we can't compete with one hand tied behind our black back. A truly autonomous GMH in a new hospital building will be competitive, certainly, however, unless these issues of procurement drugs be unable to buy the drugs and yet charge the patients the appropriate amount. All these things are small but these issues have to be resolved and the only way we're going to resolve them is really to make GMH my feeling is to make GMH truly autonomous. And the thing is, this has to be resolved before we go to the new hospital because unless you resolve these issues, you're gonna have the same problem in the new hospital. And it's gonna fail. It's gonna fail. So, it's up to you to try to resolve these issues and uncouple ourselves from this vicious cycle of failure. Thank you.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Dr. Eusebio. Lillian is that complete your presentation?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Yes, sir. We're ready for the questions.

Chairman Christopher M. Duenas: So, I'd like to address a couple of things before, before going to our healthcare chair but I want to also welcome our Speaker Blas. Thank you for joining us as well as Senator Calvo and Senator Will Parkinson to an interesting presentation, Dr. Eusebio. I think that's the magic key that nobody's been able to come up with and unlock, I gotta say that unprecedented in at least two of the last fiscal years 23 or 24. And currently the general fund is at unprecedented levels in terms of the past on trying to help GMH get through the troubles it has.

In fact, as it climbs, GMH as an authority is starting to look like a line agency simply because of the ratio that's climbing in terms of general fund appropriation aligned with you know, the services and that's charged for the fees. So, that's a great thing to explore. I don't know what more authority we have to give to go out there and knock down doors and collect truly what you know, you're billing for, but it's gonna be an exploration nonetheless. And thank you for bringing that to light. One thing I want to mention Ms. Lillian is I'm getting a lot of messages from other physicians and other particularly of course GRMC and then even some questions from Naval Hospital and the consistent statement from GMH that you take all patients.

And I guess the only issue that maybe you can expand on is they're saying all hospitals take all patients, they can't turn them away. Whether you show up at the door or GRMC, whether you show up at Naval Hospital because that's the standard anyways of care for divert or whatever ambulances are going to nearest hospital those patients at least must be stabilized and get into a condition whereby they can get services elsewhere. So, can you clarify that statement? I just wanted to make sure I put it on the record because I'm getting so many questions about it from other physicians and other management from the two institutions?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Absolutely. That's a very good question. Yes. You know, all hospitals are, you know, again, they

have that mission to provide care, but they do have limitations like with the Naval Hospital. Their primary focus is really for their active duty personnel who are injured. But of course they work with us and us being part of the healthcare system on the island, that if there is an emergency situation and they are the closest point of emergency care, they do accept unless they're full and they go and divert, so therefore, or their CT scan is down, they're not able then to accommodate that emergency condition.

GRMC, also, because they receive some federal funds, a lot of hospitals in the mainland, they are required to take a certain number of patients, especially if they're receiving federal funds. So yes, their doors are also open, and if there's an emergency situation, a trauma case up in the north area, and GRMC is the closest, so then therefore they accept, unless they're full in their er, they're saturated, that's when they, we alternate the diversion. But yes, they are, you know, they have that mission statement of, you know, receiving and taking and accommodating whatever patients come through their door.

Chairman Christopher M. Duenas: So, just a summary to that. So is, oh, sorry Doc, I'm just gonna do a summary. It's probably lead into what you're gonna say. So just a summary to that is and is it like the common theme here that it's stabilized. And as soon as things are going, okay, transfer..

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: That's the EMTALA, If they come into their doors with an emergency situation, they are required and obligated to then take care of that patient under the EMTALA until that PS the, you know, the service that they provide, the care that they provide is not really at their level. They stabilize that patient and they make, transfer that patient to the higher level of facility that provide that service. The other exception that like the GRMC does not really accept, although if it's an emergency situation, they accept pediatric cases and maternal child health, you know, pregnant women, they accept that they stabilized and they transferred to GMH because we are yet for maternal child health population. Thank you.

Chairman Christopher M. Duenas: Thank you, Dr. Eusebio.

Ricardo B. Eusebio, M.D., Operation Room Director, GMHA: It's true that every, all the hospitals accept patients and particularly those patients who are emergencies. However, once stabilized, they transfer them to GMH, almost always having been in Naval Hospital, GRMC and GMH. Every patient that is seen, initially stabilized and transferred to GMH, the eventual care of the patient. The long-term care of the patient is GMH. Thank you, Dr. Eusebio.

Chairman Christopher M. Duenas: Just on the overall numbers I just wanna make a general comment. At this time it looks as though what the governor has presented in terms of her revenue forecast above current fiscal year. And it was in the executive kind of the executive summary of the budget because obviously we're filling in all the gaps with the other agencies, but in terms of the executive budget, it appears as though the numbers, when we talk about education, when we talk about the hospital, when we talk about just about every institution that receives somewhat some version of a supplemental, it appears as though that's kind of tracking. So, I would say that. Probably that's the baseline right now. The real disappointing thing, and I think many of us will just continue to say this. I don't know where we're gonna end up with the with the CIPs, but you know, there, there was a funding source and then now there's not a funding source. And so we're all stuck with that and we'll have to figure out you know, how we navigate that. But I can say that we'll work as hard as we can. I'm glad to see that you have contingencies and you're working on contingencies. I just want to be upfront to say, I think that's gonna be necessary. So perhaps robust collections will get us somewhere and some other rebasing. It seems like you've got the tools, it's just tweaking the engine. But go ahead, doc.

Ricardo B. Eusebio, M.D., Operation Room Director, GMHA: Senator. I just wanna say that we have a good law in that we have a law that says that all insurance companies and all those who, who have received care needs to pay for their bill. The problem is the enforcement of the law, nobody pays attention to it. Insurance companies don't pay for attention to it. You guys don't pay attention to it in the sense that whenever there's a patient that is, whether there's a patient that is, has no insurance or it's department of Corrections that owes a lot it's not paid. And so, a lot of times the insurance companies will say, well, you know, Government of Guam, they're not paying it within the 30 days or 45 days.

Why should we have to pay for it in 30, 45 days? We need somebody, we need a law that enforces that prompt payment act. That's what's important. And I think that if you allow GMH to be able to build, to do it on their own, we won't need these appropriations.

Chairman Christopher M. Duenas: So, Doc, once again the golden key. I'm hearing you. I wanna make two comments to that one. Sue the insurance companies, you guys got that power if they're not playing ball. All, and they're not applying by the rules and they're not giving you proper consideration in turnaround times. You gotta do what you gotta do. When you talk about not for free doc, we are a government that struggles to give subsidy to the hospital. I agree with that part. But we are not collecting premiums. We are not managing premiums, we're not managing healthcare. What we're doing is we're making an appropriation in addition to those fees that we have an expectation that you have an expectation to receive in a timely manner. The second part is, you know, we appropriate, we recognize that there are government agencies that use your services as an executive function. That money's gotta be found internally. That money's gotta be moved. The line agencies and the governor, Guam, under the Governor's authority, have transfer authority. If those entities such as DOC and other that send you patients cannot pay, there is nothing wrong with them receiving money from the Governor's office outside of their appropriation to be able to pay their bills. What happens is it comes in the reconciliation in terms of how audited financials come out and whatever the likelihood of all those is. But if there's cash available under transfer authority and what DOA is tracking, there's no reason why the government shouldn't pay its bills. I'm really, I'm with you, doc.

One thing I'm really frustrated at is that we have obligations in this government and the bottom line is we don't cut checks down here, gotta pay our bills. And the fact is that every time we're working on an appropriation's not cash, that doesn't give you cash. Cash comes from DOA, they write checks. So, my thing is I agree with you wholeheartedly. Let's work together on that to hold each other accountable. 'cause we're gonna get as close to as we can at on your number. But the thing is when the rubber hits the road and you need cash, that cash comes from Mr. Birn and his team. So I appreciate all of your presentation doc, and we'll look forward to continuing on

with that as the hearing goes on. So, I'm now gonna turn over to the health chair, Senator Sabrina Salas-Mantanane. Please proceed.

Senator Sabrina Salas- Matanane: Thank you. Chairman Duenas. Before I get into questions about FY 26 budget, I wanted to get an update on the current financial condition of the Guam Memorial Hospital. Lillian, the last time we spoke about payroll I think it was two weeks ago, it was a net payroll. Were you able to make up the difference or Yuka Hechanova?

Yukari Hechanova, Chief Financial Officer, GMHA: We're actually behind on withholding taxes from January and insurance premiums also. I'm sorry, that's February. And then insurance premiums back to January. Retirement? We are current.

Senator Sabrina Salas- Matanane: Okay. And you have payroll this week?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes, on Friday.

Senator Sabrina Salas- Matanane: Yes. And how much do you have in your account now?

Yukari Hechanova, Chief Financial Officer, GMHA: As of this morning, 1.7 million.

Senator Sabrina Salas- Matanane: And you need how much to make gross payroll?

Yukari Hechanova, Chief Financial Officer, GMHA: 5.1. And the insurance companies, typically Medicare pays us every day. Every day, There's some kind of payment from Medicare, but from select care, take care, net care the insurance companies, they usually pay us on the Friday of payday or Thursday, so those payments come in a little bit later. Same with Medicaid, it comes in sometimes Wednesday or Thursday.

Senator Sabrina Salas- Matanane: Are you guys up to date on your utilities? GPA GWA. I know there was a payment plan?

Yukari Hechanova, Chief Financial Officer, GMHA: GWA We are current GPA we owe about three months right now.

Senator Sabrina Salas- Matanane: Three months?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes.

Senator Sabrina Salas- Matanane: And how much is that?

Yukari Hechanova, Chief Financial Officer, GMHA: That is 700,000.

Senator Sabrina Salas- Matanane: When's your next payment due?

Yukari Hechanova, Chief Financial Officer, GMHA: For power?

Senator Sabrina Salas- Matanane: Yes.

Yukari Hechanova, Chief Financial Officer, GMHA: We just paid Janu. I think it's middle of the month is when they tell us to pay.

Senator Sabrina Salas- Matanane: I see. Sunday, $4 million was due to New West for traveling nurses. Were you able to make that payment?

Yukari Hechanova, Chief Financial Officer, GMHA: No ma'am.

Senator Sabrina Salas- Matanane: Okay. And so what does that mean? What will be the result..

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Sorry. If we don't make $2 million payment by May 9, they will no longer assign travel nurses refer travel nurses to GMH. We have about 18 right now who are with us, and they have their deployment here are staggered, but most of them are here for three

months. Once they finish those three months assignment, then they leave and there won't be any replacement. They will not replace them.

Senator Sabrina Salas- Matanane: And New West is just one traveling nurse right. Company that you guys go through. What's the other one?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: The other one is medical solutions. And so they, we started using, utilizing their services pre COVID. And then we continued on throughout COVID. Recently they stopped sending travel nurses because we were behind in payment. But we started we're caught up with their with payment and so they sent two recently. We have two medical solution travel nurses.

Senator Sabrina Salas- Matanane: Okay. A total of two, and then you have 18 from New West and..

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Total 18. I'm so sorry, sorry.

Senator Sabrina Salas- Matanane: 18 from New West?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Total is 18. Correct.

Senator Sabrina Salas- Matanane: And if you don't make a payment of 2 million by May 9th?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: They will longer send nurses. New West will no longer send referrals to us.

Senator Sabrina Salas- Matanane: Okay. There's also a deadline of May 7th, correct. For the risk assessment, I think for to HHS, are you guys gonna be able to make that deadline?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Yes, ma'am. We pretty much are finalizing it. I think we were supposed to transmit it today. We are transmitting it to HHS OCR today. The risk analysis that was completed by our contractor.

Senator Sabrina Salas- Matanane: Who is the contractor and is how much are you guys paying that contractor?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: The contractor is IS Squared and we paid them 43,000 or 50,000 total 50,000 is what we paid. And under the HHS OCR corrective action plan, the HHS allowed us to have a sole source procurement for that because of the time sensitivity we needed to get this done, they gave us 90 days from the time that we signed that agreement. And so May 7th is the 90th day that we have to make sure we submit it, but we're submitting it today.

Senator Sabrina Salas- Matanane: That, that risk analysis, did it change any of the I think it was $5 million you put down for it. Is it still 5 million or based on that analysis, is it gonna cost more?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: It probably Go ahead. Right.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: One of the things we did ask was for a preliminary estimate. And so the, our vendor is Squared was to put together the preliminary estimate. I needed to check back with our it administrator or. Assistant administrator as far as what that number is, but we were to get a rough estimate of what that was.

Senator Sabrina Salas- Matanane: But it's, but it could possibly be more than the $5 million indicated in your budget proposal.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: It could be, ma'am, because this budget was prepared prior to.

Senator Sabrina Salas- Matanane: Okay. I'd like to go through now the potential cost containment strategies. The workforce reduction, it says here full-time employees. How mu how many full-time employees does GMH currently have? Is it 1200?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Those are 1200 warm bodies. So it's combination of full-time and part-time employees.

Senator Sabrina Salas- Matanane: So, so how many employees, if you were to do this workforce reduction how much in savings would that bring?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: If we go with a 10% reduction, that will probably be around 11. 10 to 13 million. 10 to 13 million. Okay. Per annum.

Senator Sabrina Salas- Matanane: Per. And how would that affect operations? Are we talking about critical employees? Are we talking about nurses, doctors?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Jes you have a criteria, right, that you're gonna be following?

Jesse Quenga, Personnel Services Administrator, GMHA: Yes. Thank you. Senator Matanane. So, we're probably gonna be following, according to the personnel rules and regulations, appendix two it would outline for us a list of classifications that will be furnished to the CEO and then the CEO would identify which positions would be affected. The procedures here was we would announce a volunteer opportunity first to see which op positions we'd like to offer to be offloaded up until we reach our goal. If we're unable to reach the goal of the 10%, then we would begin the procedures for identifying which class of employees would be affected and which positions.

Senator Sabrina Salas- Matanane: Okay. Under service contracting, explore outsourcing options and renegotiate radiology contracts. Can you explain that a little bit more and also the cost savings for that?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Yes ma'am. Thank you. What we're paying right now is that we pay for radiology reading services per hour. And what we're looking at to see if what we can do, like we did in the past when we had night hawks, radiologists read some of our diagnostic procedures or imaging we're looking at per read.So, an hour can go by, or two hours can go by and the radiologist who's standing by to read will not have anything to read, but they're charging us right now, they're charging us per hour even though there's no reading. So that's what we're looking at is to make it a per read charge.

Senator Sabrina Salas- Matanane: Space optimization outsource outpatient clinic space for cardiology, gastroenterology, and pulmonary services. How much in savings are you looking at or is this revenue enhancement?

Yukari Hechanova, Chief Financial Officer, GMHA: We've just started looking at some of the options we can have for the outpatient services. Right now there are financial statements we've been preparing every month. It's mostly, it's sort of break even right now. And so we're trying to decide on ways where we can either rent the space to them, but give them the staffing and the space, the utilities either that or have them manage their own professional fees. It's something we just really started recently thinking about because of the cash flow issues we have with buying their very expensive supplies. The supplies for cardiology and the gastro are quite expensive, and so we are trying to think of ways and how other clinics also operate where the doctor would come in and actually just rent the space and probably pay a portion of their professional fee back to the hospital in lieu as payment for the rent. There's, those are the, one of the very few options, but we wanna keep going and finding other ideas where we can optimize that relationship and also continue the outpatient services in the hospital.

Senator Sabrina Salas- Matanane: I see. Compensation adjustments, reduce travel nurses cut on-call pay. How much are you guys paying for on-call pay?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: We're paying, we're using the minimum wage, which is 9.25 per hour. So, if an echocardiogram technologist, we need that person that a professional to be available for in case the doctor orders an echocardiogram to be done right away. That

echocardiogram technologist who's been on call for five, six hours after 5:00 PM earns 9.25 per hour to be then just readily available to be called in. So it's 9.25 per hour. So it's not just the echocardiogram technologists, but all staff who are on call, that is what they earn. And that's a board of trustee resolution implementation. So we're gonna bring it back to the BOT to see if we can reduce that 9.25 per hour to probably $5 an hour, which is kind of standard in some hospitals that's what they pay On call per staff.

Senator Sabrina Salas- Matanane: Can you break that down? Like in terms of cost per, I guess per month, how much do you pay out for on-call pay?

Yukari Hechanova, Chief Financial Officer, GMHA: The annual for on-call pay right now is about 300,000 to 350. So we could potentially cut that down in half if we cut it from 9.25 to $5.

Senator Sabrina Salas- Matanane: Is that per doctor or is that, oh..

Yukari Hechanova, Chief Financial Officer, GMHA: That's just overall

Senator Sabrina Salas- Matanane: Okay.

Yukari Hechanova, Chief Financial Officer, GMHA: For the annual,

Senator Sabrina Salas- Matanane: Yeah, alright. The social cases and the financial impact. I know that we've had discussions that a assisted living facility is going to be opening into *Tamuning*. The government purchased a facility and it's opening in the next couple of months, and the plan is to move the social case patients over to this new facility. Is GMH going to be funding any of that or providing any kind of money for that new facility or any kind of services to this new?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Not that I know of. It's gonna be public health that's gonna be administering and be responsible for that program. Former Senator Amanda Shelton, I understand is the one in charge of making sure that becomes a reality. And I, right now they're doing the retrofitting of the facility and I think they've got some ADA furniture in place. They're getting

the elevator installed. 'cause it does have the frame for an elevator, but it just doesn't have an elevator. But they are gonna, they're working on that one is what I understand. But I have no discussion with any, with the governor or anyone else that says that GMH will then be covering whatever costs you know, for that facility to be opened up. And so it's gonna really relieve some of our bed space and then hopefully free up the bed for those patients to come through the emergency room to be admitted into those patient rooms. Hopefully that's what's gonna be.

Senator Sabrina Salas- Matanane: So in your FY 26 budget request, there is no request for social case patients.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Correct.

Senator Sabrina Salas- Matanane: Because there wouldn't be a need to, if they're moving to this new facility in the next couple of months, prior to the new fiscal year,

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: there won't be any. But you know, they leave behind a big bill that needs to be paid.

Senator Sabrina Salas- Matanane: Yes. I,

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Yes.

Ricardo B. Eusebio, M.D., Operation Room Director, GMHA: Senator, If may explain a little bit. You can't send a homeless person out of the hospital. A lot of times the homeless patients are in the hospital and they're there for months, even a year because you just can't send them out. And it's very difficult to deal with those issues. And it's not just one, but increasing numbers. As a matter of fact, I know that GRMC, in order to deal with that, even actually hired somebody to find a place to fly to the Philippines or go somewhere, find a place for them to go to. It's cheaper for that than to stay in the hospital for a year. Thank you.

Senator Sabrina Salas- Matanane: Is it cheaper to put, you know, go have them in a hotel? **(Inaudible)**

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Well, what's the question? I'm sorry. I didn't understand.

Senator Sabrina Salas- Matanane: Is it cheaper to put these patients that you were referring to Dr. Eusebio in a hotel?

Ricardo B. Eusebio, M.D., Operation Room Director, GMHA: It is, it depends. It depends on how long they're in the hospital, but obviously if they're in the hospital for a year, then it would be cheaper to move them somewhere else if you can, rather than keeping them in the hospital.

Senator Sabrina Salas- Matanane: TEFRA, you know, this is something we always talk about. So the fixed rate is about $1,600 for GMH. Where are you guys in, in rebasing and what should the cost actually be, The per diem rate?

Yukari Hechanova, Chief Financial Officer, GMHA: We've calculated that it should be about double that, so around 3,400 to cover our Medicare costs. We have actually been waiting on DOA to provide us with a report. They've mentioned to us a few months ago that they hired a consultant that would work on the Medicare rebasing for us. But it's been very slow to get feedback from them. So we really want to start exploring, getting our own consultant to not only look at the Rebasing options, but any other options that we might have. We've really been looking at the critical access hospital designation so that it would be something more permanent than having to go back to CMS and ask them to rebase whenever costs get out of hand. And the critical access hospital right now reimburses at 101% of Medicare expenses. The only problem with GMH is we don't qualify because we're too big. Those are the critical access hospital designation is really for smaller hospitals, you have to have less than 25 beds. And we have 160 something beds. But we are the only public hospital out here in the middle of the Pacific. It's very different than the landscape in the mainland where you know, there's a hospital in the next county, there's a hospital in the next town. For us, it's just here. And then we have GRMC. So we'd like that designation, but it would definitely have to be something that's very unique and tailored to the Guam situation we have right now.

Senator Sabrina Salas- Matanane: And is that designation authorized by CMS or CMS..

Yukari Hechanova, Chief Financial Officer, GMHA: CMS, Yes.

Senator Sabrina Salas-Matanane: Alright. And where are you guys with the, are you guys. Have you had any conversations with CMS or..

Yukari Hechanova, Chief Financial Officer, GMHA: Very briefly when we met with Kelly Anderson, who is actually the director of the audit and reimbursement section, which is a meeting that was coordinated by the Congressman. So this is really the first time we've ever had a really good dialogue with people on the Meridian side. It's always been very hit or miss with them, and especially after the pandemic, it just got really quiet. We don't get notifications. We don't get letters telling us our rates have been adjusted. And so we, that was part of the discussion we had with them is they really have to communicate with us. So, we got through that hurdle. And then we talked about the audit and we told her about some of the things we're thinking of including the Critical Access. But that discussion will also was also carried forward to when we met with the congressman and his staff and they committed to helping us look into whether that would be a possibility or not. And they have their own connections within DC and the CMS side as well. So they said they would get back to us and we just met with them maybe less than a month ago when they were here. Okay.

Senator Sabrina Salas-Matanane: Is it a situation where it has to be either the critical access hospital designation or TEFRA can it be both or do you know?

Yukari Hechanova, Chief Financial Officer, GMHA: To my understanding they're different because they're both very different payment reimbursement situations, whereas the TEFRA is really based on a per a cap that they set per discharge and the critical access hospital will pay us 101% of the expenses.

Senator Sabrina Salas-Matanane: Okay. Well, I've also arranged a video conference call with CMS for this week. It's five o'clock in the morning, Wednesday.

Lillian, I'd like to invite you or whoever else you feel should be in on that call and I'll send you that link.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Yes. Thank you.

Senator Sabrina Salas-Matanane: I think that's all I have for now.

Chairman Christopher M. Duenas: So, thank you Senator Salas-Matanane. You did that in about five minutes. I've got a 10 minute clock going with follow ups capability. So, thank you very much for that. Vice speaker who is also the vice chair of this committee, you may proceed.

Senator V. Anthony Ada: Thank you Mr. Chair on perhaps just a couple of questions. You were mentioning in your slide presentation about the, I guess one insurance company that paid had a billing for 25 for 10 million, and then you guys had a settlement payment for 2.8 million from 5.3. What was the reason for the 2.5 million? I can help explain a little bit of this.

Jordan Pauluhn, Legal Counsel, GMHA: So, there was actually, there were a number of parts to this. We have a large billing outstanding, but then there was also a number of outstanding claims from prior to, from 2017 and prior that they claimed GMH still owed them a reimbursement on from there was a reconciliation done by EY I believe in 2019. Evaluating these things. We had some disagreements over what the actual EY report showed, but in an effort to resolve the claims that they say that we owe, that the hospital owed them from 2012 to 2017, as well as their outstanding claims, they took a partial acceptance, they took a, you know, a big cut of what they were claiming we owed them under that and when then we also agreed to settle settle the claims lower as a result of that. So, a lot of that came out of that. And then we also, instead of going through a lengthy reconciliation process. Related to our claims that were outstanding 'cause they were having some computer issues as well. So that would've taken us a lot longer to get cash. We had proposed the reduction of our amount by our historical collection rate from them which is about 75 to 80%. Because there is patient responsibility and other stuff that typically gets taken out of a build claim. You know, if you're on the HSA 2000 plan, every patient's

responsible for the first 2000. So, we looked at that amount reduced our demand roughly in proportion to that, as well as gave them a partial credit for the 2012 to 2017 claims that they claim that we still owed them reimbursement on that they had claimed that we had, that they had overpaid us in that period.

Senator V. Anthony Ada: I see. So in the 2024 settlement issues, of the 2.8 million that you guys have settled for how much have they paid?

Jordan Pauluhn, Legal Counsel, GMHA: They paid the a hundred percent of that settlement.

Senator V. Anthony Ada: Okay. And of the 10 million that is for the 2025 billing period, how much of that 10 million has been paid.

Yukari Hechanova, Chief Financial Officer, GMHA: Outstanding Right now is about 1.5.

Senator V. Anthony Ada: 1.5 million. Okay. And then you are also mentioning about outsourcing collections for old accounts. I mean, been down that road before and it seemed to have bitten GMH in the but on that one. So how do we look at doing things differently for outsourcing collections this time around?

Yukari Hechanova, Chief Financial Officer, GMHA: A big part of it was really getting our accounts receivable aging cleaned up. So now we're at a good point where we can actually say, these are the claims we want to forward to a collection agency. We have staff as the collection supervisor will be in charge of monitoring. The progress and of that contract to make sure that we are collecting. We also don't wanna keep the accounts with the collection agency for a significantly long time. We have to develop our processes so that at some point if there's, with the collection agency, for example, two years or three years and there's no movement on the account, that maybe we will move to write it off because it really is just not going to be collected.

Senator V. Anthony Ada: So, you're going with a collection agency versus what was done the last time?

Yukari Hechanova, Chief Financial Officer, GMHA: Which was?

Senator V. Anthony Ada: When they had a third party doing the collections for GMH?

Yukari Hechanova, Chief Financial Officer, GMHA: I'm not sure what you mean. We're actually going to, because we don't have a collection agency right now for any of those very old accounts that we're the next step would be to write them off, but we want to take it a step further to make sure that we run it through another process just to exhaust all efforts to collect on these accounts.

Senator V. Anthony Ada: Okay. And tax refunds, garnishment, I know GMH does that quite a bit. How much are you looking at garnishing this time around?

Yukari Hechanova, Chief Financial Officer, GMHA: We're not sure. We have submitted our listing. I think it's about a hundred million dollars worth of claims that we submitted to DRT. The part we don't, we're not sure about is when these taxpayers file their returns. Some don't file at all. But now that people are filing their taxes, we've been getting about an average of maybe 4 to 500,000 a month. That's right now during the active tax season, and then it tapers off around July or June, and then it picks up a little bit again in October. So, it's following the tax filing habits of the taxpayers.

Senator V. Anthony Ada: So, has there been accounted for in your presentation that you've given us that's what you'll be collecting or hopefully to collect?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes. Under the self pay, under self pay estimates, yes. Okay.

Senator V. Anthony Ada: And how about SNU? So what are gonna be the plans with SNU wants I guess this other facility gets put into play where social patients will be going? What are we gonna do with SNU? Is there still plans to put that out for a private public partnership or?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: It's a possible option, but we haven't yet really done a deep dive discussion on it. We're just concerned that if we do that we're, I'm worried that what's gonna happen to those residents, where are they gonna go in terms of the new hospital that, you know, we are factoring in a unit for it to be a skilled nursing unit, like what it is right now. Although it is over there in *Barrigada* Heights in that facility self-contained facility. But the residents that are served there are the skilled nursing level type of patients or residents. And so we haven't really done a real deep dive discussion, although there is a, an interest from an off island company that want to either lease it or to buy it. But you know, we haven't seen anything in writing. It's all been just verbal you know, discussions from an entity from Texas. And so, but we are, we wanna make sure that those residents are not displaced.

Senator V. Anthony Ada: Okay. Thank you, Mr. Chair. That's the only questions I have at this point.

Chairman Christopher M. Duenas: Thank you. Vice Speaker Tony Ada. Senator Telo Taitague.

Senator Telo T. Taitague: Thank you, Mr. Chair. Good afternoon to my colleagues and of course, good afternoon to our only public hospital on Guam. Thank you for all your hard work and I was hoping today that we would get what we've gotten in the past, and that's a spreadsheet that you provide the legislature breaking down everything on the cost right now. We just got a spreadsheet that only says miscellaneous and that's it. So, there's really no breakdown of how much you spend for your supplies, material, workman's comp, drug testing, you know, off island mileage, regular salaries over time. Benefit, even though you sent a staffing pattern. It's really nice to have this sheet because then we can compare to FY25 versus FY26 and the difference before that.

I do have some questions regarding DOC. Inside your letter to the oversight chair of appropriations. You mentioned that DOC if you can just recover $4.8 million from DOC that they owe, but technically they owe $7 million, is that correct?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes, for the inpatient side, it's about three, a little over $3 million for older claims when the inmates come and get hospitalized at the hospital.

Senator Telo T. Taitague: Oh. Oh. So the older claim is like three, 3 million. And then the current one..

Yukari Hechanova, Chief Financial Officer, GMHA: They're current on the clinic costs. So, we bill them every month to run the clinic at DOC. Okay. That one is current. They've paid currently for that.

Senator Telo T. Taitague: Okay. So what I don't understand is that on DOE DOC side, the MOA MOU, between DOC and the hospital. There is an agreement of $4.2 million to cover that. But then, and it according to the Director of DOC, that funding, so funding amount actually is to pay for the doctors, I believe Dr. Anderson, some of the nurses, the clinical employees. However, when I look on your staffing pattern, I see that you're requesting for this amount, Dr. Anderson's on your staffing pattern, and even your staffing pattern says DOC. But then yet DOC is requesting from the, you know, from, for budget, 4.2 million to cover the same cost. Can you explain?

Yukari Hechanova, Chief Financial Officer, GMHA: So, we run the clinic there, we staff it and we also have the supplies. The pharmaceuticals are all given to them. And so at the end of the month, all of those costs are billed to DOC, and then they pay for that through their $4 million appropriation. And then DOA will pay us.

Senator Telo T. Taitague: Then why are you charging on your staffing pattern for the doctor and the nurses for DOC when DOC is covering it?

Yukari Hechanova, Chief Financial Officer, GMHA: Yeah, there are employees, they're on our staffing pattern. We pay them, we, we pay them their salaries. We pay for all the pharmaceuticals. We pay for the overtime and all the benefits for those employees. So, we're just getting a reimbursement back from DOA for those costs.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: If I may, Senator, the MOA, the cooperative agreement is that GMH provides the health

services on site, so therefore it's GMH who administers and who provides the staffing and the supplies and the pharmaceuticals. It's all on us. They are GMH employee..

Senator Telo T. Taitague: And you pay for that.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: We pay for their salaries, we pay for those supplies.

Senator Telo T. Taitague: Then why DOC asking for $4.2 million to cover those same costs?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: 'cause we charge, we invoice DOC and so then they reimburse us.

Senator Telo T. Taitague: Right. I understand that. But yet your budget is requesting for salaries for those same individuals.

Jesse Quenga, Personnel Services Administrator, GMHA: If I may Senator, to clarify what you see on slide three is a reflection of all the revenue sources. But for DOCs 4.2 million, it's not an added appropriation to the chapter 4G MH. That amount is in DOCs chapter in the Budget Act. So we're reflecting the total estimated revenue sources that include self-pay, other payers and DOC. But with regards to the budget Act, only two sections are appropriate to GMH. And that's reflective on this sheet here. It shows operations, capital outlay, and the Guam pharmaceutical funds. So really you're only seeing the two lighter shades of blue and the amounts are 20.5. That's reflective of the pharmaceutical fund and then the general fund.

Senator Telo T. Taitague: Okay.

Jesse Quenga, Personnel Services Administrator, GMHA: I understand the confusion here.

Senator Telo T. Taitague: Now if you look at your staffing pattern that's on your website and the staffing pattern for proposed salaries, you'll also see on page, I think

this is, well, 47 toward the end, you have DOC, clinical nurse, several nurses. You even have Dr. Mark Anderson physician making, you know, with Okay. Mark Anderson making. He's not actually on there. But you have all the other physicians, I mean, I'm sorry, not physicians, nurses staffing clinical.

Senator Telo T. Taitague: Correct.

Jesse Quenga, Personnel Services Administrator, GMHA: They're all charged. They're, they are GMH employees.

Senator Telo T. Taitague: Right.

Jesse Quenga, Personnel Services Administrator, GMHA: So, if you look at the total universe of what it costs to run GMH, it is 213.6 million. And there are a variety of sources that give GMH. Up to the amount we need for expenses. So that includes DOC. So, it's not technically an appropriation that is given and requested by GMH. GMH only receives the two appropriations mainly from the General Fund and pharmaceuticals fund. That's the government share to the whole GMH operating fund.

Senator Telo T. Taitague: Okay. But I'm seeing on a staffing pattern, if you go under DOC, you're incorporating that in your staffing request to pay that. And you have DOC asking for 4.2 million to pay for the same thing. That's what I just don't understand here. And if you look at your staffing pattern, it'll show you you're paying Mr. Dr. Anderson. And then I talked to the director this morning and he said that the, their request for 0.2 to pay for the doctor. So it's almost like we're paying him twice.

Jesse Quenga, Personnel Services Administrator, GMHA: So, if I could use a different angle, you also receive on the budget overview that there are other opportunities that we get such as grants. So those aren't appropriations by the legislature, but we do factor that in as revenue to GMH. So in the same light, you can view DOC and that budget appropriation as revenue to GMH, but it is not an appropriation to the chapter that governs GMH.

Senator Telo T. Taitague: Okay. When you talk about federal grants, you know, that's why the spreadsheet's important because you have one where pharmaceutical fund, you have federal matching grants General fund.

Jesse Quenga, Personnel Services Administrator, GMHA: Yes.

Senator Telo T. Taitague: And so it's, I don't see anything on Federal Match.

Jesse Quenga, Personnel Services Administrator, GMHA: Okay.

Senator Telo T. Taitague: At all.

Jesse Quenga, Personnel Services Administrator, GMHA: We'll give you a copy of the full budget packet, Senator.

Senator Telo T. Taitague: Well this is what we receive here and this is what we're going by. So it makes it very difficult when it's not completed. You've done it in the past. I don't know what changed, what kind of system you're using right now. Okay, so let me move on 'cause I'm being timed. Hold on.

Jesse Quenga, Personnel Services Administrator, GMHA: Okay.

Senator Telo T. Taitague: Also in your salaries, you have one section for staffing to stay on staffing, right? First, do you still have Dr, I think a Dr. Shay radiologist receiving $700,000 for a salary. Why is that so high? I mean, he's been getting that since 2000, what? 19? Why is he still receiving such a high salary at 700? And that's higher than anyone there.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: He's an interventional radiologist, so he's got those specialty scales to do all kinds of procedures that are kind of invasive, but using really special techniques and, you know, diagnostic procedures and treatment modalities. So, you know, he's a very highly credentialed and highly specialized radiologist.

Senator Telo T. Taitague: Is he contracted or is he part of the staff?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: He is a GG1 employee.

Senator Telo T. Taitague: GG1 that's quite high.

Ricardo B. Eusebio, M.D., Operation Room Director, GMHA: Senator. That's not quite high, that's standard.

Senator Telo T. Taitague: At every hospital. Dr. Eusebio?

Ricardo B. Eusebio, M.D., Operation Room Director, GMHA: That's the average..

Senator Telo T. Taitague: 700,000 every

Ricardo B. Eusebio, M.D., Operation Room Director, GMHA: For Interventional Radiologist…

Senator Telo T. Taitague: Wow.

Ricardo B. Eusebio, M.D., Operation Room Director, GMHA: In the United States, not in Guam. Understand that in the United States, what we should be paying is a little bit, even should be even a little higher because why should he come here? Why should he come here? That's the problem. The problem is that we can't attract physicians to come here because we don't pay them enough. But 700,000 standard, the average pay for a physician is $250,000. That's taking everybody into all accounts.

Senator Telo T. Taitague: Yeah. Are we still doing double charges for doctors like give them one position? I think Dr. Aguon was in that situation. She was an administrator and then she was a doctor of something else and. Are we still doing that?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: They're separate. They are separate compensation, Senator. You know, we pay for the physician for his or her physician specialty and then when we need their assistance and, you know, their energy and their time and the intelligence to help us with policies and procedures and, you know, training and all that, then they're in a different role. So, we do to pay them for that separate role.

Senator Telo T. Taitague: Okay. The other one is in retirement contributions. under here you have special pay calculated. Of course, those are the, those who employ after hours, you know, 'cause it's 24 hour hospital. Right. And they have special pay and that's calculated now in there it is about $13 million, I believe in special pay. And then you've incorporated into your staffing pattern and your salary for staff. Does that contribute that special pay eight of 13 million. You're putting it in your staffing pattern, but does it accumulate on, does it make a difference when it comes to retirement contributions, when it comes to the total benefits?

Yukari Hechanova, Chief Financial Officer, GMHA: Retirement is usually just based on regular salaries and not the additional special pays that we put in that column.

Senator Telo T. Taitague: Anything else under benefits that may other than retirement like insurance?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes. Medical and dental insurance. There's a life insurance premium as well. We pay..

Senator Telo T. Taitague: Is that calculated with the special pay?

Yukari Hechanova, Chief Financial Officer, GMHA: No, the special pay. Special pay is really a separate area where it includes the differential pays for our clinical staff. It includes night differential and holiday pay as well.

Senator Telo T. Taitague: Okay. What about your Security Guards?

Yukari Hechanova, Chief Financial Officer, GMHA: It's a pay..

Senator Telo T. Taitague: Okay. Thank you so much for that. What about your security guards? How many do you have at the SNU unit? And how many do you have at the hospital?

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: We have about seven at SNU and at about 23 at GMH.

Senator Telo T. Taitague: Was that an increase recently on those guards in the last two years?

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: Oh, yes.

Senator Telo T. Taitague: It's a substantial increase, correct?

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: Not really.

Senator Telo T. Taitague: Not really, okay.

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: We have some admissions, we have some people going as well.

Senator Telo T. Taitague: I'm sorry.

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: Some was resigned, some was owed to transfer to other agencies that offered to them better?

Senator Telo T. Taitague: No, I'm talking about a couple years ago. How many guards did you have in place? And then how many you have today is 23, correct? Correct. So, a couple years ago, how many guards did you have? Security guards, right?

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: About the same number, ma'am?

Senator Telo T. Taitague: 23. And then we still have 23 today?

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: I would say so..

Senator Telo T. Taitague: Yeah. Okay. Lillian, how many attorneys did you have in 2019?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: How many, what was that?

Senator Telo T. Taitague: Attorneys..

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Attorney in 2000?

Senator Telo T. Taitague: In 2019..

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: We didn't have any for many years. And it was just around 2020 was when we first recruited our first legal counsel, Mr. Jeremiah Luther. And then he resigned and relocated off island. But then Mr. Jordan Pauluhn, we recruited him about a year ago, two years ago. Two two years ago? Two years ago and then we recently recruited John John Robert Weinberg a year ago. So, we have two..

Senator Telo T. Taitague: Two attorneys now.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Yes, ma'am.

Senator Telo T. Taitague: That you didn't have before. Why aren't you using the Attorney General's office to assist you?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: When we were submitting documents to the former Attorney General, it was taking so long for like the RFP and contracts. It was really taking so long and we've got many other issues such as malpractice issues and questions that the doctors needed some assistance. And so that's why we wanted to recruit. We needed to recruit our own attorney.

Senator Telo T. Taitague: So, do you need two do that?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: It's very helpful, Senator. Yes. It's very helpful to have the two attorneys.

Senator Telo T. Taitague: Yeah. If when it time comes time for cutting, we're gonna have to find areas that, you know, you can cut. I mean, the Attorney General's office is free to utilize them in a lot cheaper than, so there might be an area to look at as far as that.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: And before you had actually

Senator Telo T. Taitague: Thank..that, but yes.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: You know, he has already given us also..

Senator Telo T. Taitague: Yes.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Notice before that he will not represent GMH. So, but we will try again. We'll reach out to him.

Senator Telo T. Taitague: Yeah. Times are tough these days.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: We'll try again.

Senator Telo T. Taitague: Okay. When it came to assisting the Attorney General's office assisted with collections, what is the status on that?

Jordan Pauluhn, Legal Counsel, GMHA: The collections at the Attorney General's office were being handled under the prior attorney general's term. Once the current Attorney General took office, he actually sent all of the files back to GMH and indicated an that he wasn't going to handle those anymore.

Senator Telo T. Taitague: Have you approached him recently to assist you on the collections? Okay.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: No ma'am. I haven't..

Senator Telo T. Taitague: Well, I'll definitely give him a call and ask him if he can assist with that, because collections are huge when it comes to the hospital's concern. Your capital improvement projects, there was one I know that the HVAC, HVAC you have here was listed at $3.7 million from federal grants. I know that do DOD gave you 2.7, is that correct?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yes.

Senator Telo T. Taitague: Okay. How did you get the other million?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: It's the Department of Interior funding that we already have.

Senator Telo T. Taitague: Are you utilizing the opportunity to use any of the Grant from GHURA, the 500 million that's out there? Have you put your request in for that?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA:
Yes, we did. We had an extensive writeup. We had a seven page writeup actually on the unmet needs of the hospital. For the CDBGDR is what you're referring to?

Senator Telo T. Taitague: Yes.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA:
So, yes. And I did provide a copy of our submission to some of our senators, some of our senators here, including Senator Matanane.

Senator Telo T. Taitague: What is the status of that now? What are you waiting for at this point?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA:
My understanding is that committee is they prepared the first draft of the action plan and for us to apply it would not be until later on. But in looking at that first draft actually we submitted two letters, let me take that back. We submitted two, one particularly dealing to talk about the need for a new hospital, given our current infrastructure. And the second one related to the unmet needs of our current hospital. The, our comments related to the new hospital made it into the action plan. Our comments related to the current status of our current infrastructure did not, and we did actually point that out to them. We resubmitted it again, letting them know that they may have missed it, but it's there 'cause we actually submitted that comment first before the new hospital.

Senator Telo T. Taitague: Did they miss it?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA:
I am just letting you know that based on..

Senator Telo T. Taitague: Did you ask them if they did miss it or just you're assuming?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA:
No, we submitted a..

Senator Telo T. Taitague: No, I'm asking did you ask GHURA, did they miss it? Or you're just assuming they missed it and you're trying again?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: No, ma'am. Okay. I personally communicated with the person in charge..

Senator Telo T. Taitague: They intentionally left it out, is what I'm thinking too, as well.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: No, unfortunately, I **(Inaudible)**

Senator Telo T. Taitague: You guys still push on that..

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: personally in charge, so..

Senator Telo T. Taitague: Yeah,

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: It just said that it is in the system, but that it did not make it into the action plan.

Senator Telo T. Taitague: Hopefully this will cover a lot of, if we get that and we can push on our end, you know, to get some of that money for the capital improvements. Also, is there any federal grants in jeopardy?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Just to clarify though.

Senator Telo T. Taitague: Yeah.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Regarding: the CDBGDR we were made aware that will not cover any equipment. It would only be strictly infrastructure.

Senator Telo T. Taitague: Right. Which still can cover quite a bit. Are you having any federal grants in jeopardy right now from these Trump?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Not that we know of. Okay. We don't have any, we haven't received any notice that it'll be in jeopardy.

Senator Telo T. Taitague: I know this next question is probably silly, but do you have any lapses from FY25 that you inherited? I have to ask. I always ask about lapses, you know, 'cause agencies do those and I don't wanna make them.

Yukari Hechanova, Chief Financial Officer, GMHA: No, Ma'am

Senator Telo T. Taitague: No lapses at, at all.

Yukari Hechanova, Chief Financial Officer, GMHA: No lapses..

Senator Telo T. Taitague: So use it. Last question, the tax credits that was given through legislation I think it was about a couple years ago regarding defibrillators and cardiac monitoring that was done to offset, you know, some costs. So has any companies come forward?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Regarding: Yes. There is a company that's interested. However, what we found out was because of a new legislation re that required that the tax credits be included in part of the budget, the FY 25 budget did not include the GMH tax credit. And so even though we have an interested company, we're unable to move forward with the tax credit.

Jesse Quenga, Personnel Services Administrator, GMHA: So, Senator, to clarify, that was the amendment that I was offering..

Senator Telo T. Taitague: Right?

Jesse Quenga, Personnel Services Administrator, GMHA: We have the authorization, but there was no appropriation attached to it. So the funds that would be utilized for the tax credit weren't available when the vendor surfaced.

Senator Telo T. Taitague: When was that Bill put out?

Jesse Quenga, Personnel Services Administrator, GMHA: That bill came out in 2021, but since 21 since then, the budget act never set aside the million dollars to make..

Senator Telo T. Taitague: I don't think there was anybody actually offering to, to go in that's what I'm hearing. So now we're at 21 22, 23 24 25. So, it, it expires when?

Jesse Quenga, Personnel Services Administrator, GMHA: It expires at the end of five years. So, it expires next year and only this budget act reflects our first $1 million set aside.

Senator Telo T. Taitague: Okay. Well I have quite a few more. Oh, I got one minute in 36 seconds. Okay, let me keep, continue on this. Your requesting is 21.9 million from the Guam, from general fund for retirement, medical insurance and differential pay, but it's really not broken up. How much of that is, is that coming from, well, can you kind of break that up? How much is retirement, you know, from the general, how much is medical and differential pay or is that just an increase to this amount they're requesting is because your employees increased at Guam Memorial Hos Hospital, you've hired more employees.

Yukari Hechanova, Chief Financial Officer, GMHA: The 21.9 is actually the difference between what we calculate as our projected revenues and then the difference between that and what is our projected expenses. So, the overall shortfall is 21.9 million.

Senator Telo T. Taitague: Okay. So what I'm trying to get is that if you had your same staffing pattern as last year, so it would be X amount of dollars that would cost more be because of the increase in retirement and of course the increase of insurance, of medical insurance and differential pay,but because you've hired additional, that's

what I wanna know. What is the difference between new hires in the last year from FY 24 or 25? No, 24 a year from now. I mean a year from today. How much is the difference? I mean it, could it be an increase of employees versus your current staffing pattern that's been in place since?

Yukari Hechanova, Chief Financial Officer, GMHA: the current staffing pattern in the budget request? Funds, all, even the vacancies are funded.

Senator Telo T. Taitague: Okay.

Yukari Hechanova, Chief Financial Officer, GMHA: So, what we're noticing that makes up part of the difference between last year and this year, it's about 5.6 million additional for medical and dental insurance and for retirement.

Senator Telo T. Taitague: Okay. I see. So that's different from 21.9 million. Right?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes. That's part of the increase that we're discussing was for retirement and for medical and dental, but we also have increases in supplies and also for contractual services.

Senator Telo T. Taitague: Supplies and contractual. Okay, but all I have is retirement, medical insurance, and differential pay. Now you're incorporating supplies as well in this 21.9?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes.

Senator Telo T. Taitague: Okay. I see. That's what I'm, okay. Got two minutes to go to say thank you so much for what you're doing, and look forward to seeing what we can do to help Guam Memorial Hospital and its need. I think it'll always have you know, be in the red because of what kind of hospital it is. You know, it's free basically. And, but we need to find a way to maybe do a private, public partnership. You know, that we talk, Senator Terlaje had legislation that I think that might be a good help to try and find another avenue to helping Guam Memorial Hospital from not just, you know, getting out of the red, which I don't think will ever happen, but to provide a safe and reliable hospital for our people is first and foremost. I mean,

we can talk about budgets, but I mean, we can throw all the money at you, which we did in the last legislature through tons of money, and then find out some of it was not paid, it wasn't handled correctly, and we lost it. Thank you, Mr. Chair.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Senator Taitaigue, Senator Gumataotao, you're recognized at this time.

Senator Eulogio Shawn Gumataotao: Thank you, Mr. Chair and thank you GMH for being with us this afternoon. And I do have a handful of questions, but I'll go ahead and just try to be as brief as I possibly can. Recognizing that your FY26 budget is based, this is your employee retirement contribution rate recognizing that your request is based on an employer retirement contribution rate of 34.8%. What information is available at this point confirming whether the contribution rate will further increase? And if this were to occur prior to the new fiscal year, how exactly will GMHA absorb the additional cost for your employee retirement contribution rate?

Yukari Hechanova, Chief Financial Officer, GMHA: Thank you, Senator. Are you asking if the rate goes up?

Senator Eulogio Shawn Gumataotao: If it goes up, yes.

Yukari Hechanova, Chief Financial Officer, GMHA: Oh, I'm hoping it goes down, but if it goes up, it, we really wouldn't be able to absorb it. So even at with 34.8 it's going up from 31%. So it's a significant increase for us. I really don't know how we would handle that.

Senator Eulogio Shawn Gumataotao: Alright. Thank you so much, Yuka. No. Let's talk a little bit about the physician contracts. And I was hoping your board, one of your board members was gonna stick around for a couple of minutes, but recognizing that your request for contract physicians increased from the last fiscal year, how many doctors does GMHA plan to contract in the new fiscal year? And will these contracts cover specialties that are not currently available at the hospital?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Well, right now we don't have a neonatologist on board or an island for the hospital. So, we're using telehealth, telemedicine, neonatologist services. But if we can recruit a neonatologist, which we are, is in the pipeline, there is an interested individual doctor who will like to come to Guam in August. And so that will be certainly another either contract or GG 1 employment for the neonatologist. How much?

Senator Eulogio Shawn Gumataotao: Just the one, right?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: For one right now. But there is another one I understand from medical staff who is also interested. And this one is an individual who is locally who lived in Guam. I would say think the family is in Guam, currently practicing in New York and has expressed an interest to come back to the island. So, we're hoping that individual comes back.

Senator Eulogio Shawn Gumataotao: Thanks. Thanks Lillian. So only one doctor at this point that you guys can proceed this point.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: One who has already pretty much confirmed his interests and desire to come to Guam in August.

Senator Eulogio Shawn Gumataotao: Jordan Okay?

Jordan Pauluhn, Legal Counsel, GMHA: Sorry. And the other thing that we're actively recruiting on as well is for OBGYNs we've had a little bit of success in getting a couple on board at least temporarily in the locums context, but we are our medical staff office is actively engaging in that as well. We don't expect, I say the number of physicians to necessarily change too much, but one of the things we have seen is a number of doctors move from the GG1 to the contract thing. So that's why the contract amount goes up a little bit because we also hold steady or go down or have gone down over the past few years in the direct employment for physicians category as well.

Senator Eulogio Shawn Gumataotao: Okay. So, Jordan, you're saying a grand total of two new contracts for doctors over the course of the new fiscal year just two?

Jordan Pauluhn, Legal Counsel, GMHA: Unless we can get more OBGYNs and the, and those specialties, but those are the ones that they're actively recruiting on. But it's looking like, so, Dr. Nyami here are, is the one that's actually negotiating these. I'll let him actually talk on the specifics with the doctors, but that's what they're doing.

Verrad Kwasi Nyame, M.D., Acting Associate Administrator of Medical Services, GMHA: Hi Good Afternoon. My name is Dr. Nyame from neurosurgery, Chief Medical Officer. So yes, we are trying to get neonatologists as well as pediatricians and OBGYNs and then also psychiatry. We're also looking to get physical intensive care doctors and also radiologists.

Senator Eulogio Shawn Gumataotao: So, hold on. Dr. Nyame. I'm just trying to get a number of how many you plan to contract in the next fiscal year. So it sounds like right now, I mean, you just, when you came up here, it went from two to now. I don't know. So, I'm just trying to get a clear clarity. How many do you plan to contract in the new fiscal year?

Verrad Kwasi Nyame, M.D., Acting Associate Administrator of Medical Services, GMHA: I plan to get five more doctors.

Senator Eulogio Shawn Gumataotao: Thank you. That's all I was asking is a number. Okay. Thank you. Now, reiterating some of the concerns that I brought up during the oversight meeting from GMHA earlier this year. What information is available regarding the steps that GMHA has taken to ensure that personnel service agreements for physicians are reviewed and approved by BBMR, the office of the Attorney General and the office of the governor? That's what I was hoping that your board member was gonna stick around, but maybe Lillian you can see how that's coming along as is an update for this, for the budget.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Can you repeat that question, Senator? I'm sorry.

Senator Eulogio Shawn Gumataotao: Yes. Going back to what I brought up earlier in the oversight hearing just a couple of months ago, what information is available

regarding the steps that GMHA has taken to ensure that personnel service agreements for physicians are reviewed and approved by BBMR, the office of the Attorney General and the office of the governor.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Okay, We have, do you wanna answer that, Jordan?

Jordan Pauluhn, Legal Counsel, GMHA: Sure. I can chime in here, but I, you know, I'll reiterate some of my prior statements from that as well, that I, we have a different view from the public auditor and the OPA on that, on what requirements are, what approvals are required for it, because we have broad authority in hiring and contracting physicians. And we've actually even gone back through based on some requests as well, contracts that from even 2017 and 2018 and we're following the same procedures that were in place there were even, so what we have now is our, the hospital administrator and associate administrator of medical services at a minimum, are the ones that are approving the contracts in past years prior to, prior to 2019, there were actually contracts that were even just being signed off by only the associate administrator of medical services. So, we're actually working on a policy specific to physician contracts if that will actually help clarify things. And we have presented to the board a resolution, just clarifying that some of the policies identified by the public auditor don't apply to physician contracting 'cause one of the approval requirements that he cited to was from our general contracting policy, which is actually specific to materials management and physicians just aren't materials.

Senator Eulogio Shawn Gumataotao: No, I agree with that, Jordan. But I mean, so do you expect the board to see this next month, two months, three months?

Jordan Pauluhn, Legal Counsel, GMHA: We're, so we're working with medical staff. I, at this point, I can't get, I don't wanna promise you a deadline. I hate making promises that like, you're gonna see it in a month. I'll on..

Senator Eulogio Shawn Gumataotao: Why not,Jordan? We're all here, we're trying to set your budget. So, we're trying to figure out if they're gonna see it in two months, three months.

Jordan Pauluhn, Legal Counsel, GMHA: Yeah. But we are actively working on, even at the last board meeting, had gotten a resolution through identifying the, in applicability of some of the things and our medical staff is diligently working on that. I've even, you know, on the procurement side even I've put together a team, as I said, to go through it. So, we are actively meeting and even HR meets on a weekly basis trying to get our own personnel rules together. So, we're, we've made more progress, quite honestly, in the last, like four months than we've made in the last five years on some of these rules and policy drafting. We really have some people on board that are doing it. I, you know. The one thing I hesitate with a policy though, is I wanna make sure a policy is helpful for us. So, it actually encourages and streamlines physician hiring. There is a tendency to say, I, you know, over get too much bureaucracy so we can make a policy that actually makes it harder for us. So we're trying to tailor a policy so we have something in writing, but that it doesn't stand in the way for us either.

Senator Eulogio Shawn Gumataotao: Okay, that's fair. I, again, as we're getting to our budget, I just wanna make sure that was ongoing. No worries. Alright talking about facilities and I wanna pull something out of it's been a while, but based on the facilities condition assessment by the US Army Corps of Engineers that was issued in on April 8th, 2020, 5 years ago, it was noted that GMH was required, well required $21 million immediately for repairs to support the re-accreditation of the facility and eliminate hazards to health, life and safety. The repairs consisted of roof replacement, exterior building repairs, HVAC life safety repairs, and fire sprinkler repairs. So, for the record, what portion of your current or for your fiscal year, 2026 CIP budget request covers projects from that list that was provided by the US Army Corps of Engineers, maybe what's been completed and which ones remain incomplete since their findings in early 2020.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: So, on the fiscal year 26 repair there is a line item there for hospital rooftop and envelope upgrades. But if you'll notice that it's not actually part of our $29 million request because if you recall, there was that $15 million that was appropriated by public law 36-107. Which talks specifically about the maternal child healthcare renovation, but in line with that, it also talked about in other critical CIP, which did include like the

roof and envelope. And so because of that, part of that funding will be used to address our roof and envelope project.

Senator Eulogio Shawn Gumataotao: So, in FY 26, you're gonna address part of the 2020 report, would you say? Correct.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: We're actually gonna be addressing it part of this fiscal year and going into fiscal year 26.

Senator Eulogio Shawn Gumataotao: Okay. And then with that, what information is available confirming the cost difference between the estimates in 2020 from the Army Corps and the budget you need, I guess now to address any of those unfinished CIP projects?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: So in the, if I recall in the Army Corps of Engineer report they did talk about the recommendation was primarily to replace, which was a total of I think $743 million. And if we were to do any repairs to our current facility it would actually cost more. I think the tune was $761 million at that time and that was back in 2020, given today and all the inflation and COVID-19, you know, cost increases and everything and in speaking with our engineer we are looking, if you know, again, this is to address the whole hospital we were estimating that cost would be closer to $1 billion.

Senator Eulogio Shawn Gumataotao: That Sure is not on this budget.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yep.

Senator Eulogio Shawn Gumataotao: And not today.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: And we absolutely recognize that's not a request that we can throw on you.

Senator Eulogio Shawn Gumataotao: No, of course. And I just wanted to find if there's any of your CIPs are gonna touch…

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yes,

Senator Eulogio Shawn Gumataotao: that report.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: So, yes there were things that were addressed. So since that 2020 report, and Mr. Zaldy can speak more on this, but I understand that we did do some roof repairs previously. It's just that the envelope part of it was not addressed, and that's part of what we were hoping to address as part of our, this is a sore topic, but ARPA..

Senator Eulogio Shawn Gumataotao: But you know, again it might be sore, but it, you know, we, yeah, we're you're a hospital so we gotta make it better.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yes.

Senator Eulogio Shawn Gumataotao: So, let's see. I mean, Zaldy, can you expand if..

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: Yes, sir. So right now our concentration is more on the HVAC utilities. So we're having 2450 ton chillers and the cooling towers. We also have the 65 ton chillers. That's including the ACCU. So we're more geared towards the ventilation, heat, and air conditioning units that we need to provide the facility.

Senator Eulogio Shawn Gumataotao: Alright, thank you Zaldy. Okay. And I have just one more question, Mr. Chair. And this is to kind of touch back on Senator Taitague's concerns with respect to public safety related matters, and specific to the Budget Digest for GMHA's DOC clinic, which did have an increase from 20 in, from 25 into 26, what information is available regarding funding sources outside of the general fund that may be available to cover medical costs for those confined at DOC?

And for the record and based on information that I've been made aware of, what discussions have taken place on the possibility of including this particular population, add DOC in the government of Guam Group health Insurance plan.

Jordan Pauluhn, Legal Counsel, GMHA: So, I'll speak on this 'cause we're, we have not been actively engaged in those conversations though. It, I believe it has come up as an idea or suggestion at one meeting that we were a part of, but it was not explored in any depth with us because we're not the, we're not on the health insurance side.

Senator Eulogio Shawn Gumataotao: So, okay. Let me just start with the first one was, let's talk about any outside funds for DOC to help address their costs.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: I don't have any information on that one. There was a discussion at one point where if there these incarcerated individuals are hospitalized in the and GMH, we can get them under Medicaid coverage, but public health director says no. So they're not at all entitled to any insurance coverage. But be it federal or be it private, they're not eligible.

Senator Eulogio Shawn Gumataotao: And why I ask about the latter relative to the gov Guam health insurance 'cause it's part of the RFP process.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: I have no information.

Senator Eulogio Shawn Gumataotao: Is anybody on that one on this panel? Can they explain that one for me publicly?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: I'm sorry. I don't have any information on that one. I'm not part of the discussion.

Senator Eulogio Shawn Gumataotao: Alright, thank you so much, GMH, Mr. Chair, thank you for the time and thanks for allowing me to ask questions today for the GMHA Budget.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Senator Gumataotao. Senator Terlaje.

Senator Therese M. Terlaje: Thank you Mr. Chair. Thank you to the panel for your testimony today. So in your presentation, it's different again than last year's presentation where I think it was Dr. Prince gave us some breakdown of what what the funding gaps would look like in actual services. And I know Yuka you read Ms. Hechanova, you read off a list of what those would be, but they're not really tied to amounts, so it's very hard to compare, I guess this to what they were asking last year. So, you're asking for looks like twice the amount of an increase than what the governor was asking for in her budget request or allocation for GMH this year, and it looks like not included in your budget, is this whole list of CIP projects totaling what was it? $29 million in CIP projects. And then that's not even you don't intend to go through of any of these CIP projects with the budget requested amount. Is that correct?

Yukari Hechanova, Chief Financial Officer, GMHA: The CIPS were presented separately, so we wanted to break down what was operational and then what was CIP.

Senator Therese M. Terlaje: All right. Do you intend to pay any of these c or go forward with any of these CIP projects with your operations funds?

Yukari Hechanova, Chief Financial Officer, GMHA: Some of those projects have already been started and we've been invoiced. So when I presented the accounts payable earlier I highlighted one area around 2. 2.8 million. I think that's the amount that we owe for CIPS right now that we need to pay vendors. Alright. That's passed though, right? Yeah, that's for or ongoing, I believe.

Senator Therese M. Terlaje: Right, but we're talking about for 2026 budget.

Yukari Hechanova, Chief Financial Officer, GMHA: Yeah.

Senator Therese M. Terlaje: Are you intending to use any of your 2026 budget for these list of CIP projects that you've given us at total 29 million?

Yukari Hechanova, Chief Financial Officer, GMHA: No, ma'am. Okay. So you're looking for alternate sources of funding for the 29 million.

Senator Therese M. Terlaje: Do. Have you had this discussion with the governor? Is there any alternate source that is being proposed?

Yukari Hechanova, Chief Financial Officer, GMHA: As Rodalyn explained earlier, we've been exploring the different types of grants that are out there working with GHURA and what have you. We also in our meeting with the congressman and his staff, we asked them to help us look for funding opportunities as well and I think they recently did throw something at us, so they're also actively trying to help us find, whenever we're looking for grants, they always seem to we don't qualify. They really help for preventive care, public health type things, but we're very, having a really hard time finding grants for hospital operations and CIP, so they're helping us look for those kind of grants as well.

Senator Therese M. Terlaje: Alright. Yeah, so I don't think these were included in the governor's budget either, based on her numbers. Hers are, she's asking for half of the amount you're asking for in operations, not a, none in CIP. So the CDBGDR, that's I'm glad you applied for that. I'm glad you're reminding GHURA that they forgot to put yours in their list of urgent needs, but that I'm, my understanding of those hearings is we're lucky if we can come out with a project in three years, so, but your projects look more urgent than that and we hope to be out of this hospital by five years at minimum, or hopefully anyways, so I'm not sure what you're going to do about that. Can I just ask about this? Electronic health records, 14 million. I heard you describe where you got this estimate that it's just a preliminary number, but that seems very far too low and..

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yeah.

Senator Therese M. Terlaje: Do you intend to use a consultant to procure this?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: So, if I may explain, in previous oversight or, you know, legislative hearings, we have estimated that our EHR for a five year period was, would cost us about $60 million that was an estimate based on previous research that was done. Now, given that, you know, $60 million is a lot to chew on and let alone, I mean, even $14.5 million is a lot, but we have to start somewhere. And so we were thinking, at least for presentation purposes, what we're asking for is at least for the first year, and we're estimating about 14.5 million, just knowing that the reality is that if we are to procure an electronic health record and any IT system, usually the upfront investment is higher than in subsequent years. And so given that's the reason why the estimate is at $14.5 million for a new EHR, but again, as we've said, this is just an estimate. One of the things that we are working on, of course, like we mentioned was that IT risk analysis and then we did receive I believe it's $96,000 on the bead, the broadband equity funding. And with that we're, we are to do an IT assessment with that funding. And so we currently have a draft RFP for that IT assessment, which we're hoping to push out soon. We just need to make sure all the requirements that's in the agreement with the grant is in place before we push out the IT assessment.

So what the hope is that. The risk analysis together with the IT assessment. The results of that would help us in further refining the RFP, the draft RFP that we do have on the EHR. But again, the challenge that we have is even if we have the draft RFP, we can't push it out into procurement without any kind of funding source. And so here we are and you know, we're trying our best to see again, however, which way, whatever funding is available, we're trying to get grants. We were working previously even with Homeland Security, Office of Civil Defense because our understanding is aside from the Hazard Mitigation Grant program, there is also, I believe it was a cybersecurity grant. So, we were hoping to try to get that, we did actually submit a grant application on IT infrastructure back in I believe, 2023. We were informed at that time that it was going to be submitted as part of a, the cybersecurity funding. But each time we followed up it, there was no response on that. And so, again, we are really trying actively you know, however way we can to identify funding source for these things.

Senator Therese M. Terlaje: Alright. I just wanna make sure that we're gonna procure correctly..

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yes.

Senator Therese M. Terlaje: What we need and not have an error that we talked about before. So what about, are you going to use a consultant for that or you're saying your risk assessment? Your risk analysis, IT assessment is what you're going to use to procure the electronic health record?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Well, we're going to use the information that we get from these documents from, so, so right now, as we've mentioned, the IT risk analysis is the one we're going to submit by today.

Senator Therese M. Terlaje: And so are you talking about an analysis or the an RFP or something for it?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: No, it's an actual analysis. So it's done. Yes, it's done. And it's going to be submitted today. That's the one that we're going to submit to HHS office of Civil Rights. That was the requirement that we have. It's due on May 7th, but we're going to submit that early. But in addition to that, we need the IT assessment and that we need to procure. So, for the IT assessment, we're going to use the nine $96,000 that we got in the digital equity grant funding to procure that IT analysis sorry, the IT assessment. And we're hoping that these documents, the result of these would be, is what we would use to further refine the current EH RFP draft that we currently have, so that way we can procure, you know, the proper system and not just whatever,.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: If I may, Senator Terlaje?

Senator Therese M. Terlaje: Yes.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: The HHS OCR Risk Asset Analysis is going to, is really has looked into our threats, our vulnerabilities with regards to our IT system. And so that can also help us determine what hardware, what software, and what other training we need to make sure that we enhance the cybersecurity of our IT system. And that can help, but the IT assessment from the digital equity really focuses on other aspects in terms of our IT infrastructure and processes.

Senator Therese M. Terlaje: All right. Because it was my understanding that we, if you do not have a consultant in regards to specifically an EHR. Yeah I just questioned that.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Yeah,

Senator Therese M. Terlaje: because that's the issue that we had the last time. I mean, anyways, can we see copies of these reports, the risk analysis that you're submitting to HHS today?

Jordan Pauluhn, Legal Counsel, GMHA: And so the, we're submitting it today and then we need to wait for feedback from HHS and a revision. But once it's a, once it's finalized from HHS and we have the final report, yes, we can share it.

Senator Therese M. Terlaje: When is that?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: They have 60 days from the time that we submit to review and then give us the feedback whether or not we meet, whatever the expectations are in terms of that analysis.

Senator Therese M. Terlaje: Alright. Have you received any input from the consultant that Gita hired in regards to hospitals as to your EHR needs?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes. We've been meeting every week giving him information as he's requesting it, and then discussing some areas where we want him to help us improve. We started with the revenue side and it's pretty much concluded on what we just discussed today, that the private payers,

if they don't pay us, we need to sue them. And that's exactly what we wanna do. We just have to sue them. And then with the Medicare and the Medicaid and all of that, of course we need to explore options on different payment systems, either rebasing, critical access, that type of thing. Then we move into the cost containment and expense area. So, we're starting right now with the highest cost, which is personnel. And so we need to see what areas we need to cut or move people around, and how do we optimize our staffing with our functions right now. And then we're going to move into contracting and supplies procurement. Those types of things.

Senator Therese M. Terlaje: Well, I'm glad you're consulting with him. I'm sure it was part of his job to get information from all the government agencies. My issue is you've known all of that all this time.

Yukari Hechanova, Chief Financial Officer, GMHA: Yes, ma'am.

Senator Therese M. Terlaje: Particularly, there was a couple things. This need for the EHR your list of CIP does not even include the maternal child health. Is that off the table now or the envelope?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: It is there.

Senator Therese M. Terlaje: Where's that?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: On the schedule that was provided to you. It's on the top portion under structural and architectural projects. Maternal child health project. It's the second to the last one on that first table. So, for FY 26, we budgeted $3 million. It's there on this spreadsheet.

Senator Therese M. Terlaje: What about the MRI building Demo? This one. Okay. I don't know what that document is. I'm looking at your presentation today there. So it says it's not on this one.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: And the reason why it's not on there is because that's, that slide was specific to the

$29 million for FY 26, but because we are using the public law 36-107 for the MCH that's the reason why it's not on that particular slide, ma'am. But I there is a separate..

Senator Therese M. Terlaje: So, are you proceeding with it?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: We need to still go out and do the IFB again.

Senator Therese M. Terlaje: Alright, but did you get the money?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: That was the public law 61-117..

Senator Therese M. Terlaje: Did get the money.?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: They're not gonna, because I was..

Senator Therese M. Terlaje: In place for a very long time. And then you said you were gonna use ARP funds for that, and now we are going back to, and then remember at the oversight hearing, you said you're going go try to get that money again? So is that secured? These are promises made years ago, right?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Yeah. But we don't have access, or we don't have control to whatever was, it's DOA who has that in BBMR. So we're relying on this…

Senator Therese M. Terlaje: So are you able to go out with an IFB based on that?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yes. Because that was an appropriation.

Senator Therese M. Terlaje: Yeah. So, what is this paper that is, because you didn't present on this today.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: I did, when I was presenting on the slide, I did say that there was a separate printout that was provided. When I was presenting on the CIP slide, I did mention that we provided a separate printout, which was in line with what was provided when we initially submitted our budget requests. And so, on the budget request, there is a tab specific for CIP and that was in there.

The difference is that we just color coded this one because the one on our the budget book is not color coded. So that's why we..

Senator Therese M. Terlaje: So how are those projects gonna be done? You just finished telling us these projects cannot be done with the budgeted requests for 20 26 and that they were not budgeted in 2025. Right and the ARP funds are gone. So are you saying you have additional CIP projects that are what is the status of those? Are they going to be included in your FY 2026 operations budget?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: So, for the specific, are they, well, specifically for the maternal child health, there is, like I mentioned, the public law 36-107, I believe it's chapter 12, section 53.

Senator Therese M. Terlaje: I'm familiar with the law. Yeah. So what's the status?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: So, we, so the last time we, no, I know you went out for bid and you got no offers. And so, we needed to go back before we put it out to bid again, we need to go back to revisit the scope. Because based on the feedback we were getting from those that were interested in, you know, that actually picked up the IFB some of the comments we received was the project was too big. And so because of that we needed to go back to revisit the scope. And so that's where we're at revisiting the scope.

Senator Therese M. Terlaje: What was your funding source at that time when you put it out for the..

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: MCH Public law 36-107.

Senator Therese M. Terlaje: Okay. 'cause in the oversight you said you're gonna have to pursue that to see if it's still available. Right?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yes.

Senator Therese M. Terlaje: When the, this account's payable have you been receiving complaints about this account's payable, so it's 20 million now, but 2026. Is the 2026 budget going to this or this is just some extra information you wanna ask?

Yukari Hechanova, Chief Financial Officer, GMHA: 'cause this is the current payables as of today,

Senator Therese M. Terlaje: Yes. Yeah

Yukari Hechanova, Chief Financial Officer, GMHA: The 2026 budget is supposed to show what we're gonna be, our expenses will be in 2026.

Senator Therese M. Terlaje: Okay. So what is your plan to pay these because and some vendors are asking, first of all, it's concerning because the largest expense here is pharmaceuticals and supplies.

Yukari Hechanova, Chief Financial Officer, GMHA: Yes.

Senator Therese M. Terlaje: And I heard some of the board meeting the other day where they're talking about the, I think it was you, Lillian, talking about the hardship on the nurses and those who are receiving care about this lack of supplies. So, what is the impact of this account's payable on patient care and what is the plan?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: What was the last part of your question, Ma'am?

Senator Therese M. Terlaje: What is the plan? Have you discussed this with the Governor? There's 20 million accounts payable over 9 million. That's over 90 days payable. Some of the vendors are telling us that they're not sure they're being treated fairly well. Some projects are going forward, some are not. Some including CIPs versus paying off the supplies and the other goods. So yeah, what is the priority here? How do you pay the priority and how do you prioritize the payment, I guess? And if these are over 90 days and we gave you 30 20 million. 20 million, and then they took 10 million for accounts payable from the ARP, these over 90 day ones were not paid at that time. What is the plan to pay these off?

Yukari Hechanova, Chief Financial Officer, GMHA: That's a very good question. I ask myself that every day. It's, I've been very challenging with the cash flow issues. The priority has always been payroll. So this week it's payroll week, so we're prior prioritizing collections to get, make sure that we can pay the employees. With the vendors we try very hard to pay them, but in most cases we try to arrange payment plans. If we owe them half a million, we negotiate. Can we pay you 500,000? I mean, a hundred thousand today? Maybe next week we can pay another 50. It's easier for us to pay if we can break it down, but there's just not enough cash to pay all of these payables.

It's been very difficult. We had the 20 million that we got back in October. We use that immediately to pay vendors. And then we had some left. When we had to start paying for some of these CIPs from the ARPA fund, the former ARPA funding, we were using that money to pay for it. But now that, I think now there's about $50,000 maybe left in that 20 million. It's been exhausted. So we use that 20 million to pay for vendors, but also for the withholding taxes, insurance premium, even for payroll stuff too. We used that to pay off those vendors. Then we used to pay suppliers, and then the last part of it we used to pay off for the CIPs.

Senator Therese M. Terlaje: Are you talking about the 20 million that DOA transfer to GEDA or another 20 million of ARPA funds?

Yukari Hechanova, Chief Financial Officer, GMHA: No, the, we had a 20 million supplemental appropriation. Yeah, that, yeah, that one.

Senator Therese M. Terlaje: But then you start talking about ARPA funds.

Yukari Hechanova, Chief Financial Officer, GMHA: I thought, well, because some of the projects earlier that Rodalyn was talking about were funded originally from ARPA, and then when the funding got moved we were already had obligations where we had purchase orders and contracts already signed and some even the invoices already came in. So as another source of funding for that, we had, well, we still have about three, $4 million left in that $20 million funding pot that DOA is holding. They're the ones paying the vendors for us. We send them the invoices and they pay the vendors. So, we don't have the cash..

Senator Therese M. Terlaje: From the 20 million that we appropriated.

Yukari Hechanova, Chief Financial Officer, GMHA: Yes.

Senator Therese M. Terlaje: Okay. So, but then they also took 10 million of the 20 million promise from the Governor for CIP projects. They took 10 million to pay for vendors, they said, but none of those were these vendors here. I mean, I mean obviously they didn't, we still have over 90 day vendors. $10 million.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Yes.

Yukari Hechanova, Chief Financial Officer, GMHA: Yes, we're supposed to pay them with our ongoing collections.

Senator Therese M. Terlaje: So, when they took the 10 million, there were more than 10 million in vendors payable at that time?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes. So yes.

Senator Therese M. Terlaje: And they just took the rest of the 10, the other 10 million and gave it to GEDA instead of paying off more vendors. So how, what is your plan? Because the vendors are very concerned about this and I'd like you to tell them directly by this hearing, what is your plan to pay them

Yukari Hechanova, Chief Financial Officer, GMHA: one, one of..

Senator Therese M. Terlaje: What should they expect? Because a lot of them want to stop services to the hospital.

Yukari Hechanova, Chief Financial Officer, GMHA: We would like to get the funding from the pharmaceutical funds. So, I did an analysis going back to 2019 of the BPT and the performance and how well it has been doing, especially in the last three, four years now. And what Jordan had talked about earlier of what some legislation that would help us, and this would not even be a new funding source or nothing from the general fund. It's something that rightfully is supposed to go to. GMH is 6.19% of the BPT, but we're only getting what was appropriated in the budget acts, which..

Senator Therese M. Terlaje: Right. Well, we could also take the extra 30 million and say that came out of the BPT because it's coming outta the general fund, Right? We're also giving you general fund monies that are coming from a combination of BPT and other sources. So that's just a, almost a semantics thing, but I understand so that, but that's not a solution for these vendors. Right?

Yukari Hechanova, Chief Financial Officer, GMHA: And one of, one of the things that's been happening with our collections now is we're only getting 50% of our Medicaid reimbursement because of what DOA is keeping half of that to pay. What when we borrowed from the Medicaid, we got in advance when we shut down in 2023, that has been paid off, but they're still recouping for an advance. We got from the pharmaceutical fund earlier this year of $5 million. But if we have extra in that pharmaceutical fund from the 6.19 BPT and we can offset things like that, then I think the main thing that I want is cash flow. And if we can get the full Medicaid reimbursement, that's gonna be 1 to $2 million a month that we will get in cash to pay vendors.

Senator Therese M. Terlaje: So, what is do a's response when you, I'm sure, plea with them that this is your status and that they're supposed to be the fiscal review commission for the hospital?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes. I did send the analysis last week and I didn't get much feedback, but I will follow up this week to see if that's gonna be a possibility.And the whole goal of it really was just to make sure we can get our Medicaid reimbursement back to get cashflow going again.

Senator Therese M. Terlaje: What is behind this denial of physician professional fees for providers with private clinics that the, you're saying the insurance companies have, are denying fees that they didn't deny before?

Jordan Pauluhn, Legal Counsel, GMHA: So, this is one particular insurance company, as it's on your slide there, what's happening is we have an outpatient clinic that serves a higher risk population, typically speaking. And like most other hospitals, we can charge both a professional fee and a facility fee, which the cost of seeing an outpatient in a hospital is then is higher than it would be in a private clinic. And all of the payers have been paying these claims and have been pretty diligent in it. I think with the rising costs though, one, one of the insurance companies has begun to balk at that. And then because the insurance company then also has agreements with physicians that might also have a private clinic set up. So, they'll see the acute care patients in the hospital and then go see the, the outpatients in the clinic, the insurance company is asking us to actually bill the professional fee in the outpatient clinic with which we have no relationship, even when it is a patient that's been seen at GMH.

And so we're having on no ongoing discussions and negotiations with the insurance company about that. But yeah, I guess we believe it should be paid.

Senator Therese M. Terlaje: Is this related to the auditor's audit on physicians that are serving in both capacities? They have their patients in out clinic and then they have their patients in the hospital that they also are getting paid for, things like that?

Jordan Pauluhn, Legal Counsel, GMHA: No.

Senator Therese M. Terlaje: Is that what they're objecting to?

Jordan Pauluhn, Legal Counsel, GMHA: No. What they're objecting to is strictly the rates that are being charged. And these are rates that we've set through the AAA and ha we've received comments on and things and almost all of the pay yours are processing them and approving them in the EOBs. It's really the, this particular insurance company that we're having ongoing discussions with.

Senator Therese M. Terlaje: Okay. Well, the other thing is this well, I mean, I wish you this success of course, and your critical access hospital designation. It's just, this is something that we've talked about again for years and I, it's like we're just beginning to work on it now. That's how it sounds today. And I can't, that can't be right. But it really is how it sounds. Same thing with these rebasing of the rates. I know you've been waiting for DOA and then you're saying you need to hire your own consultant. 'cause DO a's consultant is just not giving you what you need fast enough. I don't know what's going on between the hospital and DOA or the governor, but it just seems like there's a, there is a gap of what you believe is. Urgent and that you are unable to pay and the needs that you're unable to meet, like for example, vendors and supplies versus what DOA sees and why they're withholding money, like the Medicaid reimbursement or the, or these reports or consultants that would help you to get the rebasing we're way behind in that, in, in these things and trying to mitigate these costs at the hospital.

And so the, all of these things together, right? I mean of course, yes. You're taking care of patients and we are trying to appropriate to cover patients that are not being paid for in any other way through Medicaid. Private insurance is not paying their full share. If that's the case, we are also trying to subsidize those. We're trying to subsidize all kinds of things, but Yeah, but also we know we, the efforts like I, this is an urgent situation. It's a, I thought emergency long time ago but that we're just going to work on certain things. Now is, it's just I don't know. It's very concerning and it just seems like DOA, the governor and the hospital are not on the same page on as to the current needs, whether they're urgent. We have increasing personnel expenses, not just physicians, but non-medical related. And that's why I sent you a FOIA regarding the above step recruitment of non-medical. We have two attorneys where years ago I would meet with you and it was very clear you were telling me the attorney general's office is handling all our collections.

We didn't even need to go to an outside collection agency at one point because everything was taken care of and now it I don't know, which just seems like everything's gone backwards. We have an appropriation for child, maternal child health. We're still waiting for that rebuild, I guess.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: May I comment on that?

Senator Therese M. Terlaje: But that's not listed here on this list. Again, and I guess it's confusing to us or we're supposed to refer to this now as to what are the urgent CIP needs. This is not it. You're saying there are others that are more urgent on another, this other list as well. Is that what we're supposed to do?

Chairman Christopher M. Duenas: Senator, your time's expired, so that'll be your last question. Thank you.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: If I may comment on that collection. Yes.

Chairman Christopher M. Duenas: yes, please.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: The previous.. Attorney General was helping us, but the current attorney general is not helping us on the collections.

Senator Therese M. Terlaje: That's because you hired two lawyers, right?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: That was no, that was even before.

Chairman Christopher M. Duenas: Senator Blas, Speaker Blas.

Speaker Frank Blas Jr.: Thank you very much Mr. Chair and to the panel. Thank you very much you for being here. I'm gonna start with this, you know, there was a discussion with regards to GDOA holding back. So how, holding back your money,

what is your total amount of how much DOA is holding in your behalf or have not given to you?

Yukari Hechanova, Chief Financial Officer, GMHA: I think currently we still owe about 7 or 8 million for Medicaid advances. So they're keeping 50% of whatever our Medicaid reimbursement is. So for example, this week our Medicaid reimbursement is supposed to be a million dollars. We'll only get 500,000 because they're keeping the other 50% to pay off what we, what was advanced to us paying off..

Speaker Frank Blas Jr.: Who off who?

Yukari Hechanova, Chief Financial Officer, GMHA: DOA..

Speaker Frank Blas Jr.: So, they are holding back your money to pay their bills..

Yukari Hechanova, Chief Financial Officer, GMHA: Because we, they advance the money to us.

Speaker Frank Blas Jr.: It doesn't matter. Yeah. I mean, I can trade off another agency with yours and hear about reimbursements that have been unauthorized that they paid and they've not asking them for reimbursements, but yet they're asking you for the reimbursements.

Yukari Hechanova, Chief Financial Officer, GMHA: Yes.

Speaker Frank Blas Jr.: Okay. So this is, you're looking at about seven, $8 million. Interestingly enough, that's about the same amount of money that other agent, they put they flooded for that other agency. I not required for them to be paid to pay back. Okay. I just find that interesting. You know, you, earlier you talked about you're hoping that the retirement rate doesn't increase to 34% from the 31. If you were, if that were to come into fruit before the end of the fiscal year, what are you gonna be short on? How much are you gonna be short to be able to make the payroll for this fiscal year?

Yukari Hechanova, Chief Financial Officer, GMHA: Just for this fiscal year?

Speaker Frank Blas Jr.: What are you looking at? What?

Yukari Hechanova, Chief Financial Officer, GMHA: Right now our challenge has been meeting the obligations for the health insurance, dental insurance, and the withholding taxes we've been able to maintain. All we have money left to do is pay retirement. And so we've been paying retirement on time, but there's just nothing left to pay the withholding taxes. Withholding taxes, every payday is about 430,000. Medical and dental insurance is about 450, 400 50,000. So every payday we're short about 800 to 900,000 to pay those two obligations.

Speaker Frank Blas Jr.: And that's the current rate?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes.

Speaker Frank Blas Jr.: And what if that rate were to increase now how much more is that going to impact you?

Yukari Hechanova, Chief Financial Officer, GMHA: If the retirement rate goes up next year, it would just depend on the percentage. Right now it's projected at 30, 34%.

Speaker Frank Blas Jr.: Yeah.

Yukari Hechanova, Chief Financial Officer, GMHA: Yeah. So if it goes up to 35, that's another percentage point.

Speaker Frank Blas Jr.: That's okay. Let's just hope that it stays at 34. Even at that, you don't wanna hope for that. But what is that going to mean as far as impact?

Yukari Hechanova, Chief Financial Officer, GMHA: We would definitely have to recalculate our staffing for that. And I understand a lot of people move to the new retirement plan and that's definitely the reason why these costs are going up.

'cause we noticed it since last year and that's when a lot of people moved to the DB plan.

Speaker Frank Blas Jr.: So, and that wasn't factored into the, to your budget request..

Yukari Hechanova, Chief Financial Officer, GMHA: For 2026, Yes..

Speaker Frank Blas Jr.: It was

Yukari Hechanova, Chief Financial Officer, GMHA: Yes.

Speaker Frank Blas Jr.: 34 up to 34%,

Yukari Hechanova, Chief Financial Officer, GMHA: Yes.

Speaker Frank Blas Jr.: So, what is that delta? What is what that factor? How much did you factor in?

Yukari Hechanova, Chief Financial Officer, GMHA: It's about $3 million more.

Speaker Frank Blas Jr.: Okay. You know, before I even go even further here, on your budget requests, there's about a $21 million, $21.9 million delta between your request and what the governor's office had requested. Is there any discussion with the governor's office as to why there was such a huge disparity in what you're requesting for and what they, the front office says that you can live by?

Yukari Hechanova, Chief Financial Officer, GMHA: Not in so many words. I think the problem is they submit their budget way ahead of when we finish our budget. So, our budget is done by the end of March and I believe they submit theirs in January.

Speaker Frank Blas Jr.: So, have you had a discussion as to where they came up with just with just $21 million? Or I think 28 million.

Yukari Hechanova, Chief Financial Officer, GMHA: I think they used LAST year's appropriation and added another 15 million.

Speaker Frank Blas Jr.: I think your last year's appropriation was at 33 and they went down to 38 to 28..

Yukari Hechanova, Chief Financial Officer, GMHA: For the gen, for the general fund.

Speaker Frank Blas Jr.: That's what I'm reading at.

Yukari Hechanova, Chief Financial Officer, GMHA: So the 21.9 was not factored into the executive budget.

Speaker Frank Blas Jr.: Your FY 2025 authorized level was at 57.7. Your governor's request for FY 26 is 53.8 89. So that's not an increase that's a decrease Anyways, well, is there any answer for that? I mean, obviously your costs, healthcare is supposed to be a priority and your cost is supposed to have increased. I can understand that. You know, it doesn't even take into consideration organic growth if you were to do based on authorized levels from previous school year.

Yukari Hechanova, Chief Financial Officer, GMHA: We have about, I think 900,000 on salaries alone just for Yeah increments and things.

Speaker Frank Blas Jr.: Yeah. It's not that doesn't take into consideration. So I'm just wondering, I'm trying to re to reconcile Okay. What you're asking for and what they provided and recognizing even though that yours, your budget request came in a couple months at least. After theirs, there should have been some discussion and a little bit closer. I wouldn't have been more, a little more comfortable if it was just six or $7 million in as far as difference. But this is $21 million not inclusive of, and I know that your footnote one here is basically. It provides the $20 million from public law. 37.135 I, let me make me understand why this footnote exists here. Is that inclusive of the $50 million, $50.4 million request that you're asking for? Where does that fit in?

Yukari Hechanova, Chief Financial Officer, GMHA: No.

Speaker Frank Blas Jr.: So where does that fit in? Is…

Yukari Hechanova, Chief Financial Officer, GMHA: Are you talking about what's on our presentation?

Speaker Frank Blas Jr.: Yeah, it's on

Yukari Hechanova, Chief Financial Officer, GMHA: Oh, that one?

Speaker Frank Blas Jr.: Yeah, this one.

Yukari Hechanova, Chief Financial Officer, GMHA: That, that one was prepared by.

Speaker Frank Blas Jr.: Yeah.

Yukari Hechanova, Chief Financial Officer, GMHA: That's OFB, finance and Budget.

Speaker Frank Blas Jr.: This is prepared by what, I'm sorry?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Office of Finance and Budget.

Speaker Frank Blas Jr.: That's, this is prepared by Office of Finance?

Yukari Hechanova, Chief Financial Officer, GMHA: Yes. Yes.

Speaker Frank Blas Jr.: Okay.

Yukari Hechanova, Chief Financial Officer, GMHA: This is not prepared by us.

Speaker Frank Blas Jr.: So, Mr. Chair, what does the footnote one mean here? I'm trying to figure out, I'm trying to figure out where does it fit in as far as the numbers?

Chairman Christopher M. Duenas: Yeah. So, footnotes are essentially what is the variances within the request and what happened in the prior fiscal year,

Speaker Frank Blas Jr.: Uhhuh

Chairman Christopher M. Duenas: or current?

Speaker Frank Blas Jr.: So, so that I can understand this, is that putting out one $20 million, is that factored into the 50?

Chairman Christopher M. Duenas: No. No. So..

Speaker Frank Blas Jr.: What does it fit?

Chairman Christopher M. Duenas: It's not it's just recognized that was additional appropriation.

Speaker Frank Blas Jr.: Okay. Even at that even if you were to factor that in, it's still over $10 million of Delta between your budget and your budget request and the governor's budget request. Okay. Well, I'll get back to that later if I have time.

Chairman Christopher M. Duenas: Yeah. If you look at the total variance actually between the Governors and

Speaker Frank Blas Jr.: Yeah,

Chairman Christopher M. Duenas: And it's actually 52 million.

Speaker Frank Blas Jr.: Yeah. Okay. Appreciate it. Let me talk a little bit about your CIP request. $29.3 million. Okay. Are any of this hazard mitigation projects that have been tentatively approved or there's some life to it?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: The removal and replacement of the main electrical distribution panel, subpanels and emergency generator that was initially part of our application for the Hazard Mitigation grant. The total amount is actually closer to 16 million. If I recall, but for, because we planned this out as part of our five year CIP plan the first year is that 5 million $5,160,000. Our understanding in recent discussions with Office of Civil Defense is that our HMGP application was not eligible, which we were still inquiring with them as to why, because this particular project was part of the state plan hazard mitigation state plan. And so we are still trying to inquire with them clarify as far as why they're saying that our project is now ineligible for the HMGP.

Speaker Frank Blas Jr.: Is it a matter of it not being eligible or is it a matter of, from The word I was getting is they just haven't been able to get to it. Remember when we had the meeting?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yes.

Speaker Frank Blas Jr.: And I said, I'm gonna look into it.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yes.

Speaker Frank Blas Jr.: And the word that I was getting is that they haven't even come to a decision on that yet.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Okay.

Speaker Frank Blas Jr.: So, you know what I mean?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Okay. Okay, so, it's still possible then, so, okay. Okay. Thank you.

Speaker Frank Blas Jr.: I'm gonna get back to that. Okay.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Thank you speaker.

Speaker Frank Blas Jr.: Okay, I'm gonna get back to that next, with your workforce reduction that you explained, I guess in your presentation about how you're going to be able to reduce things. And you, and it's interesting that you word it up to 10%. Alright? If you were to go with your workforce reduction up 10%, what is your total cost savings in that?

Yukari Hechanova, Chief Financial Officer, GMHA: It'd be about 13 million. 13

Speaker Frank Blas Jr.: As opposed to a salary reduction of 10%. What would that cost you?

Yukari Hechanova, Chief Financial Officer, GMHA: 13 million.

Speaker Frank Blas Jr.: 13. You have $14 million here, or 14 Million 980, 10% of that is one 14 million. Nine 80. Right? It's an option. Okay. And hopefully you don't have to get to that, but you know, that's where it's at. What are your total cost savings if you were to implement, I mean, savings, if you were to implement all your cost saving measures, what is your total on that?

Yukari Hechanova, Chief Financial Officer, GMHA: I think we've come up with a little less than $10 million so far on cost reductions. And there's definitely a lot more work to do as far as reviewing all the contracts we have to see if we can renegotiate rates, but initially it looks like it's gonna be about eight, 8 million.

Speaker Frank Blas Jr.: Your total cost savings so far, you just finished saying that if you went to up to 10% of total of a payroll deduction is I cost $13 million.

Yukari Hechanova, Chief Financial Officer, GMHA: Oh I see then it would be 8 million plus the 10% workforce would be 21 million.

Speaker Frank Blas Jr.: 21 million. Yeah. Okay. Okay. There was a discussion earlier too about your TEFRA and your rebasing, and that's been an ongoing discussion..

Yukari Hechanova, Chief Financial Officer, GMHA: Yes sir.

Speaker Frank Blas Jr.: I remember back in the old days having that discussion with Dr. Larry Lizamaa. What seems to be the holdup with regard to why we're not getting better rate?

Yukari Hechanova, Chief Financial Officer, GMHA: It's really because of the way GMH is classified along with the Virgin Islands and CNMI we're the very small group of hospitals that are left, that are under this TEFRA reimbursement model, which means they pay us based on a cap for a discharge patient, which is right now significantly lower than our actual cost to discharge This patient, the other hospitals in the mainland are paid on the inpatient prospective payment system, which is based on the patient's diagnosis. So, if you're going in for a heart related procedure CMS will reimburse this amount. There's, it's already a fixed amount and they get that amount from all the data from across the country. So, they decide, okay, this is how much we're gonna pay for this procedure. For those hospitals too, it's also, of course, they get paid below what they actually expect to get paid. We're all in that same boat, but for us it's particularly alarming because now our costs have gone up so much more than we expected since 2020. So when I look at the different, the annual cost report, we do from the year 20 2014, when we got the rebasing, that differential between our actual reimbursement and the cost that it takes to take care of that Medicare patient. It was from zero in the first rebasing year, and then it climbs up to 1000, $2,000 and it stayed like that until 2020 when it shot up to 10,000, 14,000. Now we're at 14,000, 15,000 because the costs have never come down from the pandemic.

Speaker Frank Blas Jr.: Understood. What is the tough road rate for the CNMI?

Yukari Hechanova, Chief Financial Officer, GMHA: I can't.

I think it was..

Yukari Hechanova, Chief Financial Officer, GMHA: I don't know.

Speaker Frank Blas Jr.: The last time I remember hearing it was obviously considerably more than what we're getting.

Yukari Hechanova, Chief Financial Officer, GMHA: Not considerably, I think it was maybe 2000. I know the Virgin Island I think is 1100. The last time I talked with the CFO there, he was saying $1,100 for them. So, they're having the same issues that we are. So that's why it was important to meet with the Congressman because if this can be fixed at that level, it will also impact other hospitals that are in our same situation that are experiencing these cash issues because they're not getting paid enough from Medicare.

Speaker Frank Blas Jr.: Okay. Well, what, if I remember correctly, I think CMI three was closer to 2300,

Yukari Hechanova, Chief Financial Officer, GMHA: Maybe 2000.

Speaker Frank Blas Jr.: I think it's 20. Oh, that's all right. Yeah, it just, okay. It's just, I'm just wondering what were the, what is the stumbling block from what you're hearing and what you, and how you, how do you intend to fight that? Or how does the Congressman intend to justify an increase.

Yukari Hechanova, Chief Financial Officer, GMHA: What has been the discussion on that? There is a process. So CMS has their own guidelines on how we get reimbursed and how we need to go through asking for these adjustments and even for rebasing. So there's an extensive study that needs to be done to show, basically, to show what the justification is. Why do we need to get that increase? Yes, we have more costs, but why do you have more costs? Are you providing more services? Are your patients sicker? Are they staying longer in the hospital? There's just this list of things that you have to go through. So what was helpful in the past was the consultant from this company called EOP had put all of that together and then that goes for the CEO's signature at the hospital, and then it's sent to CMS for their consideration.

Speaker Frank Blas Jr.: And did I hear that correctly, DOA had hired a consultant to be able to work with on your rebasing.

Yukari Hechanova, Chief Financial Officer, GMHA: That's what we were told.

Speaker Frank Blas Jr.: That's what you were told. So, but has there been any discussion with this consultant?
Where are they getting their information then from?

Yukari Hechanova, Chief Financial Officer, GMHA: Well, I was told to send 10 years of the Medicare cost reports to them, and I did, I sent 10 years.

Speaker Frank Blas Jr.: I can send you 10 years of reports, but if I can and nobody there to help to explain what it is you ..

Yukari Hechanova, Chief Financial Officer, GMHA: Yeah. We just haven't had any feedback.

Speaker Frank Blas Jr.: Okay. You also mentioned there was an also a mentioned that you had requested for, through GHURA for basically consideration in cd CDBG man. What specifically, what was the ask? How much were you asking for and what was the ask?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: For the CDBG? Right. Gosh. So, we actually submitted because our understanding when we were to prepare the documents is that we didn't necessarily have to put an amount we just needed to talk about what our unmet needs were.

Speaker Frank Blas Jr.: What are your unmet needs based on your CDBG?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: So, part of it was we talked about sorry, let me try to see if I have a document here. We talked about again, the infrastructure damage and deferred maintenance related to our current facility, the electrical infrastructure specifically talking about the main

electrical distribution panel and so on. We talked about the emergency power deficiencies and load banking need. The replacement of a, our aging fuel storage tanks and the provision of a pro protective shelter. The influx of our social case patients, emergency preparedness infrastructure gaps particularly dealing with the lack of onsite helipad in the case of a emergency that needed a, you know, helicopter transport limited mass casualty capacity inadequate morgue space, lack of alternative care sites, the Z-wing retrofit project and being able to expand our clinical capacity. Yep.

Speaker Frank Blas Jr.: So,

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: so we talked about a lot almost.

Speaker Frank Blas Jr.: Okay. You, thank you. Appreciate what has been, gimme your best guess submit as to what, recognizing that this is. What a half, half a billion dollar total grant. What is your best guess estimate as to what you're asking for? Not only what you expect to receive, what you're asking for. It's the best guess.

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: I would say 20 million.

Speaker Frank Blas Jr.: 20 million.

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: Follow that for all those that we just mentioned.

Speaker Frank Blas Jr.: CBDG? Yes.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Actually I would say more than that..

Speaker Frank Blas Jr.: Right?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Because just the main electrical distribution panel, as I mentioned on the HMGP is about 16 million.

Speaker Frank Blas Jr.: Okay. When did you turn in that request?

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: I wanna say April 17. April 18, somewhere there.

Speaker Frank Blas Jr.: Okay. It's interesting because I got a copy of a letter that you guys sent to CBDG to GHURA.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Yes.

Speaker Frank Blas Jr.: Asking for the money to go towards the design and to pay for a new hospital.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: That was the second letter. So there were, like I mentioned, there were two letters that we submitted to for the CDBGDR.

Speaker Frank Blas Jr.: Yeah. But in your second letter, you basically write language in here that would basically nullify your first letter and all the, remember when I said I was gonna get back to your hazard mitigation request? Your second letter be, looks, appears like you just threw the rest of that stuff under the bus and that you basically state that FEMA has denied you for reimbursement for pre-existing conditions. And it rejects sheer proposed mitigation projects due to aging, the facilities, aging conditions. I'd be very weary because then if I was looking at both letters, I'm gonna say, what do you want? And guys, it's gotta be, you know, again, we want to help, but don't shoot yourselves in the foot. Yes, we need a new hospital, but we've gotta also maintain our current one and let's not throw our current hospital under the bus for a hospital that we want to be able to rebuild. Okay. And I'm sitting here over the last few hours listening how we need to be able to sustain a

hospital, but I'm looking at a letter It's saying, I want mon, if there's anything, I want money to build a new one.

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: Well, Sir, part of this is I think a week ago we had some visit from Homeland Security and they came to visit our facility, and that's what they're saying. Yeah. Deferred maintenance. So, we ushered them to our powerplant. So I told them how couldn't be a deferred maintenance when we still have all these antiquated systems and equipment still running to date.

Speaker Frank Blas Jr.: Uhhuh.

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: So, they were not able to answer me on that question.

Speaker Frank Blas Jr.: Well, yeah. And I appreciate that you're honor for and honest about that the whole thing. But again, to be very careful and on, on what we're sending, because, you know, one April 17, you're asking for. Close to a hundred million dollars in monies to fix the hospital in April 18. You're just saying you know what, let me have money for a new hospital. Okay, so I don't wanna belabor that. Let's just stick with, okay. But it just strikes me, please guys, we want to help you, but you gotta be very careful as to what we're asking for.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: But that was what the FEMA gave us and informed us that they were not gonna support what we requested because those were pre-existing conditions prior to malware, and that was what the disaster recovery CDBG application that we submitted.

Speaker Frank Blas Jr.: Understood. I understand all of that. But in the meantime, you have another project. You've got submission for other projects that you just admitted, that you said that you submitted your CIP projects through hazard mitigation. And there's still a discussion on it. You given, you have to give yourself time to be able to have, finish those discussions before you throw everything under the bus and then decide to go down this road. Thank you very much, Mr. Chair.

Chairman Christopher M. Duenas: Thank you. Speaker. Kind of hard to tell you. Your time is up, so you're right on time. Senator Will Parkinson you're recognized.

Senator William Parkinson: Thank you, Mr. Chair. I just have a few questions about a couple topics. So, I just wanna talk about the urgency of capital improvements a little bit. I see here that there's about 40 million in 2026 capital projects. The Army Corps has found that the physical plant of the hospital is in an overall state of failure. The roof is aged beyond its useful life and is compromised at this point. Given this context, can you explain how the funding of the $40 million will fund these critical issues and why now? Why should we dedicate this money now? Make the case for us please.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Given that a new hospital will likely not be available for us to move into for another five years or so, we still have to maintain the current facility. And in doing so, part of it is to address these issues, particularly dealing with the roof and envelope if we don't do it now and we've said it before in previous testimonies, that we don't know if our building can withstand another typhoon. And so we have to still address the current hospital because we still have patients that we need to take care of. And if we don't have a facility, how are we going to take care of those patients?

Senator William Parkinson: Thank you for that. And I guess my other question is under expanded capacity and emergency preparation, I note that there is 3.8 million for that offsite preparation. What can investing in that offsite preparation get us that not Get us that investing like why don't we just invest that 3.8 million directly into the hospital itself? What is this 3.8 million offsite buying us that it's not buying us onsite that's 800,000 allocated to upgrade the skilled nursing facility and 3 million for redesigning the maternal child health, the NICU department.

Rodalyn Gerardo, Deputy Associate Administrator of Operations, GMHA: Oh. So, because GMH is the only facility that takes care of our maternal child health so these are our pregnant mommies and, you know, their babies. It, again, same argument because we're not gonna, if we're not gonna see annual hospital soon, we still need to take care of our current patients. And the common criticism and issues that we've been having is that our current NICU can only house four babies. And,

you know, so part of this project was to expand our NICU and the nursery and the likes. And so hence the reason why it's important that we take care of it for this current facility. And then for the SNF, that is related to the server room upgrade. So, the current server room of our SNF is currently undersized and the SNF serves somewhat of a backup for our IT. And so we need to make sure that, again it still speaks to our IT infrastructure, but particularly dealing with the offsite. And so it's still important to us. 'cause if our system goes down, we need that backup site.

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: May I add something there, sir?

Sure.

Rizaldy Tugade, P.E., Acting Associate Administrator of Operations, GMHA: As far as the MCH, we already have a ready shovel plan. So all we have to do is just bid it out. We did try that, but unfortunately there was no takers at the time.

Senator William Parkinson: Alright. Thank you for that. I wanna talk about operating losses. We're nearing about $31 million in operating losses double from the prior fiscal year. It seems to be that there's a trend that costs are up and revenues are down. Could you please paint the picture for what's driving this trend?

Yukari Hechanova, Chief Financial Officer, GMHA: As far as revenues are concerned, we do have reimbursement issues from Medicare and Medicaid. I also explained earlier that some of even the private insurance companies, we have delays in payments from them as well, so that hurts. Our cash flow expenses have been rising in the last five years since the pandemic. Mainly for personnel. We've had pay plan adjustments for nurses. We did that twice. We have the general pay plan. We had also for law enforcement. Our security are classified under there. That was also adjusted. So we've had four pay plan adjustments in the last four years. And in addition to that, to retain and recruit nurses 'cause that's been one of our biggest issues is we've had to offer differential pays of 25%. So, when the nurses are working, they get a 25% working differential. And these efforts have helped us retain nurses and recruit. The turnover has gone down, so it's worked, but it's also very expensive. And at the same time the cost of supplies have really gone up

astronomically from before the pandemic. Now we have talk of, you know, I'm not sure what the impacts are right now, but if there are tariffs that will impact the pharmaceuticals and our medical supplies, that's gonna be another issue that we have to deal with if that happens.

Senator William Parkinson: What about the role of the deteriorating infrastructure? Does that play, what role does that play in increased cost or lost revenue? Well, almost every day there's something to fix. We constantly change ceiling tiles. The elevator goes out once in a while. The chillers constantly need maintenance.

Yukari Hechanova, Chief Financial Officer, GMHA: I mean, there's always something to fix because the facility is old. And some of these fixes are things that we did not expect to happen sooner than later. But they have to be repaired right away or somebody will get hurt. So that's a priority as well, is we need to get work orders and supplies. And then the facilities maintenance people will usually go in and fix what needs to be fixed that day.

Senator William Parkinson: It is, it seems to me that every year that appropriations to GMH are just becoming more and a more regular of a line item. What would happen if the legislature just stops subsidizing GMH? We just said tomorrow we're not giving GMHA single dollar anymore. What would happen then?

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Do you want an honest answer there, Senator?

Senator William Parkinson: Yeah, I would.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: You're gonna have to shut down. We're not gonna be able to then take patients in. We're gonna shut down. Is that what you want?

Senator William Parkinson: No. I just want to know what would actually happen if we did just stop.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: That's the reality.

Ricardo B. Eusebio, M.D., Operation Room Director, GMHA: And Senator, if I may answer your question in regards to why cost goes up and reimbursement go down? The cost of Medicare reimbursements have been decreasing. For example in my specialty of surgery, it used to cost $1,500 as a professional fee for the creation of AV fistulas. And now it's down to 800. So that a lot of the costs, Medicare costs, the go the federal government is also decreasing costs, which decreases our reimbursements. Thank you.

Senator William Parkinson: And then I just want to touch on the rise in retirement contributions. You know, you said you weren't sure what you were gonna do up to absorb that cost. Looking at it, retirement contributions account for 2.5 million increase in GMH'S personnel costs. But these personnel costs, they don't just affect GMH, every Gov Guam Agency as a whole is affected by the same increase throughout the entire Government Guam to increase in retirement contributions. Accounts for about 35 million increase in personnel cost. This increase in cost is not driven by an increase in retirement benefits, but rather a decrease in the revenue generated by investments of their retirement fund. The increases in cost is to pay down current unfunded liability of the government of Guam retirement fund, which as of the beginning of FY 2024, stood at 1.21 billion. So, in short, we are paying for the sins of the past for the past legislatures and leadership rating the retirement fund, while promising retirement benefits that could not sustain with those rated funds. We are paying for the consequences in very real dollar terms every fiscal year if we do not fully fund the Guam Memorial Hospital. We have seen in the past that some of the things that fall by the wayside when GMH is short funds, is vendor payments, utility payments, and retirement fund contributions. These things threaten the ability of GMH employees to retire. What shortfalls, what are these gonna do to your operations? This, these increased retirement benefits year over year.

Yukari Hechanova, Chief Financial Officer, GMHA: We include the estimate of the, well in FY 2026, it'll be 34.8%. So that's all factored into our calculation of what we expect our expenses to be in FY26. And it becomes part of what we calculate is what we will need in FY2026. So, part of that is what we're requesting as additional

appropriations in the 21.9 is because we are gonna have to pay more for retirement fund contributions,But for the record, we are current with our current payables to retirement. We do pay them on time so the employees can retire.

Senator William Parkinson: Thank you for that. I really think that despite the budget request being significantly higher in years past, I think as a body we should consider fully funding GMH to their request. You know, even though this is higher than what it was last year, we still had to do supplemental appropriations in the middle of the year. So if that's the case, let's avoid that path of supplemental appropriations down the line and just get it done. Now instead of having to come back here in six months in the spring, trying to figure it out with excess revenues, if we even have excess revenues, you know, a lot of there's a lot of uncertainty, especially when it comes to the federal government under this new regime. And that's something we definitely have to plan for. And if we're gonna plan for the long term let's prorate it out the year. Now let's do it now. Let's not try to rely on supplemental funding, some excess resources, excess revenues to pay it down the line. So, with that I urge my colleagues to support fully funding GMH to the tune of what they request, because, you know, we're either gonna do it now or we're gonna do it later.

They're literally asking for the funds to just keep the hospital together. That's, that seems to be the takeaway I have from what I've heard today. And even though it might come as quite the sticker shock to us, if that's the price, that's the price. So let's get it funded. With that, I yield the rest of my time. Thank you, Mr. Chair.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Senator Parkinson. And yeah that's an excellent speech. And I don't disagree. The issue is the governor has issued a ceiling. The issue is there's finite resources. So, I welcome your participation in defunding other agencies, moving money and finding that revenue within the ceiling to be able to accomplish that mission. And I look forward to your submission on that. I would like to do a follow up, a very short three minute or two question opportunity for each Senator I've been asked, and so I'm gonna keep it succinct to the budget. Senator Matanane, do you have any?

Senator Sabrina Salas-Matanane: I don't have any questions, but I think I've made it known that when it comes to the priorities, at least for me, it is education, public safety, and healthcare, and other agencies, other areas should be aware that the things that I plan on proposing and doing, it's cut cut cute because we have to make sure that those three priorities or agencies are the priority.

Chairman Christopher M. Duenas: Looking forward to it.

Senator Sabrina Salas-Matanane: Thank you.

Chairman Christopher M. Duenas: Vice speaker.

Senator V. Anthony Ada: Thank you Mr. Chair. Just to follow up on speaker Blas is the Community Development Block Grant Disaster Relief. Right. And I believe what it was is it was like 108 million for infrastructure, 200 million for housing, 40 million for multi-family rental, 30 million for economic revitalization, and then the GHURA admin and planning of 25 million. But it seems that the 6 million, the unallocated. It is going towards GMH for architecture and engineering for their relocation. So how much of that CBD the disaster relief funding that you guys, I know you, you said you only gave a list and nothing solid as to funding amounts, but I think perhaps what you should have done is put dolly dollar figures to it, because already now the comment period is coming it started May 1st. So hopefully you guys will be able to still submit some type of amendment or something to your letter and ask for a dollar amount versus just, you know, because if you tell me you need a generator, I'm gonna give you a 2.5 K generator and not a 350 you know, a kilowatt generator, right? I mean, those are the things that you really need to stress and put item by item, you know, and put a dollar amount by it so that you can ensure that when it does come out, this is what you guys ask for. And hopefully you'll be able to get it versus this is what we received from you. We only received a list, but no dollar amount fixed to it. So, we're only gonna give you what we feel is gonna be that would suffice for that those projects. And the only other issue or question I have is this, the, what I have on the drive is the proposed 2026 staffing pattern. Is this updated and the most complete accurate staffing pattern? 'cause I see individuals here, and you're nodding yes, but I see individuals here that are no longer at GMH, but are still slotted in the position.

Yukari Hechanova, Chief Financial Officer, GMHA: When we create the staffing pattern for the budget, we're actually using either the December or January payrolls to create it. So yes, between then and now we have had new hires, people resign, retire so there will be some movement.

Senator V. Anthony Ada: I see. Okay. And then the other, the only other question is who is the consultant that you guys, what's the name of the consultant that you guys have been talking with that whether it's GHURA or like at Gita or DOA, wherever it's at. What's the name of the consultant?

Yukari Hechanova, Chief Financial Officer, GMHA: His name is Andy Leeka.

Senator V. Anthony Ada: Okay. And what company does he represent, do you know or is he just the individual consult?

Yukari Hechanova, Chief Financial Officer, GMHA: I think he's just his own consultant, but he's the former CEO at the Good Samaritan Hospital in California, in LA.

Senator V. Anthony Ada: Okay. Alright. So just a little bit update on that disaster relief grant. So, kind of like really put numbers behind it versus just what projects you guys are listing. Right. Thank you Mr. Chair.

Chairman Christopher M. Duenas: Thank you Vice speaker. And if the committee can also get a copy of both of the letters that you sent. We'll leave that for the committee report. Speaker Terlaje, you have three minutes.

Senator Therese M. Terlaje: *Si'Yu'os Ma'ase* Mr. Chair. So, how many non-medical above step hires did GMH hire since April, 2024?

Jesse Quenga, Personnel Services Administrator, GMHA: For that Senator, just a minute. I have that paper. Can you be specific about when in April? Is it April 1st?

Senator Therese M. Terlaje: Sure. April 1st.

Jesse Quenga, Personnel Services Administrator, GMHA: So, it looks like we have non-medical, I can give you the totals. 61 in 2024 and 32 in 2025 for non-medical. 5 in 2024 and four individuals in 2025. So just 10% of all above steps were for non-medical positions. And they were accountants in IT positions.

Senator Therese M. Terlaje: Accountants in what it Oh, okay. Yeah and HR and public information officers. Right. What about the medical profession? Medical then the rest of the book? What is that? Doctors what?

Jesse Quenga, Personnel Services Administrator, GMHA: Nurses.

Senator Therese M. Terlaje: Nurses, okay.

Jesse Quenga, Personnel Services Administrator, GMHA: Yeah. A large majority for nurses and about 5% were for pro support positions like our technologists.

Senator Therese M. Terlaje: I'm sorry, like what?

Jesse Quenga, Personnel Services Administrator, GMHA: Yeah Pro support positions like our technologists would make up 5% of the difference.

Senator Therese M. Terlaje: So..

The techs are

Senator Therese M. Terlaje: Okay.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Respiratory therapists and radiology technologists.

Senator Therese M. Terlaje: Okay, good.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Those are the professional support.

Senator Therese M. Terlaje: When you, so I heard you mention that when the last time we did the rebasing GMH was successful, they had a consultant at that time. What did they pay that consultant, or what would you expect to pay a consultant if you're going to hire one?

Yukari Hechanova, Chief Financial Officer, GMHA: I don't remember the cost of the prior consultant, but I would think one would cost between one and $200,000 probably. Now I, if I may be incorrect, but I think the prior consultant was around less than a hundred thousand I think for that year.

Senator Therese M. Terlaje: But do you think the results, if we are successful, first of all, has anyone other person or entity been successful in this type of rebasing that you're looking at? Like you said it went from 1000 to $10,000 differences.

Yukari Hechanova, Chief Financial Officer, GMHA: Not to my knowledge.

Senator Therese M. Terlaje: Alright. So, we would be the first, if we are successful, we, but we should be able to count on at least some reimbursement. Even if they don't agree with the 10,000, they would give us some because some of those rates must, should be reimbursed.

Yukari Hechanova, Chief Financial Officer, GMHA: Yes.

Senator Therese M. Terlaje: Should be reimbursed at a different rate.

Yukari Hechanova, Chief Financial Officer, GMHA: Absolutely.

Senator Therese M. Terlaje: So it's worth it, the a hundred and to $200,000 investment.

Yukari Hechanova, Chief Financial Officer, GMHA: Yeah.

Senator Therese M. Terlaje: And, alright. So yeah I guess it that and the critical access hospital designation, is it just going to be relying on the Congressman or are you going to do anything else? Is there any other work that you need to do?

Jordan Pauluhn, Legal Counsel, GMHA: The because of how the federal law is set up, it will actually take an act of Congress to change the critical access hospital designation because of the bed requirement and then there is another requirement about mileage and average length of patient stays. And so they're looking at actually just create a number of options, whether it's amending those requirements or even creating a separate category for like island hospitals, US Virgin Islands. But, you know, there, there are number of different proposals on the table, but it would take an act of Congress to find a way to bring us on like the Virgin Islands into the, that designation.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: I'm also working with Dr. Eileen Natuzzi, who is a retired surgeon who works on Solomon Islands, but she also works with the American Samoa Congresswoman Amata Radewagen. So, there's been discussions at that level from that angle to help us, and not just GMH, but not just Guam, but for the other islands to also get the critical access designation that is unique to the Islanders.

Senator Therese M. Terlaje: Okay. And then, so those, again, they're like old ideas. I'm glad you're revisiting them. I'm glad we have some progress. I hope that's progress on these, but what about one of your ideas for potential cost containment strategies was this outsourcing outpatient clinic spaces that sounds to me like a rehash again of, I, I could, if I remember correctly, that was the big contention we were having back in like 2017, is that there was a proposal back then that they wanted money to invest in the hospital so they could make, refurbish it for outpatient revenue, right for doctors to use and to generate revenue. But you say outpatient clinic space for cardiology, gastroenterology, and pulmonary services. Are these, what space are you talking about? Are, is this like your updated spaces or you're talking about the literal, the outpatient clinic that you have outside.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: The second floor is what we use for those outpatient clinics. But, you know, it started out really

with cardiology and these are services that really the island needs. And so that's why we take it upon ourself to make sure, to make it available, but in terms of contracting it, where then these providers can then be the ones to own the outpatient services and that they, but they will rent the space at the hospital and then they have the freedom as private entities to procure the supplies, the consumables for the procedures that they need for the diagnostic procedures or diagnostic treatments. So, you know, really that's an option that we're talking about. We haven't had much of any definitive, but we're still discussing it as far as how we can make that. You know, if it is a viable option for.

Senator Therese M. Terlaje: So, for example, cardiology, how your equipment or their equipment. Your equipment, it's our equipment? Your equipment equip your space. And they would their patients, all their patients or your patients also.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: Well see, those are the details that we haven't really..

Senator Therese M. Terlaje: Oh, I see.

Lillian Perez-Posadas, Hospital Administrator and CEO, GMHA: You know, talked about.

Senator Therese M. Terlaje: But those are the, this is similar to that proposal. Back then, I think when Mr. Byrne was at the hospital as the CFO, they had talked about that, that was how they were going to save the hospital by increasing revenue. Maybe Dr. Eusebio remember this, I think the, or was part of that, that they said they refurbished the, or now we're gonna get additional operating doctors, surgeons to come in.

Chairman Christopher M. Duenas: Thank you. Senator Terlaje This is a line I think is gonna be in line with a follow up round table. It really is going that direction. So, for the budget purposes I want to thank you for your questioning.

Senator Therese M. Terlaje: Thank you all.

Chairman Christopher M. Duenas: Speaker Blas, do you have any additional questions?

Speaker Frank Blas Jr.: Oh, no. Thank you very much, Mr. Chair. I'll save my questions for the different hearing, but thank you very much.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Mr. Speaker. So, in closing, three observations that I have, Lillian and team, I just gotta say that with the critical nature of your cash flow issue, Yuka, I think it's unacceptable right now that DOA is holding you to reimbursements. At this point, I think it's very critical that you go back to work with DOA and work with the Governor because that's unsustainable. My one question to you is your allotment schedule on time and have you request any advance allotments given your current critical situation?

Yukari Hechanova, Chief Financial Officer, GMHA: Allotments do come in on time and we did request an advance earlier this fiscal year in October. So they gave us $5 million from the pharmaceutical fund to pay vendors, which is what we're paying back now with the Medicaid advances.

Chairman Christopher M. Duenas: The one thing that I don't have a problem with is I don't have a problem with the issue on the six 0.19% in terms of that you know, that request. I think that should just be a no brainer for them straight away. The reconciliation's gonna happen anyways.

Yukari Hechanova, Chief Financial Officer, GMHA: Yes.

Chairman Christopher M. Duenas: So, I've always said to you, and I said to you this in pre-budget meetings, the bottom line is that one way or the other, that dollar figure is getting reconciled, but the truth is, it is tied to that pharmaceutical fund and it is by budget appropriation. So I also ask that you know, work with the governor, work with DOA, that they have to understand these critical situations that you're in right now in terms of that requirement. Just in closing, once again I'm to the point where the reality is, like I said, and it's been mentioned a couple times here, that the issue of the hospital right now, and I'm gonna write a formal letter to the governor and DOA to ask why that transfer authority is not on the table at this point. And the

reason why I'm saying that is because it really is at this point, the general fund you know, is getting to a level where it's really inching up towards your, you know, your actual revenues in terms of what you get for fees and services. And to me at this point, until anything changes, you are, in my opinion, a line agency of the government for all intents and purposes. And so, if things need to change in law, then they need a change in law because I'm gonna continue to say this, an appropriation is not cash. An appropriation is to raise levels. An appropriation under a supplemental appropriation is typically not counted towards fixed costs, but they've become fixed costs.

And so we're here where we're at now. I can tell you we're gonna work with everything. We got to get you to your requested level. We're gonna have to really work together in terms of finding the funding for the CIPS, but I'm gonna welcome all of my colleagues you know, to work with me, to cut, to find other agencies to do what needs done in a bigger conversation going forward. So that's what has to happen. I, there is no way to raise revenues in the current projection right now, and there is no way that I will do under my leadership, putting us back into deficit spending. It's not good for Guam, it's not good for our situation with regard to our current bonds, our credit rating, everything else, it is the wrong way to go. So, the bottom line is that we have to live within our means and we gotta find that money. That's what it comes down to. We have to hold everybody accountable for what requests are in. And that'll be subsequent hearings that we have coming forward, and that will be lots of fun in August on the floor.

So, with that, a little bit of housekeeping to close out this budget hearing. This will conclude this afternoon's budget hearing on Bill 44-38 (COR) relative to the Guam Memorial Hospital Authority. The committee will continue to accept written testimony on the bill within seven calendar days from today, which can be addressed to myself, Senator Christopher M. Duenas as Chairman of the committee, and mailed to 163 West Chalan Santo Papa in Hagatna. You may also send your testimonies to my email at senator.duenas@guamlegislature.gov. This afternoon's budget hearing is now adjourned and the time is 5:21. *Si Yu'os Ma'ase* and we stand in recess.

The Budget Hearing was adjourned at 5:21 p.m..

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Wednesday, June 11, 2025, at 2:00 P.M.

Guam Fire Department (GFD)

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on June 11, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Wed, Jun 4, 2025 at 10:04 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 4, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on June 11, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Wednesday, June 11, 2025,** beginning at **2:00 pm** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

2:00 pm

- Guam Fire Department (GFD)

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

1st Notice OFB Budget Hearing 6.11.25.pdf
732K

FOR IMMEDIATE RELEASE
June 4, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **FIRST NOTICE - FY26 Budget Hearing on June 11, 2025**

The Committee on Finance and Government Operations will conduct a budget hearing on **Wednesday, June 11, 2025,** beginning at **2:00 pm** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

2:00 pm
- Guam Fire Department (GFD)

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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FIRST NOTICE - FY26 Budget Hearing on June 11, 2025

FIRST NOTICE - FY26 Budget Hearing on June 11, 2025

PUBLIC HEARING

Posted on: 06/04/2025 10:18 AM

Posted by: Camarin Breton , Budget Analyst Assistant

Public Hearing Date: 06/11/2025 02:00 PM

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
June 4, 2025

MEMORANDUM

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Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on June 11, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Mon, Jun 9, 2025 at 8:35 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 9, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
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--

Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

2nd Notice OFB Budget Hearing 6.11.25.pdf
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FOR IMMEDIATE RELEASE
June 9, 2025

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SECOND NOTICE - FY26 Budget Hearing on June 11, 2025

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PUBLIC HEARING

Posted on: 06/09/2025 08:35 AM

Posted by: Camarin Breton

Public Hearing Date: 06/11/2025 02:00 PM

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

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BUDGET HEARING AGENDA

Wednesday, June 11, 2025 – Guam Congress Building

2:00 P.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Guam Fire Department (GFD)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 11, 2025 **Time: 2:00 p.m.**

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-- Relative to Guam Fire Department (GFD)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	MICHAEL UNCANGCO	GFD	642-3301			X		
2	DAREN BUMATAY	GFD	642-301			X		
3	KEVIN T. SANCHEZ	GFD	"				X	
4	RODERICK MENO	GFD	"				X	
5	NICHOLAS GAMIDO	GFD	"				X	
6	VINCENTE TORRES	GFD	"				X	
7	JAMES TAISACIC	GFD	"				X	
8	BRANDON BANCHAYS	GFD	"				X	
9	ERIC CASTRO	GFD	"				X	
10	JOSEPH TENORIO	GFD	"				X	
11	TROY WESSKAMP	GFD	"				X	
12	RODERICK MENO	GFD	[redacted]				✓	

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 11, 2025 **Time: 2:00 p.m.**

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-- Relative to Guam Fire Department (GFD)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Ed Chacs	GFD	[redacted]				X	
2	Ronnie Chargualaf	GFD					X	
3	James T. Mafnas	GFD					✓	
4	Heaven Ovichocho	GFD					✓	
5	Blake Flory	GFD					✓	
6	Amaiyah Siguenza	GFD					✓	
7	Zander Flores	GFD					✓	
8	Ronnie Guimarey	GFD					✓	
9								
10								
11								
12								

DIPÅTTAMENTON GUÅFI GUÅHAN
GUAM FIRE DEPARTMENT

*Professionalism * Respect * Integrity * Dedication * Empathy*

Lourdes A. Leon Guerrero
Maga'håga

Daren D. Burrier
Atkåden Guafi

Joshua F. Tenorio
Sigundo Maga'låhi

Joey C. San Nicolas
Sigundo Atkåden Guafi

June 11, 2026

The Honorable Christopher M. Duenas
Committee on Finance and Government Operations
I Mina'trentai Ocho na Liheslaturan Guahan
Thirty-Eighth Guam Legislature
Calvo Arriola Building Suite 101-B
259 Martyr St.
Hagatna, Guam 96910

RE: TESTIMONY FOR THE GUAM FIRE DEPARTMENT'S FISCAL YEAR 2026 PROPOSED BUDGET

Buenas yan Hafa Adai! Senator Duenas and members of the Committee on Finance and Government Operations. Thank you for the opportunity to present the Guam Fire Departments (GFD's) Fiscal Year 2026 Proposed Budget.

Before presenting to you GFD's FY 2026 Request, I would like to provide you with the setting of my testimony through an overview of our direction, challenges, highlights and accomplishments. This will offer you a clear understanding of the professional services that the Guam Fire Department, including our dedicated administrative and support staff, as well as Emergency Medical Dispatchers, provides our island community.

Our ongoing guidance remains steadfast: to fulfill our mission mandates while ensuring our staff is effectively led, well-trained, properly equipped, and fairly compensated. Additionally, we strive to enhance efficiency and capabilities while strategically reducing expenditures. Lastly, we are committed to identifying opportunities for revenue enhancement through cost recovery initiatives and securing eligible grants.

Mission:

> *"The mission of the Guam Fire Department is to mitigate threats of Life, Property. and the Environment. through Education, Prevention, and effective response to Fire, Medical and Environmental Emergencies."*

Suite 1001 DNA Building • 238 Archbishop Flores Street • Hagåtña, Guam 96910
Phone: (671) 642-3454 • Fax: (671) 642-2012
Mailing Address: P.O. Box 2950, Hagåtña, Guam 96932

The Guam Fire Department is mandated to provide the overall Fire Protection, Fire Prevention, Fire Suppression and Extinguishment and the Protection of Life and Property connected therewith, requiring a comprehensive administration of an Emergency Medical Service Program (EMS/Ambulance), to including a Wild Land Firefighting capability for the Territory of Guam. The Guam Fire Department provides for and administers an Extensive Program of Fire Prevention Inspections, Public Fire Safety Education & Training, International Fire Code Enforcement, Fire Investigations, and review of Plans for new and existing Building construction. Additionally, GFD operates and manages the Enhanced Emergency 911 Communications System, Land and Open Water Search and Rescue (SAR) Program. Aligned with Homeland Security and War on Terrorism initiatives, the Guam Fire Department continues to provide a comprehensive Hazardous Materials Response Team, an Advance Life Support Program, a Paramedic Program as well as a Rapid Intervention Team (RIT) to enhance emergency response capabilities.

We accomplish our mission by: *"Promoting safety and maintaining a well-equipped, highly trained, and motivated force of professional Firefighters/EMT/Rescue personnel/Emergency medical Dispatchers; and promoting Fire Prevention and other Public Safety Education Programs."*

Our Goals & Objectives are as follows:

- Maintain timely, effective, and quality medical responses to all calls for assistance to the island community, which will be accomplished by maintaining the mandate requiring all Firefighters to be Emergency Medical Technicians (EMT's).

- Continue the development of our training program, so that all Firefighters acquire National Registered Emergency Medical Technician and Fire Service (ProBoard) Certification as fire service professionals to any type of emergencies.

- Continue and expand GFD's Paramedic Program.

- Develop blueprint towards a Community Paramedic Program

- Growing the current Emergency Medical Dispatcher APCO certification requirements by adding the Emergency Medical Responder (EMR) certification for our E911 personnel.

- Continue our Public Safety Education and Life Safety Programs aimed at the youth within our communities, that bring awareness and education that could potentially assist our youth in recognizing the need to call for medical or fire services.

- Grow the Self-Inspection Program for qualified small businesses in the community to meet the demands of fire code inspections. Continue our Smoke Detector, Public Safety Education and Life Safety Programs and implement a "Confidence Testing" Program for Fire Protection Systems.

- Host continued discussions with our first response partners to hold a multi-agency response exercise with both local and Federal partners to enhance relationships as well as enhance our overall ability to respond to any crisis.

- Continue to train and equip our Emergency Hazardous Materials Response Team and work closely with the Guam Environmental Protection Agency and Office of Homeland Security Office of Civil Defense, to equip against any type of hazardous situation which may present/pose a threat to the island and its community.

- Continue the procurement and purchase of much needed emergency response vehicles and equipment to replace our aging fleet.

- Acquire a maintenance facility for the GFD Fleet Maintenance and Repair Section.

- Increase public safety community outreach programs in an effort to educate our communities regarding fire safety, while fostering stronger community relations in our villages and business communities.

- Continue to pursue financial avenues or partnerships to build a GFD Headquarters, GFD Training Facility, and a NexGen 911 Center.

These Goals and Objectives continue to experience on-going challenges such as retirements, extended military deployments and medical profiles. Despite these challenges, we remain a department that is task-purpose driven and mission focused. However, these absences within our department will continue to challenge our ability to meet NFPA/OSHA Standards, specifically the "Two-In Two-Out Rule" which determines our minimum manning standard. In line with the Governor and Lieutenant Governor's commitment to our island's safety, we continue to work with the administration and this body to address the hiring of additional fire fighters.

During Fiscal Year 2025, we graduated (32) Fire recruits in March, with an additional (16) that will be graduating in September. This is a much-needed addition to our ranks, however, despite their addition, since FY-24 we have had (38) of our personnel retire or resigned and we are tracking an additional (4) by the end of this year. Public Law 36-54, which authorizes GFD to hire Fire Recruits to conduct a Fire Cycle yearly, has eased the burden tremendously, resulting in the gradual decrease in Overtime expenditures. Without hiring of additional Fire Recruits, we anticipate overtime expenditures increasing in order to maintain daily minimum manning.

Despite the attrition rate we are experiencing and the challenges it poses, we continue to ensure that we achieve the mission of our department.

In coordination with GCC, DOL and the School of EMS, we commenced the 2nd Paramedic Course with (33) Firefighters currently enrolled and are near completion of the training. Additionally, we have completed promotions of (6) fire personnel (1 Assistant Fire Chief and 5 Battalion Fire Chiefs) to critically needed supervisory ranks.

With the recent graduation of the 23rd Fire Cycle and the current training of (16) Fire Recruits that make up the 24th Fire Cycle, GFD has also hired and trained (5) Emergency Medical Dispatchers.

Lastly, our Community Partnerships and Volunteering of GFD members that has resulted in the renovation, repairs and painting of various Fire Stations around the island, along with the numerous charity drives, cleaning and painting of school bus stops and donations of school supplies and equipment.

We are pleased to announce along with GHURA and the Department of Public Works, the contract to build the new Sinajana Fire Station was awarded in December 2024 to Surface Solutions. We have also received and immediately put into service, 4 newly acquired ambulances to serve the community. We still have the intent, in coordination with GEDA to secure alternate funding via interested business investors, to relocate and build a new Tamuning fire station.

We continue the process of procuring required supplies and equipment that will assist in the full implementation of our Paramedic Initiative. GFD continues to meet with GVB on building a Rescue Station in Tumon. Additionally, GFD continues to work with DOA with the creation of the EMT and Fire Inspector positions.

Lastly, through Federal Grants, we have begun the process to procure Wildland Fire PPEs, the installation of Shutters at various Fire Stations, acquisition of a Drone Mobile Command Post and Auxiliary Viewing Station, procurement of a Fire Truck and SCBAs.

To demonstrate our efforts towards revenue enhancement, we have conducted analysis on the appropriate fees and fines updates needed to recover the cost of providing services and lessen our dependence on the General Fund. In Fire Prevention, our fees and fines are antiquated and far below the industry standard for communities and economies of our scale. For example, it costs $35 dollars to conduct an inspection for a small store front, while it costs the same amount to inspect any one of our Tumon hotels. In Emergency Medical Services, we charge less than 25% of the allowable, reimbursable costs of Medicaid/Medicare. For our Fire Suppression responses, we are no-where near the industry standard. Finally, we intend on meeting with the Public Utility Commission (PUC) to seek an increase from the current E911 Surcharge. To this end, I have our recommended Fees and Fines Schedule update and I am ready to present to this body to create legislation and implement as soon as possible.

The Guam Fire Department is an all-hazards response, career organization that consists of the following:

Office of the Fire Chief
Administrative & Support Services Bureau
Fire Prevention Bureau
Training Bureau
E911/Communications Bureau
Operations Bureau
Special Operations Bureau

The Guam Fire Department is requesting the total amount of $**42,635,734** for Fiscal Year 2026, which reflects an increase of **$101,640** or .24% from our authorized level for FY-2025, from all funding sources.

The table below details the amount being requested from each funding source and reflects the amount of increase/decrease when compared to the FY-2025 Authorized Level.

FUNDING SOURCE	FY-2026 PROPOSED	FY-2025 AUTHORIZED	DECREASE / INCREASE	%
General Fund	**$39,906,992**	**$39,569,429**	**$337,563**	**.85%**
Special Fund	**$2,728,742**	**2,964,665**	**-$235,923**	**-7.96%**
(E911)	$1,905,164	$2,065,656	-$160,492	-.77%
(F.L.A.M.E.)	$823,578	$899,009	-$75,431	-8.39%
TOTAL	**$42,635,734**	**$42,534,094**	**$101,640**	**.24%**

GENERAL FUND

GFD's FY-2026 Proposed Budget from the General Fund reflects an increase of $337,563 or .85%% from our FY-2025 authorized level. Proposed budget from this funding source will address the hiring of (20) Fire Recruits that will compose the 25th Fire Cycle as well the procurement of two (2) new Ambulances.

SPECIAL FUND

E911 Surcharge

GFD's FY-2026 Proposed Budget from the E911 Surcharge Fund reflects a decrease of $160,492 or -7.77%% when compared to the authorized level for FY-2025

GFD's Proposed Budget from this funding source only covers Personnel Services as a result of decrease in projected revenues for FY-26. Unfortunately, this budget does NOT address the yearly maintenance costs for the NG911 System of approximately $2.9 million.

F.L.A.M.E.

GFD's FY-2026 Proposed Budget from the F.L.A.M.E. Fund reflects a decrease of $75,431 or -8.39% when compared to the authorized level for FY-2025.

Funding being requested from this funding source will address the Guam Fire Department's annual requirements for Contractual Services, Supplies & Materials, and Equipment. Also included in this budget is for the procurement of two (2) additional new ambulances under the Capital Outlay category. It does not, however, address funding for the much-needed maintenance, repairs, and renovations of fire/rescue stations

CONCLUSION:

This concludes our presentation, and I would like to assure you that GFD's proposed FY2026 budget will provide the adequate funding necessary to sustain our current progress in maintaining and/or improving our level of public service. The Guam Fire Department is deeply committed to meeting our Island's expectations and to continue to provide the professionalism, dedication and high-quality services that our island communities have come to expect and deserve. I am personally committed to work with each one of you to ensure the needs of our island are addressed within the realm of the Fire Service and Public Safety.

Thank you again for allowing me this opportunity and I look forward to your questions and recommendations.

Very respectfully,

Daren D.Burrier
Fire Chief

Suite 1001 DNA Building • 238 Archbishop Flores Street • Hagåtña, Guam 96910
Phone: (671) 642-3454 • Fax: (671) 642-2012
Mailing Address: P.O. Box 2950, Hagåtña, Guam 96932

DIPÅTTAMENTON GUÅFI GUÅHAN
GUAM FIRE DEPARTMENT
*Professionalism * Respect * Integrity * Dedication * Empathy*

Lourdes A. Leon Guerrero
Maga'håga

Daren D. Burrier
Atkåden Guafi

Joshua F. Tenorio
Sigundo Maga'låhi

Joey C. San Nicolas
Sigundo Atkåden Guafi

May 7, 2025

The Honorable Christopher M. Duenas
Committee on Finance and Government Operations- Chairperson
Calvo Arriola Building Suite 101-B
259 Martyr St.
Hagåtña, Guam 96910

RE: **Request for Supplemental Funding**
E-911 Fund – Enhanced 911 Emergency Reporting System Fund

Buenas yan Hafa Adai!

I hope this letter finds you well. I am writing to request FY-25 Supplemental funding support for the service contract for the new 911 system. We would greatly appreciate your support in allowing for the additional funding to provide the continued critical service for the island. We understand that your committee is committed to ensuring the proper use of these crucial funds, which are vital in supporting our response efforts.

The Enhanced 911 Emergency Reporting System Fund was created by Public Law 25-55. The fund is created to provide a source of funding for cost associated with the "911" Emergency Reporting System by charging a monthly surcharge known as the "911 Surcharge" paid by Local Exchange Telephone and Commercial Mobil Radio Service subscribers. All money and interest earned by this fund will be used by the Guam Fire Department solely for enhanced "911" equipment and systems.

The E-911 system serves as a vital emergency response infrastructure, ensuring that residents receive timely and effective assistance during critical situations. As technology advances, maintaining and upgrading the system is essential to providing optimal service. However, the current funding levels are insufficient to cover the costs associated with the new system implementation, raising concerns about potential service disruptions due to non-payment.

Request for Supplemental Funding: To prevent any lapse in emergency services, we are requesting supplemental funding in the amount of **$2,022,350.00** to ensure seamless service and continued operation of the E-911 system. The additional funds will be allocated to cover costs **for the periods of December 2024 to September 2025**, related to system updates and continuation of service, including software/hardware enhancements, maintenance, personnel training, etc. Despite the fact that funding for

this particular project was not included in GFD's FY-25 Proposed Budget request, due to its imposed budget ceiling, GFD did inform the 37th Guam Legislature during our budget hearing and was included in our written testimony. Without this financial support, there is a significant risk that essential emergency response capabilities may be compromised, impacting public safety.

Proposed Surcharge Adjustment: To establish a sustainable funding model for ongoing operations and future enhancements, we propose a structured increase in the existing surcharge. We request legislation for an adjustment to the E-911 surcharge from the current rate of $1.00 to $3.00 per line. This $2.00 increase is necessary to support the full implementation and ongoing operation of the newly deployed **Next Generation 911 (NG911)** system.

The NG911 system represents a critical modernization of our emergency communications infrastructure, allowing for faster, more accurate, and more reliable responses to emergency calls. It enables advanced capabilities such as text-to-911, improved location tracking, and integration with new technologies that enhance public safety. The increased surcharge will ensure that the funding collected is sufficient to cover the costs of this essential upgrade, providing long-term sustainability and continued improvements to emergency services throughout our community.

This adjustment will enable us to proactively address maintenance costs, technological advancements, and unforeseen challenges without the need for urgent funding requests. A detailed financial analysis supporting this proposal is currently being drafted, outlining projected costs and revenue requirements to maintain system efficiency.

Justification: The investment in the new E-911 system is not merely a support for service but a necessary step to enhance emergency responsiveness, reduce service downtime, and improve accuracy in dispatch operations. The requested supplemental funding will allow us to integrate cutting-edge solutions without interrupting existing operations, ensuring uninterrupted service for the community.

We urge the approval of this supplemental funding request to safeguard critical emergency services. The continued reliability of the E-911 system is paramount, and securing these funds will allow us to uphold our commitment to public safety.

We are committed to maintaining open communication and are happy to provide any additional information that may assist in your oversight efforts. Thank you again for listening to our request, and for your continued support of our initiatives. We look forward to working together to ensure the success of the 911 system.

Additionally, if you have any specific concerns or need further assistance, please feel free to contact me at 642-3454.

Respectfully,

Daren D. Burrier
Fire Chief

Suite 1001 DNA Building • 238 Archbishop Flores Street • Hagåtña, Guam 96910
Phone: (671) 642-3454 • Fax: (671) 642-2012
Mailing Address: P.O. Box 2950, Hagåtña, Guam 96932

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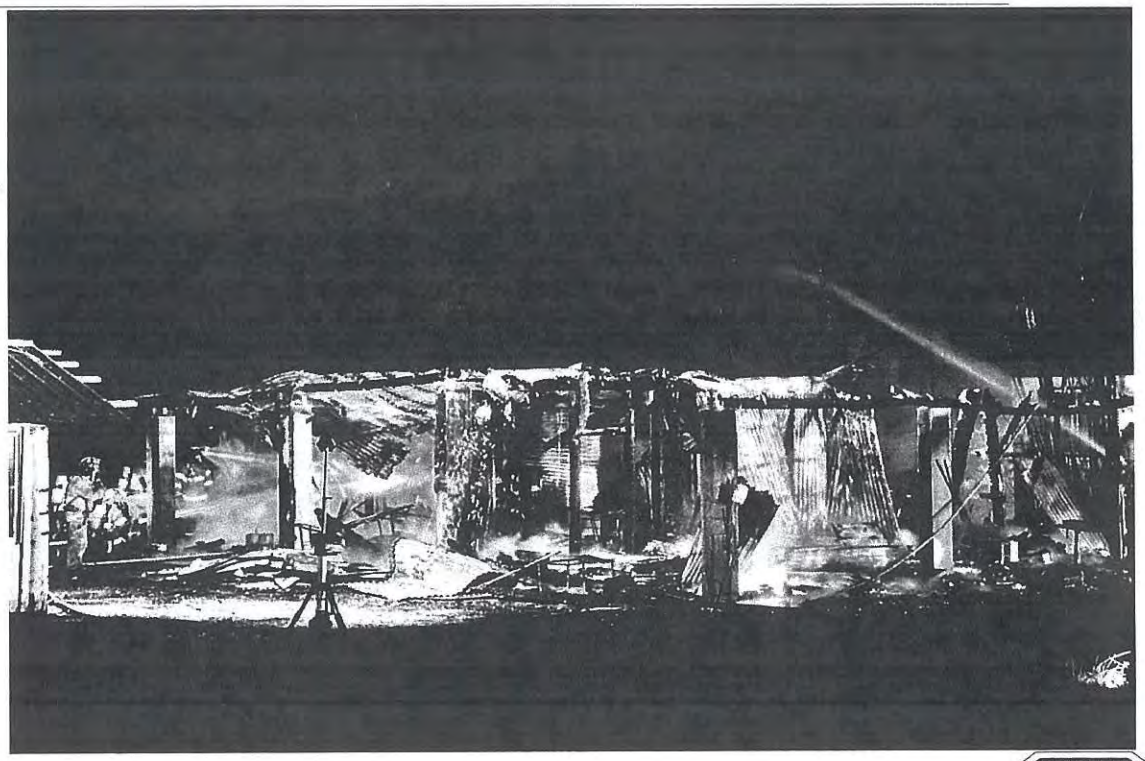
- 6 of BR functionals — 9 out
- 1 Power Struck
- MUTUAL FUND RUNS FEDERAL
- PRIOR YEAR — ADJ. INTEREST — OUTSTANDING

FY - 2026 BUDGET PRESENTATION

Budget Guidance

- Meet mission mandates
- Ensure staff are lead, trained, equipped and paid
- Increase efficiency
- Increase capability
- Decrease expenditures
- Seek revenue enhancement



Mission

"The mission of the Guam Fire Department is to mitigate threats of Life, Property, and the Environment, through Education, Prevention, and effective response to Fire, Medical and Environmental Emergencies by promoting safety and maintaining a well-equipped, highly trained, and motivated force of professional Firefighters, EMTs, Rescuers, EMDs and non-uniform personnel; and promoting Fire Prevention and other Public Safety Education Programs."

Goals/Objectives

- Timely, effective & quality Fire and Medical Responses
- Continue with National Registered EMT & ProBoard Certification
- Continue to expand GFD's Paramedic Program
- Develop a Blueprint towards a Community Paramedic Program
- Maintaining Emergency Medical Dispatcher (EMD) certification and adding Emergency Medical Responder EMT certification for our E911 Personnel
- Continue Public Safety Education and Life Safety Programs with the Community
- Grow the Self Inspection Program with businesses in the community
- Conduct multi-agency response exercise to assess capabilities

Goals/Objectives (cont.)

- Train and equip the Emergency Hazardous Materials Response Team to prepare against any type of hazardous situation which may become a threat to the island and our community.
- Purchase more Emergency response vehicles and equipment.
- Acquire a maintenance facility for the GFD Fleet Maintenance and Repair Section.
- Increase community outreach programs such as child car seat inspections, station tours, and public education events etc., in order to strengthen community relations.
- Continue to pursue financial avenues or partnerships to build a GFD Headquarters, GFD Training Facility, and a NexGen 911 Center

Challenges

- High Attrition Rate - Retirements
- Military deployments, medical profiles
- Meet NFPA/OSHA Standards (Two in/Two out rule)
- Increased overtime expenditures

SEPARATION FROM SERVICE/RECRUITMENT COMPARISON

	FISCAL YEAR 2020	FISCAL YEAR 2021	FISCAL YEAR 2022	FISCAL YEAR 2023	FISCAL YEAR 2024	FISCAL YEAR 2025	TOTAL
NO. OF PERSONNEL RETIRE/RESIGN/ SEPARATED	-16	-18	-13	-9	-24	-14	-94
RECRUITMENT	0	0	33	0	32	16	81
NET GAIN/LOSS	-16	-18	20	-9	8	2	**-13**

Note: During FY-2025 a total of (14) have either retired, resigned or separated from government service. Four (4) others have notified GFD of their intent to retire by 9/30/25.

VACANCY REPORT - 6-11-25

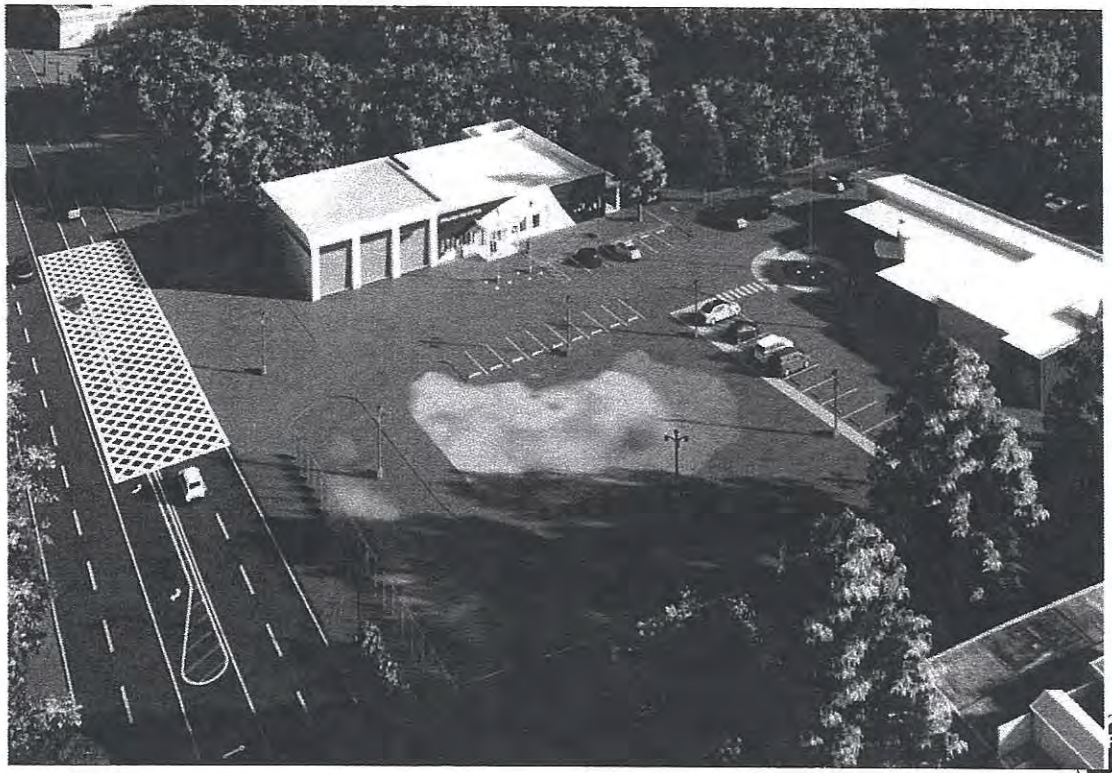
POSITION	FILLED	VACANT	TOTAL
UNIFORM			
Fire Chief	1	0	1
Deputy Fire Chief	1	0	1
Assistant Fire Chief	5	0	5
Battalion Fire Chief	9	2	11
Fire Captain	32	12	44
Fire Service Specialist	42	7	49
Firefighter II	33	1	34
Firefighter I	105	0	105
Fire Recruit		24	24
SUB-TOTAL	**228**	**46**	**274**
CIVILIAN			
E911 Administrator	0	1	1
EMD Supervisor	4	0	4
Emergency Medical Dispatcher	19	2	21
Administrative Services Officer	1	0	1
Personnel Officer	0	1	1
Secretary II (Typist)	1	0	1
Secretary I (Typist)	1	0	1
Administrative Aide	0	1	1
Private Secretary	0	1	1
Administrative Assistant	1	1	2
Data Entry Clerk/Statistician	0	1	1
Payroll Clerk I	0	1	1
Payroll Clerk III	0	1	1
Heavy Equipment Mechanic Supervisor	0	1	1
Heavy Equipment Mechanic II	2	1	3
Automotive Mechanic II	1	0	1
Property Control Officer	0	1	1
Program Coordinator IV	0	1	1
Maintenance Specialist	0	1	1
SUB-TOTAL	**30**	**15**	**45**
GRAND TOTAL	**258**	**61**	**319**

Highlights

- Ongoing and near completion of the 2nd Paramedic Course with (33) firefighters enrolled
- Promotions of (6) Fire Personnel
  - 1- Assistant Fire Chief
  - 5- Battalion Fire Chiefs
- Completed training of (32) Firefighters from the 23rd Fire Cycle
- Current training of (16) Fire Recruits for the 24th Fire Cycle.
- Hiring and completion of training of (5) Emergency Medical Dispatchers.
- Community Partnerships/Volunteerism

Highlights

- Awarding of contract to Green Community Development dba Surface Solution for the construction of the new Sinajana Fire Station.
- Procurement and arrival of (4) Ambulances



Ongoing/Future Projects

- Full implementation of Paramedic Initiative
- Building of a Rescue Base in Tumon
- Establish EMT & Fire Inspector positions
- Wildland Fire PPE procurement
- Shutter Installation at Fire Stations
- Drone Mobile Command Post and Auxiliary Viewing Station
- Fire Pumper
- Self Contained Breathing Apparatus (SCBA)

Ongoing/Future Projects

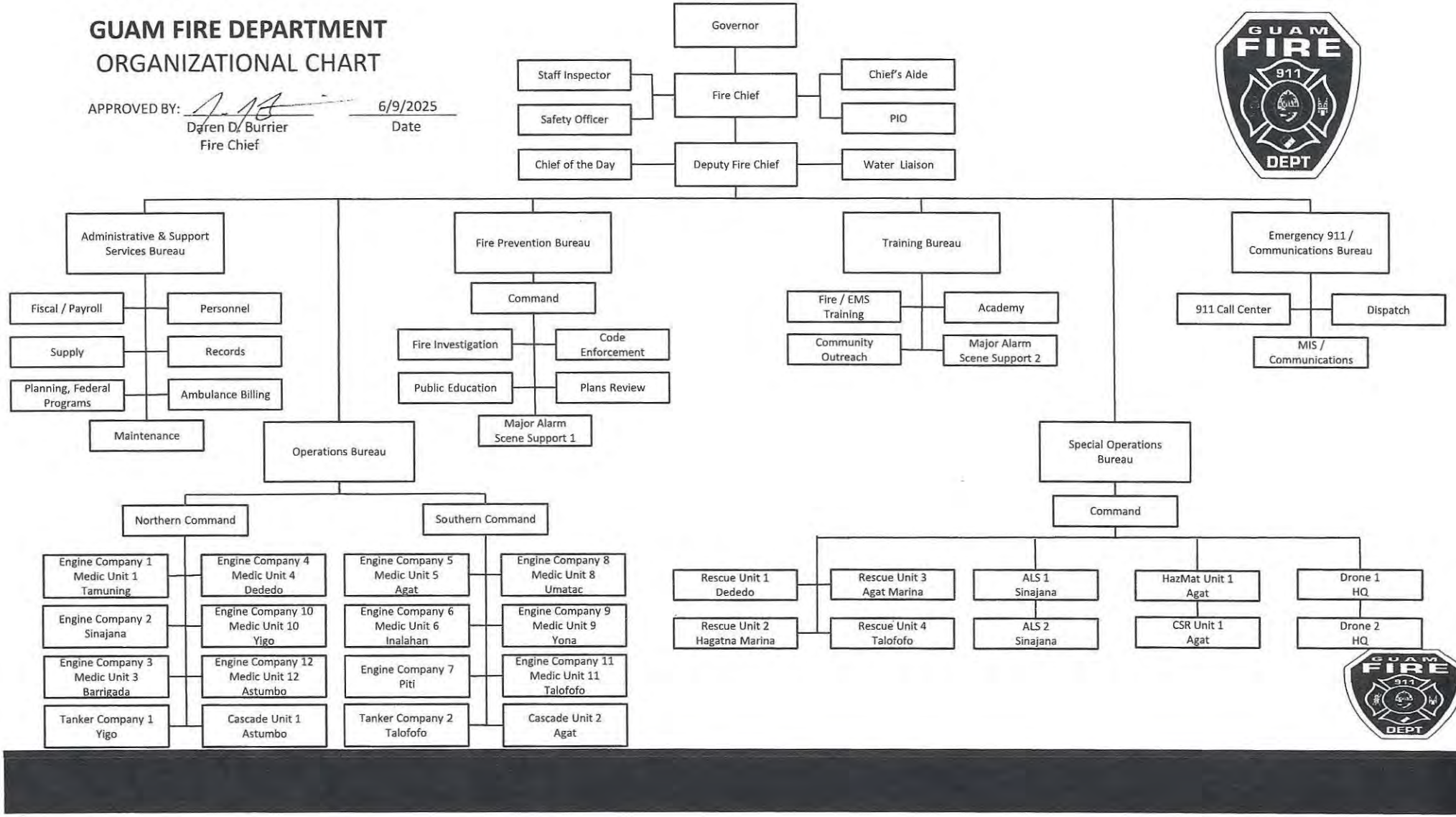
Grantor	ITEM	QTY	TOTAL COST	STATUS
GHURA	SCBA	30	450K	Submitted-In Review
Homeland Security	Typhoon Shutters Phase 1	4 Stations	113K	IFB in progress
	Typhoon Shutters Phase 2	4 Stations	80K	Awarded-est account
	Typhoon Shutters Phase 3	3 Stations	111,579.00	Submitted-In Review
	Generators	11 Stations	990K	Submitted-In Review
USDA	Wildland Fire Gear	199	281K	Awarded-est account
	Pumper Truck	1	450K	Awarded-est account
	SCBA	30	473K	Awarded-est account
DOI Tap Grant	Wildland Fire Gear	132	185K	IFB Complete/Awaiting Vendor
BSP	Drone	1	25K	IFB in progress
	Mavs Equipment	1	15K	IFB in progress
	Mavs Equipment	1	15K	IFB in progress
GEDA QCCC	Drone Units	1	25K	Awarded-est account

Revenue Enhancement

- Fire Prevention Fees and Fines update
  - Code Enforcement/Inspections
  - Plans and Review
  - Fire Permits
  - Arson Investigation
- Emergency Medical Services
  - Ambulance Fees
  - Advance Life Support Fees
- Fire Suppression
  - Non-Emergency Response
- 911 Surcharge

GUAM FIRE DEPARTMENT
ORGANIZATIONAL CHART

APPROVED BY: _____ 6/9/2025
Daren D. Burrier — Date
Fire Chief



FY-26 Proposed Budget Overview

Executive Summary

FUNDING SOURCE	FY-2026 PROPOSED	FY-2025 AUTHORIZED	DECREASE/ INCREASE	%
General Fund	$39,906,992	$39,569,429	$337,563	.85%
Special Fund (E911)	$1,905,164	$2,065,656	-$160,492	-7.77%
Special Fund (F.L.A.M.E.)	$823,578	$899,009	-$75,431	-8.39%
TOTAL	**$42,635,734**	**$42,534,094**	**$101,640**	**.24%**

FY-2026 PROPOSED BUDGET BY CATEGORY

CATEGORY	GENERAL FUND	SPECIAL FUND E911	SPECIAL FUND F.L.A.M.E.
Personnel Services	**$37,964,563**	**$1,905,164**	**$0**
Regular Salaries/Increment/Special Pay	$21,623,415	$1,205,241	$0
Overtime	$4,547,352	$20,756	$0
Benefits	$11,793,796	$678,552	$0
Operations	**$1,009,470**	**$615**	**$423,578**
Utilities	**$532,959**	**$0**	**$0**
Capital Outlay	**$400,000**	**$0**	**$400,000**
TOTAL	**$39,906,992**	**$1,905,164**	**$823,578**

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Christopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Wednesday, June 11, 2025** at **2:00 PM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Wednesday, June 04, 2025** (5-Day Notice), and again on **Monday, June 09, 2025** (48-Hour Notice).

SENATORS PRESENT
Honorable Senator Christopher M. Dueñas, Chairman
Honorable Senator Sabrina Salas Matanane
Honorable Senator Telo T. Taitague
Honorable Senator Eulogio Shawn Gumataotao
Honorable Therese M. Terlaje

ORAL TESTIMONY:
Darren D. Burrier, Fire Chief, Guam Fire Department
Michael Uncangco, Assistant Fire Chief, Guam Fire Department

WRITTEN TESTIMONY:
Darren D. Burrier, Fire Chief, Guam Fire Department

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **2:02 PM.**

[Questions and Discussion] **[***Begins at 00:18:40 and ends at 01:12:00*]

Chairman Christopher M. Dueñas: Hafa Adai and welcome to your Guam Congress Building. Today the Committee on Finance and Government Operations is now called to order. At zero two or 14:02, excuse me. First notices this public hearing was disseminated to all senators and media outlets on June 4th, 2025, with its second notice disseminated on June 8th, 2025.

The hearing notices were also made available to the, on the Guam Legislature's website and our legislative calendar and the government of Guam's public notice portal. The committee will now hear testimony on Bill No. 44-38 (COR), introduced by the Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING

SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS. Today we'll be hearing the budget relative to the Guam Fire Department. Joining me for this budget hearing is the Oversight Chair Senator Shawn Gumataotao, also Senator Terlaje and Senator Sabrina Salas Matanane, thank you for joining us today. Those testifying on Bill No. 44-38 (COR) relative to the Guam Fire Department, please take a seat and you've done that at the table. Before we begin, I'd like to remind everyone in attendance of *I Liheslaturan Guahan's* General Rules of Conduct, individuals testifying shall first be recognized by the chairperson before speaking, and shall state their full name for record keeping purposes.

Questions and testimony shall be confined to the substance or nature of the bill and that's on the agenda. Personal inferences to the character or motive of any senator or individual testifying are not permitted. The chairperson of the committee may order the removal from the hearing of any member of *I Liheslaturan Guahan's* or the public audience who fails to observe proper decorum pursuant to the 38th Guam legislature Standing rules.

Any violation of this general rule of conduct will result in immediate removal from the public hearing room. At this time as is customary for our public hearings when it involves finance we will have the panel to be sworn in. So, chief, any of those on your team who will be testifying please rise to be sworn in.

Edward Pocaigue, Sergeant at Arms, Guam Legislature: Please stand and raise your right hand. Under penalty of perjury, do you affirm that any and all information you provide today, whether it be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth? Mr. Chair, you may proceed.

Chairman Christopher M. Dueñas: Thank you, gentlemen. With that, we'll now proceed to hear testimony on Bill No. 44-38 (COR) relative to the Guam Fire Department and on the sign in sheet Chief Burrier, I have yourself. As well as Mr. Chief Uncango also with you to present your testimony. Is that correct?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes, that's correct.

Chairman Christopher M. Dueñas: And then the other gentleman will be support for any questions. Is that what we're, is that what we'll do today?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes, that is correct.

Chairman Christopher M. Dueñas: Okay. So I'm going to allow you to proceed at this time. And then I'll have an opening statement and the panel as well. And questions and answer, please proceed, Chief Burrier.

[PLEASE SEE THE ATTACHED TESTIMONY OF FIRE CHIEF DARREN BURRIER, GUAM FIRE DEPARTMENT]

Chairman Christopher M. Dueñas: Thank you, chief, for the very thorough overview and your list of significant accomplishments within your testimony. We've seen it particularly with the graduating cycles. We've seen your morale, at least when I've met with guys across the stations and the like, is definitely at a very high level and your continued professionalism is seen by our people for sure.

I'm going to go ahead and let our oversight chair start with the questions. Before I do that, just to let some of our colleagues know, welcome Senator Telo Taitague. The shaded area, excuse me, area in the budget provided by OFB was done that way because essentially the governor's request is equivalent to your request. Is that correct, Chief Burrier?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes, that's correct.

Yeah. So, just for your, you know, question and answer period senators, the these requests are equivalent and there, there are no variances that you may see in some of the area. Of course, we're going to have to discuss the issue with the E911 fund, but I'm going to go ahead and allow the oversight chair to begin the line of questioning, Senator Gumataotao.

Senator Eulogio Shawn Gumataotao: Thank you, Mr. Chair. And I want to thank all of the folks here from the Guam Fire Department. Thank you for your service to the people of Guam. And I know that all of our families really look to you all and we again, respect the work that's done here. So, again just I wanted just to start by saying.

Thank you for your continued service and as your oversight chair. I think that some of the work I've been doing with you and your and the chief's team has really opened my eyes to the real needs of the fire department. And as a policymaker, it's my role to be able to help you and I stand committed to doing that today.

Chief, I had, I have a kind of a list of questions and I'm just going to try to go in it as much as I can. And thank you, Mr. Chair for the time today. Let me start with the your allotment reserves for the fire department. What programs, equipment, supplies, and uniform personnel are impacted by BBMR'S reservation of $4.4 million of GFD's FY 2025 appropriations as of March 31st, 2025.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Chief Uncangco, sir.

Senator Eulogio Shawn Gumataotao: Hey, chief. Thank you.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: What was your question? I'm sorry, sir. A damaged nerve hearing, kinda have difficult hearing.

Senator Eulogio Shawn Gumataotao: Anytime we start talking about budget, everybody's hearing goes bad. Chief, what's going on here? Trust me. Yeah. No I'll repeat the question. What programs, equipment and or supplies and uniform personnel are impacted by BBM R'S reservation of $4,468,634 of GFD'S FY 2025 appropriations as of March 31st, 2025?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: None at all, sir. All the funds that have been released are sufficient to compensate our personnel and we've, when we're going to hire, of course, they release the money in itself. We deploy, we don't have any problems, we just submit a modification over and it's a, the release is done.

Senator Eulogio Shawn Gumataotao: Alright.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: So it's basically on an as needed basis.

Senator Eulogio Shawn Gumataotao: Alright, chief. What portion of GFD's FY 24 general fund appropriations was carried into FY 25?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: No.

Senator Eulogio Shawn Gumataotao: And what expenses were covered by this funding source?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: None at all, sir. Nothing was carried over from previous FY25.

Senator Eulogio Shawn Gumataotao: Let's move on to ambulances now. I know that you mentioned in your presentation chief that we added four. So does that mean that the total now of GFD's, fleet of ambulances is now 20? Or does it remain at 16?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: No, it's based…

Senator Eulogio Shawn Gumataotao: I'm sorry, seven. Sorry,

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Sir, it's 15 right now, sir. We took four off the original list. They're not serviceable at this time. And we're going to recommend a survey, those vehicles.

Senator Eulogio Shawn Gumataotao: So Chief, let me make sure, so you have nine that are out of service?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Pardon me?

Senator Eulogio Shawn Gumataotao: You have nine units out of service and 11 in service. I just want to make sure my numbers are correct.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Hold on, sir. Got a lot of documents here material.

Darren D. Burrier, Fire Chief, Guam Fire Department: Nine in service nine, unless my math is bad. Nine that are serviceable at this time.

Senator Eulogio Shawn Gumataotao: Wait. Say that one more time.

Darren D. Burrier, Fire Chief, Guam Fire Department: Excuse me.

Senator Eulogio Shawn Gumataotao: Say that one more time.

Darren D. Burrier, Fire Chief, Guam Fire Department: Nine serviceable ambulances. At this time, as far as we know.

Senator Eulogio Shawn Gumataotao: Okay. How many chief, how many are in service today?

Darren D. Burrier, Fire Chief, Guam Fire Department: Operational responding. We have six operational responding. The other ones have been, are being rotated out. Now that we have the new ambulances in, we're rotating the other ones that are older into maintenance in order to get the maintenance that they need.

Senator Eulogio Shawn Gumataotao: Okay. Okay. Good. Okay, great. So six. Ambulance and service nine are out of service?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes.

Senator Eulogio Shawn Gumataotao: Okay. Yeah. Alright. Just want to make sure. Okay. Now the budget includes funding for the four ambulances $200,000 a piece. I know that using different funding sources outside of the total amount of vehicles. Anything else in the pipeline for you guys to bring online that you're aware of or you're looking for outside of this budget? Any federal sources, anything like that? I know you've been talking to Congressman Moylan. I think we all have been.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: [inaudible] Grant. We do have a amount of approximately $450,000 to procure a new fire truck.

Senator Eulogio Shawn Gumataotao: So one truck.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Just that.

Senator Eulogio Shawn Gumataotao: Okay. Thank you so much. Alright. We can talk a little bit about your mutual aid agreements. I know that you guys do have them with the federal government and our friends probably in the Northern Marianas. If you do can, but let's talk about the federal military mutual aid for a bit. What portion of your 15,000 ambulance responses in FY 2024 were covered primarily by non GFD or military federal resources?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Well on our stats, sir, all the ambulance responses are GFD in itself. We don't have the information right now in regards to the number of mutual aid responses.

Senator Eulogio Shawn Gumataotao: Yeah. I'm hoping that for the committee, you'll at least the Committee on Public Safety, if you can. We, I'm very interested in the amount of federal runs you might have made is when we're doing mutual aid, you know, we want to make sure that we're capturing not only how many runs are made, 'cause those have a cost.

Darren D. Burrier, Fire Chief, Guam Fire Department: Yeah. Sorry, are you asking about mutual aid? Where we're responding to federal?

Senator Eulogio Shawn Gumataotao: Yes. To them.

Darren D. Burrier, Fire Chief, Guam Fire Department: Okay. As, as far as us responding into federal, yeah. Property. I don't have the exact number, but I know it's a low percentage.

Senator Eulogio Shawn Gumataotao: No, and that's that's fine. Chief. Just the, it's important for this process. At least we understand how many runs are made 'cause that has a cost. I mean, I'm not saying I'm going to go knock on the federal government's door and ask for a refund, but I, we do want to know what impact the cost that it is to the fire department.

Darren D. Burrier, Fire Chief, Guam Fire Department: Yeah, we can, I can look into that and get the number for you.

Senator Eulogio Shawn Gumataotao: Okay. Can, you may answer also how many of the ambulance responses so far in this fiscal year we're covered primarily by non GFD military federal resources?

Darren D. Burrier, Fire Chief, Guam Fire Department: I can get that number, the exact number for you, but I know it's not a high percentage. We've had some mutual aid where they've responded out, but it's in a, a low percentage.

Senator Eulogio Shawn Gumataotao: Okay. Thank you again. Want to make sure that I have that for the record? Yes. Thank you, chief. Now, what is the recognized standard for the provision of advanced life support services for our

population and what resources are identified to cover ALS units when either or both ALS vehicles are out of service?

Darren D. Burrier, Fire Chief, Guam Fire Department: Our standard as far as the Guam Fire Department, we, our standard is to be able to have our BLS units and to be able to transport patients to the hospital. The paramedic is an additional service, so having them on our transport ALS units, it allows them to be, to be able to intercept the ambulances when they're needed and when that level, so through our emergency medical dispatchers and their triaging, then they have criteria that's set up nationally as far as what criteria we're going to roll out a paramedic unit to, depending on the complaint.

Senator Eulogio Shawn Gumataotao: Alright, thank you Chief. Recognizing that the average number of rescue standby services for the current and next fiscal year is 150. Based on your data, what fees are collected for the provision of rescue standby services and how are these services prioritized against your primary mandates of GFD?

Darren D. Burrier, Fire Chief, Guam Fire Department: For rescue standby services. I'd have to get that exact number. Do we have any I know we, our rescue unit does a lot of standbys. The exact number of collections on that, I would have to actually look into that. That, but as far as rescue services, we don't do any fees for actual rescue services.

Senator Eulogio Shawn Gumataotao: But you guys document that back for sure, right?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes. Yeah. For any of our responses, it's all documented what the response was for. There's currently no emergency response for rescue fees.

Senator Eulogio Shawn Gumataotao: Okay. Thank you, chief. Thank you Mr. Chair. I do have some more questions. Let's start with your prior year obligations and what assistance, if any, has been offered by the office of the governor of Guam to settle your $316,000 in prior year obligations, and is the government potentially liable for interest payments for the period? These payments remain outstanding. Now, I'll just say to you guys that of the current prior year obligations, only one year of it would be in this current administration. The others are from the Calvo administration so it does go far. A bit of a ways back, and I know of at least in one

of them. And if you're following, what's happening with the happening at the Office of Civil Defense and Guam Homeland Security. If I'm not mistaken, maybe some of these might be out. So just want to ask is the Governor Guam going to help out with this?

And I will say for reference Chief, that 5GCA section 22903 authorizes the government to eliminate or reduce. Any general fund deficit existing at the end of a fiscal year substantially resulting from an unexpected, substantial decline in revenues received or due to the general fund?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Yes, sir. Actually we are, we have been requesting to have all prior obligations paid. We've done so with the vendors payments for supplies, equipment and stuff like that. However, the regards to personnel services, we have yet to approach the government because of the fact that we need to ensure that we have sufficient funding or lapses close to the fiscal year before we do that.

Senator Eulogio Shawn Gumataotao: Yeah, Chief, just so you, just for the record, for the community here, we're looking at overtime from Typhoon Francisco and FY 2014 typhoon Bobby overtime and FY 2015 Typhoon Dolphin in 15, typhoon [inaudible] in 2015. Jump and you can add in Typhoon, Halong as well in 2015 overtime worked for at least three of the your folks in 2016 that was Typhoon Vongfong over time. And then FY 19, obviously in this administration with typhoon U2 over time. Again, hoping that after this conversation you guys can get the governor to nudge you that $316,000 that you guys desperately need in your fire stations Chief.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Yes, sir.

Senator Eulogio Shawn Gumataotao: Alright, let's talk about the 911 surcharge and then I'll leave you guys be, I think this other people will ask questions.

But, and I think you mentioned it already chief, but what efforts, if any, have been made by GFD to determine if amendments to 12 GCA Article three are necessary to help with the issues facing the 911 surcharge?

Darren D. Burrier, Fire Chief, Guam Fire Department: With our current 911 surcharge, you know, we haven't had any increase in the 911 surcharge since its inception and now we've gone from the Legacy 911system to the next generation

nine one system. And with that came, we incurred a greater cost because of the technology the vendor servicing that we need to do. And so the cost of running and maintaining in developing this next gen system increased, but our surcharge did not.

So now what we're finding is a dollar surcharge that we currently have isn't, does not suffice to cover all the costs. It's covering our operational costs towards our personnel. But when it comes to the vendor and maintaining a next gen system and also to go forward, it will not do that. Other and what we propose is that we're looking at increasing our surcharge by another $2 to meet those demands conservatively. And there's other areas in the nation that have done this, gone from a legacy to a next gen, and they've seen a substantial increase in their surcharge in order to cover these costs.

Senator Eulogio Shawn Gumataotao: Yeah. And for the record, I mean, I think since 2001, when you started to, you know, when the E911 surcharge went in play, it seemed to be okay for a point and then obviously it didn't.

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes.

Senator Eulogio Shawn Gumataotao: And it hasn't even modernized. And I think going back to my time, even in a previous administration, we were having the discussion about the modernization. And I think in 2025, about time that we start to look at being able to modernize it so they can keep pace with what you guys are doing and to be able to support the folks that are in that providing that critical service. And we do have another measure in here somewhere. To be able to build a building to house it. Obviously there's going to be opportunities to help support that.

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes.

Senator Eulogio Shawn Gumataotao: But without modernizing you're going to always be in the red and it's that's just not a good thing, chief.

Darren D. Burrier, Fire Chief, Guam Fire Department: And it's not. And it's when you look at, it's, when we look at a surcharge it is an investment into the future. And the return on that for the people of Guam is that we will be, the system will be up and ready and operational at any time during emergency, and they'll be able to have that emergency response that they would be depending on. So it is a

valuable investment by doing the surcharge, but we just, you know, we already know what our conservative increase needs to be. But then we would work from there with the PUC to develop where we're going to need to go into the future.

Senator Eulogio Shawn Gumataotao: Thank you, chief. And then again, one more time for the record, as the administering entity of the 911 surcharge. Has GFD petitioned the PUC for changes to the surcharge and to what extent has the PUC examined the advocacy of the surcharge since the establishment of the 911surcharge in 2001? Just for the record, one more time.

Darren D. Burrier, Fire Chief, Guam Fire Department: No, we haven't had an effective petition to PUC in order to move forward. I do know previously it was all part of a consultation issue. So as of right now, there is no discussion with PUC for moving forward.

Senator Eulogio Shawn Gumataotao: Alright. Thank you Chief, and again, thank you to you and your team for all that you do for the people of Guam. Mr. Chair, thank you for allowing me to ask questions and I do appreciate the support. Thank you.

Chairman Christopher M. Dueñas: Thank you. Chairman Gumataotao. I guess chief, maybe just a follow up question is you know, is that simply based on the fire department's. I mean, this is not something I guess you typically do in terms of the petitioning, the PUC. Do you need any assistance with that? Is that the issue or? It's just not having gotten around to it.

Darren D. Burrier, Fire Chief, Guam Fire Department: Yeah I'm looking at right now since I've come into the position is I need to meet the mandate of the vendor contract that we currently have. And that would mean that in our calculations in order to meet our operational costs and our ability to maintain the next generation system, we need an additional rise in the cost by $2.

And that's conservative. So from there, my understanding is that we would approach PUC to do engage in a consultation to look into future surcharge increases based on the fact that we're looking at a communications building with GPD and that's going to also come with more advanced technology and infrastructure where we have to get funding for it somewhere to maintain it and all that. Because right now, as it is. The preference to have our own building is

preferential rather than being in a private building where we're paying a monthly lease. So I'd rather be putting the money into the system that serves the people.

Chairman Christopher M. Dueñas: So it just seems to me you have a baseline cost because obviously you've presented a budget for it. So I, my advice would be to get that accomplished as soon as possible and just make the petition based on your current situation. You know, you have already you know, the system's been in place now and has proven itself in terms of this effectiveness and the like, and so, you know maybe it might be nice to wait until, you know, other situations arise where you know you're going to house it.

It would take away that cost of, in terms of, you know, what you have right now in terms of using outside property and the like. But I just think it's more, it's just as important now to proceed. You know, with. With that application. The PUC as you know, is very responsive. Our utilities particularly water and power you know, have a very good success with putting in their petitions and getting a turnaround time.

You know, that's pretty quick. So I would encourage you, and if you need any assistance, you can work with a committee and we can work with you on that and maybe even get some assistance from the utilities in terms of, you know, putting it together. But if that's the case, please work with the committee and work with us on that.

But I would encourage you, chief to just move forward on this one now because like I said you've made that change from everything I hear, the system is functioning very well and you know, serving the people of Guam I don't think that's surcharge. I think in my opinion, it's too much to ask at this point, and I think you'd probably get a favorable result from PUC. So, just my thoughts on that. Thank you, Senator Sabrina Salas Matanane. Any questions?

Senator Sabrina Salas Matanane: Thank you Mr. Chair. I had a question regarding also the E911 surcharge and maybe just some clarification in the presentation where it mentioned that GFD'S proposed budget from this funding source only covers personnel services as a result of decrease in projected revenues for FY 2026.

Unfortunately, this budget does not address the yearly maintenance costs for the NG 911 system of approximately $2.9 million. So are you saying that we're going to have to find $2.9 to pay for this because there's no…

Darren D. Burrier, Fire Chief, Guam Fire Department: Yeah. Going forward, that's why we would need a surcharge increase. In order to cover these costs.

Senator Sabrina Salas Matanane: Are you guys behind in, in paying?

Darren D. Burrier, Fire Chief, Guam Fire Department: We were able to make a payment. We are behind a little, but not as much as we were. So there, there was a payment that was given to our vendor and that was worked out with the, BBMR in the governor's office on that end.

Senator Sabrina Salas Matanane: So how much were you guys behind?

Darren D. Burrier, Fire Chief, Guam Fire Department: At the time, the 1.4, right?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Which one?

Darren D. Burrier, Fire Chief, Guam Fire Department: For the E911.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: How much?

Darren D. Burrier, Fire Chief, Guam Fire Department: At the time we were behind, and we were working out the payment. We were behind $1.4 or $1.5 million, and we were able to make a large portion of that payment to them. So there is still some outstanding but it allows us to give us a little bit of breathing space in order to adjust our surcharge in order to have the funds to pay this.

Senator Sabrina Salas Matanane: How much is outstanding and is there a deadline that you have to pay to, to be caught up?

Darren D. Burrier, Fire Chief, Guam Fire Department: That is, you know, we work it out with the vendor as, as far as giving us a little breathing, a leeway on that. But currently, I believe the outstanding is probably around between five and $700,000 at this time. I'm not sure the exact amount I'd have to check.

Senator Sabrina Salas Matanane: Right. Do you have any other outstanding vendors that are awaiting payment for…

Darren D. Burrier, Fire Chief, Guam Fire Department: No.

Senator Sabrina Salas Matanane: No. Okay. You know, with the Guam Memorial Hospital they've come up with cost cutting strategies. For example they found ways to cut or are proposing possibly $21 million. Right to cut. So with the Guam Fire Department this is something that I've heard, so maybe you can, could give me clarification on are the Assistant fire chiefs still pulling chief of the day and how much is it costing in overtime? If that's the case and what's their justification for it when they have the battalion chiefs at the stations?

Darren D. Burrier, Fire Chief, Guam Fire Department: Okay. We are based on a paramilitary organization where we have chains of command. And on any shift you have your battalion chief who oversees their battalion. So we have a northern command, we have a southern command, and we have the special ops command. And each one of those commands have battalion chiefs giving us three battalion chiefs.

So in order for us to have proper oversight and continuity in at instant commands, that would involve more than one of those commands coming together. And also for a mutual aid response, our chief of the days are there for that. And that's also by an FPA regulation. So that our assistant chiefs pull a 24 hour chief of the day.

They're there to respond to any major emergencies, also to, to become instant commands at the scene, coordinate efforts on behalf of the chief and make sure that emergency operations are continuous.

Senator Sabrina Salas Matanane: I see. Okay. 'Cause I'm just hearing that they're not needed to pull the extra hours. It's just a way for them to collect overtime.

Darren D. Burrier, Fire Chief, Guam Fire Department: No they're pulling their uniform, firefighters that work the uniform firefighter hours, which is the 120 hours. So they pull administrative duties and then they pull their 24 hour duty in order to…

Senator Sabrina Salas Matanane: And these assistant fire chiefs, they sleep at the fire stations?

Darren D. Burrier, Fire Chief, Guam Fire Department: They sleep at their designated areas that they have to pull it. So, depending on the chief of the day, they have they have designated areas where they'll do it, like a Piti, fire station's, one place where chief of the day will pull duty. Sinajana Station is also was one of the stations. And, you know, given whoever the chief of the day is, they can, identify their place to be bedded for that night.

Senator Sabrina Salas Matanane: But is it necessary?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes.

Senator Sabrina Salas Matanane: It is. Absolutely. It's a federal regulation that you have to have this assistant fire chief on top of having a battalion chief.

Darren D. Burrier, Fire Chief, Guam Fire Department: Well, if we don't have a chief of the day, a central high ranking person to be able to coordinate the efforts, then you would end up having battalion chiefs that are trying to make a decision at a fire scene or any emergency scene.

And they're all of equal rank. So you need that one person that comes in the span of control in command is what that is. So every battalion chief has so many captains under them. You know it. So if they have Southern Command has three of their stations responding to the same alarm, that commander will respond to that alarm.

And he has ultimate command over all those units. It's not three different fire captains arguing about who's going to do what. And so it'll be the same way that the battalion chief, so if we got three station engine units responding to a fire within another commands area, you got two battalion chiefs responding to the area.

Or three battalion chiefs now. It's not the battalion chiefs that are going to make the decisions on how the fire scene is operated. They're there to command and be oversight of their units. And then they report to the assistant chief who's the chief of the day. He's the central command. And then if we end up having the police or Coast Guard or other outside agencies responding with us, we have a high ranking central command officer that is going to make the decisions on behalf of our troops on the scene. So it is necessary for them to be there.

Senator Sabrina Salas Matanane: Okay. What about at headquarters? Is everyone getting 106 hours plus 14 overtime?

Darren D. Burrier, Fire Chief, Guam Fire Department: Well, all uniform personnel as we're working with them is their they get their uniform fire pay of the 120 hours, but also they'll be pulling, like we, if we have a battalion chief at the office who's pulling command, like in training, he'll have to pull at least one to 2 - 24 hour shifts out in the field now in order to get his hours and also get his experience as a battalion chief, because we have battalion chiefs in the field. They work 5-24 hour shifts and they get their two RDO's. So we have other battalion chiefs in administrative positions that can pull their RDO for them, and that's the program that we're starting now in order to make sure everybody has that. But otherwise, uniform personnel in the office still pull 12 hour shifts 12 hour days at the office, and then they also pull a 24 when needed and respond.

Senator Sabrina Salas Matanane: Thank you.

Darren D. Burrier, Fire Chief, Guam Fire Department: Yep.

Chairman Christopher M. Dueñas: Thank you. Senator Sabrina Salas Matanane, Senator Terlaje.

Senator Therese Terlaje: Si yu'ous ma'ase, can you talk about the ambulances? So you said you've got four in this year, and then in your presentation you said you're under one of the funds. The general fund, you said it will pay for the 25th fire cycle as well as the procurement of two new ambulances. And then under the flame fund, you also said it is included in this budget is the procurement of two additional new ambulances. So you're expecting four in the upcoming year?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes, ma'am.

Senator Therese Terlaje: Okay. And then you said earlier, all right, that you also have these capital outlay expenditures that you're planning for. Is that in the amount of what is the amount of capital outlay that you have?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: The only amount…

Senator Therese Terlaje: $800,000?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Yes. That's $400,000 on the general fund and $400,000 in the Flame Fund. It's a total of $800,000.

Senator Therese Terlaje: Okay. And so the eight…

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: and that's for the procurement of the ambulances.

Senator Therese Terlaje: Okay. So that $800k is for ambulances alone?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Yes.

Senator Therese Terlaje: Alright. So you also talked in your testimony about the Sinajana Fire Station, Tamuning Fire Station, additional vehicles, fleet maintenance facility. Are those going to be procured during this fiscal year?

Darren D. Burrier, Fire Chief, Guam Fire Department: The Sinjana Fire Station, that contract's already been worded to build that. The other ones there are, those are goals we'd like to be able to achieve, but they're not in any at the point of…

Senator Therese Terlaje: No funds allocated to those?

Darren D. Burrier, Fire Chief, Guam Fire Department: No.

Senator Therese Terlaje: And the Sinajana, none of the general fund that's coming from GHURA or someplace else?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes.

Senator Therese Terlaje: Okay.

Darren D. Burrier, Fire Chief, Guam Fire Department: And then ARP money.

Senator Therese Terlaje: ARP. Okay. And then what about emergency response vehicles?

Darren D. Burrier, Fire Chief, Guam Fire Department: Like the ambulances?

Senator Therese Terlaje: Well, the ambulances, yeah. Are there any others? Well, you said you're getting the one firetruck in this fiscal year.

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes. From the congressional.

Senator Therese Terlaje: All right. Any in the next fiscal year? Any others?

Darren D. Burrier, Fire Chief, Guam Fire Department: We are working on that, but that has not that is something that we're working towards with the Department of Insular Affairs and congressional, but that has not been started yet at this time.

Senator Therese Terlaje: Okay. In your inventory list, you have the ambulances, and then you have a category called administrative/utility units, which lists 36 different vehicles. What are those?

Darren D. Burrier, Fire Chief, Guam Fire Department: Those would be the chief of the day, Chief Vehicles, Administration. So administrative vehicles, like for fire prevention officer, fire inspectors, they have sedans that they go around in. Chief officers, we have vehicles that they can respond in that they use. So, those are the different vehicles that are non-emergency response are not considered. They fall under administrative.

Senator Therese Terlaje: All right. And what is it again that you're working with the Department of Interior? What type of emergency vehicles are you hoping they're going to help you with?

Darren D. Burrier, Fire Chief, Guam Fire Department: The Insular Affairs. We're hoping in to work towards they've already purchased in the past Fire truck for, so we're hoping in the future that we'll be able to work with them on doing the same thing.

Senator Therese Terlaje: Trucks, fire trucks.

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes.

Senator Therese Terlaje: So what about those vehicles with the EMS? Or the ALS units? Yeah.

Darren D. Burrier, Fire Chief, Guam Fire Department: ALS?

Senator Therese Terlaje: Yes.

Darren D. Burrier, Fire Chief, Guam Fire Department: Those are like the administrative vehicles.

Senator Therese Terlaje: Those are administrative vehicles?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yeah. Well, they're categorized as that, so they're SUVs that are outfitted with lights and sirens and we're able to carry our paramedics to intercept ambulances with.

Senator Therese Terlaje: All right. So out of the 28 of the 36 that are listed as is I guess in service how many of the 28 are dedicated towards that type of purpose?

Darren D. Burrier, Fire Chief, Guam Fire Department: For the ALS?

Senator Therese Terlaje: Yes.

Darren D. Burrier, Fire Chief, Guam Fire Department: There's two that is dedicated. We have two intercept units at the two,

Senator Therese Terlaje: Two of the 28? And the rest are for like you said,

Darren D. Burrier, Fire Chief, Guam Fire Department: Then you got the chief of the days vehicle that they use for response. We've got the fire inspectors that use theirs to go and inspect and respond to fires and so forth. I mean they're used for different functions.

Senator Therese Terlaje: All right. And, so my colleague was asking about, you said it's mandated as chief of the day. You said, did you say FDA? Who did what did you say this?

Darren D. Burrier, Fire Chief, Guam Fire Department: I didn't say FDA.

Senator Therese Terlaje: I'm sorry. So what did you say?

Darren D. Burrier, Fire Chief, Guam Fire Department: NFPA, I mean, you're looking at we're…

Senator Therese Terlaje: Say it again.

Darren D. Burrier, Fire Chief, Guam Fire Department: NFPA, national Fire Protection.

Senator Therese Terlaje: Okay.

Darren D. Burrier, Fire Chief, Guam Fire Department: Okay. So because we are paramilitary, we are organized in a way where we have, we run instant command systems and we under span of control for each of our personnel. And so that's why we run that.

Senator Therese Terlaje: Alright. And then when you purchased your next gen system, you're saying like, that wasn't fully budgeted for and that we're now have some shortfalls for the current fiscal year, but was PUC involved in that procurement or in any part of that?

Darren D. Burrier, Fire Chief, Guam Fire Department: Well, as far as the using the 911 Gen contract?

Senator Therese Terlaje: Yes.

Darren D. Burrier, Fire Chief, Guam Fire Department: And when I was not involved in that contract, no.

Senator Therese Terlaje: Was the PUC involved?

Darren D. Burrier, Fire Chief, Guam Fire Department: No.

Senator Therese Terlaje: So they didn't oversee that, but they will oversee just the amount of funds to pay for it later on after you've contracted it 'cause normally for the other utilities, right, they won't even let them raise their fee unless, you

know, they'll do it all together. You can't contract unless you've got fees to cover it and vice versa.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: So yeah, you only have oversight of our surcharge and that's it with 911.

Senator Therese Terlaje: Okay. So in this in this budget, you're saying we're not covering the E911 charge maintenance charge. Is that the, is that what you called it?

Darren D. Burrier, Fire Chief, Guam Fire Department: That's true.

Senator Therese Terlaje: Okay.

Darren D. Burrier, Fire Chief, Guam Fire Department: The E911 and dollar surcharge covers our operational with our personnel, but not the contract for the letter.

Senator Therese Terlaje: Alright. And so what is the plan for that?

Darren D. Burrier, Fire Chief, Guam Fire Department: To increase the surcharge to the level to where we able to maintain that to be able to pay the contract. And then also then petitioned, PUC to look into the variable issues as far as surcharge variances, what we have to eventually get to in order to maintain the system and to upgrade the system going into the future.

Senator Therese Terlaje: Okay. And you're also trying to increase your other fees, correct? You said you have proposed legislation?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yeah. Now we're going to be going through the AAA process to increase our fees for fire prevention and for the ambulance services.

Senator Therese Terlaje: Right. So how soon do you think you're going to get to the PUC on this surcharge? Because you say you're already kind of overdue on some current outstanding payments. And…

Darren D. Burrier, Fire Chief, Guam Fire Department: I don't have a timeline at this time, but we are working.

Senator Therese Terlaje: Is it going to be before October?

Darren D. Burrier, Fire Chief, Guam Fire Department: I, that would be as soon as we can do it, the better.

Senator Therese Terlaje: Okay. And then you said you're working with DOA for the creation of the EMT and fire inspector positions. You're saying these positions do not currently exist in your…

Darren D. Burrier, Fire Chief, Guam Fire Department: They currently exist as uniform positions firefighter, EMTs 'cause all of our firefighters are required to be MT. All of our fire inspectors are firefighters. So what we're looking for, the EMT and fire inspector position is to create a civilian position to, that way they could work an 80 hour position and be able to give that services.

Senator Therese Terlaje: Alright, and can you just talk about this, GFD continues to meet with GVB on a building a rescue station in Tumon. Is this where they talk about putting something at Matapang or moving something to Matapang?

Darren D. Burrier, Fire Chief, Guam Fire Department: That is a discussion that has, we've had with GVB. Right now, I believe there hasn't been any progress forward on it and that's, we're waiting more discussions with them and the plans on that one.

Senator Therese Terlaje: Alright. Because after the recent emergency down there, the rumors have been going around that Oh, they're moving it now they're going to move. But you're, as far as you're concerned, there's nothing going on.

Darren D. Burrier, Fire Chief, Guam Fire Department: Right. We're still in negotiations with them. They're the lead agency for that and then we will work with them down their timeline.

Senator Therese Terlaje: All right. Is that where you think it should be?

Darren D. Burrier, Fire Chief, Guam Fire Department: It's where most of the action is as far as where we interact with in the with rescues. It's also gives us the

best access to the beach and also launching our jet skis to be able to go within that area and then to get over the reef. If for instance, if we were to pick Ypao beach putting a jet ski in there or it's not going to get it out over the reef 'cause it gets very shallow. So there it would be useless to have it there. Having it be Matapang, we have access to go over the reef from that direction.

Senator Therese Terlaje: All right. Does putting it there mean you're going to close the one down here or anywhere else?

Darren D. Burrier, Fire Chief, Guam Fire Department: No.

Senator Therese Terlaje: It's an additional, yes. So it's all right. And if let's say GVB was able to do that, you're able to staff that?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes, we'd be able to staff that.

Senator Therese Terlaje: All right. So you talked about the new fire cycles result in a gradual decrease in overtime expenditures, but how much of your budget is allocated for predicted overtime for the next fiscal year? Is it the same as last year? 'cause your budget's pretty much the same.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: It's basically a decrease. A decrease from last, yes. And that is anticipated because of the recent graduation of the 33 recruits, and of course the 16 that will be graduating by September 30, that will basically assist us in terms of the expend overtime expenditures. However, we did mention, chief did mention his testimony that should we not be given the 20 additional personnel for fiscal year 26. We expect overtime expenditures to increase.

Senator Therese Terlaje: Alright, but for 2026, you're getting the ones that already graduated 32 and you're getting the 16 additional by September. That's going to be right on time for FY 26.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Yes.

Senator Therese Terlaje: So for FY 26, you should be able to predict…

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: No that's only for FY 26, ma'am, just to get us up to 25, September 30, FY 26 comes in, we're going to have 16 additional recruits that are training and we'll be graduating at that time. But we need an additional 20 for the fiscal year for the upcoming fiscal year.

Senator Therese Terlaje: You'd need 20 more, or your overtime will stay the same as it is in this current fiscal year.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: No. With that 20 and come October 1st with the additional of the 16 that are graduating, that's going to decrease the overtime expenditures. However, like I said, it, should we not be allowed to hire additional 20 in FY 26, we expect the expenditures to increase. And of course the increase is going to occur because as new vehicles, as new units come out and being serviced, we're going to require additional personal for this.

Senator Therese Terlaje: All right. So what is, what are you predicting for overtime this year versus last year or the coming fifth, 26th versus 25?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: About $600,000 less that we're requesting for 20 compared to what we were authorized for FY 25.

Senator Therese Terlaje: Okay. And so that's with or without anything after the 16 recruits?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: After the 16, like I said. If we don't get this additional 20 that we're requesting and avoid 26…

Senator Therese Terlaje: Then you'll exceed your expected amount.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: We expect that to increase expenditures, to increase.

Senator Therese Terlaje: When do you expect the new 20 to begin and end? If you…

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Pardon?

Senator Therese Terlaje: When would you expect that new cycle of the 20 to begin and end?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Well, as soon as the, well, the 20 will begin, of course, from October 1st, anytime after that. 'cause that involves a new fiscal year. So they'll be going training for six months and we have them out after six months, probably by March.

Senator Therese Terlaje: All right. Because some of the stuff in the budget shows that they have like overtime amounts in the are quite significant. So they bring some of the salaries over $200,000 per year. Right?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Which one?

Senator Therese Terlaje: Some of the salaries with overtime are over $200,000 a year.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Yes. Basically, if you're talking about for the entire fire department, you're talking about maybe 50% or over 200,000.

Senator Therese Terlaje: Right.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: That's including salaries and benefits, of course.

Senator Therese Terlaje: Okay. Well, I'm just talking without benefits, but Okay. Yeah. That's, I guess why, I know they've been talking about this for years, about cutting the overtime by with new recruits, but I just wanted to know if that's working or not, or if that's, if you see a significant shift. Alright. All right. For me, I think that's it and si yu'ous ma'ase for all to all of you, for your work on the budget and your work, of course, in general. Thank you very much. Thank you, Mr. Chair.

Chairman Christopher M. Dueñas: Si yu'ous ma'ase Senator Terlaje. Senator Telo Taitague.

Senator Telo Taitague: Si yu'ous ma'ase Mr. Chair and thank you gentlemen for being here. And of course a lot of the questions were asked that I had, I did have

you know, made an observation and an FY 24. Your budget increased for FY 25 by $5.5 million. That was a huge increase in from into FY 25 and saying that you're being staying at the same level. I will hope so, because that was such a huge increase. And I've noticed too in when the Senator was talking about overtime, I've noticed that the benefits are quite substantial from FY 24 to FY 25 from $7 million to $11 million. And then there was just a slight increase. Going into 2026. So can you tell me what that huge difference was? Between 24 and 25, our current one right now.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: That's because of the increase in the retirement rate. Any increase in medical and dental insurance, ma'am.

Senator Telo Taitague: And you don't anticipate that in FY 26 there's not going to be an increase.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Crossing our fingers. They don't.

Senator Telo Taitague: I think all the agencies are especially medical crossing fingers and toes because we all know that the cost of medical and healthcare has gone up substantially, so that may go up as well, but there was quite a big increase into the fire department between FY 24 into 25. And with that increase, now we're looking at almost the same budget, you know, going into FY 26, but, what are some of the challenges that the fire department are, you know, is currently facing and how much of this proposed budget is addressing that?

Darren D. Burrier, Fire Chief, Guam Fire Department: Our proposed budget, I mean, we're pretty much addressing most of our needs with the proposed budget. And then, but looking at our challenges, you know, like E911, we're looking at increasing the surcharge to meet that need. And as far as meeting our mandates of being providing fire and EMS fire prevention services, our budget allows us for that.

But then in order to continue giving our advanced services and also the fire prevention, we're also looking at increasing our fees in order to meet those challenges 'cause providing advanced life support to the paramedic services. There is a cost to that and that is based on the use of the system.

Senator Telo Taitague: Your current budget that you requested will it help improve the emergency response time across Guam, across the island?

Darren D. Burrier, Fire Chief, Guam Fire Department: Well, given the fact that we have the ambulances, but our mercy response time, we meet the national standard for that.

Senator Telo Taitague: Say that one part, the last…

Darren D. Burrier, Fire Chief, Guam Fire Department: I said we meet the, our standard for mercy response times from the time the call's taken, the time our units rolled out. We, our units do meet that, that standard

Senator Telo Taitague: And this budget helps you meet that standard?

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes.

Senator Telo Taitague: Okay.

Darren D. Burrier, Fire Chief, Guam Fire Department: Helps us maintain that.

Senator Telo Taitague: What section of the budget is used for, you know, public safety awareness, outreach programs community prevention, education, things like that. What part of the budget does that?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: That's a part of the miscellaneous…

Senator Telo Taitague: oh wait, turn on your microphone, please.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: That's part of the miscellaneous category and it's basically fire prevention in itself that does that including our, the PIO.

Senator Telo Taitague: Then I noticed in FY 24 there was none, and then in FY 25 was $128,000 and now your amount is $183,800 and this is where the majority of this is for prevention and awareness and outreach.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: No. Miscellaneous categories also include uniform allowance, uniform cost of all firefighters. So that's where the bulk of that is.

Senator Telo Taitague: Oh, the bulk of it?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: About 90%, 95% of that.

Senator Telo Taitague: Okay. Not under equipment because I don't see anything under equipment. How about responses? What about hazmat? Because there's several areas that you respond to as firefighters, not just for fire, but you know, chemical spills such as that, you know, how is the agency addressing any shortfalls there or needs?

Darren D. Burrier, Fire Chief, Guam Fire Department: Most of the needs, I mean, we have within our budget what we do, but also we work with CST through the National Guard and also get funding through [inaudible] and stuff for different needs we need for hazmat.

Senator Telo Taitague: Okay. So it's covered under that one. Okay. Okay. Other than that, I appreciate all the hard work that you do and I wish you guys the very best. Thank you so much, Mr. Chair.

Chairman Christopher M. Dueñas: Si yu'ous ma'ase Senator Taitague, so just a few follow ups for me. So Chief, once again. So there is a reserve $4.4 million on you, on your account right now, since March.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Yes, sir.

Chairman Christopher M. Dueñas: So you mentioned that the way you're obtaining those funds is by request and you're getting timely releases.

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Yes. Yes, sir.

Chairman Christopher M. Dueñas: Okay, because that seems to me then that, I mean, I think this is what I kind of responded when you had sent me a letter earlier, that we need to make sure that we're communicating that the governors has the

transfer authority, has the ability to fund your operations and particularly things that are shortfalls in, you know, within the budget as long as, you know, it meets your cap.

So Chief, what I'm looking at here in terms of your numbers current and then what the cycle that you're finishing and your attrition versus your, it looks basically break even, I would say 40 in 40 out plus or minus a couple. I guess we'll do an analysis on this, but we all do know this, and this should kind of give you some flexibility that, you know, when you have your firefighter one level coming in versus your retiree, that's a significant difference in terms of and that's why I'm looking at your overtime right now. If we track based on your authorized level in 2024, you are at $6.4 million, and then authorized level for 2025 is $5,189, and your governor's request in 2026 is $457. So yeah you're definitely tracking down and I guess this is a scenario and a picture that's like in, in a scenario whereby, you know, you have your recruit classes that are fully funded and you know, you get those recruits through and they become part of your workforce.

So I just wanted to be very clear on 2026. Currently this budget will fund the 20 personnel cycle that you're planning on recruiting?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Yes.

Chairman Christopher M. Dueñas: Okay. So yeah, it looks to me like you know, at least you should have some flexibility. Chief, I'd encourage you to make sure that anything that you need an appropriation for is in your budget.

Simply because like I said, it looks like you're going to be able to have that flexibility. I think on prior obligation, maybe you need to go back and work with ASO and make sure you work with BBMR, that if you have to have a request for that and just make sure it's in there within your ceiling. I think also for your PUC, you might have to get a consultant, and I know that sometimes the PUC will recommend it, and that's why I was talking about the process.

I think PUC might come back to you and say, Hey, you know, we'll evaluate you know, the rate request and the adjustment. But we, you know, you need to budget $150,000 or so for a consultant so that they can do that, and that's how they're going to base themselves. On when they make the final decision on that.

I mean, I think it should be pretty straightforward, but I know that's embedded normally within the PUC for them when they make a final decision. They do use the information derive from a consultant. So basically, you guys, I think that other than, you know, really working hard to get that adjustment on the E911it looks like with this budget request from the governor and us, you know, concurring it should be, you know, adequate.

I know that chief, I think maybe at some other meeting after we get through the budget, I know that, you know, there would be, there's a lot of discussions in terms of the current tracking of resources, revenues, and the like. But I'm understanding that the fleet overall is kind of in need on the level of vehicles, on trucks and some of your marine equipment.

So I think maybe that would be a discussion at a later time after we get through the budget. But can you please provide an update to the committee?

Michael Uncangco, Assistant Fire Chief, Guam Fire Department: Sure.

Chairman Christopher M. Dueñas: In terms of what your fleet services look like outside of your ambulances, I'm understanding probably you're going to get one fire truck, but you may need additional beyond that. Is that correct?

Darren D. Burrier, Fire Chief, Guam Fire Department: That's correct.

Chairman Christopher M. Dueñas: Okay.

Senator Telo Taitague: Mr. Chair, if I may, yeah. I'm also included in that. Can you tell us what the status is on the ladders for hotels, you know, for rescue and you know, I know you're looking for a lot longer ladder to deal with any fires from hotels and the status on that.

Darren D. Burrier, Fire Chief, Guam Fire Department: Yes, sure.

Chairman Christopher M. Dueñas: And so, yeah for me, I mean for planning purposes, that obviously these are CAPEX items and you're not going to keep pushing them into your budget. I respect the fact that you've put in what you know you need and that you're going to go to procurement on in fiscal year 2026. But I think for the committee we'd like to see, you know, a little further down the line so that for planning purposes like you said, you'll be looking for grants, you'll be

looking for any other opportunities. But outside of that, you know, if we do have to do some sort of comprehensive capital outlay or capital expenditure for, you know, procurement that's going to help us to at least know and kind of not get surprised.

But other than that, chief I'm, at least from my perspective, I'm satisfied with what you presented to us. Once again, I joined, you know, my colleagues in once again congratulating you on everything that you're doing for our people. I, like, I hope we come to fruition on that issue with regard to you know, the outpost for search and rescue, particularly in Tumon.

I know that, and I like the plan that you got, you know, where you need to be. Yeah, you know how you need to set up. So I'm going to work with Senator Lujan once again and reach back and see where that is with GVB to ensure that we can make that a reality within this fiscal year. That first responder right on the spot is a real big deal and it's, we always hate it when we get that information that, you know, there's been a, you know, there's been a water event somewhere within the Ypao area and we just hold our breath and hope it's not, you know, any one of our people or any one of our guests.

And we hope that the outcome will be better and being on the spot, you know, of course. We'll enhance that capability. So thanks again, gentlemen and for all you do and looking forward to the graduation of the cycles coming up. Alright, thank you. So with that, thank you with that, this will conclude this afternoon's budget hearing on Bill No. 44-38 (COR) relative to the Guam Fire Department.

The committee will continue to accept written testimony on the bill within seven calendar days from today, which will be addressed or can be addressed to myself. Senator Christopher M. Dueñas, chairman of the committee and mailed to 163 West Chalan Santo Papa in Hagatna, 96910, you may also send your testimonies to my email at senator.duenas@guamlegislature.gov.

This afternoon's budget hearing is now adjourned and the time is 15:14 si yu'ous ma'ase and we are in adjourned. Thank you.

The Budget Hearing was adjourned at 3:14 P.M.

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Friday, June 13, 2025, at 9:00 A.M.

Guam Police Department (GPD)

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on June 13, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Fri, Jun 6, 2025 at 8:42 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 6, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **FIRST NOTICE - FY26 Budget Hearing on June 13, 2025**

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Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
- **Guam Police Department (GPD)**

2:00 pm
- **Customs and Quarantine Agency (CQA)**

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The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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June 6, 2025

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FIRST NOTICE - FY26 Budget Hearing on June 13, 2025

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FIRST NOTICE - FY26 Budget Hearing on June 13, 2025

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Posted on: 06/06/2025 10:30 AM

Posted by: Camarin Breton

Public Hearing Date: 06/13/2025 09:00 AM

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June 6, 2025

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THE GUAM LEGISLATURE

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SECOND NOTICE - FY26 Budget Hearing on June 13, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Tue, Jun 10, 2025 at 9:29 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE

June 10, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on June 13, 2025

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FOR IMMEDIATE RELEASE
June 10, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

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SECOND NOTICE - FY26 Budget Hearing on June 13, 2025

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SECOND NOTICE - FY26 Budget Hearing on June 13, 2025

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Posted on: 06/10/2025 09:39 AM

Posted by: Camarin Breton

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June 10, 2025

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Friday, June 13, 2025 – Guam Congress Building

9:00 A.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Guam Police Department

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 13, 2025 **Time: 9:00 a.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

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-- Relative to Guam Police Department (GPD)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1								
2	Nellie Asanuma	GPD	[redacted]	nellie.asanuma@gpd.guam.gov				
3	MAJ FM CHARFAUROS	GPD		FMCHARFAUROS@GPD.GUAM.GOV				
4	MAJ AB QUITUGUA	GPD						
5	J. CAMACHO	GPD			✓	-	✓	
6	Steve Tagaloa	GPD			.			
7								
8								
9								
10								
11								
12								

cadets

I Mina'trentai Ocho na Liheslaturan Guahån
Office of Senator Christopher M. Duenas x Office of Finance & Budget
Chairman, Committee on Finance and Government Operations

Date: June 13, 2025 **Time: 9:00 a.m.**

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-- Relative to Guam Police Department (GPD)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	AngelRay B. Pangelinan	GPD	[redacted]				✓	
2	Phillip Quenga	GPD					✓	
3	Julius Tan	GPD					✓	
4	Eubal B. Payo	GPD					✓	
5	Joey A. Taitano II	GPD					✓	
6	Dreuyn Alberto	GPD					✓	
7	Glenn P. Ogo	GPD					✓	
8	Reiner Yabut	GPD					✓	
9	ADAM AGUILA	GPD					✓	
10	Myron Castro	GPD					✓	
11	Gianni Crisostomo	GPD					✓	
12	Keoni Sman-Pesch	GPD					✓	

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I Mina'trentai Ocho na Liheslaturan Guahån
Office of Senator Christopher M. Duenas x Office of Finance & Budget
Chairman, Committee on Finance and Government Operations

Date: June 13, 2025 **Time: 9:00 a.m.**

Bill No. 44-38 (COR) - Committee on Rules
by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam
AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.
-- Relative to Guam Police Department (GPD)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	[redacted]	D.O.C	[redacted]	[redacted]				
2	JACOB GARRIDO	DOC						
3	ALLEN RUBEN	DOC		[redacted]				
4	Landon Taimanglo	DOC						
5	NAPUTI, SOPHIA ANN	GPD		PHIA.NAPUTI@GPD.GUAM.GOV				
6	JENNY SANCHEZ	GPD		ENNY.SANCHEZ@gpd.guam.gov				
7	Shirley del Rosario	GPD		hirley.delrosario@gpd				
8	Ann Marie Cruz	GPD		nnmarie.cruz@gpd.gu.gov				
9	Anthony Chaco	GPD		nthony.chaco@gpd.guam.gov				
10	Paul Sayan	GPD		aul.sayan@gpd.guam.gov				
11	Troy B Lizama	GPD		roy.lizama@gpd.guam.gov				
12	Felix M. Camacho Jr	GPD		lix.camacho@gpd.guam.gov				

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

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-- Relative to Guam Police Department (GPD)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	[illegible]	GPD	[redacted]					
2	Erica LG	GPD						
3	John Lamboc	GPD					✓	
4	Jason Aguon	GPD						
5	[illegible]	GPD						
6	Mike Elliott	GPD						
7	SF Muñoz	GPD						
8	TJ Rodrigues	GPD						
9	BAC SANTOS	GPD						
10	Leigh Pereda	GPD						
11	Kim Santos	GPA		kim.santos@gpd.guam.gov				
12								

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I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 13, 2025 **Time: 9:00 a.m.**

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-- Relative to Guam Police Department (GPD)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	KIM SANTOS	GPD	[redacted]	Kim.Santos@gpd.guam.gov			✓	
2	Monica Salas	GPD		Monica.Salas@gpd.guam.gov			✓	
3								
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12								

LOURDES A. LEON GUERRERO
Governor

JOSHUA F. TENORIO
Lieutenant Governor

GUAM POLICE DEPARTMENT

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STEPHEN C. IGNACIO
Chief of Police

COL. JOSEPH S. CARBULLIDO
Police Commander

June 12, 2025

The Honorable Christopher M. Duenas,
Chairperson, Committee on Finance and Government Operations
38th Guam Legislature
I Mina' trentai Ocho Na Liheslaturan Guahhan
Calvo Arriola Building Suite 101-B
259 Martyr Street
Hagåtña, Guam 96910
Email: senator.duenas@guamlegislature.gov

Subject: **Written and Oral Testimony**
RE: Budget Hearing on Bill 44-38 (COR) to hear the Guam Police Department (GPD)

Dear Senator Duenas:

Manana Si Yu'os Yan Hafa Adai, Good morning, Senator Christopher M. Duenas, Chairperson the Committee of Finance and Appropriations.

I am Stephen C. Ignacio, Chief of Police for the Guam Police Department, and I submit this written testimony along with my oral testimony here in my official capacity along with Colonel Joseph S. Carbullido and key members of the Guam Police Department to render testimony on the Fiscal Year 2026 Guam Police Department Budget Proposal.

At the outset, I would like to express our sincere appreciation to the Committee on Finance and Government for their continued support and collaboration. Your partnership is vital to sustaining the level of public safety services our island community expects and deserves while promoting operational efficiency and fiscal accountability.

My testimony today provides an initial assessment of the FY2026 Budget projections introduced by Governor Lourdes Leon Guerrero. GPD is requesting funding in the General Fund, Special Fund, and Federal Fund Match categories to sustain police operations throughout the Fiscal Year 2026.

Our FY2026 budget request ensures all uniformed officers and civilian employees are effectively led, compensated, trained, and equipped. This proposal reflects a detailed collaboration with the Bureau of Budget and Management Research (BBMR) and the Department of Administration (DOA), aligning with the objectives of the current budget act and strategic departmental priorities.

The agenda for this presentation includes:

- GPD's FY2026 Budget Proposal;
- FY2026 Budget Allocation;
- Federal Grants;
- Personnel Statistics;
- GPD Impact in Numbers - Work Statistics;
- GPD Accomplishments;
- GPD Infrastructure and Readiness for the Future;
- GPD Infrastructure – Capability Enhancements; and
- GPD Requests

The Guam Police Department is requesting a total of *Sixty-four million, nine hundred twenty-three thousand, two hundred eighty-three dollars* **($64,923,283)** between the General Fund and Special Fund, which includes the Police Services Fund, Tourist Attraction Fund, and the Police Patrol and Equipment Fund, as well as a Federal Fund Match, *which is a three percent (3%) increase from FY2025.*

The distribution of funds within various appropriation categories is essential for supporting the operational, investigative, forensic, administrative, and logistical services of the Guam Police Department.

Within the General Fund, *Forty-eight million, five hundred fifty-two thousand, six hundred dollars* **($48,552,600)** is allocated for personnel services, which represents 89% of the General Fund request. This funding also covers promotions for law enforcement officers and civilian staff, as well as the recruitment of 20 Police Officer Trainees and civilian employees. The Operations budget of *Five million, one hundred twenty-one thousand, four hundred ninety-one dollars* **($5,121,491)** or 9%, is applied toward contractual services for copier machines, software maintenance for Automated Fingerprint Information System (AFIS), Fourier Transform Infrared (FTIR), Gas Chromatograph Mass Spectrometer (GCMS), postal meter/mail express services, leased vehicle, generator and air condition maintenance, fire alarm maintenance, K-9 medical services, office leases, supplies, workman's compensation, drug testing, and miscellaneous. Miscellaneous costs support local match for federal grants, annual membership fees, clothing allowances, CVPR stipends, and crime stoppers. While utility *costs amount to one million, thirty thousand, ninety-three dollars* **($1,030,093) or 2**% of the General Fund.

The Special Fund allocation totals *Five million, three hundred ninety-three thousand, three hundred seventy dollars* **($5,393,370)** or 91%, designated for personnel costs associated with the Police Services Fund (PSF) and Tourist Attraction Fund (TAF). The Special Fund Operations budget of *Five hundred fifty-eight thousand four hundred ninety dollars* **($558,490)**, or 9%, is applied toward contractual services and supplies. With an anticipated Federal Grant application of *Four million, two hundred sixty-seven thousand, two hundred thirty-nine dollars* ***($4,267,239).***

The Guam Police Department has aggressively pursued federal funding to supplement our local budget, significantly enhancing both our operations and services. GPD has implemented a strategic, agency-wide grant development plan, established strong partnerships with local and federal entities,

and actively engaged in national law enforcement networks to identify and secure competitive funding opportunities.

As a result of these efforts, our federal grant portfolio has grown from $12.1 million in FY23 to $18.8 million in FY25 - a 22% increase.

Also worth noting, for the first time, Guam hosted the 63rd Annual Conference Western States Boating Administrators Association, which is a major achievement as it not only raises Guam's profile in law enforcement and maritime safety but also strengthens collaboration and networking opportunities.

It is important to note that due to the recent activity of paused federal grants, we may face some financial uncertainty on grant availability and GPD's planned priorities beyond the needs of local appropriations.

Nevertheless, GPD remains committed to aggressively pursuing federal funding to support our needs beyond local budget appropriations. Priorities *include the MAULEG task force*, community policing, technology upgrades, school violence prevention, fleet maintenance and vehicle replacement, narcotics interdiction, and counter-terrorism preparedness.

Since 2019, the Guam Police Department initiated an aggressive recruitment campaign, resulting in six hiring cycles (from FY2019 through FY2024) totaling an addition of 110 new police officers to the force, plus 13 Police Officer Trainees in the 15th POT Cycle. *In addition, the 16th Cycle is scheduled to commence June 30, 2025, with seventeen (17) Police Officer Trainees.*

The top worksheet is the ***UNIFORM*** count, beginning with the Initial Fiscal Year Full Time Employee (FTE) Count, Separations, Retirement, and Total Fiscal Year End FTE count.
The lower worksheet is the ***POLICE OFFICER TRAINEE (POT)*** count, beginning with the Initial Police Officer Trainee Count, Separations, and Total Fiscal Year End count.

The data compares ***GPD LOSS*** in the **UNIFORM** worksheet to the **POT CYCLE Total FY End** worksheet, resulting in ***GPD's GAIN OR LOSS*** of officers.

A gain of 16 officers occurred after cycle completions in FY2019 and FY2020, followed by a loss of 30 officers in FY2021 through FY2024. As a result, the Department experienced a net loss of 14 officers between Fiscal Years 2019 and 2024. As you can see, FY2025, as of May 31, 2025, is already facing a net loss of 1 officer.

The organization continues to experience challenges related to employee attrition. The data suggests that personnel are leaving at a rate that offsets new hires, primarily due to retirement or resignation. Projections indicate that this trend is expected to persist in the near future, meaning that workforce stability remains a concern. This manpower shortage significantly affects workforce stability and underscores the need for enhanced retention strategies (listed below) to grow and maintain a robust and effective police force.

Through the continued support of Governor Lourdes A. Leon Guerrero and Lieutenant Governor Joshua F. Tenorio, the Department was able to implement the following recruitment and retention strategies:

- Recruitment Incentive for POT's
  - In June 2024, a Pay Adjustment of 25.59% amended the Law Enforcement Pay Plan. This plan increases a POT hourly wage from $14.01 ($29,140.80) to $17.59 ($36,580 per annum);
  - In addition, on May 23, 2025, the Department of Administration (DOA) posted the updated Police Officer Trainee job announcement that reflects the new rate and is a continuous announcement as well.
- Retention Incentives
  - A 10% retention incentive was implemented for all newly recruited Police Officer Trainees (POT) through Sergeant II;
  - While a 15% retention incentive has been applied to Police Lieutenants, Police Captains, Police Majors and Police Colonel;
- Retention Strategies:
  - In June 2024, a Pay Adjustment of 25.59% was implemented and reflected on the updated Law Enforcement Pay Plan;
  - Per Public Law 37-125, an approved Retention Bonus of $10,000 for uniformed personnel would be applied upon compliance with the condition of 3 consecutive Satisfactory Performance Evaluation Ratings;
  - Pay Back Provision Agreement with Guam Community College – an Agreement that all Police Officer Trainees (POTs) must sign (upon initial recruitment – effective with the 15th Cycle), and upon signing, GPD will submit to GCC. The agreement details that POT must remain in the Guam Police Department for 3 years; otherwise, a sliding scale of monetary repayment will be used to determine how much money needs to be reimbursed to GCC for the POT education training received.
- Future Recruitment and Retention Strategies:
  - Recruitment Video – create recruitment clips to post on social media, encouraging men and women to join the Guam Police Department;
  - GPD is currently working with the Department of Administration Human Resource Division on the Known Promotional Potential (KPP) for Police Officer I, Police Officer II, and Police Officer III positions, respectively, for promotional increments every four (4) or five (5) years;

As of May 2025, there are currently 273 uniformed officers that includes the 14 POTs; with 128 patrol officers at the precinct levels that entertain reports and complaints.

Before you, is information from Calendar Year (CY) data from 2021 through 2024 of law enforcement services addressed into 3 distinct categories – *calls requiring GPD response (calls ranging from a downed traffic light signal to life-threatening incidents), crimes reported (written reports taken), and arrests made.* The average number for the 4-year period divided by the 128 patrol officers at the precinct levels that respond to calls, write reports, and making arrests.

CALLS Requiring GPD Response

- From CY2021 through CY2024, a total of 129,738 calls required a GPD response, with an average of 32,435 calls per year, which calculates to 253 calls per officer per year.

CRIMES Reported (Written Reports)

- From CY2021 through CY2024 a total of 34,853 written crime reports were submitted; with an average of 8,713 crimes reported per year that calculates to 68 written reports per officer per year.

ARRESTS Made

- From CY2021 through CY2024 a total of 15,128 arrests were made; with an average of 3,782 arrests made per year that calculates the average arrest per officer at 30.

FORCE OPTIMIZATION

The Department was able to use a variety of funding sources for capacity building, professional development, and leadership training, with the following training:

Criminal Justice Pilot Program

Before introducing this pilot program, I would like to provide a brief historical background that led to the development of what we are now calling the "Criminal Justice Pilot Program."

About 18 months ago, I received a letter from Happy Valley High School (HVHS) in Elizabethton, Tennessee, requesting a GPD patch. In this same letter, there was a brief description of the Criminal Justice program at HVHS, which led to the request for a copy of the curriculum. Upon receipt and review of the HVHS curriculum, I saw this as a new approach to educating our youth and, if possible, a recruitment tool for future law enforcement officers.

As of May 2025, the Guam Department of Education (DOE) Curriculum office has reviewed and approved the program for presentation to the Guam Education Board. Should the pilot program be approved by the Board, listed below are some basic program information:

- Currently, the course will be entitled the "Criminal Justice Pilot Program:"
- Effective School Year 2025-2026, students will be able to earn credit with this course as either an elective or social studies course;
- The course will be part of the Career Path option, like that of Electrical, Early-childhood Education, etc.
- GPD Law Enforcement officers will teach the Criminal Justice course that spans over a three-year period:
    - Sophomore Year: introduction to criminal justice;
    - Junior Year: introduction to criminal investigation and forensic science;
    - Senior Year: Advanced topics that integrate sophomore and junior year knowledge and skills;
    -

I hope for the success of this pilot program but, more importantly, the building of a stronger relationship with Guam's youth, enhancing collaboration within the educational system, and creates an innovation pathway for recruiting law enforcement officers and civilians into the Department.

Federal Law Enforcement Training Center (FLETC) – Law Enforcement Leadership Training

The Federal Law Enforcement Training Center (FLETC) has a long-standing history of excellence in law enforcement training, providing top-tier education to agencies across the nation.

This training encapsulated globally proven methods of leadership focusing on how to lead through adversity, manage conflict, and drive organizational change. Attendees learned how to identify and mitigate risk factors that are endemic to our profession, enhancing their capacity to serve and lead effectively.

Law enforcement agencies locally and from our neighboring islands participated in this training session, the first of its kind in Guam.

Drug Abuse Resistance Education (D.A.R.E.) – Keeping It Real Curriculum
The DARE curriculum is a 10-week Socio-Emotional-Learning curriculum that teaches the students to be Responsible Decision makers, that is facilitated by 2 Certified DARE Officers. This curriculum focuses on the Guam Department of Education (GDOE) Common Core and GDOE Positive Behavior Intervention Support (PBIS). The DARE Curriculum consists of: Responsibility, Drugs and Alcohol Informed Decision-Making Skills, Risks and Consequences, Stress, Resistance Strategy, Peer Pressure, Communications, Bullying, and being a Good Citizen.
In School Year 2024-2025, as of May 27, 2025, we have presented to 11 elementary schools with grade-specific curriculum to a total of 1,333 students.

National Association of Field Training Officers (NAFTO) Training
This course was conducted by the Northwestern University Center for Public Safety (NUCPS), funded through the FY2019 Law Enforcement Mental Health & Wellness Act (LEMHWA) Program for *Twenty-two thousand, five hundred dollars* **($22,500.00)** and trained up to 100 police officers.

- 3-day Basic Field Training – class is interactive and hands-on as its priority is on improving the Field Training Officer's (FTO) interpersonal and instruction skills to increase trainee retention. The class incorporates a variety of learning activities – from group work, case law discussions, and video scenarios.
- 1-day Beyond the Basics Advanced FTO Training – for experienced FTO's. The course offers advanced remedial training techniques, insight into human behavior, discussions on leadership versus management, etc.; and a
- 1-day FTO Management workshop – a training program for supervisors and administrators who oversee/work with field training officers.

Providing training for FTO is crucial in several ways: 1) FTO's play a key role in shaping Police Officer Trainees (POTs) – from developing the necessary skills, confidence, and professionalism required for effective law enforcement; 2) Increases retention of new officers; and 3) Investing on the development of FTO skills emphasizes the department's interest in improving on quality of all officers in the Department.

Crash Investigations Course Level I
The Crash Investigations Course Level 1 was funded by the National Highway Traffic Safety Administration (NHTSA) grant for a total of *Thirty-four thousand dollars **($34,000)**.* The training provided how to properly obtain and document at-scene information and evidence; gather information from drivers, passengers, and witnesses; measure and map the crash scene; and create sketches and after-crash diagrams. Data captured during crash investigations were collected and entered into an Event Data Recorder (EDR); which can be used for crash reconstructions.
Upon completion of the training, certificates were issued to 26 students:

- 16 Police Officers from GPD,
- 2 officers from the following agencies: Port Authority of Guam (PAG) Police, Guam International Airport Authority (GIAA) Police, Department of Parks and Recreation (DPR) Park Rangers, USAF 36 Security Forces Squadron;

- 1 officer from the following agencies: Camp Blaz Marine and Navy Security;

International Homicide Investigations Association (IHIA) – Foundational Homicide Investigations Course; and Advanced Homicide & Violent Crimes Investigations Course
This particular training was procured with a combination of local and federal funds totaling *Eighty-seven thousand eight hundred dollars* (***$87,800***) that trained 150 law enforcement officers and civilians.

The Foundational Homicide Investigations Course is a 40-hour course that was held from March 10-14, 2025. The course is structured for detectives beginning their careers, covering critical skills like crime scene processing, interview and interrogation techniques, and much more.

While the Advanced Homicide and Violent Crimes Investigations Course, held from March 17-21, 2025, is another 40-hour course designed for the veteran detective. Topics for this training included mass killing investigations, personality-based interviews, exploitation as digital, evidence, victim service, serial sexual-based crime scenes, and more.

Basic K9 Handlers Course
Through a Memorandum of Agreement with the Guam Customs and Quarantine Agency (GCQA), GPD secured no-costs training for three officers in the 8th GCQA Basic K9 Handlers Course (January 25, 2025 through April 25, 2025). The K9s were funded by the Attorney General of Guam through the Opioid Settlement.

K9 Unit Instructor / K9 Master Trainer Course with International Certification
GPD, through a combined source of general and grant funding totaling *Nine thousand four hundred nineteen dollars* (***$9,419***), allowed the training of one law enforcement officer to obtain certification upon completion of 120 hours at the K9 WDI training center in Ashland, Ohio, from May 11-24, 2025.

FEMA PROJECTS
The Guam Police Department received FEMA Project Grants totaling over *Four hundred thousand dollars* (***$400,000***) to support various operational improvements as a result of Typhoon Mawar. The funds will address essential upgrades in multiple areas, from communications infrastructure (such as antenna repairs and gate fixes) to precinct renovations at Dededo and Central Precincts that involve exterior painting, air conditioning unit repairs, flagpole replacement, and acoustic title repairs for the Forensic Science building; and vehicle repairs.

BODY-WORN CAMERA (BWC)
With the grant and local match funding totaling *One-hundred forty-one thousand and twelve dollars* (***$141,012***), GPD was able to procure Body-Worn Cameras, cloud storage, and training. Motorola, Inc. was the selected vendor, and GPD is currently developing groundwork, such as basic training/use of the BWC and finalizing a General Order that will ensure a structured transition. Prior to full implementation, a one-month testing period at Central Precinct will allow the Department to identify and resolve any issues before full deployment.

Upon completion of the testing period, GPD will distribute BWC's across all precincts. It is our belief that the use of BWC's will strengthen operational efficiency and accountability. The Department

plans on looking for additional funding for more BWC for specialized units to ensure comprehensive coverage.

BULLETPROOF VESTS (BPV)
In October 2024, 400 bulletproof vests with plate carriers were procured at a total cost of *Four hundred ninety-nine thousand two hundred dollars* ***($499,200)*** in ARPA funds. Upon receipt, vests were issued to officers across various departments – starting with precincts, Investigations Bureau, and Special Operations. The BPV procurement ensures that officers are equipped with enhanced gear and reinforces safety and operational readiness.

COMPUTERS WITH MONITORS AND UPS
GPD was also able to procure 60 computers with 120 monitors and 60 UPS units valued at *Two hundred fifteen thousand, two hundred eighty dollars* ***($215,280)*** with ARPA funding. The computer procured was used to enhance operational capacity. These computers were distributed by priority to the precincts, ensuring that essential personnel and divisions received upgraded equipment to support their daily functions. This allocation of the equipment strengthens GPDs technological capabilities and increases efficiency in operations.

JET-SKI'S WITH TRAILERS
In order to enhance the services provided in the Tumon/Tamuning beach area, the Department was able to use American Rescue Plan Act (ARPA) funding to procure 2 Jet-skis with trailers. The equipment, valued at Fifty-*one thousand, six hundred sixty-nine dollars* ***($51,669)***, was delivered to GPD in May 2025 and registered accordingly. The officers will be able to use the equipment daily while patrolling the water and trying to prevent any water mishaps.

LAND MOBILE RADIO (LMR) UP-GRADE PHASE II
Upgrading the Land Mobile Radio (LMR) system is critical for improved communications, enhancing reliability, and ensuring Guam has advanced features that have improved on LMR's system over the last 2 decades.

On December 16, 2024, Motorola, Inc. was selected as the vendor to Design, Build, and Implement the updated LMR systems for *Eleven million, five-hundred thousand dollars* **($11.5 million)**. The LMR Up-Grade is funded by ARPA Funds.

At this time, we are in the Design phase. The Design phase is crucial to ensuring all elements of the upgraded LMR system are thoroughly addressed before moving into testing. By August 2025, factory testing will be conducted; the testing will validate performance and reliability before advancing to the full-scale build of the LMR system. GPD anticipates the switch-over in December 2026.

POLICE PATROL VEHICLES
In an effort to enhance law enforcement capabilities, a total of 42 police patrol vehicles are in order via Cars Plus, with an expected delivery date of July 2025. This procurement is funded through a combination of ARPA funds totaling *Two million, nine hundred thirty-one thousand, nine hundred twenty-three dollars* **($2,931,923)** and Highway grant funding of *Two hundred forty-nine thousand, eight hundred ninety-seven dollars* **($249,897)**, for a total investment of *Three million, one hundred eighty-one thousand, eight hundred twenty dollars* **($3,181,820)**. This acquisition will strengthen patrol operations and improve response times in the community.

EVIDENCE CONTROL SECTION (ECS) BUILDING

GPD secured Department of Interior funding of *Four million, Two-hundred eighty-eight thousand, six-hundred ninety dollars* **($4,288,690)** to build the Evidence Control Building. The contractor selected was Mega United Corp. – I have already signed off on the plans and returned them to the Department of Public Works (DPW) for final review and release to the contractor. The build will occur in Yigo, in a 10,685-square-foot single-story building with an anticipated completion date of September 2026.

TALOFOFO SUB-STATION

GPD applied and was awarded a *Six Million plus dollars* (**$6,000,000 Million+**), from Ghura for the build of the Talofofo Substation. The selected vendor is Surface Solutions for the design and construction phase. The Talofofo Substation is a 6,552 square-foot facility that will essentially cover the Eastern villages from Yona, Ipan, Inarajan, Talofofo, and Merizo (Eastern side only). The design will be completed by July 2025; once construction begins, the anticipated completion date is June 2026.

PEACE OFFICERS MEMORIAL

The Peace Officers Memorial is a very meaningful project for the Guam Police Department, and with *Five Hundred Thousand dollars* **($500,000)** allocated from the FY2024 General Fund. Guma Architects' was selected to design the memorial, with BME and Sons awarded the contract in April 2025. The anticipated finish date of the memorial is December 2025

DNA LAB STATUS UP-DATE & ACCREDITATION

The DNA Lab has shown great progress. From the Heating, Ventilation, and Air Conditioning (HVAC) installation nearly complete and the on-going validation on the instruments this will ensure an operational and fully functional lab by the anticipated July 2025 occupancy. In addition to equipment functioning, GPD continues to work on building capacity to conduct DNA analysis.

It is important to note that GPD also plans to obtain DNA accreditation. Although we are still a few years away, the lab has already adapted to the FBI guidelines and International Standard Operating (ISO 10725) that will set the foundation of keeping rigorous standards that will streamline the accreditation process when the time occurs.

FORENSIC SCIENCE ACCREDITATION

Currently, the GPD's Forensic Science Bureau (FSB) received accreditation for key services – Firearms, Latent Print, and Drug Chemistry – extending through 2027. The accreditation mandates that GPD's FSB continue compliance and quality assurance for the key services approved. In preparation for continued accreditation beyond 2027, FSB is currently planning for the renewal visit in CY2026.

HVAC SYSTEM

The Forensic Science Division requires Two million dollars ($2 million) in capital funding to replace the defunct HVAC system and failing exhaust infrastructure at the Forensic Science Division laboratory. Environmental control systems are critical to meeting both forensic accreditation requirements and OSHA safety standards. These systems regulate temperature, humidity, and air quality—factors that directly impact the stability of chemicals, the functionality of equipment, and the integrity of forensic evidence. Currently, the Division relies on temporary solutions that are not sustainable and leave the laboratory vulnerable to noncompliance and operational disruption.

Replacing the HVAC and exhaust systems is essential not only to maintain current accreditation but also to ensure readiness for evolving standards and continued safe, high-quality forensic work.

SCHOOL RESOURCE OFFICERS (SRO's)

The School Resource Officers (SRO's) Program implemented through the Guam Police Department effective FY2025 purpose extends beyond traditional law enforcement duties in community policing. The presence of law enforcement officers (from this point on referred to as SRO's) in the school promotes and increases school safety, assists in building trust with students and school employees, can provide education and guidance, and quick response for crisis intervention and preparedness.

GPD hopes to build a well-implemented SRO program that will continue to address gaps between law enforcement and education, promote community involvement, and develop a more proactive crime prevention for all involved. In order for the SRO Program to continue successfully, GPD will need *One million, five-hundred thousand dollars **($1,500,000)***. This funding will support seven (7) law enforcement officers and one (1) administrative staff (an Administrative Assistant), training, DARE, and other educational materials and equipment needs.

MAULEG

The MAULEG Task Force, as established by PL 37-134, is for an interagency collaboration with Guam law enforcement entities from the supervision level and detection for the disruption of narcotic and illicit drug activities and public awareness that will be led by GPD's Special Investigations Section (GPD SIS).

The MAULEG Initiative will cost an estimated *Nine hundred twenty-two thousand twenty-eight dollars **($922,028)** and will support the following: Salaries/Benefits, contractual services, supplies, equipment, and vice funds.*

MOBILE COMMAND POST

During the April 2025 Active Shooter incident in Talofofo, the Guam Police Department attempted to deploy a Command Post but was informed that it was no longer operational. As a result, officers and civilians were forced to use a concrete bus stop and a 20x20 canopy as their command post – an open-air setup that left them fully exposed to both the elements and the active threat.

After the active shooter incident, GPD conducted a Hot Wash to go over the event, and the consistent concern was the lack of a centralized decision-making center to analyze real-time information, issue directives, and oversee tactical execution.

A mobile command post is critical to the coordinating of operations, managing resources, and ensuring effective communication during emergencies. The Active Shooter incident in Talofofo in April 2025 underscores the importance of the needed Command Post. The estimated costs for the Command Post is around *Five Hundred thousand+ **($500,000+)**.*

GAS CHROMATOGRAPHY WITH FLAME IONIZATION DETECTION (GC-FID) – to meet Public Law 37-113

Guam Public Law 37-113 stiffens penalties for methamphetamine and fentanyl trafficking and manufacturing. The law mandates sentencing based on the quantity of drugs involved and harsher penalties for repeat offenders. In order to provide the required data, a Gas Chromatography with flame ionization detection (GC-FID) machine, calibrated glassware, yearly calibration of equipment,

standards to be concurrently processed for each drug processed, training of personnel, and yearly calibration to ensure accreditation standards are met. The estimated costs of *Three hundred fifty thousand plus ($350,000+).*

HEADQUARTERS & COLLATERAL EQUIPMENT

A GPD Headquarters will serve as a central hub that will improve efficiency and ensure officers and the community can access essential services without unnecessary travel between multiple locations. Streamlining operations in a centralized area will allow officers to focus on proactive policing rather than logistics. Community engagement is critical to GPD's Community Oriented Policing strategies. A visible and accessible location for public interactions will foster a stronger connection with the community.

GPD has been informed that there have been on-going conversations with a contractor that is interested in building a modern day 80,000 to 90,000 square feet Police Headquarters. In fact, the offer has been submitted to Adelup, however the Administration's acceptance of this offer is contingent upon the approval of the Guam Legislature. We request your support of this venture.

YIGO SUB-STATION

The Yigo Sub-Station project has been discussed over the last 3 years, and we are closer to getting this project started. In order to strengthen the application for funding, GPD needs property. I am glad to announce that the property needed for the Yigo Sub-Station is currently being addressed in Bill 51-38 through Senator Shawn Gumataotao; the solidification of land will increase GPD's chance of receiving grant money.

In anticipation of obtaining the property, GPD submitted the GHURA Community Development Block Grant (CDBG) application for an 8,000 square feet building at an estimated cost of **$6.2M - $7.2M.** The expected notice of approval or disapproval of this grant is December 2026.

Other funding opportunities to explore are the Community Project Funding (CPF) or the Defense Community Infrastructure Project (DCIP).

LOGISTICAL NEEDS – Evidential Control Building & Talofofo Sub-Station

Logistical needs for the Evidential Control Building & Talofofo Sub-Station encompass: basic supplies/equipment and capital outlay. Supplies, equipment, and capital outlay listed but not limited to: computers, UPS, Printer/Scanner; Administrative desks and chairs; conference tables and chairs; interview tables and chairs; lockers and benches; washer/dryer/stove; storage cabinets; file cabinets; generator/maintenance, heavy-duty shelving, forklift, etc. An estimated cost of *one million, three hundred thirty-nine thousand, and ninety-four* dollars **($1,339,094).**

COMPUTERS

GPD has been informed that all computers need Windows 11 because, effective January 1, 2026, there will no longer be providing updates for systems (i.e., anti-virus, security patches, etc.) with aging Windows software. GPD's IT section projects the replacement of 100 computers in the Department with an estimated cost between **$150,000 and $200,000** (for monitors, computer towers, software, UPS)

TOW TRUCK
The current tow truck is 20+ years old, with a host of mechanically challenged issues, and needs to be replaced as soon as possible. The estimated costs of *Three hundred thousand plus* **($300+k).**

PUBLIC SAFETY COMMUNICATION CENTER (PSCC)
The Public Safety Communications Center (PSCC) is a crucial investment for enhancing public safety communications. PSCC will serve as a centralized hub for vital emergency response functions that includes GPD Dispatch, a Command Post for Natural Disasters, equipment storage, and GFD's 911 call center.

To date, the groundwork for the PSCC is ongoing.

- Securing Property – GPD is currently working with Chamorro Land Trust to explore the feasibility of property near the water tank at Barrigada Heights;
- Funding – An initial letter of interest has been submitted through GHURA Community Development Block Program (CDBP), with 10,000 square feet and an estimated cost between **$6Million to $8Million dollars.**
- Alternative funding to consider at this time would be the use of the Police Services Fund, the 911 Flame Funds, and/or any other funding available.

It is important to note that currently, GPD's Tactical Communication Center and GFD's 911 Center are paying lease/rental of office space and with the build of the PSCC, lease/rental monies can now address other important infrastructure needs.

GPD is requesting for the following considerations to be included in the FY2026 Budget:

CARRYOVER AUTHORIZATION
In the event there are remaining funds from FY2025, I am requesting for authorization to carry over into FY2026 for GPD use in any classification – supplies, materials, equipment, capital outlay, miscellaneous.

PEACE OFFICER MEMORIAL FUNDING – COLLATERAL EQUIPMENT
At this time, we will not be exhausting the authorized $500,000 thousand dollars, therefore we are requesting the balance be used towards the collateral equipment needed for the peace officer memorial, such as canopies, chairs, tables, etc.

AUTHORIZATION OF PETTY CASH
Petty cash is authorized by the Government of Guam with limits. However, I am requesting to provide GPD authorization to use petty cash as "buy money" and for use during emergency or crisis situations (i.e. active shooter, natural disasters, etc.). The Department needs to provide a means for buy monies during investigations,

During the Active Shooter event in Talofofo, we were fortunate enough to receive donations (i.e., water and food) from Governor Leon Guerrero, Lt. Governor Tenorio, Inarajan Mayor, and the Mayor's Council of Guam. The donation of food and water was critical in ensuring that the officers were hydrated because dehydration can impair the physical and mental performance, which is essential to survival.

Relying on donations in emergency situations is unpredictable, so formalizing a reliable financial protocol through the authorized use of petty cash would ensure sustainability and preparedness. GPD is requesting for petty cash minimum of Five thousand dollars ($5,000) per request.

In conclusion, as we move forward into our FY 2026 Budget Submission, the Guam Police Department is requesting a total of Sixty-four million, nine hundred twenty-three thousand, two hundred eighty-three dollars (**$64,923,283**); *PLUS Five million, two hundred seventy-two thousand, twenty-eight dollars* ***($5,272,028)*** that would include the support of the HVAC System replacement, School Resource Officer (SRO) program, MAULEG program, Mobile Command Post purchase, and the Gas Chromatography with Flame Ionization Detection (GC-FID) purchase.

We are confident that this will sustain and enhance our current efforts to improve police services. This funding request covers the General Fund, Special Fund, and Federal Fund Match and is critical for meeting personnel costs, including the recruitment of up to 20 Police Officer Trainees. It also supports the ongoing initiatives across all four bureaus within the Department, provides for CVPR stipends, purchases parts and supplies, and funds other contractual services.

Looking ahead, it is my goal to meet the Guam Police Departments goals and objectives by strengthening our workforce with both sworn and non-sworn personnel, and enhancing the Civilian Volunteer Police Reserve Program as this is a key step in building a safer community. Expanding the current vehicle fleet and improving our fixed assets will support officers to support officers in carrying out their duties more effectively. Elevating conditions and standards throughout the entire Department, while adhering to the set expenditure limits of our budget proposal shows strategic planning and commitment to responsible governance.

The Guam Police Department is committed to fulfilling the Governor's Safe Streets Initiative, improving the efficient and prudent management of our funds, and collaborating with our community partners, federal counterparts, and municipal and island leaders. This includes pursuing opportunities for project adoption, sponsorship, and additional funding.

We are also committed to working with this committee and the entire 38th Guam Legislature to help the Guam Police Department achieve its objectives for a safer community.

Si Yu'os Ma'ase. Thank you for the opportunity to present testimony on our budget proposal. At this point I am ready to respond to any questions you may have.

Respectfully submitted,

STEPHEN C. IGNACIO
Chief of Police

SCI:FMCjr/scr

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Christopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Friday, June 13, 2025** at **9:00 AM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Friday, June 06, 2025** (5-Day Notice), and again on **Tuesday, June 10, 2025** (48-Hour Notice).

SENATORS PRESENT
Honorable Senator Christopher M. Dueñas, Chairman
Honorable Senator Telo T. Taitague
Honorable Senator Eulogio Shawn Gumataotao
Honorable Senator Therese M. Terlaje
Honorable Senator Chris Barnett

ORAL TESTIMONY:

WRITTEN TESTIMONY:
Stephen C. Ignacio, Chief of Police, Guam Police Department

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **[9:02 a.m.]**

[Questions and Discussion] **[***Begins at 00:51:37 and ends at 02:39:00*]

Chairman Christopher M. Duenas: *Mañana Si Yu'os* Todu Hamyo' Welcome to your Guam Congress Building. The Committee on Finance and Government Operations is now called to order and the time is 09:02. First notice of this public hearing was disseminate to all senators and media outlets on June 6th, 2025, with its second notice disseminated on June 10th, 2025.

The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's. Public notice portal. The committee will now hear a bill number 44 -38 (COR), introduced by the **COMMITTEE ON RULES BY REQUEST OF *I MAGA'HÅGAN GUÅHAN*, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL**

YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Today we are hearing the budget request for the Guam Police Department, our men and women in blue, and looking sharp today. And also thank you Chief for gracing us this morning with the presence of a very good looking class of recruits who are at attention now in the outer hearing room.

I even saw a couple of members of Department of Corrections that were joining their men and women in blue in terms of the police cycle current. So, very exciting and very exciting for them to get, you know, exposure to this process as they become police officers and advocating for what all that you do to keep our island safe.

So, thank you Chief for and team for bringing the recruits down. Joining me for this public hearing of course, is our chairman Senator Sean Gumataotao for public safety, and also Senator Telo Taitague is joining us this morning. Thank you, Senator for joining those testifying on Bill 44-38 (COR) relative to the Guam Police Department.

Please take a seat, which you have done. Before we begin, I'd like to remind everyone in attendance of the *I Liheslaturån Guåhan,* General Rules of Conduct, individuals testifying shall first be recognized by the chairperson before speaking, and shall state their full name for record keeping purposes. Questions and testimony shall be confined to the substance and nature of the bill that's on the agenda. Personal inferences to the character or motive of any senator or individual testifying are not permitted. The chairperson of the committee may order the removal from the hearing of any member of the *I Liheslaturån Guåhan*, or the public audience who fails to observe property decorum. Pursuant to the 38th Guam legislature, standing Rules, any violation of this general rule of conduct will result in immediate removal from this public hearing room at this time, as is customary, I'd like to ask the members of the team with GPD that will be testifying on this budget proposal to please rise and be sworn in from our sergeant in arms. Thank you very much.

Edward Pocaigue, Sergeant at Arms: Please raise your right hand under penalty of perjury. Do you affirm that any and all information you provide today, whether it be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth? Mr. Chair, under oath, you may proceed.

Chairman Christopher M. Duenas: Thank you, Sarge. Appreciate it. With that, we'll now proceed to your testimony on Bill 44-38 relative to GPD. And so, panel please state your name for the record and speak clearly into the mic. As you make your presentation. Chief, I will start with you and I will allow you the deference to peg the order of your support staff, command staff as you see fit to testify on the budget this morning. So Chief Ignacio please proceed and then I'll turn it over to you to manage the panel.

Stephen C. Ignacio, Chief, Guam Police Department: Thank you, Senator Duenas *Hafa Adai* and good morning. Before I begin, I would like to introduce myself. I am Stevens Ignacio, the Chief of Police of the Guam Police Department. Joining me today at the table to provide testimony and answer questions is to my far left to major Andrew Quitugua, who oversees the operations bureau and that generally oversees our SOD Special Operations. I'm sorry, Fred Chargualaf Andrew's over there. Sorry. Fred Chargualaf oversees now investigations Bureau and Forensic Science Bureau. He's in charge of the criminal investigation division, the detectives juvenile section, and the crime lab folks and personnel. To my immediate left is Ms. Nellie Asanoma, and she's my administrative services officer. To my immediate right is Colonel Joseph Carbullido, the police commander, and to my far right, and I'm gonna get this right this time, Major Andrew Quitugua, he oversees operations bureau, that's the Special Operations Division, highway Patrol, and all of the police precincts.

[PLEASE SEE ATTACHED TESTIMONY]

Chairman Christopher M. Duenas: Chief Ignacio for that very comprehensive report of accomplishments, particularly in areas where things were to be stood up. And it looks like a lot of progress has been made throughout this fiscal year so far. So I want to congratulate you and your team for that very *Mauleg* report.

Before I go to the chairman for his questions I wanted to give you that opportunity that you requested to give some updates on *Mauleg*. But before I do that I want to juxtapose exactly what the public law did and show why I think many of us believe this is continues to be important. When you take page six of your presentation chief, it is obvious that regardless and with the wonderful young men and women out there getting ready to become police officers, as well as a couple correction officers, I. And the anticipated cycle coming up in June, the trend that you have is you continue to lose the equal amount or more sometimes officers than what you're gaining.

And I think many of the men and women in blue join myself and many other senators and the governor of course, by, you know, being committed to a minimum manpower requirement for the men and women in blue at the level of minimum of 70% as now prescribed by law. I think that's the least our community can expect.

But of course, you know, you're doing everything within your power to get there. So right now, as I look at your 2025 situation in terms of your current manpower, you are by law 106 officers short of your 70% by law mandated police force. So clearly you are gonna be in a situation whereby *Mauleg* has been triggered for some time. And so with your request and funding and also with your discussion that I had with you a couple of times on the the current situation with *Mauleg* and the work that you've done standing it up even without a funding source at this point I'd like you to go ahead and give us a report on that Chief please.

Stephen C. Ignacio, Chief, Guam Police Department: Yes, sir. Thank you very much for that. So, the *Mauleg* group, if you will it's not a task force or a commission or a board has met a minimum of three times already. One was the first initial meeting, which was required by law within the first 30 days upon enactment. So we've had that initial meeting then we've had follow up meetings, and then at that point I've turned it over to the Investigations Bureau, criminal Investigation Division, because *Mauleg* will be folded into the special investigation section or what's known as the narcotics unit. Through those meetings, we've identified because GPD does not have office space to accommodate the *Mauleg* group, if you will with the addition of the six outside agencies and the current six that we have, we're looking at 12 people. There's no office space that can accommodate *Mauleg*. So, the park police participation through the, their director, deputy director and chief

Joey from Park Police they've identified an office space. We've visited it and the office space will work to host *Mauleg*. It's gonna be over at the *Paseo.* There's the DPR offices in *Paseo*. They've, they have an a vacant office space that they've carved out for use from. So in those discussions we've gone through it and we're looking at what the infrastructure needs are for technology, of course. How are, we're gonna get computer lines in there. We're looking at where we're gonna get the computers because we do electronic report writing, and then I already have a draft MOU on my desk that I'll be reviewing. It'll be a single MOU entered by in between the Police Department and the different members of the *Mauleg* task force, if you will.

So, we're moving along. Next thing, of course, is once I get the names of the officers that are coming in from the other agencies because they have to be, they will be sworn in and deputized. As a Guam Police Department officer I have to meet the requirements of a GPD officer. I have to make sure that they have a background check, a polygraph and a psych eval. If they already have one through their agency, then we can adopt that. But not every agency, to my understanding follows the same standards as the Guam Police Department. So I need to make sure that they can perform, function and operate as a Guam Police Department officer. Since they'll be deputized under this law as a GPD officer, I also have to make sure that they receive in-service training, understand and our use of force standards and how and when is it's used and applied.

Chairman Christopher M. Duenas: Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: So that's where we're, that we're confident that we're gonna be moving along. And we will be getting that thing up and running, hopefully within the next three to four months.

Chairman Christopher M. Duenas: Chief, I think that was an excellent decision to put it under CID and I just wanted to make sure too, that we allay any fears as the discussion on this bill before it became public law, that this would drain resources. Your initial standup, if *Mauleg* is designed around getting the different disciplines together, getting them deputized, and then having a cohesive ability to interoperate. Is that correct?

Stephen C. Ignacio, Chief, Guam Police Department: Yes, sir. That is absolutely correct.

Chairman Christopher M. Duenas: And the final piece I'm happy to report that the oversight chair, Senator GoTo, myself, as well as members of my staff have been meeting with some of the command staff on the discussion of rebooting the application for Haida. And you know, chief, I've asked you if you would please, I know that you have some obligations I'm going stateside soon for some trainings and some meetings. I've asked you to stop by in Hawaii To restart and reboot those discussions as we see that there will be a funding source for *Mauleg*

But a lot of your equipment requests, I think if we're successful in another application process working maybe with Hawaii initially and then going forward on our own, is to get equipment and supplies to be able to stand that up. And I think that now that *Mauleg* is in place and you're gonna be imp paneling your different disciplines. I think you may have a strong case now to once again reapply for Haida. Are you concur with that?

Stephen C. Ignacio, Chief, Guam Police Department: Yes, sir. Thank you very much for the question regarding Haida. So, recently maybe about three or four months ago, I had actually paid for my way to Sipan. We had conducted training and I; I took the opportunity to go present their certificates of completion. And I also had I had an opportunity to do a meet and greet with the, both the governor of CNMI and the Attorney General of the CNMI, Mr. Edward Manibusan. I think one of the things that had been brought up to my attention in previous applications for Haida is that there might be a bigger support from Hawaii Haida if we had come in, maybe as a one Mariana approach incorporating and folding in the CNMI into our application. I had that discussion, direct discussion with General Manibusan. And he is absolutely open to this idea of using the Marianas approach to Haida application. As a matter of fact, he had shared with my staff already their Haida application as well. We've also reached out and did some research on what is it that was missing in prior Haida applications.

We've met with prior Attorney General Attorneys General, who have submitted previous Guam Haida applications. We have all those applications with us, with my

staff. And so we're trying to fold all of the things that work in those applications and try and find out what are missing that we can fold in and include into our next Hida application so that we have a higher percentage chance or a better chance of getting approved this time. To your point I've not left off island yet this year but I do have an upcoming trip in July. My intention is to do a delay in route in Hawaii and see if I can you know, I'm sure that I can schedule a meeting with the Haida organization specifically the director so that we can sit down and have a real good, honest conversation on maybe what we're missing, maybe what it takes to get a more successful application into and fall under the umbrella of the Hawaii Ida organization.

Chairman Christopher M. Dueñas: Okay, but the plans are in place. Chief, I really appreciate that. And that regional approach seems very wise. As we know our brothers and sisters within the CNMI have the same difficulty we have with regard to opioids, methamphetamine, and of course, I'm sure they've experienced that fentanyl probably by now.

So we're all facing the same battle, and I think that's really sensible. I think you'll also bring the extra weight of, you know, a congressman there joining our congressional office advocating. And so I think that putting those pieces together may bode very well. And thank you for taking that opportunity to explore options too and working with Hawaii.

And so I appreciate that Chief final question on this on your current designation with regard to your officers that are dedicated on the federal side by request or with the inter operational between the Fed on any type of task forces has there been communications now that you know, with *Mauleg*, there will be a kind of a seamless opportunity for communications back and forth as GPD does? Dedicates its men and women in blue also to the Fed side whenever activations required?

Stephen C. Ignacio, Chief, Guam Police Department: Sure. So, even currently our special investigation section. Kind of actually pretty much helps to supplement federal investigations. So when there's an operation we use some of our special investigation sections officers to assist with federal investigations in addition to the task force officers that are already there.

So there's a lot of synergistics approaches to drug investigations in Guam. Whether it's a federal or local case we involve them and they involve us as well. Yeah, so there's a lot of inter-agency and you know, working across different groups to get, you know, drug investigations investigated and undone.

Chairman Christopher M. Dueñas: One final thing on this chief I had a chance to be re by request. I had a meeting with a couple folks on the federal side. One thing they mentioned was they're excited about mli and one thing they mentioned, and I wanted to find out internally to you, or even with the Fusion Center, one thing they said was that in order to really share critical intelligence, we would need those within the within the staff that are, that have security clearances. Are you are you, do you have any in your command staff that have security clearance or would that be worked through fusion Center?

Stephen C. Ignacio, Chief, Guam Police Department: Generally that's through the Fusion Center. I don't currently have a, an officer at the Fusion Center. I have put out letters of interest again. You know, it's the Fusion Center is one of those places where you just don't pull anybody and put 'em up there. One of the things that's required is getting a federal security clearance. And so, you know, finding that right candidate can be difficult at times. But yeah. So, among my staff though among the police officers, generally the ones that have clearances are those in the military.

Chairman Christopher M. Dueñas: Yeah. Thank you chief for that update. And like I said of course we remain critical below the 70% level minimum manpower requirement, but I know you guys are doing everything that you can see you guys out there every day on the streets day and night. And once again, our recruits we need you. So make sure you get through this class. Turn it over to our oversight chair, Senator Sean Gumataotao. Please proceed with your line of questioning. Thank you.

Senator Eulogio Shawn Gumataotao: Thank you, Mr. Chair. And before I begin chief, I just wanted to tell those young men and women that are outside, thank you for your service in advance.

I think that when you're looking inside this room, and I know that you look up to them, but one day you'll be the men and women that'll be inside this room to support not only the operations of the Guam Police Department, but quite frankly, your job is to help and support the people of Guam. So, again kudos to you and keep up the good work on behalf of all the people of Guam. Chief again, thank you to all of the GPD personnel that are inside here, your command staff. Thank you for all the work in the lead up. To the, this budget hearing, and I appreciate the effort and our engagement since I got sworn in. So I want to just tell you personally, thank you so much. Just want to, I have a mess of questions, but I'll try to keep it brief today. If I can start with your allotment reserves. What programs, equipment and or supplies and uniform personnel are impacted by BBM R'S reservation of $8,371,322 of GFD's FY 2025 appropriations across the general fund police services fund, TAF and police patrol vehicle and equipment revolving fund as of March 31st, 2025?

Stephen C. Ignacio, Chief, Guam Police Department: So, Senator I believe that we've already made requests and gotten approval from BBMR and those reserves have been released because our personnel cost with the 25.59% has really increased from last fiscal year to this fiscal year. So, our reserves have been released and we're actually at a minimum, including the initial reserve, maybe just a half a million dollars is what we're tracking in in surplus. Yeah, that's based on my conversation with my administrative services officer.

Senator Eulogio Shawn Gumataotao: Alright. Thank you, Chief. What portion of the GPD FY2024 General Fund appropriations was carried into 2025 And what expenses were covered by this funding source?

Nellie Asanoma, ASO, GPD: Hi, my name is Nellie Asanoma, GPD ASO. So, right now FY24 we're working with BBMR to see what is the actual available because of the transition of from the old system to the new system. So there are outstanding obligations that we're still trying to clear, and once that's clear, we will be able to know the lapse for FY24 that will roll over to 25.

Senator Eulogio Shawn Gumataotao: Alright, thank you so much for being so candid. I think that's one of the issues that I've seen since I've got in the transition from old to new means, old problems that still kind of linger and when you need

resources the most, that delay is really costing all of you. And so thank you for sharing today. In regards to patrol vehicles chief, there are 17 marked vehicles assigned to Central Precinct Command. One marked vehicle assigned to SWAT at least 11 vehicles presumed to be marked vehicles assigned to Deto Precinct. Eight marked vehicles assigned to the Tumon. So, Tamuning Tumon police station, and no vehicles were identified for the Agat precinct command, recognizing that GPD'S capital outlay budget request for FY2026 is zero. What is the average age of the estimated 37 marked vehicles that make up GPD'S fleet and how many marked vehicles have or will be procured in FY26 using local and or federal funds?

Stephen C. Ignacio, Chief, Guam Police Department: So, our average age for our patrol cars is probably about three years old, and that's the Dodge Chargers that we procured in 2019. And I believe they were delivered in 2020. The Dodge Chargers?

Nellie Asanoma, ASO, GPD: Yes, sir.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah, so they were delivered in 2020, so they're about three to five years old. At the same time that we got because of the pandemic, we got delivered during the Covid time. We also got an additional 10 Mitsubishi Outlanders. So those 27 cars, 27 Dodge Chargers, and the 10 Mitsubishi Outlanders were part of the fleet that we're using now. So they're about five years old considering we, they were delivered in 2020. Where are we at? As I reported earlier this is the biggest procurement to date that I know of in, in my six and a half years of being chief. We are getting a minimum 42 patrol cars. And I believe an additional five. Yeah, so about 47 patrol cars are being added to our fleet. You know, when you order 47 patrol cars, it's not gonna come in three months. And so, we've been working and communicating with cars plus the vendor that was awarded. And we're looking at probably about July, August timeframe for some of the shipment to start trickling in. I anticipate maybe by September. Hey, Jenny, September. Yeah. We anticipate, hopefully by September we will receive the full allot allotment of the four 40 plus cars. And so the last five we're working again closely with GSA because the last five the patrol car is an IDIQ.

So whenever we identify funds, we're able to, you know, just tap into the IDIQ and that's how we're able to add the five cars for the SRO. We're also waiting for four

other cars on two other IDIQs. One is for the Dodge sprinter van, or the Dodge Van and two other Ford trucks that are on the IDIQ with Triple J. Again, that was through a federal grant. We were approved for a reprogramming request to get four cars. And that's strictly for the crime lab. That's for the a property control office and the crime scene van. So we're very excited for these cars once DOA approves the I Dqs that we submitted. So we're getting more than just patrol cars when we talk about vehicles earlier this year. You know, sometimes you just make do with what you have. We, if you ever drove by GSA, you see all those federal fleet vehicles that, you know have been put out. I procured 10 of those vehicles that were down there. Everything from Chevy trucks, mini trucks or mid-size trucks. There was one van and I think a couple cars, a couple of sedans. So, we had, you know, we added 10 used cars to the fleet. But, you know, they support the mission either way, you know.

Senator Eulogio Shawn Gumataotao: Speaking of IDIQs or the simplified acquisition, it makes a lot of sense that obviously in police vehicles, that you're using that contract vehicle, if you will, to make those types of purchases. But don't forget, there's other parts of your operations that could also perhaps be used like computers, like, any other of the equipment that you're men and women will be using in the field. Some, I'm hoping that those are not overlooked in terms of the use of the simplified acquisition process.

Stephen C. Ignacio, Chief, Guam Police Department: Yes, sir.

Senator Eulogio Shawn Gumataotao: Alright. Thank you Chief. Lemme move on now if I can, Mr. Chair. Sure. On office rental, are there any other offices out, I guess, outside of your headquarters that are covered on that allocation of $1 million for office-based rental? And to what extent is GPD and the office of the governor considered pursuing a loan to purchase or construct a, I know you mentioned it in your presentation, but for the office of the governor and you to purchase and construct a government owned headquarters and applying the annual rent towards that type of debt service, right.

Stephen C. Ignacio, Chief, Guam Police Department: So currently our rentals include, of course, Hakaboten ITC my current headquarters at Tiyan, which is leased from the Guam Airport Authority and the evidence control section building in Belo

and the, what we call the barn or the special operations warehouse. And that's because we chose the warehouse because of our assets specifically the boats they all fit, you know, in inside the barn. So they're protected from the elements and also came in very handy during Typhoon Mawar. We're able to secure a lot of assets into that 10,000 plus square foot warehouse and we came out on top, right.

Senator Eulogio Shawn Gumataotao: And I guess for me, when I think about personally as a policymaker I know there might be people up here that might agree that. Anytime someone comes to the office of the governor and says, I would like to build a building for you. That's great and thank you very much for that offer. But I think I don't, I personally disagree. I think there's a process that we need to protect not only the integrity of the Guam Police Department, I think we should take the information, Appreciate you, but this really should be competitively bid. I'm just gonna say that for the record. I know my, some of my colleagues when you said it, I saw their faces kind of change a bit.

Stephen C. Ignacio, Chief, Guam Police Department: Understood. Again, this was unsolicited by the Guam Police Department.

Senator Eulogio Shawn Gumataotao: No, I know.

Stephen C. Ignacio, Chief, Guam Police Department: I'm not putting it on. We don't go ask people out there. Hey, can you boom me headquarters? We don't do that.

Senator Eulogio Shawn Gumataotao: No. I mean, no I agree. That's why I'm saying it, it is not you. So I'm just wanted to say that for the record, Chief. Let me go to your audio visual recording equipment, your security cameras. And what's the status? The 200,000 that was appropriated at GPD in May of 2022 through public law, 35-22, which the legislature then in 2024 through public law, 37-65, extended to GPD'S audio visual equipment.

Stephen C. Ignacio, Chief, Guam Police Department: Wow.

Senator Eulogio Shawn Gumataotao: Why don't you start with, wow. I mean, you can start with any other type of explanation.

Stephen C. Ignacio, Chief, Guam Police Department: Senator, the reason why I say wow is this, I've had that $200,000 since 2022. I have, I've had an easier time spending $54 million than trying to spend 200,000. I kid you not, we have put..

Senator Eulogio Shawn Gumataotao: That's fair.

Stephen C. Ignacio, Chief, Guam Police Department: That money out and that account and that thing out bid at least two or three times. The first time we put it out, no bidders. I think even the second time we've gone everywhere from trying to put up surveillance cameras at intersections to maybe surveillance cameras at public parks and beaches. And now we've kind of shifted to surveillance cameras or monitors surveillance monitors for the police precinct. Thankfully, I can't report that there, there was, at least to my knowledge, one vendor who actually came out and visited, did site visits so that they can build a quote for that specific project. 'Cause there was some confusion. I actually got some calls from some senators and says, Hey what's this? I heard you're putting in cameras. I was like wait, hold on. So we did clarify. There was a vendor that is interested in the request for proposals or the quotes or the IFB. And so they went out and did site visits to kind of build a quote and they visited all the precincts so that they can we, and that's the money that we're trying to eye for that project.

Senator Eulogio Shawn Gumataotao: Right. And I, going back to my earlier comment about the simplified acquisition, or, I mean, I know that the GSA is probably a very expensive prospect. But they do have vendors that could perhaps under the that they might be able to help. I know we always kind of look at that, but we have other tools. We should try to use them if we could. Chief, I, that's just my, my, my 2 cents on this one. But I asked the question and thank you for the response.

Stephen C. Ignacio, Chief, Guam Police Department: Yes, sir.

Senator Eulogio Shawn Gumataotao: Okay, thank you. I just have one more que or a couple more questions. Prior, prior year obligations, what assistance, if any, has

been offered by the office of the governor to settle your $989,859 and 57 cents in prior year obligations, which includes a principal amount of 329,000 and some change and interest in the amount.And from, this is going back to 2024. Any can you offer up any insight from our friends at Adelup Loop?

Stephen C. Ignacio, Chief, Guam Police Department: Sure. The prior obligations if we're talking about the same obligation, probably a hundred percent of that is the military. So I've tried to resolve that issue but I just can't get it done. And the reason why is this, I don't know who those obligations are for IE is it for Fred Chargualaf or Andrew Quitugua or whoever in the military that, that was deployed or we had an obligation to pay the retirement, their contribution to retirement? We've asked and approached retirement fund. Can you tell me who we owe so that we can give you the money for that specific officer's account?

And we don't know, we just have a ballpark estimate on what the obligations are. But the only time I can pay out those prior obligations is when an officer says, Hey, I'm gonna retire and he pays a visit to retirement fund. And that's when retirement fund is triggered to send me pretty much an invoice or a statement saying, Hey, you owe Officer Cruz X amount of dollars for his retirement contributions. They, I can't get a list from them. We've asked. So if I could get a list, I could probably say, Hey, I can pay you off at one time. And I like to do that because it's my understanding that we accrue interest daily. Yes. Yeah. We accrue interest daily and that's probably why the interest is higher than the principal amount.

Senator Eulogio Shawn Gumataotao: Right. And again, I would encourage you to I mean, I can't stop guys from going to retirement fund, but we can definitely get the office of the governor to intervene.

Stephen C. Ignacio, Chief, Guam Police Department: So, so, every once in a while I'll send a letter to the speaker and say, Hey, look we paid out, I think, what was it, 20 some thousand was the biggest one we paid out this year 'cause an officer had gone down to retirement and he couldn't get his retirement calculations set. And projected because he had owed retirement. So the officer has to make that first step, go to retirement fund and say, Hey look, you know, I, I'm planning to retire, or I'd like to know where I stand in terms of my retirement.

And so they will tell him, well, you, I can't calculate what your retirement annuity is gonna be or whatever you're gonna get because you owe us first. And so we'll clear that, that account for that officer.

Senator Eulogio Shawn Gumataotao: Alright, thank you chief.

Stephen C. Ignacio, Chief, Guam Police Department: And then they get to move on.

Senator Eulogio Shawn Gumataotao: Yeah. And I, again, I would hope that those discussions will continue. Mr. Chair, just a couple of things if I could. I appreciate your effort. And I support trying to get the *Mauleg* Task Force set up and that I do appreciate the the the report today. And I'll stand with you, Mr. Chair. And I really do agree that we do need to get funding to that. Also, I'm hoping that we can prioritize Mr. Chair in the budget process. They killed in the line of duty benefit contribution from the Guam Police Department and actually in all public safety agencies. I know we're not looking for all of it, but we need to be able to make sure that if something does happen, God forbid, as you mentioned in this hearing room, we do not want to pay that. But I wanna make sure that we can begin the contributions from all of our public safety agencies in that Also Mr. Chair, I know that we, he the chief talked about it and trying to get the authorization for the $2 million in the HVAC for the crime lab. I think that at some point, that makes a lot of sense to do it today. I mean we're, if we're gonna try to stand up a task force, we need to be able to make sure that the investigations to support those, those types of actions are properly supported. And I think it's just as important as the people. And I know that you mentioned chief and I'll end with this, that you mentioned about the federal grants in your presentation, that it may face some financial uncertainty on grant availability.

But for the record, and I think as in my call out to all the public safety agencies, that law enforcement immigration enforcement and public safety activities across America have been exempt or being basically parsed out from this, which is good news. And we hope that there'll be more of an expansion as opposed to a contraction of support to all of our public safety and law enforcement agencies to include the

Guam Police Department. Chief, thank you for and all of the team for being here today. And that's all my questions. I have Mr. Chair.

Stephen C. Ignacio, Chief, Guam Police Department: Thank you, Senator.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase,* Chairman Gumataotao, and we certainly will work on the final analysis in the markup, and you'll be welcome to come in and be part of that process as we lead up to the August session to debate the budget. So, with that we go to the next senator who arrived in order first Senator Telo Taitague.

Senator Telo T. Taitague: Thank you, Mr. Chair. Good morning to my colleagues and com. Good morning to the Men in Women in Blue, thank you so much for your service. Greatly appreciate all that you do, and please extend that to your family too as well, because I know they can be your rock, you know, to hold you through tough times and put you in situations. So, I greatly appreciate it. You know, I was looking at FY 24 and the combination of what, what has happened from there to 25, where we are today. And I'm seeing that, you know, the, a big boost happened in FY24 to 25, or actually in 25 quite a bit of a difference. And you're looking at now an increase of $2.9 million for your budget this year of that $2.9 million, how much is it is expended on salaries?

Stephen C. Ignacio, Chief, Guam Police Department: So, a lot of the $2.9 million increase from last year to this year, and even going back to FY24, a lot of it is of course attributed to personnel costs because we did, of course get the 25.59% increase, right?

Senator Telo T. Taitague: That was in FY 24 to 25. I'm talking about now the increase into 26. Is it 2.9 million? How much of that is salaries because we've already made that, that jump. I'm not comparing 24 to..

Stephen C. Ignacio, Chief, Guam Police Department: We're gonna use that whole $2.9 million increase into our salaries because of the whole total budget. Everything has been already allocated for all the other object areas.

Senator Telo T. Taitague: Okay

Stephen C. Ignacio, Chief, Guam Police Department: Yeah. I, again, it goes back to that 25.59% increase. You know, it costs more to, to pay the officers, right.

Senator Telo T. Taitague: Understand. Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: And then, you know, it's personnel. I mean, overtime costs have gone up not necessarily, 'cause we're working more overtime, it just, it costs more to pay the officer overtime, Yeah.

Senator Telo T. Taitague: Okay. And then, because I'm showing in a well, when it goes to operations bureau, neighborhood patrol, that's the majority of bulk of all the salaries for the police officers. So I'm showing from that time it was 16 million point 3, and then in FY 2025 it was 16 million point 9. So there really wasn't that much of an increase there, but then we come into this one and now we're showing 23,000,006, which is $6.7 million in additional cost. So usually this increase would've happened in FY 25. I'm just wondering why is it only happening in FY 20 or your request in FY 26?

Stephen C. Ignacio, Chief, Guam Police Department: Yeah. So, I actually brought the FY 25 budget. And so what happened is we had gotten the initial budget, but then on the very last page for the appropriations, for the Guam Police Department it's showing $8.5 million in addition to what was appropriated in the line item for GPD, for the the FY25 budget. Yeah. So it wasn't included in our last year's budget in the the initial page for the FY25.

Senator Telo T. Taitague: So that increase was not included. Well, why not? Because we didn't have the crew the no.

Stephen C. Ignacio, Chief, Guam Police Department: So, what happened is we had already had a budget ceiling for FY 25, and then after the budget ceiling and after our submission to OFB, and when we came down to the legislature the increase was implemented.

So it on page 67 of GPD, for FY 25, we had gotten 49 million 583 6 0 2. But then if you move over to page 69, it says an additional 8.579 million. So that brought us from 49 up to about 58 million almost, yeah, I guess, $59 million. Yeah.

Senator Telo T. Taitague: Okay.

Stephen C. Ignacio, Chief, Guam Police Department: And so, with the increase in just paying regular salaries and with overtime our budget has gone up significantly because it costs more now to pay even a police officer training as I illustrated in our presentation.

Senator Telo T. Taitague: Okay. I thought that would be reflecting in FY 25.

Stephen C. Ignacio, Chief, Guam Police Department: It is, but because..

Senator Telo T. Taitague: It was already implemented..

Stephen C. Ignacio, Chief, Guam Police Department: But it wasn't in the initial page On page.

Senator Telo T. Taitague: So, you didn't have any back pay that is due to..

Stephen C. Ignacio, Chief, Guam Police Department: every, everybody..

Senator Telo T. Taitague: our officers?

Stephen C. Ignacio, Chief, Guam Police Department: No, everybody's paid.

Senator Telo T. Taitague: Okay.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah.

Senator Telo T. Taitague: The there is no back pay that's due to any officers right now everybody's up to date.

Stephen C. Ignacio, Chief, Guam Police Department: Yes.

Senator Telo T. Taitague: Okay. That's important. Okay.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah. The only thing I offer all officers is our overtime, but overtime always accrues every pay period.

Senator Telo T. Taitague: Okay. And that is up to date to the overtime?

Stephen C. Ignacio, Chief, Guam Police Department: We are about only two or three pay periods behind because there's a lot of administrative work involved in keying in and paying the officers on time, but we pay every week. So this week they would get their overtime payment for a pay period. Yeah.

Senator Telo T. Taitague: Okay. Wait, you just said that they're behind three pay periods?

Stephen C. Ignacio, Chief, Guam Police Department: Two. Two or three.

Senator Telo T. Taitague: Two period, Okay.

Stephen C. Ignacio, Chief, Guam Police Department: Two or two or three. Two or three period. We're about a month behind.

Senator Telo T. Taitague: Do you give them interest for being late?

Stephen C. Ignacio, Chief, Guam Police Department: No, we don't. No, I don't think so.

Senator Telo T. Taitague: They should charge interest. You know, it's something that's due to them actually. Right. So I hope I can you correct that chief to make sure that they get paid right away?

Stephen C. Ignacio, Chief, Guam Police Department: Yes. We're working, yeah, we are working on paying them overtime.

Senator Telo T. Taitague: Okay. And the, that is being corrected, right?

Stephen C. Ignacio, Chief, Guam Police Department: Yes.

Senator Telo T. Taitague: You know, when I, you told me about the situation on the mobile command post, you know, that and the importance of it. I totally agree. I mean, that could save lives, you know, especially to be able to have you know, response times and identification of location of the perpetrator. I mean, it's, it is kind of hard to run something like that under a bus shelter or a tent. I don't know how you did it, but I greatly appreciate you, you being, thinking outside the box and trying to find something to work. But how long ago was this command post, out of order?

Stephen C. Ignacio, Chief, Guam Police Department: The command post belongs to Homeland Security Civil Defense. So I don't know how long it's been down. We just always been, the government of Guam has always relied on that mobile command post. Yeah. I have no administrative control over it.

Senator Telo T. Taitague: Ah, I see. But this is the one that you use all the time though, right?

Stephen C. Ignacio, Chief, Guam Police Department: Right, right.

Senator Telo T. Taitague: During situations to, so, yeah I always say though, I mean, I'm you know,

Stephen C. Ignacio, Chief, Guam Police Department: I don't, so you don't.. It's, it is an old command post. It's been around a while.

Senator Telo T. Taitague: Who, so who does it belong to? GPD,

Stephen C. Ignacio, Chief, Guam Police Department: Civil Defense

Senator Telo T. Taitague: or Civil Defense?

Stephen C. Ignacio, Chief, Guam Police Department: No.

Senator Telo T. Taitague: Okay.

Stephen C. Ignacio, Chief, Guam Police Department: Civil defense then.

Senator Telo T. Taitague: You're asking for $500,000.

Stephen C. Ignacio, Chief, Guam Police Department: That's our ballpark figure. I anticipate it's gonna be..

Senator Telo T. Taitague: To repair it less?

Stephen C. Ignacio, Chief, Guam Police Department: No. To buy a new one that'll be owned and operated by the Guam Police Department.

Senator Telo T. Taitague: Ah, so there we go.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah. So we're trying to, you know, get one so that we have ownership of it, maintain it and we're actually probably the agency that uses that command post that the most..

Senator Telo T. Taitague: Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: We use it any, anywhere from the Liberation Day Carnival…

Senator Telo T. Taitague: Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: To the Jap Japan Festival.

Senator Telo T. Taitague: Right.

Stephen C. Ignacio, Chief, Guam Police Department: Any large scale events, Coco Road Race, United Marathon we're always needing a command post. And in

hostage situations and in critical incidents you know, the command post serves as that nerve center, our decision making and tactical response is coordinated from..

Senator Telo T. Taitague: So, the current one up at civil Defense, is there any anticipation of them fixing that command post?

Stephen C. Ignacio, Chief, Guam Police Department: I am not sure what the plans are. Yeah.

Senator Telo T. Taitague: Maybe you wanna talk to 'em. Ask him. Is it salable, you know, to actually buy it from them and bring it over?

Stephen C. Ignacio, Chief, Guam Police Department: And I wouldn't buy it. Yeah.

Senator Telo T. Taitague: Okay. It's that bad. Okay.

Stephen C. Ignacio, Chief, Guam Police Department: It's kind of a little bit too used already.

Senator Telo T. Taitague: Well, it's a very important piece of equipment.

Stephen C. Ignacio, Chief, Guam Police Department: I know when I last talked to HSA Aguigui General Aguigui they, they were, I think that issued a purchase order to get somebody to come in and try and get it up and running. How far along they've come? I'm not sure.

Senator Telo T. Taitague: Well, we've seen what Homeland Security and Civil Defense is up against right now, so I don't think we can anticipate any help there. You Okay. Talked about actually, how many police officers in FY20 and FY 25 when we started the fiscal year, and then how many do we have as of today? Exactly. I know you're saying that you're short 106 based on the 70%. Is that still

Stephen C. Ignacio, Chief, Guam Police Department: So, in FY 25, first fiscal year..

Senator Telo T. Taitague: October?

Stephen C. Ignacio, Chief, Guam Police Department: Yeah. We're currently at 273, but we've lost nine through separation and five to retirement.

Senator Telo T. Taitague: Okay. I have the documents in front of me here..

Stephen C. Ignacio, Chief, Guam Police Department: Page six.

Senator Telo T. Taitague: So, this is two to form as of today? Yeah. What we're looking at, because I'm only Okay. And as of today, we're looking at a total of 259.

Stephen C. Ignacio, Chief, Guam Police Department: No, 273. That's total.

Senator Telo T. Taitague: Yeah, but the separation, I'm of nine after,

Stephen C. Ignacio, Chief, Guam Police Department: Yeah, 259…

Senator Telo T. Taitague: 259.

Stephen C. Ignacio, Chief, Guam Police Department: Right.

Senator Telo T. Taitague: Okay. And then we're looking at, so the numbers of police officers have grown. We've seen an increase, you know, slight increase. And it's anticipated that we will bring more of those, the crews that are outside, you know, on board and that's an additional?

Stephen C. Ignacio, Chief, Guam Police Department: There's 15 of them outside. And another 16 coming in at the end of the month.

Senator Telo T. Taitague: Oh, okay.

Stephen C. Ignacio, Chief, Guam Police Department: I mean, we're so short that we're, you know, we're really trying to get them back to back cycles.

Senator Telo T. Taitague: So about 32?

Stephen C. Ignacio, Chief, Guam Police Department: Yeah. Right. So about 32.

Senator Telo T. Taitague: Does this reflect the request for salaries on your budget?

Stephen C. Ignacio, Chief, Guam Police Department: Yes. Those salaries include the 25.59% and at their current rate.

Senator Telo T. Taitague: And that's located under operational budget. Neighborhood patrol?

Stephen C. Ignacio, Chief, Guam Police Department: Yes.

Senator Telo T. Taitague: Okay. So these are included in your budget?

Stephen C. Ignacio, Chief, Guam Police Department: Yes.

Senator Telo T. Taitague: 32. Okay. When you talk about separation of these police officers, what are some of the reasons for separation? I mean, we all know what retirement is, but what about separation?

Stephen C. Ignacio, Chief, Guam Police Department: Still losing them to the..

Senator Telo T. Taitague: Federal side department..

Stephen C. Ignacio, Chief, Guam Police Department: Especially Department of Defense. When I talk Department of Defense, Naval Station security camp Security and Anderson Security.

Senator Telo T. Taitague: So we've increased the salaries for the police officers, which is well deserved. In fact, I should go up a little bit more, but are we in parallel with the federal side as far as why the police officers are leaving us to go to the feds?

Stephen C. Ignacio, Chief, Guam Police Department: Sure. Yes, we are. And I think in some cases if you're looking at maybe a GS five or six, if we're not competitive with at and at parody with then I think at a GS five, we probably exceed. I believe I've looked at it one once or twice. At a GS five in our POT we actually either comparable to or exceed the GS five, just the base salary, not including the other incentive pay that the federal government gives.

Senator Telo T. Taitague: That's a starting rate, right?

Stephen C. Ignacio, Chief, Guam Police Department: A starting rate. If you look at the base salary.

Senator Telo T. Taitague: So, the majority of nine that are leaving or separating are younger recruits.

Stephen C. Ignacio, Chief, Guam Police Department: Yes, of course. There's still the younger ones because there's a age cutoff to join either federal or department of Defense law enforcement. You know, the other thing that you we consider is and we've talked to some of our officers because of the shortage Sarah we have been on 12 hour shifts since 2015, 10 years. Police officers have had to work 12 hour shifts. Most people, you know, work eight hours a day, Police officers in the Guam Police Department work 12 hours a day and that's just minimum three and a half days with our shortage, they're coming in four days, five days.

And we've actually had to tell people, Hey you're not gonna work six or seven days straight. You're gonna go home. We force 'em to go home, even if we're short because they need a break. Yeah. It's just, there's no other way that we can get enough personnel on the streets to protect our community. Except to implement 12 hour shifts. But we need to continue recruitment and get police officers out there. We need to get away from 12 hour shifts. It's just too taxing on the body…

Senator Telo T. Taitague: Right.

Stephen C. Ignacio, Chief, Guam Police Department: And the mind.

Senator Telo T. Taitague: And we're seeing that in other areas like Port Police, airport police, we're looking at parks and Rec, you know, I mean those individuals. And it's, there's a shortage in those areas too.

Stephen C. Ignacio, Chief, Guam Police Department: Oh, yes.

Senator Telo T. Taitague: I mean, big time.

Stephen C. Ignacio, Chief, Guam Police Department: So just had a conversation yesterday with a Port police chief. Right. He lost I think five guys. Right.

Senator Telo T. Taitague: Do you ever lose any of you guys to like Port police going over to that end?

Stephen C. Ignacio, Chief, Guam Police Department: We still lose two local law enforcement. One of them was one was Park Police one was park Police and also Superior Court.

Senator Telo T. Taitague: Is there a parity within the government of Guam?

Stephen C. Ignacio, Chief, Guam Police Department: No. So, with our pay increase the one officer that went to Park Police, my understanding that he took a pretty hefty pay cut, but..

Senator Telo T. Taitague: Oh okay.

Stephen C. Ignacio, Chief, Guam Police Department: He was willing to take that pay cut in lieu of a more stable work and. Honestly, the workload here at the Guam Police Department. You saw the numbers.

Senator Telo T. Taitague: That's hard. Yeah, right.

Stephen C. Ignacio, Chief, Guam Police Department: We work, right? And we do a lot compared you know, and not to take anything away from the other law

enforcement agencies, right. They all have their priorities and their work cut out for them, but when you look across the board, we have our work cut out for us. Okay,

Senator Telo T. Taitague: Yeah, Chief last question I've noticed on the printout that you gave us, well actually there's the one that, the binder that you gave us, but also the one that we followed along as you were speaking I noticed that some of the numbers that you had, there's a plus sign right next to it. For instance you know, you have a plus sign with one of 'em. Let's see, I think it was for the actually for the the mobile command post, there was a plus sign next to it.

Stephen C. Ignacio, Chief, Guam Police Department: Oh, yeah that because it was just an estimate, 500,000 plus, But page based on some initial market research I don't think we're gonna exceed half a million dollars for command post. Okay. We're probably within the 350 to 450 range.

Senator Telo T. Taitague: So, so I'm looking through all, yeah. I just wanted to verify, because you've got some other numbers here on page 10 as well, that doesn't have a plus sign. But yet at the last, on your last page, you indicate. On top of your budget of $64.9 million plus that you're requesting for 5.2. And so I can assume that everything from the havoc systems the SRO, the *Mauleg* program, the mobile and all those would be an additional 5.2. I just wanted to verify that.

Stephen C. Ignacio, Chief, Guam Police Department: Yes, ma'am. You're correct.

Senator Telo T. Taitague: Okay. So, what is truly pending that's not in this budget that you truly need?

Stephen C. Ignacio, Chief, Guam Police Department: HVAC

Senator Telo T. Taitague: Got it.

Stephen C. Ignacio, Chief, Guam Police Department: HVAC, HVAC…

Senator Telo T. Taitague: Thank you. Yeah, that's all questions..

Stephen C. Ignacio, Chief, Guam Police Department: Cause we're, if not, we're gonna go back to the years of 2015, 2017.

Senator Telo T. Taitague: Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: Where we're all gonna be in the front of the news with mold and in operational crime lab and having to do analysis at UOG or public health.

Senator Telo T. Taitague: Okay.

Stephen C. Ignacio, Chief, Guam Police Department: HVAC, HVAC, HVAC

Senator Telo T. Taitague: Okay. Thank you.

Stephen C. Ignacio, Chief, Guam Police Department: And yeah and in, you know, if you look at the FY25 transmittal letter from the governor, she pointed that out. And I, and that's why I wanted to reiterate that point. It was not funded last year and we truly need the help of the 38th legislature to please fund the HVAC system. Okay. Whether it's FY26 or, you know, I've been watching the news about some of the supplemental or the surplus in this year's appropriations or the collections. So if there's an opportunity there, I, you know, I'll leave it to you guys. You're the lawmakers. You control the purse strings and, you know, we just ask you know, really HVAC, HVAC, HVAC.

Senator Telo T. Taitague: Okay.

Stephen C. Ignacio, Chief, Guam Police Department: Command post command post command post.

Senator Telo T. Taitague: Yes. Yes. I think it should be HVAC first then command post. I mean, even side by side, because that's really needed. It truly is. Yeah. It saves on manpower power hvaving some type of command post does save on manpower because you have all the, you know, data equipment that are needed. Technology in

that command post that can alleviate some of the manpower that's needed. So that command post is, it's gonna, you know, multiply and need so, or resources.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah, You know, Senator, I've been watching the news headline, you know, the national news Yeah. Of all these riots that are occurring across the United States, and every time I see a command post or an armored vehicle, I said, I wish I had one of those.

Senator Telo T. Taitague: So do I

Stephen C. Ignacio, Chief, Guam Police Department: and I HVAC system.

Senator Telo T. Taitague: I'm just grateful it's not happening here, what's happening in la. But I greatly appreciate and thank you everyone and all those hardworking individuals and even the unclassified that's there ladies. Thank you for your help and your work assistant. Okay and Ali. Okay.Bye-Bye.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase* and Chief, you know, one of the things certainly we'll be approaching as we go into the budget season and the governor identified the increase in her requests, particularly for public safety the hospital and some other areas. One thing I wanted to mention was when we had fire here the other day, you know, when they had their E911 shortage, you are a line agency of the government directly under the governor's control for public safety. The truth is that you can receive also transfer authority. And so, we're gonna be a little creative this year to ensure that we know already what's tracking will be reporting that during the budget session. And that you know, what we're up against is the continuation of the appropriation authority going upwards, But yet the funding is available in terms of when you take the percentage that is allocated for the governor's ability to transfer. And I'm glad your allotments are released, but that's not the same for everyone, right? So a lot of times there is funding that's embedded. So I just want to ensure that, that, you know, we work together with your oversight chair and others, that we make sure that we, you know, we have these conversations that, of these critical areas. You know, we can identify that transfer authority without raising the budget ceiling because that's traditionally that's what's happening most of the time. And that's what creates eventually when we end up with a deficit. Although

when we have cash available, particularly for capital outlay, we should be on top of that. So Chief, I'm gonna continue to work with you and the oversight chair, and like I said, we're gonna have some language in this year's budget that's gonna give a lot more flexibility.

Stephen C. Ignacio, Chief, Guam Police Department: thank your honor.

Chairman Christopher M. Duenas: So, with that, Senator Barnett, you recognize.

Senator Chris Barnett: *Si Yu'os Ma'ase,* Mr. Chairman, and Biba Betnes to the panel and chief of course to your command staff and also to the police officer and corrections trainees out in the lobby.

I hope you guys are in this for the long haul. And thank you for your very thorough. While I felt like I was listening to the State of Public Safety address there, chief, it was very thorough. I kind of wanted to start by just following up on a couple of laws that we were able to pass with the retention bonus 10,000.

This is the triannual retention bonus. I know I'd met with Futo Lieutenant Ron Titan about the implementation of this policy. And unfortunately we weren't able to complete the discussion, but it was our intent to allow officers who were gonna retire before the three years to avail of the $10,000 bonus. So, have any officers known.

Stephen C. Ignacio, Chief, Guam Police Department: I am not tracking that. But the, I'd have to look at the law if it allows that for to pay somebody who retires before the three years. So you're, it's $10,000. I was always under understood the law to be, if you work three years from the date of the passage of the law you're entitled to a $10,000 bonus if you meet. Of course.

Senator Chris Barnett: Correct.

Stephen C. Ignacio, Chief, Guam Police Department: The law for requirements, right. And of them, of course, your satisfactory review,

Senator Chris Barnett: Satisfactory performance.

Stephen C. Ignacio, Chief, Guam Police Department: you know, no no disciplinary action.

Senator Chris Barnett: Correct.

Stephen C. Ignacio, Chief, Guam Police Department: Yes.

Senator Chris Barnett: And I think there's a couple other things, and that's kind of what *defunto* Lieutenant Taitano and I work kind of meeting about. He was bringing that concern about, hey, if we have people who are retired before the three years, are they gonna be able to avail of it? So that's your read on it. And so you're not..

Stephen C. Ignacio, Chief, Guam Police Department: That's my understanding of it. Okay. Yeah. If there's a different interpretation, of course we would always seek legal guidance.

Senator Chris Barnett: Sure.

Stephen C. Ignacio, Chief, Guam Police Department: I do have the final draft 'cause I did have another person take over his job.

Senator Chris Barnett: Thank you.

Stephen C. Ignacio, Chief, Guam Police Department: And so I have the final draft for the internal rules that apply to that.

Senator Chris Barnett: Thank you.

Stephen C. Ignacio, Chief, Guam Police Department: Of course. Not exceeding the authority of the law.

Senator Chris Barnett: Okay. And so, you know what was kind of concerning was in meeting with Lieutenant Taitano was that he had shared with me, and I think this is still the case, that the Guam Police Department is without legal counsel?

Stephen C. Ignacio, Chief, Guam Police Department: Yes, sir. You're correct.

Senator Chris Barnett: Okay. So is there anything in the budget that allows you guys to hire or retain an attorney?

Stephen C. Ignacio, Chief, Guam Police Department: No because the law was repealed. I actually sent a letter to my oversight chair.

Senator Chris Barnett: Thank you.

Stephen C. Ignacio, Chief, Guam Police Department: And hopefully that's something that will be considered in the FY26 budget discussions. One, the authority to hire and two maybe even funding for it. But if not, we'll be able to maybe look at carving out money within this big budget to pay for internal legal counsel. Yeah we do need you know, we would like to see internal legal counsel. So I did pen a letter to Senator Gumataotao as recent as this week, and he's in receipt of it. You know, so that can be considered. And it's a conversation I've had with my oversight chair.

Senator Chris Barnett: Right. Thank you. Thank you. 'cause welcome. We don't want you guys to you know, be in a position of liability or without having the legal advice from an attorney.

Stephen C. Ignacio, Chief, Guam Police Department: My 2019 when I got in trouble.

Senator Chris Barnett: Chief, what about the body cam? So, I saw the media reports, and then we had had a couple meetings. And so I, I just wasn't clear in your testimony, you said that there'll be a a trial period, and then you're gonna look at some of the data. I know that you, you said the general orders are completed, but..

Stephen C. Ignacio, Chief, Guam Police Department: So yeah. So we're ready to go. However our system, internal computer system, our IT site, we are going through a major upgrade because, as you know. That system that we have now was last upgraded in 2017. So, of course, the operating system and the software and

everything else associated with our, our storage systems are already going at seven years old. In order to avoid making sure that we don't fall back into a place in again, where we were at faced back in 2015, 20 17, where we had this really outdated software and computer equipment. We're going through a major upgrade. We're paying over 700 right over or close to $700,000 in a major upgrade of servers and computer software. So once that upgrade is done, and we've been working closely with OTECH to make sure it's done as, as quickly as it can be done and properly, of course then we'll be able to start issuing the body-worn cameras. But everything's done. All the work has been done, training has been done. The operate standard operating procedures or the general order is completed. I signed it and so we're ready to go. The officers have been identified already that will be wearing the body-worn cameras. And so the, what we talked about when we said we're gonna do a pilot program with Central Precinct is just to make sure that you know the officers that are gonna be using it, the supervisors and the managers at the precinct understand.

The beginning to end process, how to wear it, how to record making sure that it's recording properly. Then how do you dock it, how do you download? Then how do we, you know, send any evidence that's recorded to an attorney to the evidence storage section and all that. Yeah, so there's whole process involved and we wanna make sure that we work out all the kinks before we do a department wide. Instead of dealing with 50 officers and 50 problems, we deal with five officers and five problems and make sure that we iron them out so that the other 45 don't add 45 other problems. So you're basically saying that we have an antigo computer data system and you don't wanna plug in. It's a 7-year-old system that, that, you know, so you're gonna upgrade,

Senator Chris Barnett: so you're gonna accommodate for that.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah, we need to upgrade it almost like your iPhone.

Senator Chris Barnett: What about the cloud upgrades every time storage? Is that also gonna be..

Stephen C. Ignacio, Chief, Guam Police Department: Storage is already taken into account.

Senator Chris Barnett: So in your testimony, chief you say upon completion of the testing period, GPD will distribute the body-worn cameras across all precincts. And the department plans on looking for additional funding for more body-worn cameras for specialized units to ensure comprehensive coverage. Do you yet have a dollar figure? Would it be similar to the about 200,000 that was spent initially? Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: So we already have more cameras. Our, we have 59. We have 59 cameras, so there's more than enough to cover the precinct. So we actually have extra cameras. That'll be into the specialized units. What we're trying to do is, of course, making sure that almost most of the officers that need to wear a body-worn camera will be wearing one. Of course, there are gonna be sections that are not gonna be needing or having to wear body-worn cameras, narcotics guys..

Senator Chris Barnett: Right, right.

Stephen C. Ignacio, Chief, Guam Police Department: Detectives. So, they're probably not gonna have a full-time need to wear a body-worn camera as opposed to maybe of course the patrol officer..

Senator Chris Barnett: Chief, I know I want to thank you for the upgrades at the central precinct. I do drive by there, it looks so, right. But I wanted to ask about another precinct, the southern precinct as we had passed a law that would rename the Southern precinct after the late police officer and former senator Peter Terlaje. Does that require any additional funds? Because I haven't heard about any forward movement on that.

Stephen C. Ignacio, Chief, Guam Police Department: No. We're moving forward. We're buying our roadside signs and plaques for the precinct, actually for that one, and the Connie Duenas Precinct. Okay. As a matter of fact thank you for asking about Central because what I've done is working with my procurement folks and the

precinct commanders. We've actually like the color and design, and so we're gonna actually implement that color and design across all the precincts so that it's uniform.

Senator Chris Barnett: Nice.

Stephen C. Ignacio, Chief, Guam Police Department: And so we are already working with DPW. We've received quotes from vendors. And so we're working closely with DPW to get all the precincts painted.

Senator Chris Barnett: I asked you in a previous hearing about the standing up of the Tumon Coban, especially in light of the tourist murder that occurred down in Mont. And it was my understanding there was some funds provided from the governor's office. And then I see in your budget request jet skis and trailers is this part of leveling up the Tumon Coban, or do you have a status of it?

Stephen C. Ignacio, Chief, Guam Police Department: The Tumon Thank you for asking Senator. So, the Tumon Coban, we're having a opening, a reopening ceremony on June 27th. Yeah.

Senator Chris Barnett: Make sure you get right email so I can come and attend it. Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: The Yes, sir.

Senator Chris Barnett: We all switch to.gov in cases.

Stephen C. Ignacio, Chief, Guam Police Department: Okay. So, yeah. So, we actually have a an event on June 27th. We have the brand new jet skis. Tumon Coban has been spruced up with a combination of the work of the officers.

Senator Chris Barnett: Okay.

Stephen C. Ignacio, Chief, Guam Police Department: And some donations from the community. And so we're ready to go. We were able to use ARP money. We just

we highlighted that as an accomplishment so we're not asking for any money. Yeah. Thank you.

Senator Chris Barnett: You mentioned that you wanted the ability to hold onto your lapses. What are you tracking with the lapses?

Stephen C. Ignacio, Chief, Guam Police Department: Not much because of overtime costs. We're probably looking at around a half a million dollars.

Senator Chris Barnett: That's kind of been a standard amendment that we've thrown into the budget, the last couple.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah. We just wanna make sure that we put it in record ..

Senator Chris Barnett: Okay.

Stephen C. Ignacio, Chief, Guam Police Department: As well. Yeah. But thank you very much for that.

Senator Chris Barnett: Right on. I'm just a little concerned because there's a lot of rhetoric coming out of the some of the members of the majority about cut, cut cut the budget. And I'm just hoping that the Guam Police Department is not going to be receiving any cuts. I mean, when you guys come before us and tell us this is what you need to do, what you gotta do to keep the people to Guam safe, I don't think, you know, we should be getting creative. Should keep it simple and give you the tools that you need. But that being said you're right. The $2 million HVAC wasn't addressed in the budget. And then as you may recall, there was kind of a, we did it differently last year and we weren't able to get that into the supplemental budget bill. One thing we were able to get in though, was the one and a half million for the school resource officers. And so I see that you're requesting another one and a half million, but it's not actually in your budget.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah it's not. But again in terms of you know, the funding you know, the 1.5 million is so that we can pay those

officers and grow it a little. We wanted to add a couple more officers, 'cause we still want Officer short to cover all the six schools. And and all the personnel costs and some more equipment.

But you know, it's one of those areas that, you know, do you need it? They're already incorporated into our overall budget proposal, right? So, if we can carve out that money, put it over here in, in the SRO funding, that'd be great. If not again, but there is still some need for equipment. We're trying to make sure, 'cause it's a new program and we're still trying to build capacity. One of the things that we had to do was we had to ask 'cause we didn't have internally the equipment, the computers thankfully you know, GDOE was able to transfer some computers over to us and get them the computers they need because they do still do police work at the schools.

Yeah. It's a good program. Senator, thank you very much for that. Last year there's not one school principle that doesn't support it. And they're very thankful. Matter of fact, getting a lot of hey when you gonna do middle school? So I'm like..

Senator Chris Barnett: Oh, yeah, that's funny 'cause I was just gonna ask you was..

Stephen C. Ignacio, Chief, Guam Police Department: hold on.

Senator Chris Barnett: Yeah, online with a middle school teacher. So, yeah, I gotta commend department Sergeant Depa in that division that does the outreach with the schools because they've successfully reinstated the drug awareness, resistance education. And that's in the elementary schools. You know, and that's absolutely great. I know they graduated some kids at *Talofofo* Elementary. UPI Elementary has also been involved. And then you have the criminal justice program and that's for the high schools. Right. But middle schools kids, man these kids are at a crossroads, you know, and that often it's in middle school where you take that, you know, left turn *Chelu'* that maybe you shouldn't have taken.

And so, I don't know if Sergeant to Power, you guys are trying to stand up any programs in the middle schools. But I did get a message from a teacher about..

Stephen C. Ignacio, Chief, Guam Police Department: So, one of the programs that we implement at the middle schools it's not as robust as the DARE program. Or probably not gonna mirror the, what's going on with Tiyan High. And then I gotta just say, you know, thank you very much to the principal Sophie up at Tiyan High. 'cause she has been a great partner and collaborator for this pilot project, and we're really excited. We're ready to go. Hopefully, you know, it gets adopted by the board, but we're ready to kick it off and go starting August. But yeah, for the middle school because we have the DARE for the elementary, the fifth graders as they transition into that, that middle school year. For the middle school we have the Catch your breath or Catch my Breath program..

Senator Chris Barnett: That's vaping, right.

Stephen C. Ignacio, Chief, Guam Police Department: And it's a program, I think it's collab in collaboration with gosh, where's Paul might be in collaboration with West Care. And it's really geared towards the vaping and smoking anti cessation programs.

Senator Chris Barnett: Nice.

Stephen C. Ignacio, Chief, Guam Police Department: So that's our program for geared towards the middle school.

Senator Chris Barnett: And then how do you determine which middle schools you go out to? Or do you go out to all of them?

Stephen C. Ignacio, Chief, Guam Police Department: No, I don't think we have capacity to go to all the middle schools. Yeah. But generally we usually get a request from the schools, you know, for some presentations. Okay. Yeah. But the established programs are with fifth graders and now with hopefully with, you know, Tiyan High.

Senator Chris Barnett: And that program at Tiyan High, which is a pilot program. This is I think it's a great program. This is like, J-R-O-T-C, but for police officers e

Stephen C. Ignacio, Chief, Guam Police Department: Exactly.

Senator Chris Barnett: Wow.

Stephen C. Ignacio, Chief, Guam Police Department: Exactly.

Senator Chris Barnett: So I pray for the success of that and maybe get into some of the other schools, and I know we've talked about this before, creating that pipeline where you have students who attend this police ROTC for lack of a better term, and then they graduate, and then hopefully are able to you know, pass all the tests and become the PTs that we see out in the lobby. Nice. Yeah. So I feel like we're in a little bit of a tough spot because you're support your request and then you've got the 5 million which is I'm calling it the plus, right? And this is, this includes the HVAC system replacement, which you said is the priority the million dollars for the *Mauleg* program. And then you've got the mobile command post purchase. And what is this? Gas chromatography, how did you say that?

Stephen C. Ignacio, Chief, Guam Police Department: I cannot, yeah.

Senator Chris Barnett: Okay. So, so, I don't know in, in terms of priority, because I would, I'm not sure that, I feel like the most immediate benefit when we, if we have to choose between any of these things I want to support the school resource officers.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah. So, so the GS or GCFID, the gas chroma chromatography instrument. So that, that was necessitated out of a law that was passed for enhanced penalties for the testing of purity of meth. You know, unfortunately, I'm not sure why I missed that hearing and that bill but I don't remember providing testimony, but we were approached recently by the Attorney General of Guam. And he wanted us to look at he, he asked us how we could start testing for purity in line with that public law. And through conversations and research with my forensic science staff are criminalists you know, we don't have that capacity. That capacity is incumbent upon getting the right instruments in place with the right training so that we can start doing those quantitative tests. And that quantitative test is how pure is this methamphetamine and we kinda see that in some of the right reports or news articles, right,

Senator Chris Barnett: Right.

Stephen C. Ignacio, Chief, Guam Police Department: The meth was 99% pure, 98, 90% pure. Well, we can do that. We have the we, if we have the right instruments and the right training, so we can build capacity but it's gonna, you know, it's gonna cost at a minimum that 350,000.

Senator Chris Barnett: Yeah. Chief, there was a pullover that was conducted and it was, there was a seizure, I believe, of cocaine. So I just kind of wanted to ask, are your officers out on patrol? Are they seeing kind of a resurgence of this drug?

Stephen C. Ignacio, Chief, Guam Police Department: I'm not I don't, I can't really say that there's a resurgence of the drugs, but we do know that we still encounter cocaine in our drug investigation cases you know, to the drug fighting effort. We actually trained two patrol officers. They went through the full customs and quarantine training cycle. So those officers now with their dogs are gonna be, are actually out in patrol. Yeah. So, they're more embedded in the day-to-day operations of the patrol officers of the patrol operations.

Senator Chris Barnett: You know, the name of the drug escapes me, but with the recent events at DOC there was a, some importation of the..

Stephen C. Ignacio, Chief, Guam Police Department: I'm thinking it was a, oh, I, I've never heard that drug before. I'm thinking it might be somewhere along the lines of fentanyl,

Senator Chris Barnett: something like that,

Stephen C. Ignacio, Chief, Guam Police Department: or something along those lines.

Senator Chris Barnett: Yeah. But it's not prescribed, right. Yeah. Any, are you encountering that out there?

Stephen C. Ignacio, Chief, Guam Police Department: No, that's the first time I heard of that seizure. Yeah. And that kind of drug on our streets. Yeah.

Senator Chris Barnett: Okay. Chief, thank you Mr. Chair. *Si Yu'os Ma'ase* for the opportunity.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase* Senator. And yeah, once again, talk about your update as I was going through, many of these programs have passed into law and you know, the realization of them is coming online now. So when I just appreciate the movement on all of those things, I, I'll note that, you know, even if we looked at our minimum manpower requirement right now, that is codified in law, you'd be looking at five to six more million dollars additional on top of this budget request right now when you're talking about your 101 shortage. So, you know, we're trying to do what we can right at the interim to to fill that gap. So, I appreciate everything that you're doing here to, for prevention and the like, because that's the reality of where we're at in terms of if it were a perfect world and we had, you know, 10 more classes like those guys outside and the one coming online, end of the month done deal, right? We can move over to other priorities. But that's not the reality of today. So appreciate that, Chief. Senator Terlaje,.

Senator Therese M. Terlaje: *Si Yu'os Ma'ase,* Mr. Chair. Thank you chief good presentation. I appreciate the thoroughness and you got all your accomplishments plus your wishlist in here and maybe I'll just start with that and thank you to all of you who are here I know who helped work on this budget request. So, the budget overall is the same as what the governor had requested in January, a 2.9 million increase from FY25. But your testimony is that's pretty much just to cover salaries based on the pay increases, right? That increase..

Stephen C. Ignacio, Chief, Guam Police Department: It covers the entire operation of the Guam Police Department for the entire FY2026.

Senator Therese M. Terlaje: But the increase of 2.9 you're saying is really going to cover salary the salary increase.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah. It's because of that 25.59%.

Senator Therese M. Terlaje: Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah.

Senator Therese M. Terlaje: Okay. So, and then as my colleague pointed out, there's a whole set of things that you talked about that are actually not covered, totaling 5.27 million, and those are really significant programs. And so I'd like to talk a little bit more about that. But back to the 2.9 and the personnel that is going to cover 259 personnel plus the trainees, right? You're still going to be working 12 hour shifts.

Stephen C. Ignacio, Chief, Guam Police Department: Yes.

Senator Therese M. Terlaje: And when I'm looking at the statistics you gave us over the years of the personnel, it's like we haven't recovered since 2020. That was two 90. That's the highest on this list that you've given us. And otherwise we've remained Yeah, almost the same, right? I mean, well, 260, 290, 240, 248, 239, 247, 259. It's almost like we're just inching along on this increases and we can't make a significance.

Stephen C. Ignacio, Chief, Guam Police Department: It's a slow crawl. Yep.

Senator Therese M. Terlaje: Yeah, that's, that's concerning. I think we really need to see something more drastic. And I know that you're trying with these recruits and you have Yeah, we just a matter of cycles and continuous cycles and keeping the ones that you have longer. But I'm very concerned about that 12 hour shifts. I think that's not what anyone here wants or envisions. And I don't think it's good for your officers. I mean, we want to pay them well, but maybe, you know, not without 12 hour shifts. I'd like to their safety and health.

Stephen C. Ignacio, Chief, Guam Police Department: So we're trying to accommodate the 12 hour each other. Yeah. So we use the 12 hour shift. Because

the 12 hour shift requires the least amount of manpower. Yeah. If we go into a 4 10, which is four days on 10 hours a day and that requires a little bit more. And if we go to full on eight hour shifts that's even more manpower.

Senator Therese M. Terlaje: Yeah, I know. That's what I mean, that's my concern because it's manpower based. Right. And so we're pushing..

Stephen C. Ignacio, Chief, Guam Police Department: Yes. These individuals are manpower driven, Right.

Senator Therese M. Terlaje: Because of a shortage of manpower.

Stephen C. Ignacio, Chief, Guam Police Department: Yes, ma'am.

Senator Therese M. Terlaje: Alright. I'm just gonna go through, in the order of your presentation in your letter the canine hand, the canines that were given by the Opioid Advisory Council. You said you, you trained three plus training, one master trainer and but did you get three canines, actual dogs? Two.

Stephen C. Ignacio, Chief, Guam Police Department: Two. We got two dogs.

Senator Therese M. Terlaje: Two assigned to you. Right, because I, I remember talking about that. And do you expect any more?

Stephen C. Ignacio, Chief, Guam Police Department: I'm not tracking additional dogs.

Senator Therese M. Terlaje: Alright, so how would, how do you use these two?

Stephen C. Ignacio, Chief, Guam Police Department: Those are the two that are gonna be assigned to patrol. So the handlers came from patrol, they were trained with the dogs. They're gonna go back to patrol with the dogs. So that's why we're bringing, as what I was talking about just a couple minutes ago, we're now bringing the interdiction directly to the patrol level. And that's the capacity that we're trying to increase as well. I've actually had a conversation a couple days ago with Senator

Gumataotao about how we can increase the number of dogs on patrol for drug interdiction.

Senator Therese M. Terlaje: Alright. So the advisory council hasn't set up a meeting as far as I know, but they should be.

Stephen C. Ignacio, Chief, Guam Police Department: They, I don't think they've had a meeting in since the last one a while.

Senator Therese M. Terlaje: Yeah. So that's what I mean. But that was the biggest source of revenue to bring in these dogs. Right. They're the ones who brought in the two, assigned it to GPD.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah. Two out of others. Yes. I don't, because we got two out of, I think six or eight.

Senator Therese M. Terlaje: So I just wanna if that I just wanted to know exactly where you were going to be using those so we can advocate for more.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah, they're gonna be used on patrol.

Senator Therese M. Terlaje: Alright. Yeah. And then, so, Senator Barnett talked about the Tumon precinct. That's good news. This jet skis that you received, those are going to be managed out of the Tumon precinct?

Stephen C. Ignacio, Chief, Guam Police Department: Yes. So we're putting back in play the beach Patrol unit. So we're gonna have jet skis, we're gonna have patrols along the beach. We have some existing motorcycles, scooters and motorbikes that we're gonna be using for beach patrol. And it just increase our presence along the Tumon area.

Senator Therese M. Terlaje: So how many officers do you have at one time in Tumon on a shift. Some are patrolling, you're saying, and some are?

Stephen C. Ignacio, Chief, Guam Police Department: So, we have two assigned strictly for beach patrol. But they're also of course supplemented or they supplement their regular patrol officers in Tumon, which is 5.

Senator Therese M. Terlaje: 5 Beach patrol. That's two beach Patrol. Right. And do you coordinate with the SROs that GVB assigns? I mean, do you guys have an agreement that they'll take care of Ypao so you don't have to always go there and you're gonna go to other places, something like that or not?

Stephen C. Ignacio, Chief, Guam Police Department: Yeah, so, so the VSOs are our program of the GVB. And, but we do of course work closely with them with us. Paulsa the former Chief Paul Suba who oversees that program, and we do regularly meet with them with the Safety and Security Committee under the Guam Visitors Bureau.

Senator Therese M. Terlaje: Because we were told that they no longer assign VSO visitor safety officers to like Matapang Beach, which they used to and so I just see, I don't know what's going on that side. But I'm asking, I guess on your side, are you seeing an increased need down in Toon? I'm glad you're gonna have the two beach patrol. I think there was only one that I've been seeing. Have there always been two.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah, there's a supervisor and an officer and we did train cross-train patrol officers to also you know work with the Beach Patrol Unit. Yeah.

Senator Therese M. Terlaje: Alright and so then the jet ski's just go out when needed on when somebody's called?

Stephen C. Ignacio, Chief, Guam Police Department: No, we're gonna be deploying them on a regular basis. May, maybe not every day, but, you know, at certain times of the day and during probably peak times when they're needed, I'll be deploying the jet ski's in the tumon beach area.

Senator Therese M. Terlaje: Okay. I'm sorry, I'm gonna ask one more time anybody, am I, did you say there's seven officers in Tumon at all times?

Stephen C. Ignacio, Chief, Guam Police Department: If we have a full compliment of the five patrol officers..

Senator Therese M. Terlaje: Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: Plus the two beach patrol, yes, there'll be seven.

Senator Therese M. Terlaje: Okay. Yeah. Alright and the DNA lab, you said it's anticipated July 2025 occupancy. Didn't we go there for a grand opening and walk through it and everything that was that? So it's never been an, it's never been used.

Stephen C. Ignacio, Chief, Guam Police Department: That was the soft opening, but we have we're gonna be getting our full occupancy permit it's my understanding, by July of 2025. Yeah. So there, there were some delays because of the DNA site just the equipment there was a lot of mis-ordered parts is my understanding. So we've had to go back a couple times and work with the contractor. Yeah.

Senator Therese M. Terlaje: Alright. So, some of your personnel will be assigned there?

Stephen C. Ignacio, Chief, Guam Police Department: Yes.

Senator Therese M. Terlaje: Or is that going to be manned by?

Stephen C. Ignacio, Chief, Guam Police Department: We, we actually have a criminalist who's being trained in DNA analysis.

Senator Therese M. Terlaje: Is that in addition to the ones at the forensic science lab?

Stephen C. Ignacio, Chief, Guam Police Department: They're all coming from the forensic science division. Oh yeah. So one of the criminalists we had actually sent off island for DNA training.

Senator Therese M. Terlaje: I'm just wondering if you have to move people off of patrol or anywhere else to, to No.

Stephen C. Ignacio, Chief, Guam Police Department: Criminalists are civilian employees.

Senator Therese M. Terlaje: Okay. Yeah. Alright then then HVAC I know this came up last year when you were requesting for this money and the statute says seven GCA 95 11, that any remaining sums from the Judicial building fund shall needed for maintaining the forensic science building shall be expended from the funds in the just the judicial building fund, but we couldn't get an answer back then as to why that's not being made available to GPD. Do you know?

Stephen C. Ignacio, Chief, Guam Police Department: So, they do give me an annual fund maintenance fund. I think they, if my under, if I get this correct, they had recently refinanced the JBF fund and so we were given a lump sum of, or not a lump sum, but we had gotten up to about 300 some thousand dollars. And in conversation with the Chief Justice and the AOC Ms Rosetti our allotment or our annual maintenance fund is gonna go up I think up to about close to a hundred thousand, if not a hundred thousand. So we'll be getting more funds, but of course, understanding that we need a whole brand new HVAC system. I, you know, that a hundred thousand is not gonna get us that HVAC system.

Senator Therese M. Terlaje: Did.. Are they aware that you need that?

Stephen C. Ignacio, Chief, Guam Police Department: I be, I'm not sure, but I believe so. Yeah.

Senator Therese M. Terlaje: Yeah. Can I just ask you to please discuss that with them? Okay. Because yeah I think this is maintenance of this building cannot operate without that and that if they can accommodate that, I think that's appropriate.

Because the, again, the Judicial building fund is funded by the work of GPD pretty much.

Stephen C. Ignacio, Chief, Guam Police Department: Yes, ma'am.

Senator Therese M. Terlaje: So, the SROs are, in addition to the budget, not included in the budget, can I just ask why that these two $5.27 million worth of projects or personnel are not, were not included in the original request. They weren't included in the governor's request either.

Stephen C. Ignacio, Chief, Guam Police Department: So when we were given our budget ceiling. Based on what was needed to be funded across the board from personnel to contractual to operations we're able to meet the requirements of the funding for the personnel for the SRO is already realized in that 64 million. So, as I said if we look at what are the priorities, you know, if I can fund them out of an SRO fund, that'll relieve some funds for us, because, you know, there, there's always unexpected cost throughout the year. Really our unexpected cause is we can't predict overtime. And overtime, of course, is a, an expensive undertaking across the board for the Guam Police Department. So we're able to manage, you know, our funds, but if we can have a funding specific to the SROs, that'll help. But again if you ask me what's the priority HVAC command post, you know, SRO GS, GCFID, whatev, whatever can we fund, can we run the SRO program? If we don't give us the money we'll make it happen. I think there's a lot of benefit to continuing the SRO program and I think that initial funding from last year kickstarted it and so we can continue to maintain it. Okay. Yeah. So that's the same question I have for the Malik program.

Senator Therese M. Terlaje: So, the six officers that you're assigning there are actually already covered in your number of personnel, correct?

Stephen C. Ignacio, Chief, Guam Police Department: Yes, they are. Some of the things that have, you know, some of the things that have come up, you know, in our discussion with the other agencies is the disparity, right? So I have a park police officer's gonna be coming over and he's gonna be paired up with maybe ASAF II, a park police officer I and a police officer I from the Guam Police department. The pay disparity is gonna be very evident, right? We're not talking about ka cents here

and there, we're talking about dollars. And so he's gonna be doing the same work as the PO I. So one of the things that these other agencies have asked me is, would you ask if we can pay them the same rate as the police officer 'cause he's gonna be doing police work with the Guam Police Department under *Mauleg.* So that's one of the disparities I'm trying to address. Yeah. So, same thing, you know, same cus customs ask the same question because of our 25.59% increase. We get paid above what the other law enforcement agencies are making and so they're asking, Hey, if I put 'em at *Mauleg*, are you gonna pay them the *Mauleg* wage? Right. The hourly rate as comparable to your officers.

Senator Therese M. Terlaje: So does is that,

Stephen C. Ignacio, Chief, Guam Police Department: and I told them I don't have that authority though.

Senator Therese M. Terlaje:. Is that included in the 922 or thousand?

Stephen C. Ignacio, Chief, Guam Police Department: No, not yet.

Senator Therese M. Terlaje:. Not yet. Okay.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah, we're still building the budget for *Mauleg*.

Senator Therese M. Terlaje: Yeah. Okay. So, so the officers that your GPD is assigning to Malik already covered in your personnel in the overall budget?

Stephen C. Ignacio, Chief, Guam Police Department: Yeah,

Senator Therese M. Terlaje: but you know, I'm making..

Stephen C. Ignacio, Chief, Guam Police Department: So that nine, that 900 some thousand was a little bit of their salaries, but also we would like to, you know, get some equipment you know, computers, cars right now we're struggling for space. You know, thankfully DPRs offered us space, but you know, eventually, if we want

a real good operational functioning *Mauleg* I would prefer maybe to lease some office space. Because some of the work that they're gonna do, we don't wanna expose them to other areas, other places. So, we can get a lease going in some, you know, office space that they can work out of and do real good undercover work that'd be even better.

Senator Therese M. Terlaje: Alright, I'm kind of surprised because when I read the *Mauleg* Law, I mean, I was there when it was passed, and that's not at all what I had envisioned because a *Mauleg Law* talks about the number of police officers that GPD needs to have active. Right. And it was like 364, and it says if GPD falls below 360 4, then Malik's going to kick in and bring officers over from these other agencies.

And you're right now, at 259, not including the trainees for FY 26, or no, sorry, that's FY 25, that's way below 364, but six employees from other agencies does not, I don't know for me that doesn't seem to meet the objective of the *Mauleg*. That's supposed to be to reinforce GPD officers that where you need them. And that sounds like a lot of them. And there's supposed to be, it says peace officers, so I think maybe they thought they were going to be equally trained. But you're saying that they're not at all equally trained or I don't know, but my issue is, are you going to enforce this provision where when you're below 364, you're gonna bring in other officers from the other agencies or not?

Stephen C. Ignacio, Chief, Guam Police Department: Yes, we've had that conversation. They understand that the law requires that they provide support to the *Mauleg* led by the Guam Police Department. Yeah. So, so they're already identifying the people that are gonna come over and work at a minimum 1, 1, 1 officer from the other agencies.

Senator Therese M. Terlaje: Yeah. So there's seven agencies, there's six people coming over. Right.

Stephen C. Ignacio, Chief, Guam Police Department: And that's plus the six that we have, that'll be 12. But that'll be a really good working in narcotics investigation group. There was a time, of course when we were at the Pedro Plaza, the narcotics

section, the SIS had upwards of 20 plus people. Yeah. And you know, we get more, again, you can get more done with more people. Yeah.

Chairman Christopher M. Duenas: And just to add *Mauleg* has multiple components to it, so let's be clear here. You know, I, we're not here to debate *Mauleg*, we're talking about your budget, but I wanna be clear chief, that the objective of *Mauleg* is in the absence of Optimum Manpower, you have the multi-agency group to do other work that will help you with interdiction and also other issues associated with the issues we have on the street and opioid issue abuse and meth. It is, the task force is not just about manpower, it's about operational and tactical capabilities. That's why I'm glad that you put it under CID, correct?

Stephen C. Ignacio, Chief, Guam Police Department: Right, That is correct. And again, if we meet that minimum requirement of the 70%. They go back to where they came from.

Chairman Christopher M. Duenas: That's why I said if we can wave a wand and have, yeah, we can six more million in this budget for 101 personnel. We're good. *Mauleg* is frozen.

Stephen C. Ignacio, Chief, Guam Police Department: Yeah.

Senator Therese M. Terlaje: I'm not understanding chief. You your minimum 70% is 364. That's the number I'm using.

Stephen C. Ignacio, Chief, Guam Police Department: Right.

Senator Therese M. Terlaje: So, if you're below 364, you supposed to use bring over officers to supplement GPD'S work not..

Chairman Christopher M. Duenas: And to have tactical capabilities to have other provisions for drug interdiction and other operational requirements, correct Chief.

Stephen C. Ignacio, Chief, Guam Police Department: This is strictly a drug investigation, an interdiction working group. Yeah. Nothing else. They're not gonna

be un unless of course there's a nexus between while investigating drugs, the guy confesses to a homicide or a robbery. You know, of course they're gonna continue on ,but their primary day in day out job is gonna be drug interdiction investigation and you know, removing drugs off the street. That's my full complete understanding of *Mauleg*. It's a multi-age, you know, it's a group approach to investigating drug problems in Guam which I support because now we're gonna be bringing in capacity from customs and quarantine. And they have an intelligence unit that, you know, knows about, you know, who may be targets that we can work on the street level. Right? So I think there's benefit to *Mauleg* support it.

Senator Therese M. Terlaje: Nobody, you saying there's no benefit. I'm asking. So you can set up a task force and do use them for investigations. If you want to use those other agencies for that's fine, but you're also supposed to meet your manpower needs of 364.

Stephen C. Ignacio, Chief, Guam Police Department: Right?

Senator Therese M. Terlaje: That's the way this law seems like it's supposed to work.

Stephen C. Ignacio, Chief, Guam Police Department: And that's why we continue to recruit. Yeah. So the 360 fours across, that's what I need.

Senator Therese M. Terlaje: Yes.

Stephen C. Ignacio, Chief, Guam Police Department: So, if I get, so that means if I hire up to 364, that allows me to move more people into drug investigations or criminal investigation. And that's what happens when I graduate A recruit cycle. You know, I don't, I, if I graduate 10, I don't take 10 and move them into specialized units. We wanna make sure, of course, that the priority is patrol. And if we meet a minimum manpower staffing for patrol and I have two extra, then I work with colonel and the staff and says, Hey, we can now move two more people because I'm short everywhere. Highway patrol, we all know the old highway patrol law, gosh, has been introduced by, I think by Senator Barrett Anderson 30 is the minimum for

highway patrol. I. I worked there for 14 years and I never had 30 on a good day. I had 20.

Senator Therese M. Terlaje: So, all right, let it just short the way wrong. Lemme rephrase. So the law says that you're supposed to have 520 personnel for the jurisdiction of Guam, right?

Stephen C. Ignacio, Chief, Guam Police Department: Right.

Senator Therese M. Terlaje: And that if you can't meet 70% of that, which is 364, then we're going to use all the resources of our government to help you. Right. It's supposed to be, this assignment shall take effect upon officers on the beat, officers on the street. If cannot meet, maintain requirements of 364 uniformed officer officers *Mauleg* will be immediately activated and remain in effect until recommended to cease by the chairperson and approved by both co-chair persons when the need for augmentation is no longer required. So, I'm just saying I'm asking why we're not actualizing this. Like, why are we not bringing in the manpower to meet the 364? You're only bringing in six. Why not more?

Stephen C. Ignacio, Chief, Guam Police Department: From the other agencies?

Senator Therese M. Terlaje: Yes.

Stephen C. Ignacio, Chief, Guam Police Department: Oh I don't think they have capacity to give me enough police officers to make 364. We're pretty much having the gut than other, a other areas. I'm trying to figure out the math here.

Senator Therese M. Terlaje: Well, I'm just reading the law. That's what it says. Right?

Chairman Christopher M. Duenas: Senator Senator Senator, as the chair of this committee, we are not gonna debate *Mauleg* today.

Senator Therese M. Terlaje: I'm not debating, I'm asking..

Chairman Christopher M. Duenas: Senator..

Senator Therese M. Terlaje: How we're going implement it.

Chairman Christopher M. Duenas: Senator. Senator. Senator. We can have another hearing for that. Please, Move on, please.

Senator Therese M. Terlaje: Yes. So,we gonna..

Chairman Christopher M. Duenas: Please move on, Senator?

Senator Therese M. Terlaje: Yes.

Chairman Christopher M. Duenas: Or I will.

Senator Therese M. Terlaje: I'm reading from the page that..

Chairman Christopher M. Duenas: Please continue with the budget discussion, Senator,

Senator Therese M. Terlaje: Page 10 of the chief's presentation. I just wanna, I'm not debating *Mauleg*, I like his idea. We're gonna use it as a narcotics investigation. We're gonna take six people though out of the GPD existing work assigned them there and are they the current investigation department division?

Stephen C. Ignacio, Chief, Guam Police Department: Yes. Yeah we're using the current narcotics unit and getting the other agencies to fall under the narcotics unit. I'm not putting six officers from anywhere else. They already exist and that's their primary duty and..

Senator Therese M. Terlaje: They've already been doing this work?

Stephen C. Ignacio, Chief, Guam Police Department: That's what they're doing day in and day out. Yes.

Senator Therese M. Terlaje: So, are you going to be replacing them in the investigation division or not?

Stephen C. Ignacio, Chief, Guam Police Department: No, because that's their job already.

Senator Therese M. Terlaje: Okay. So they're just gonna do their work at some other place.

Stephen C. Ignacio, Chief, Guam Police Department: They’re gonna They're gonna do their full time.

Senator Therese M. Terlaje: Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: They're just gonna do their work supplemented by the other agencies to increase the numbers.

Senator Therese M. Terlaje: Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: Right.

Senator Therese M. Terlaje: Okay. So I'm just suggesting that the log allows you to bring in more from the other agencies?

Stephen C. Ignacio, Chief, Guam Police Department: Right.

Senator Therese M. Terlaje: And you're supposed to get up to 360 4. Yeah.

Stephen C. Ignacio, Chief, Guam Police Department: And I also gotta respect their operational needs as well. Yeah, no, and I, we've talked about that with the other agencies. 'cause I have asked for two and you know, of course they, they went, you know, like that and like, okay, one, well..

Senator Therese M. Terlaje: We need it because..

Stephen C. Ignacio, Chief, Guam Police Department: As long as you, you know, you meet the requirements of the law, and if one is all you have, then, you know, of course I have to report that back. I says, Hey, that's all they can.

Senator Therese M. Terlaje: Alright. Well, it just seems that the law, we are trying to prioritize GPD's work out in the streets. We're trying to prioritize a narcotics interdiction, so whatever it takes.

Stephen C. Ignacio, Chief, Guam Police Department: Yes, ma'am.

Senator Therese M. Terlaje: So, the mobile command I heard what you just said about those not being operational and that you want one for yourself $500,000. I could swear I saw at least two or three shiny new ones out here when we had the state of the island address or Homeland Security brought them down. You said you were using a civil defense mobile unit before?

Stephen C. Ignacio, Chief, Guam Police Department: There's only one command post that I know of. And that's the mobile command post from the Guam Homeland Security Civil Defense.

Senator Therese M. Terlaje: Alright. Yeah. Yeah. I don't know what they do with those other vehicles. They're big, huge like trailers with the..

Stephen C. Ignacio, Chief, Guam Police Department: You know what they could have been from the 94th CST. The military? Yeah. Oh, so they were, they're from the 94th civil support team.

Senator Therese M. Terlaje: Okay. I've seen them at other times too, so I, anyways, whatever, but they, yeah. I'm just wondering, so there are no other resources at Homeland Securities that you can use for these types of events?

Stephen C. Ignacio, Chief, Guam Police Department: There, there's no other command posts that I know of, except that one, which is in operational.

Senator Therese M. Terlaje: Alright and so I was really surprised when you said there's no GPD personnel at the Fusion Center. Are you not benefiting from the information that the Fusion Center is making available or learning?

Stephen C. Ignacio, Chief, Guam Police Department: Yes. So they're supposed to be, so we, I receive we receive situation reports and we have a special event, threat assessments or the CEDA so we get that all the time from them. We are working to find a replacement. Again, you know, the criteria is a little bit more stringent up there because they, they have to go to and pass a federal background investigation and they have to obtain a certain higher level of clearance. I think it's, what's it, they have to get a, at a minimum, the secret clearance, and not everybody can get a secret clearance in the Guam Police Department.

Senator Therese M. Terlaje: Have you used information from the Fusion Center to, to interdict narcotics or anything recently?

Stephen C. Ignacio, Chief, Guam Police Department: Yes Not that I'm tracking.

Senator Therese M. Terlaje: That's I guess my concern, right? They seem to be in existence for that, that they're supposed to tell us where the hotspots of crime are, what this kind of data, and they pulled personnel from GFD and other places, but not GPD. It's very interesting to me and that we are not able to use their information as much as possible. I mean, I'm glad you're getting those reports, but I'm wondering if there's more that they should be able to give you the what's this one?

I appreciate your efforts on these other things to get additional funds from other places for the buildings and all of the other requirements in order to keep in your budget ceiling. This part though, when you said that GPD's tactical communication center is paying rent. Where's that?

Stephen C. Ignacio, Chief, Guam Police Department: We're not paying rent. We have a cost share agreement with civil defense. We pay for power and water. Power and water at up there.

Senator Therese M. Terlaje: Okay, because I know you were there and I was wondering why would they be charging you? Okay, so they're charging you for utilities.

Stephen C. Ignacio, Chief, Guam Police Department: Share for utilities.

Senator Therese M. Terlaje: Alright.

Stephen C. Ignacio, Chief, Guam Police Department: But. With our..

Senator Therese M. Terlaje: not rental of office space, just..

Stephen C. Ignacio, Chief, Guam Police Department: With our new upgrade with the land mobile radio system we're gonna need to co-locate with the next Gen 9 1 1 system. Yeah. Because we do dispatching, so we're gonna be moving in with fire once we do we migrate through the new upgrade.

Senator Therese M. Terlaje: Is that an FY26?

Stephen C. Ignacio, Chief, Guam Police Department: Yes.

Senator Therese M. Terlaje: Okay.

Stephen C. Ignacio, Chief, Guam Police Department: So, we're gonna be moving in down here at DNA building..

Senator Therese M. Terlaje: and are you gonna fit in there?

Stephen C. Ignacio, Chief, Guam Police Department: Yes.

Senator Therese M. Terlaje: Currently rented place. Okay. So, no additional rental.

Stephen C. Ignacio, Chief, Guam Police Department: They're actually already a carved out space for us, for our dispatchers.

Senator Therese M. Terlaje: Okay. So I guess my, my overall concern is just that like, you know, we've got officers on 12 hour shifts, you're short of manpower, it puts everybody's at risk, you know, and I don't like that. So if we're trying to solve that through the use of a interagency, right, I think we should maximize that. If we need these things that you've listed in here and they're not covered under your existing personnel budget, we need additional officers then I just think we should try to do that. I don't think those other agencies are doing 12 hour shifts necessarily. I mean, maybe. Maybe some, but I don't, I have never heard them come in and say that except, you know, of course chief fire department has different shifts. But yeah, I just think that's a big concern. Whenever we went out to the precincts, they're so small. The number of officers in the precincts, that's, I think that's shocking if people really see that because it's it's too small for the size of the villages. It's too small for the, even the precincts that they're covering not just a village, but the whole precinct. It's I dunno. So I'm just, I just think we should continue to focus on that. And I like what you have done, chief. So, I'm, I want to encourage you, don't take this as discouragement. I'm encouraging you guys are the ones on the front lines. You guys are dealing with what we want you to deal with. We want the narcotics off the street. We want more manpower for you. We want less lengthy shifts. We want better quality of life for you as well. So, all you and your officers. So, I'm just saying if we can do it through these other ways and let's just keep pushing to do that during FY 26 as much as possible. I just think we can do it.

Stephen C. Ignacio, Chief, Guam Police Department: Thank you, ma'am.

Senator Therese M. Terlaje: Thank you. Thank you, Mr. Chair.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Senator. So just in closing, I think there's a misconception sometimes in terms of what task forces and groups are about and Major Chargualaf I know that you know, you, I. In particular, and I just want to explain if I can just ask you to explain once again what in the past has been the level of CID in the good days? In terms of manpower I understand the good days to be 14 to 16 officers strong in CID. Right.

Fred Chargualaf, Major, Guam Police Department: Actually, with CID in itself this was back in the nineties when I was there, we were upwards of about 85 officers

there. Wow. We're now less than half of that. So, we're below we're at about a little over 40 uniform officers over at CID. So again, you look at the, you do the math, right. Population has increased. So there's a growth. So naturally is, there's a growth in population. It's gonna be a growth, an increase in crime. So had an increase in crime, but we've decreased our officers and like the Chief mentioned, he is trying to, you know, recruit we're trying to do back to back cycles. We're getting them out there. But of course, like you mentioned recruitment challenges. So yeah that's just what we're trying to do is we're trying to make it work and everything that we're trying to do here, what the Chief has proposed is to really, to make, you know, our Island safer. So, but Thank you.

Chairman Christopher M. Duenas: But, and I just wanted to expand one more time. You know, the, with the manpower shortage, but then you have the multiple agencies doesn't this increase your ability, sharing of intelligence and the ability to mobilize limited manpower as well you know, as needed?

Fred Chargualaf, Major, Guam Police Department: Absolutely and you know what better way, right to deal with the crimes on Guam is putting it, it's, and this is just how I've spoken to the guys that when we met with the last Molly team, I said it's really kinda like an SIS or a narcotics unit on steroids. So it's, and that would definitely, because every crime on Guam has a nexus either directly or indirectly to narcotics. So, by us doing this, even with the manpower shortages that we have, it'll at least reduce that because as and the chief mentioned it when I was up there we had 21 bodies there. I got four guys, four investigators right now at SAS. So by bringing these six bodies over, we're, we've more than doubled that and I can assure if we do get those bodies, it's gonna a lot, there's gonna be a lot of work done. And why, because each of these agencies have their specific intelligence information that we can use. So she mentioned customs about the port police, drugs, we all know. The park police, those guys are encountering people down there at the different parks, even after they're closed. So, just to close it out with this, is that knowing, you know, and I came from, you know, the, I grew up in the drug you know, area of the department, and again, if we get this going, I think will make a significant impact even with the shortages that we have. So that's just my thank you.

Chairman Christopher M. Duenas: Thank you, sir. And that's the vision really. And we wanted to codify this 'cause yes, Chief, you can do this anytime, but I remember you saying to us that if I have a law, I don't have to worry about it anymore. I got a trigger. And just once again, Chief, I want you to confirm this because the idea is what you just said earlier, when you have the minimum manpower requirement, that's exactly how you fill out your top level divisions because you can, you have the manpower, but right now most of these guys are pulling duty all over the place within that 12 hours because of the manpower issue. So to augment this is simply because if you had 370, then CID SID, all these others they'd be up to optimum levels or at least minimum optimum levels. Would that be correct, Chief?

Stephen C. Ignacio, Chief, Guam Police Department: Yes, sir. Yeah. The more people I have, the more we can do. Thank you very much. Thank you very much, senators.

Chairman Christopher M. Duenas: And that's what we learned over time, that the issue really is when you have a depleted force. You, you really, it's all hands on deck because your priorities gotta be in the community. You've gotta keep the, you know, the community safe. You gotta have minimum manpower requirements out there, you know, in the precincts. And, you know, right now you have to have these 12 hour shifts. There's no other way around it. So, I'm trying my best as well. I'm, like I said, congratulating you and you have the funding this year for your cycle. So that should even give you some overtime flexibility and things like that, but we'll continue to work with you and we all want that minimum manpower level. So at this point, I want to thank everyone for being here once again. And I guess the recruits got to see sometimes how a budget hearing can be very lengthy and now everybody can go to lunch.

So, in closing chief and with everyone here this will conclude the afternoon's budget hearing on Bill 44-38 (COR) relative to the Guam Police Department. The committee will continue to accept written testimony on the bill within seven calendar days of today, which may be addressed to myself, Senator Christopher M. Duenas, chairman of the committee, or mailed to 163 West Chalan Santo Papa *Hagåtña* 969110. You may also send your testimonies to my email at

senator.duenas@guamlegislature.gov. This morning's budget hearing is now adjourned and the time is 1100 and 41. *Si Yu'os Ma'ase*, we're adjourned.

This Budget Hearing was at adjourned at 11:41 a.m.

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Friday, June 13, 2025, at 2:00 P.M.

Customs and Quarantine Agency (CQA)

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on June 13, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Fri, Jun 6, 2025 at 8:42 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 6, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **FIRST NOTICE - FY26 Budget Hearing on June 13, 2025**

The Committee on Finance and Government Operations will conduct a budget hearing on **Friday, June 13, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
- **Guam Police Department (GPD)**

2:00 pm
- **Customs and Quarantine Agency (CQA)**

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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June 6, 2025

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Re: **FIRST NOTICE - FY26 Budget Hearing on June 13, 2025**

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Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
- **Guam Police Department (GPD)**

2:00 pm
- **Customs and Quarantine Agency (CQA)**

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

This ad was paid with funds by the Office of Finance & Budget

FIRST NOTICE - FY26 Budget Hearing on June 13, 2025

PRINT

FIRST NOTICE - FY26 Budget Hearing on June 13, 2025

PUBLIC HEARING

Posted on: 06/06/2025 10:30 AM

Posted by: Camarin Breton

Public Hearing Date: 06/13/2025 09:00 AM

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s):
OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
June 6, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on June 13, 2025

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Relative to **Bill No. 44-38 (COR)** **(http://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%2044-38%20(COR).pdf)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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THE GUAM LEGISLATURE

Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on June 13, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Tue, Jun 10, 2025 at 9:29 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE

June 10, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on June 13, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Friday, June 13, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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This ad was paid with funds by the Office of Finance & Budget

--
Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

2nd Notice OFB Budget Hearing 6.13.25 (GPD &CQA).pdf
358K

FOR IMMEDIATE RELEASE
June 10, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **SECOND NOTICE - FY26 Budget Hearing on June 13, 2025**

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SECOND NOTICE - FY26 Budget Hearing on June 13, 2025

PRINT

SECOND NOTICE - FY26 Budget Hearing on June 13, 2025

PUBLIC HEARING

Posted on: 06/10/2025 09:39 AM

Posted by: Camarin Breton

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s):
OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

Share this notice

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June 10, 2025

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06/16/2025	MON		KUAM TV **BUDGET HEARING – JUNE 13, 2025 (GPD & CQA)** FIRST NOTICE - AIR DATE: 06/06/25 1x :15 SECOND AD 1x :15 SECOND AD (KUAM MATCH) SECOND NOTICE - AIRDATE: 06/10/25 1x :15 SECOND AD 1x :15 SECOND AD (KUAM MATCH)			$200.00

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Total Due			**$200.00**

INVOICE

BUDGET HEARING AGENDA

Friday, June 13, 2025 – Guam Congress Building

2:00 P.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Customs and Quarantine Agency (CQA)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 13, 2025 **Time: 2:00 p.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

-- Relative to Customs and Quarantine Agency (CQA)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	IKE PEREDO	CQA, DIR	[redacted]		✓		✓	
2	JOHNRIC MENDIOLA	CQA			✓			
3	JESTICA IGLESIAS	CQA					✓	
4	FRANCIS FEVARANG	CQA			✓		✓	
5	VINCENT PEREZ	CQA			✓		✓	
6	Franklin Gutierrez	CQA			✓			
7	Barbara Tomas	CQA			✓		X	
8	Clarice Briggs	CQA		clarice.briggs@cqa.guam.gov	✓			
9	Roman Duenas	CQA					✓	
10								
11								
12								

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 13, 2025 **Time: 2:00 p.m.**

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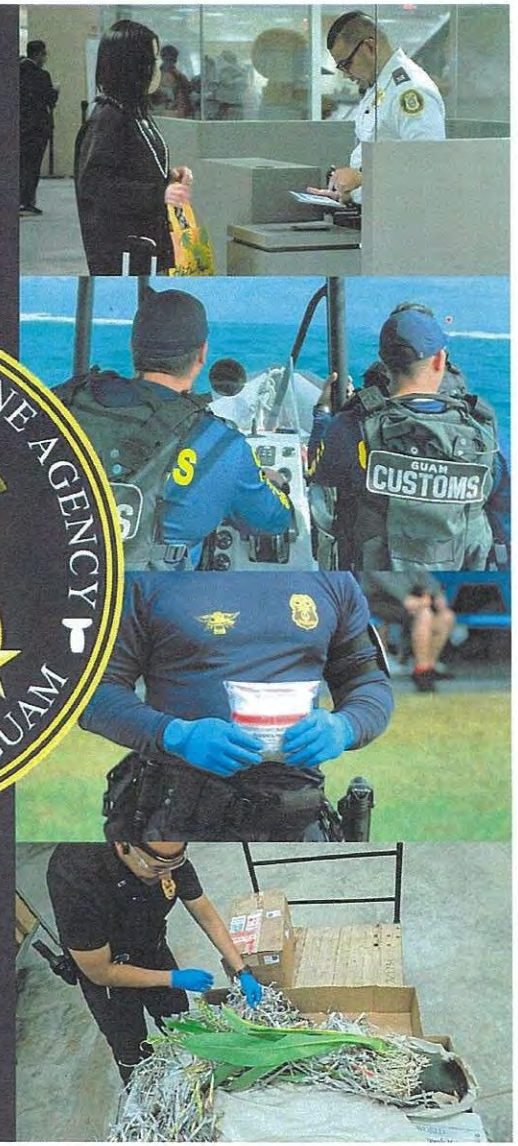
	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	PILAR CARBULLIDO	CQA	[redacted]	Pilar.carbullido@cqa.guam.gov			✓	
2	JONATHAN CALVO	CQA		JONATHAN.CALVO@CQA.GUAM.GOV			✓	
3	Danilo D. Poccigue	CQA		Danilo.Poccigue@CQA.GUAM.GU			✓	
4	CZARINA PEREZ	CQA		czarina.perez@cqa.guam.gov			✓	
5	Adam Grey	CQA		adam.grey@cqa.guam.gu			✓	
6	SHEENA ALVAREZ	CQA		sheena.alvarez@cqa			✓	
7								
8								
9								
10								
11								
12								

GUAM CUSTOMS & QUARANTINE AGENCY

Guam's First Line of Defense



FISCAL YEAR 2026 BUDGET HEARING | BILL 44-38

JUNE 13, 2025 | 38TH GUAM LEGISLATURE

MISSION

The Guam Customs and Quarantine Agency is responsible for enforcing local and federal laws and regulations as they relate to passenger, cargo, and conveyance movements across Guam's borders and ports of entry:

- A.B. Won Pat International Airport
- Jose D. Leon Guerrero Commercial Port
- Hagåtña Boat Basin
- U.S. Postal Service Main Facility
- Andersen Air Force Base

- INTERCEPT & SEIZE CONTRABAND
- DETAIN & SEIZE UNSAFE SUBSTANCES
- PREVENT BIOSECURITY THREATS
- SAFEGUARD FROM TERRORISM
- AVERT COMMUNICABLE DISEASES
- FACILITATE LEGITIMATE TRADE, COMMERCE, & TRAVEL
- APPREHEND VIOLATORS

DIVISIONS

INSPECTION & CONTROL

Border Facilitation & Management

ABWIAT
Andersen AFB
Commercial Port
USPS Main Facility
Hagåtña Boat Basin

DIRECTOR'S OFFICE

Director
Private Secretary
Chief of Customs
Internal Affairs Officer
Executive Officer
Public Information Officer
Response Activity Coordinator
Program Coordinator IV

ADMINISTRATIVE OFFICE

Procurement
Payroll
Accounts Receivables
Inspection Fees
Budget
Human Resources

SPECIAL ENFORCEMENT

Criminal Investigation & Assets

Agriculture K-9 Unit
Drug Detector Dog Unit
Biosecurity Task Force
Contraband Enforcement Team
Maritime Interdiction Task Force
Federal Task Force Section
Office of Intelligence
X-Ray Unit

UNIFORMED OFFICERS: 128
CQ TRAINEES: 32
SUPPORT STAFF: 16
TOTAL: 176

CLASSIFIED: 142

UNCLASSIFIED: 2

VACANCIES: 22

LOGISTICS & SUPPORT

Fines, Fees, & Forfeitures
Research & Development
Property, Evidence, & Control
Records Management
Training

CURRENT STAFFING

- OPTIMAL
  - Uniformed Officers: 300
  - Support Staff: 30
- CURRENT
  - Uniformed Officers: 128
  - Trainees: 45
  - Support Staff: 16

42%

UNDERSTAFFED

*Inclusive of CQTs

FY 2025 ACCOMPLISHMENTS

- 15th Cycle 32 CQTs onboard and 13 CQT positions being interviewed = 45 Total CQTs
- 22 vehicles added to CQA fleet; New – 12, Federal Surplus Fleet – 10
- 9 new Drug Detector Dog Unit Teams (Opioid Settlement Funds)
  - CQA: 5
  - GPD: 2 – Includes training of 3 detector dog teams
  - DOC: 2 – Includes training of 4 detector dog teams
- 3 new Agriculture Canine Unit Teams

- Drug Seizures
  - Fentanyl: **1,278g or 2.8 lbs.**
  - Methamphetamine: **104,547g or 230.5 lbs.**
  - Cocaine: **1,014 g or 2.2 lbs.**
  - Marijuana: **2,777g or 6.1 lbs.**
  - Illegal Pharmaceuticals: **33.2g or 0.1 lbs.**

- Agriculture Seizures: **189,501.5 lbs.**
- Intellectual Property Rights Seizures: **11,719 pieces and 2,223 pairs**

FY 2025 ACCOMPLISHMENTS

- Response to 7 unannounced entries of nationals from People's Republic of China
- CQA Rent Cost Savings - 90% completion of A&E HQ relocation to the Airport
- Promotions of Assistance Chiefs (2), CQA Supervisors (5), CQIII (7), CQII (11)
- Promotions of Administrative Assistants (2)
- Successful convening of the 27th OCO Annual Conference in May 2025, hosting over 50 Customs Administrations from the Pacific and International Partners
- Facilitated the arrival 4 cruise liners with a total of 1,671 passengers
- Reached more than 3,000 students and residents through **42** community outreach events

FY 2026 BUDGET REQUEST

Source Breakdown

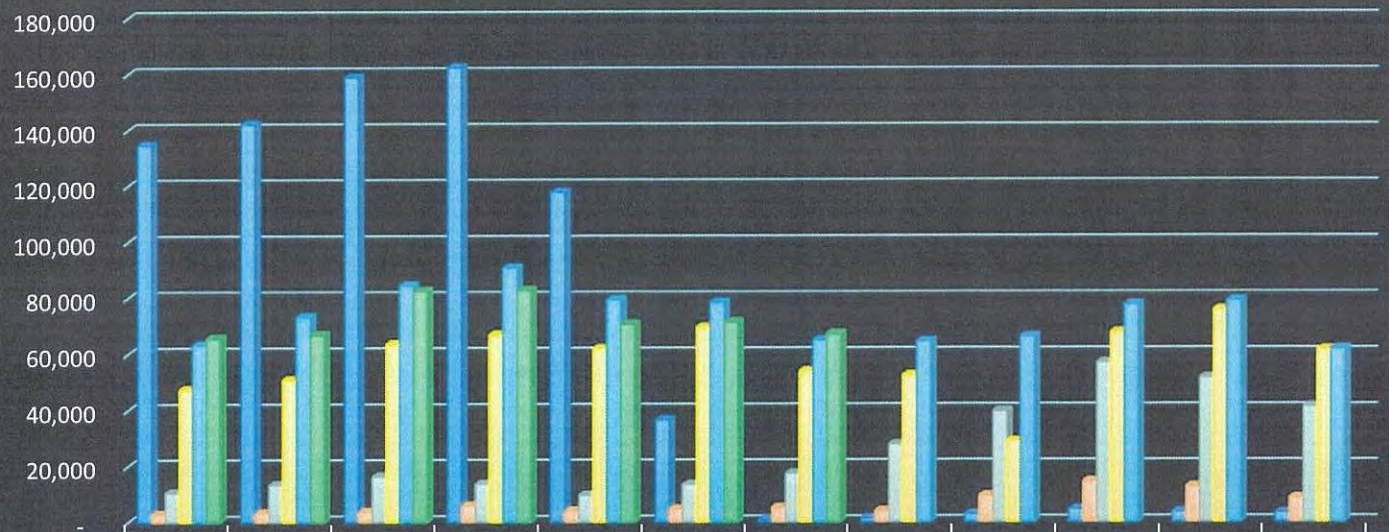
General Fund: $ 14,680,116.00

CAQIS Special Fund: $ 7,651,633.00

Total Request: $ 22,331,749.00

CQA ARRIVALS

CAQIS COUNT: FY 2020-CURRENT



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEP
FY20	134,596	142,144	158,837	162,299	117,762	36,589	719	1,348	2,821	4,569	3,645	3,288
FY21	2896	3353	3709	5911	4040	4703	5168	3973	9331	14478	12698	8626
FY22	10441	13264	16195	13546	9575	13380	17317	27704	39540	56879	51473	41193
FY23	47280	50749	63422	66782	61836	69471	53793	52404	28828	67686	75688	61449
FY24	63228	73183	84426	90760	79363	78336	64913	64474	66198	77561	79090	61704
FY25	65452	66718	82412	82676	70504	71333	67115					

FY 2026 BUDGET BREAKDOWN

	GENERAL FUND	SPECIAL FUND
111-SALARIES + 113-BENEFITS		
Director's Office	$1,767,260.00	$ -
Logistics & Support Division	$2,030,828.00	$ -
Airport Operations	$5,685,077.00	$ -
Maritime	$2,620,544.00	$ -
Cargo	$ -	$1,123,235.00
Drug Detector Dog Unit		$1,159,600.00
Contraband Enforcement Team	$ -	$3,546,520.00
CQA Officer Trainees	$ -	$636,612.00
	$12,103,709.00	$6,465,967.00
112-OVERTIME		
Airport Operations	$139,824.00	
	$12,243,533.00	$6,465,967.00
111+112+113	$18,709,500.00	

FY 2026 BUDGET BREAKDOWN

	GENERAL FUND	SPECIAL FUND
230-CONTRACTUAL		
Director's Office	$503,977.00	
Cargo		$12,000.00
Drug Detector Dog Unit		$6,000.00
240-SUPPLIES		
Director's Office	$28,500.00	
Cargo		$15,998.00
Drug Detector Dog Unit		$6,000.00
	$572,475.00	

FY 2026 BUDGET BREAKDOWN

	GENERAL FUND	SPECIAL FUND
271-DRUG TESTING		
Director's Office	$5,363.00	$ -
290-MISCELLANEOUS		
Director's Office	$90,000.00	$ -
361-POWER		
Drug Detector Dog Unit	$ -	$8,300.00
362-WATER		
Drug Detector Dog Unit	$ -	$5,200.00
363-TELEPHONE		
Director's Office	$59,000.00	$ -
450-CAPITAL OUTLAY		
	$ -	$ -
SUB TOTAL	$154,363.00	$13,500.00
TOTAL	$167,863.00	

FY 2026 BUDGET BREAKDOWN

	GENERAL FUND	SPECIAL FUND
233-RENT		
Director's Office	$1,729,007.00	$ -
Maritime	$20,736.00	$ -
Cargo	$ -	$1,102,741.00
Drug Detector Dog Unit	$ -	$29,427.00
SUB TOTAL	$1,749,743.00	$1,132,168.00
TOTAL	$2,881,911.00	

CQA BD 4 of 4

TOTAL RENT COST BREAKDOWN	MONTHLY	YEARLY
CQA Headquarters	$19,500.00	$234,000.00
Cargo	$45,500.00	$546,000.00
CQA Warehouse	$3,077.00	$36,924.00
DDDU	$2,453.00	$29,436.00
Maritime-CAF	$1,728.00	$20,736.00
Airport	$167,659.00	$2,011,908.00
Janitorial	$7,598.00	$91,176.00
Power	$5,242.00	$62,904.00
GIAA Admin Fee	$8,340.00	$100,080.00
Total:	$261,097.00	$3,133,164.00
		$2,881,911.00

FY 2026 ADDITIONAL REQUESTS

- $170,025 PAG 2023 Grant Local Match/Cross-Share
- $200,000 for acquisition of additional baggage X-ray machines for airport
- $150,000 for maintenance of K-9s - veterinarian services, food, and other incidentals
- $251,253.00 for annual rental of current areas occupied by CQA
- $1.3M for Phase 3 of CQA modernization/automation project
- $150,000 for equipment acquisition and integration into Smart Net LEO communications system
- $636,612 for 10 additional Customs and Quarantine Trainees
- Additional Request Total: **$2,857,890.00**

FY 2026 GOALS

- Graduation and integration of 45 new CQA Officers
- Reestablishment of Andersen AFB Section
- 100% drug testing of all officers
- Establishment of CQA drone unit
- Graduation and deployment of 9 additional canine detector teams
- Acquisition of a new Backscatter X-Ray Machine
- Replacement of the baggage X-ray Machine at ABWIAT
- Submission of the updated and modernized customs clearance rules and regulations
- Completion and submission of the CAQISC fee adjustment
- Hiring of the A&E firm for the Customs Inspection Container Facility
- Legislation to strengthen customs authority at ports of entry
- Realignment with P.O.S.T. LEO Force Structure
- Continued recruitment of CQTs

THANK YOU

E-mail: inquire@cqa.guam.gov
Phone: (671) 475-6202

WEBSITE

INSTAGRAM

FACEBOOK

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Chirstopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Friday, June 13, 2025** at **2:00 PM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Friday, June 06, 2025** (5-Day Notice), and again on **Tuesday, June 10, 2025** (48-Hour Notice).

SENATORS PRESENT

Honorable Senator Christopher M. Dueñas, Chairman
Honorable Senator Jesse A. Lujan
Honorable Senator Telo T. Taitague
Honorable Senator Eulogio Shawn Gumataotao
Honorable Senator Chris Barnett

ORAL TESTIMONY:

Ike Peredo, Director, Customs and Quarantine Agency
Vincent Perez, Chief of Customs, Customs and Quarantine Agency
Francis Fejarang, Colonel CQA Inspector, Customs and Quarantine Agency
Franklin Gutierrez, Assistant Chief, Customs and Quarantine Agency
Barbara Tayama, Colonel CQA Inspector, Customs and Quarantine Agency
Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency
Clarice Briggs, ASO, Customs and Quarantine Agency
John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency

WRITTEN TESTIMONY:

Ike Peredo, Director, Customs and Quarantine Agency

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at 2:01 PM.

[Questions and Discussion] **[***Begins at 00:27:00 and ends at 01:40:00*]

Chairman Christopher M. Dueñas: *Buenas Tardes* and *Hafa Adai*, welcome to your Guam Congress Building Committee on Finance and Government Operations is now called to order, and the time is 14:01 PM, and it's June 13th, 2025. First notice of this public hearing was disseminate to all senators and media outlets on June 6th, 2025 with its second notice disseminated on June 10, 2025. The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's public notice portal. The committee will now hear on Bill No. 44-38 (COR), introduced by the Committee on Rules by

request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS, relative to the Customs and quarantine agency (CQA), who's with us this afternoon.

Joining me for this budget hearing so far is Senator Taitague and Senator Shawn Gumataotao. Thank you. And your oversight chair Senator Jesse Lujan is in route after wrapping up another meeting. So thank you to the customs family for being here. Those testifying on Bill No. 44-38 (COR) relative to the Customs and Quarantine agency.

Please take your seat at the hearing table, and you've already done that. Chief the format for today. I'm going to go ahead and allow you to open and go through your budget or whoever you designate to do that. And if it's not going to be yourself, then I'll have you introduce your team and if anyone's going to be speaking, then you know, we'll just, they can open up by introducing themselves and, and address the committee.

But for now, we're going to go over some rules Real quick before we begin, I'd like to remind everyone in attendance of *I Liheslaturan Guahan's* General Rules of Conduct. Individuals testifying shall first be recognized by the chairperson before speaking, and shall state their full name for record keeping purposes.

Questions and testimony shall be confined to the substance and the nature of the bill on the agenda. Personal inferences to the character and motive of any Senator Individual testifying are not permitted. The chairperson of the committee may order the removal from the hearing of any member of *I Liheslaturan Guahan* or the public audience who fails to observe proper decorum pursuant to the 38th Guam legislature standing rules, any violation of this general rule of conduct will result in immediate removal from this public hearing room.

Folks, as is customary, I will ask you now to rise and be sworn in by our sergeant arms. And then we do this every time for the budget. I'm sure most of you're aware, Sgt., please proceed.

Edward Pocaigue, Sergeant at Arms, 38th Guam Legislature: Please raise your right hand under penalty of perjury. Do you affirm that any unknown information you provide today, whether it be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth? Mr. Chair, they are under oath, you may proceed.

Chairman Christopher M. Dueñas: Thank you, Sgt. So, Chief Peredo, the show is yours. You're clear to open and introduce the team today and then proceed with your budget presentation for fiscal year 2026.

Ike Peredo, Director, Customs and Quarantine Agency: My name is Ike Peredo and I am the director for the Customs and Quarantine Agency. I would like to thank you and the members of this committee for giving us the opportunity to be here today to request and share with you the rationale behind our continuing needed for support. I would like to also introduce my team that's with me today.

To my right is the Chief of Customs, Vincent Perez. To his right is Colonel Francis Fejarang to his right is assistant Chief Franklin Gutierrez, and to his immediate right is Colonel Barbara Tayama, to my left is my Program Coordinator, Pilar Carbullido. To her left is our ASO Clarice Briggs, and to her left is Captain John Pangelinan.

Again, I would like to start out by saying thank you for all the senators that are here today to hear our budget requests for fiscal year 2026. The Guam Customs and Quarantine Agency proudly serves at the Guam's first line of defense every single day at all hours of the day. Our core responsibility is the enforcement of both local and federal laws and regulations governing the movement of passengers, cargo, conveyances to our borders, and designated ports of entry.

At the same time, we are tasked with facilitating legitimate trade commerce and traveling. We fulfill this due role in close coordination with our local, federal, and private partners. Continuously working to strengthen this regulation relationships to enhance Guam borders, security, and infrastructure.

Our daily operation includes screening and inspection of arriving passengers vessels, aircraft merchandise, and various groups to prevent the unauthorized or illegal entry of illegal drugs, contraband, [inaudible], and diseases to include unsafe and counterfeit products and other criminal elements. Our mission is preventive, protective, and rooted in service to our island.

We do our best to safeguard the health and security of our people of Guam. To foster an honest economy, preserve our vulnerable environment, and improve the quality of life for all. Despite the many challenges we face, I remain deeply proud of the unwavering dedication and professionalism displayed by the man and woman of our agency.

Both our officers and civilian personnel exemplify longstanding commitment to duty that continues to define our success. Despite existing limitations, our agency has remained diligent and productive during fiscal year 2025. To date, we have processed 1,147,907 passengers at Antonio Won-Pat International Airport and Anderson Air Force Base, and cleared a total of 8,544 arriving aircraft.

Additionally, we process 1,144 cargo flights, 343 inbound maritime vessels, including four passenger vessels. We have cleared 2,935 pieces of foreign mail. We have also responded to the illegal entry of seven nationals from the people Republic of China this fiscal year. This fiscal year, our officers successfully intercepted 104,547 grams of methamphetamines, 1,278 grams of Fentanyl, 1,014 grams of cocaine, and 2,777 grams of marijuana to include 33.2 grams of illegal pharmaceuticals.

Unfortunately, the majority of this drugs continue to come to the US Post office. We have made dozens of intellectual property rights inspection in which we seize 11,719 pieces and 2,223 pairs of confeit goods and our biosecurity task force consisting of our agriculture canine and biosecurity unit have intercepted a total of 189,501.5 pounds of various agricultural products due to the presence of pathogens, actionable tests, prohibited entry, smuggling, and other reasons for non of noncompliance.

We currently have 128 sworn customs officers, 32 officer trainees are currently within our 15th cycle and are in the interview phase of an additional 13 trainees. Our optimum number of uniform officers is actually at 300. With our current number of sworn officers, we are at 43% of optimal officer staffing.

Anticipating the graduation of this additional 45 trainees during FY 26 will bring us to just over 58% of our optimal officer staffing. Furthermore, we have 16 support staff. An optimal number of support staff within our agency is at least 30. While we strive to make the most of our current workforce and available resources, the increasing complexity and demands of modern customs enforcement placed considerable strain on our capabilities with our continued support in the form of

adequate staffing, the acquisition of advanced technologies, updated operational tools, and implementation of a modernized system, we cannot [inaudible] our community, promote fear unlawful commerce, and show our island from environmental and transnational trades. At this point in time, I would like to open our slide presentation as part of this budget process.

First slide, please. The Customs of Quarantine Mission is responsible for enforcing low confederate laws and regulations as they relate to passengers cargo condensed movement across Guam's borders and ports of entries. We have five ports of entries at this point in time. Antonio B. Won-pat International Airport, Jose D. Leon Guerrero Commercial Port, Hagatna Boat Basin, the US Postal Service main facility, and Anderson Air Force Base.

Next slide please. We have four divisions within the agency. The first one is inspection and control, which deals with border facilitation and management. And of course they are located throughout the five ports of entries. We have the special enforcement, which deal with criminal investigation and assets under this particular enforcement division.

The units are the agricultural canine unit, the drug detector unit, the biosecurity task force, contraband enforcement team, the Maritime interdiction Task Force, and the federal task force sections to include the office of intelligence and the X-ray unit. The next division is logistics and support with fines, fees, and forfeitures, research and development, property, evidence and control, records management and training.

And the fourth one is of course, the administrative office. That deal's with the procurement, payroll, accounts receivable, inspection fees, budget, human resources, and then you will see the director's office in which I house the Private Secretary, the Chief of Customs, Internal Affairs executive Officer, public Information Officer, and the response Activity coordinator to include program coordinator four.

Next slide please. Current staffing, optimal Uniform Officers is approximately 300. Support staff is 30. Current uniform officers at this point in time is 128. We have 45 customs trainees that are undergoing training at this point in time. And of course, support staff is 16. Next slide, please. Fiscal year 25 accomplishments during this particular fiscal year, we have graduated the 15th cycle, 32 custom trainees on board and 13 custom training positions being interviewed.

I am sorry. I said graduated. That's the 15th cycle that's undergoing the academy. At this point in time, we acquired 22 vehicles added to the fleet to include the federal surplus fleet of 10 vehicles. We added nine new drug detector dog units, and of course, out of this nine we did provide support of 2 canines to GPD and 2 canines to DOC.

The remaining five state of the agency, we added three new agricultural canine teams that deals with the agriculture inspection at the airport and cargo. As I mentioned earlier, drug seizures, fentanyl. The total fentanyl that was intercepted in fiscal year 2025 is 1,278 grams or approximately 2.8 pounds.

Methamphetamine is 104,547 or 230.5 pounds, cocaine, 1,014 grams or 2.2 pounds. And of course, marijuana is 2,777 or 6.1 pounds. Illegal pharmaceuticals, of course, is 33.2 grams or 0.1 pounds. Agriculture seizures that were recorded total 189,501 pounds. Intellectual property rights is 11,719 pieces and 2,223 pairs.

Next slide please. Continuing on response to seven unannounced entries of nationals from the Peoples Republic of China. Moving on CQA rent costing 90% completion of A&E headquarters, relocation to the airport and we will accomplish that this year. We have promotions of assistant chief in which two were promoted.

We promoted five supervisors and seven CQIII positions to include 11 that were promoted to CQII promotion. Promotion of administrative assistants this year is two and successful convening of the 27th OCO annual conference in May, 2025, hosting over 50 customs administrators or administrations from the Pacific and International Partners, which took place just three weeks ago.

Facilitated the arrival of four cruise liners down at the port of a total of 1,671 passengers. And lastly, we have reached more than 3,000 students and residents through our 42 community outreach events or programs. Next slide, please. Fiscal year 26 budget requests. General fund for our budget this year is $14,680,116, funding from special fund is $7,651,633. Total requests for Fiscal Year 2026 is $22,331,749. Next slide please, with, we've also presented a chart here on the arrivals at the airport, which showing that we are actually just maintain a little bit higher than last year's arrival.

Because if you look at the chart, a lot of it has a slight increase. Some months has slowly decreased. Next slide please. Fiscal year 26, budget breakdown. This is the

breakdown so far as how the funding within the agency is broken down. For category 11. Salaries from the general fund is $1.7 million.

Of course, logistic division is $2 Million. Airport operation is $5 million, maritime is $2 million, and CQ officers training is about $12 million. Airport operation is also $139,824 with a total of $12,243,533, and that is coming from the general fund. With respect to the special fund that is divided within this particular portion of the budget we will be using $1.1 million for cargo, $1.1 million for the drug detector unit $3.5 million for contraband enforcement team and of course, the CQ officer's training, which is $636,612. We have a total of $6.4 million. Next slide, please. Continuation with the budget breakdown again under the director's office $503,977 is allotted from the general fund. For the drug detector unit and cargo there's going to be $12,000 from the special fund and for the drug detector unit, about $6,000 coming out from the special fund under the 240 for supplies under the director's office is $28,500, and cargo is $15,998 to include $6,000 from the drug detector dog unit with ultimately about $572,475. Next slide please. Another breakdown of categories based on the budget for 271 drug testing. We are under the director's office miscellaneous under director's office to include power, drug detector dog unit, which comprised of $8,300 and to include $5,200 for the drug detector dog unit under the special fund.

A total for this particular breakdown of the budget is $167,863. Next, please. The budget breakdown as you can see it provides an overall view of the general fund and the special fund. And under the general fund for this particular budget is $1.7, and for the special fund it's $1.1 with a total of $2.8 million.

Looking at the right side of this particular breakdown is the cost of rent that we're paying for fiscal year 2026 in the amount of $2.8 million. Next slide, please. So, in addition to the budget request, we are also requesting for additional request. And in this additional request that's not included in the budget, we are looking forward for assistance and support in providing the following $170,025 for the port security grant 2023 local match that we need to provide the federal government in, in order to receive this grant. That's a matching grant. We'll also like for an additional $200,000 for acquisition of additional baggage, x-ray machines to the airport. This is very crucial for us. We will like to replace those machines.

They're obsolete, they're old, and we need to get moving with technology, $150,000 for maintenance of the additional canines that we're procuring and this

will entail for veterinary services, food, and other incidental that the canine will be absorbing $251,253 for additional rent of current areas occupied by CQA.

And this additional funding that we requested is due to the tariff increase that the airport authority has imposed for fiscal year 2026 at $1.3 million, phase three of CQA modernization automation project. Again, this is the funding that we had requested and was provided to us through the ARP funding, but because the contract was not signed in a timely manner, they had to take back the ARP funding and remove it elsewhere.

And so now we're requesting for the additional $1.3 million to complete this phase of the automation project, $150,000 for equipment acquisition and integration into the SMARTnet Law Enforcement Communication system. The law enforcement agencies here in Guam. Headed by the police department is entering into the new SMARTnet system and we would like to request funding to acquire some of those radio equipment for the agency so that we can be compatible with the one police department in case of inclement and disastrous problems here in Guam.

The $636,612 is for 10 additional customs and quarantine trainees In the existing budget, we only have 10 FTEs that were provided to us, and we would like to request additional 10 to match the 10 to increase that to 20. So the total request that we're requesting additional request is about $2,857,890.

Next slide, please. Our goals for 2026 is of course graduation and integration of 45 new CQA officers, reestablishment of Anderson Air Force base section. We've seen a lot of movement up at Anderson. There's a lot of activities. We're looking at expanding our capacity there to provide that type of service in this particular area.

We are also looking at continuing a hundred percent drug testing for all officers. We are establishing a new unit for CQA, which is a CQA drone unit. It's a technology that is now being provided to our agency and we will like to get into that mode of operation, graduation and deployment of nine additional canine detector drug teams.

This funding for this was provided by the Attorney General under the opioid fund. So we will be acquiring nine additional drug detector dogs for fiscal year 2026, the acquisition of a new backscatter x-ray machine. We're looking forward in making sure that we acquire the additional backscatter for the Port Authority of Guam this year.

And I did mention something about replacement of the baggage extra machine at the airport and that's the funding that we're going to be requesting, the additional funding submission of an updated monitorization custom clearance rules and regulations. So we have proposed legislation that we are working on to ensure that we continue to enhance our rules and regulations to include upgrading and revisiting our mandates as it relates to the ports of entry.

We are also looking at working and completing the submission of the CAQISC fee adjustment. This is the funding that is collected under the special fund, and we are looking into increasing that type of fees within the agency. If I'm not mistaken, the last increase was back in 2014.

Next on our list, we will be hiring an A&E, in fiscal 2026 this is the A&E that is being produced for the container inspection station down at the port. Funding for the A&E was provided by the Congressional Office of Congressman James Moylan legislation to strengthen customs authority at the Port Authority.

Again, we are reviewing that particular legislation and hopefully that we can forward that legislation to our chair. Realignment of the post law enforcement force structure, we are targeting for 2026 to implement the post law enforcement force structure, and of course, we would like to continue recruitments of the CQ customs trainings.

With that, Mr. Speaker, thank you for giving me the opportunity to present my slides for this particular budget hearing now open for any questions.

Chairman Christopher M. Dueñas: Si yu'os ma'ase, Chief Peredo and so basically as I look at your budget request and look at what came out of the digest, it looks as though your, other than your supplemental request, your request is the same as the governor, the ceiling that they had given you.

Ike Peredo, Director, Customs and Quarantine Agency: Yes. A very slight increase. Less than 1%.

Chairman Christopher M. Dueñas: Okay.

Ike Peredo, Director, Customs and Quarantine Agency: As compared to fiscal year 2025.

Chairman Christopher M. Dueñas: Yeah, it looks like about $207,000 in terms of the variance over what was requested. Okay. Well, first of all, I'm going to go ahead and go to your oversight chair to open up for the questions. So Senator Lujan, please proceed.

Senator Jesse Lujan: Thank you very much, Mr. Chair. Good afternoon, director and staff.

Ike Peredo, Director, Customs and Quarantine Agency: Afternoon senator

Senator Jesse Lujan: Thank you very much. It's been a while since we've met, Mr. Director, you know, staff and I have been researching monies that actually we're supposed to come your way, but can you confirm to this body for the record again, can you confirm there's approximately maybe $8 million, maybe $8 million plus that was redirected or withheld from a previous administration from CQA. And what was the intent intended use of those funds at that time, and how has that decision impacted CQA's operation and long-term capacity to fulfill its mandate?

Ike Peredo, Director, Customs and Quarantine Agency: Thank you for the question, Senator. If I'm not mistaken that particular incident happened back in 2017 where $8 million was diverted from the special fund out of customs special fund to, I'm not too sure which agency was it given to, but yes.

I was made aware that $8 million was removed from the special for custom special fund. And of course, when you remove $8 million, that's a lot of money. So if you look at the, at the fiscal spending from 2017 to 2019. When I became director, we saw a lot of challenges.

Recruitment was at a stalemate, the agency didn't have the ability to continue recruitment process to buy the needed equipment for the agency. Even when I came in 2019, the back scatter machine was done for one year and they couldn't repair that machine because there was no funding for it when I came in. So that was my knowledge and who I'm pretty sure the chief can enlighten us because that happened in 2017.

Senator Jesse Lujan: Yeah. Can you please because I need to get it on the record because I mean, again, you know, we know the challenges the constant challenges that we have. And I know you're needing more funds as well now, and I'm just

wondering if those funds again had ever been, recovered or is there a process of recovery?

Ike Peredo, Director, Customs and Quarantine Agency: Not to my knowledge. Not, not to my knowledge.

Senator Jesse Lujan: Okay.

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: Thank you, Senator. So you're asking of course, right, $8 million. He says, what do you need it for? Back in the years before this administration started, we were currently operating with record numbers of tourists and arrivals into the island.

And every year they base the amount of the capping of our budget based on a formula and we were struggling, as the director had mentioned regarding hiring promotions, you name it, we were struggling. Yet there was a windfall of $8 million that was somehow taken away from the special fund and moved into whatever program area, and it needed to be moved into.

And I recall many years ago during that time that we were always trying to build capacity and we're trying to build capacity. Now, our officer count stands around 128, and I keep going back to almost every time we testified the budget. Back in our heyday, we had over 220 plus officers, but we constantly struggle with recruitment and retention.

Most especially retention for the last few years because of the budget law that was passed, it allowed the Guam Customs and Quarantine agency to be able to recruit at least 20 officers per year. Now imagine if we had the $8 million back then, what we could do with it. So to answer your question, i'm not sure where the money went, but if there's a way for us to recover that money, it would go to great lengths to at least closing the gap on whatever shortfalls we're facing as an agency.

Senator Jesse Lujan: So let me ask you this the diversion of those funds, they were diverted to other entities or programs not related to CQA?

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: If it were provided to customs, we would know through the regular accounting process. So whatever funds were moved we don't have any documentation that shows the paper trail, at least for us.

Ike Peredo, Director, Customs and Quarantine Agency: Senator, just to elaborate on that, I'm pretty sure that Department of Administration can probably answer that question.

Senator Jesse Lujan: Okay. Yeah. Mr. Chairman, I you know, I have other questions, but this is very disturbing because this kind of reminds me of a 911 situation where funds were diverted from 911. And if I'm not mistaken, those funds have been since been restored. And it's very disturbing in to hear this and to have it confirm that such a thing had happened. And we know the challenges and, you know, we're constantly on you guys about the drugs coming in and things of that nature, and we're missing this.

And I, knowing your operation, this is very disturbing. So, I have other questions, but I mean, I want to concentrate on this and, and how you know, I don't know how we're going to be able to do this, Mr. Chair. But I want to work on trying to get that recovery, I don't know what we're going to do, but I want, I'm going to reserve my questions and I'm going to leave it at this and work on, on a solution to try to recover those funds and again, hopefully that in the recovery that we can again lower the volume on getting on you guys for things that are coming into our shores.

So, with that, Mr. Chairman I'm again, I have other questions, but the confirmation from the director and the staff regarding this is disturbing. And maybe this body alongside, maybe the administration could look at recovery efforts for this much needed agency. And most especially even after yesterday's, public hearing regarding public-private partnership situations and knowing that custom says, Hey, we welcome the partnership for maybe infrastructure equipment and things of that nature what they need for again to continue to safeguard our shores. So with that, Mr. Chair, I am again, I'm going to reserve the rest of my questions because this is probably the most important of all questions. So thank you, Mr. Chair,

Chairman Christopher M. Dueñas: Si yu'os ma'ase, Senator Lujan, and certainly we'll bring it up to OFB, and maybe they can communicate with BBMR. I know that in any circumstance that kind of replenishment plan would have to be done via appropriation. And so, you know, that is something we'll have to present to them. Of course. You would have to get concurrence, of course, from the governor as well. You know, we, we can prepare any budget you know, that, that we can from down here. But whether or not that's also in the governor's executive plan that will, that will have to be communicated. So the committee will take that

under advisement and, and see what opportunities may exist going forward. So with that, Senator Telo Taitague, you are recognized.

Senator Telo Taitague: Si yu'os ma'ase, Good afternoon, everyone.

Ike Peredo, Director, Customs and Quarantine Agency: Afternoon.

Senator Telo Taitague: Thank you so much for being here today and defending your budget. I do want to say that I appreciate all the hard work that your office has done out there, you know, and what you do to protect the [inaudible] of Guam. I also extend that to the families that allow you and give you the strength to go out every day to, secure that safe, safe feeling for our community. I greatly appreciate that. I noticed that in your budget bill that you requested, a $207,711 increase. Is that what we're looking at the variance from FY 25? It's $207 additional from, from FY 25 to FY 26.

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: The variance was $207,711.

Senator Telo Taitague: Right.

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: Which is 0.9% increase.

Senator Telo Taitague: Yes. Okay. I noticed in FY 24 it went from $17.6 million in your budget and then in FY 25 this year, this current fiscal year has gone up to $22 million. What was that amount attributed to?

Ike Peredo, Director, Customs and Quarantine Agency: Recruitment.

Senator Telo Taitague: In FY 24, you received $17.6 million, but FY 25, you now receive $22,124,038 and I just wanted to know what the bulk of that increase went to.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Hafa Adai, Pilar Carbullido, I'm a Program Coordinator IV, Good Afternoon everyone. So our increase from that 2024 budget to through 2025 to 2026. Our increase, of course is all with within. Recruitment, promotions, we definitely saw

an increase in retirement rates, medical and dental. We did several promotions as well, so that in that jump from 2024 to 2025 from 17 to 22.

Senator Telo Taitague: Okay. So it was about $5 million increase from 24 to 25?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes.

Senator Telo Taitague: And then you're carrying, then you're carrying over since you called it, you know, I mean there's also, you anticipate an increase in retirement as well as well, not so much retirement in medical.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Correct, so the retirement rate, the medical and dental rate as well, those have increased through the years.

Senator Telo Taitague: Yes, substantially. Do you anticipate it increasing? Because we don't know what those rates are for FY 26, correct.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Right. So, at the trend we're looking at, there's a huge possibility. Yes.

Senator Telo Taitague: Okay. Pilar last year…well, first I want to verify that the funding on the CQA inspection service fund that's in the special funds? Okay. And that full amount is usually attributed directly to customers in quarantine, right, because it's the fees.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Correct.

Senator Telo Taitague: Okay. At the end of FY 24, going in 25, so we're looking at September 30th, 2024. On the special funds there was $981,971 over projected revenues. Now when we do our, you know, the budget and we estimate this is how much it's going to generate and all that money is to go to customs in certain areas, but now there is an overage, a surplus at the end of FY 24 of that $981,000, did you request a DOA to have that turned in? Do you have authority within the FY 25 budget to be able to take over any excess revenue from the special funds?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes, ma'am. That is correct. We've actually requested that that is something that we've worked with in, within this fiscal year to purchased additional vehicles. We had, we hired an additional funded for 10 customs and quarantine training. And I believe we are going through the IFB process for ZBV, I'm sorry, the handheld x-rays, the handheld x-ray scatters. And so we needed additional funds for the bid for that, so we utilized it from that funding source.

Senator Telo Taitague: Okay. So then DOA did transfer that excess revenue to you?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes, ma'am.

Senator Telo Taitague: So you did receive it?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes.

Senator Telo Taitague: Okay, now that's good to know.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes.

Senator Telo Taitague: It’s good you follow that too.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yeah.

Senator Telo Taitague: Because it doesn't always give you a surplus for quite some time.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Right. So any extra within any funding source, we're going to do our due diligence to try and get as much as we can

Senator Telo Taitague: Okay.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: To assist in our operations.

Senator Telo Taitague: Just outta curiosity, because that's a particular fund that I know you keep an eye on a lot of times, Pilar. So what is the estimated projected revenues for FY, are you projecting based on your data anticipating for the CQA inspection special fund?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: So, of course we are tracking it. I don't have the exact number to date, but just looking at where we're at. For this fiscal year up until April, we're tracking at least four, $4.1,$4.2 to date.

Senator Telo Taitague: To date, is that the report here, but is that…

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: That's passenger. Sorry. That's just passenger.

Senator Telo Taitague: Yeah.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: And then with the CIF maybe an additional $800,000. So we're tracking at possibly estimate $4.9 to date as of April, I'm sorry, not to date, as of April.

Senator Telo Taitague: Well, what I have here on March 31st, 2025 the end of March 31st there's a negative of $107,000 that's tracking right now for, at least at the end of March. I don't have the April one in front of me, but hopefully those numbers will, pick up somewhat, hopefully anticipated to pick up, but I would keep a strong eye on that because I know that you rely on this funding source very much so. Also you received nine, is it drug. Well, you, you received nine canines from the opioid settlement fund.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes, that's correct. So actually the office of the Attorney General, the opioid settlement. Actually we are looking at 18 drug detector dogs. However, we had to break it down in phases of nine. So our first set of nine we received back in, I want to say October. So that's the five to CQA, two to DOC, and two to GPD.

And so we are currently in our procurement process. It's with GSA at the moment, so we're hoping that that goes through soon. And so that's the additional nine to close out the 18 drug detector dogs we're procuring and all this.

Senator Telo Taitague: All this is coming through the opioid settlement fund, correct?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: That is correct.

Senator Telo Taitague: For the additional nine. Now these three new agriculture canine unit teams, where did that funding come from?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: It's USDA.

Senator Telo Taitague: That's a USDA?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes.

Senator Telo Taitague: Now, in order to house the dogs and care for them and veterinarian costs and such like that, where are you pulling from your budget to cover that cost?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: So, to be perfectly honest with you so the 18 actually within the 18 dogs that we procured that's just to bring the dogs here to get. To bring the dogs here, get them trained up. But really what we're looking at is we kind of lean on our federal, our federal partners of BSP, our federal, we are sub-recipient.

And so they handle like the vet care, but it's not enough. So that's something, you know, we wanted to go back and explore. The office of the Attorney general was, we were very fortunate to work with them. So I'm hoping if we have a little leftover from the current, if we could utilize it to take care of the vet care services, as well as dog food. Yeah, that was point there.

The housing for the dogs, the kennels for the dogs, where are they at? So, currently we actually, through USDA, we kind of did a renovation of the kennels. So we

have space and we have room to house18 drug detector dogs. So there are space for the nine that's coming.

Senator Telo Taitague: And the maintenance on the building is being kept up. Have you put any money aside to make sure that it's maintained?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes.

Senator Telo Taitague: How much?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: But again, I'm going to be perfectly honest with you, we're always going to ask for those additional because of the rising costs, whether it's the dog food, the maintenance of the kennels, like you said, you know, the cleaning supplies…

Senator Telo Taitague: Right and the building itself.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Their medications. But we also, again, have assistance from our federal grants. But that is something also in line that with the director in chief is we really want to be, you know, a little bit more aggressive in going after, you know, additional federal funds to take care of that. But at this time we're looking at, you know, we're, we're doing what we can. They're just like our, you know, they're not just our dogs, working dogs, you know, they're, they're a part of us and we're going to ensure that they get their vet services and their dog food, their meds.

Senator Telo Taitague: Okay and you provided a lot of good information that I was looking into. I really don't have any other questions, but appreciate all the hard work that you're doing there and the fact that you are aggressively looking after federal funds is very feels good that, to know that you're not just not doing anything and expecting the general fund to carry you through, because a lot of, a lot of times that's what most agency does.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes.

Senator Telo Taitague: They just want money from the general fund and don't want to look.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: And we also have to say kudos to BSP because we work closely with them. They're always willing to help us in what we need. And so, you know, that's another thing is to be able to collaborate with the departments that do have that assistance for us.

Senator Telo Taitague: Well, I hope you continue to also look to the Attorney General's office too, for that additional funding for the canines, you know, to go full, you know, full road, you know, down the road and making sure they're taking care of especially with the new ones coming up.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes.

Senator Telo Taitague: Okay. By the way, Pilar, real quick, when you're doing the working with the Opioid settlement funds and, and getting these dogs here through this fund, do you follow procurement on this one?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yes, we do.

Senator Telo Taitague: Okay. And, and because it's a opioid settlement, did you have the governor's signature on these nine dogs that were brought in?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: So because we're going through our local GSA general service agency they're the ones that issue. We go through the recruitment the requisition, we enter it it's, GSA who executes the purchase order. And in the purchase order it says what we're awarded. And it's signed by the acting Chief Procurement Officer. I don't believe there is any signature there for the governor.

Senator Telo Taitague: For the governor's signature.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: Yeah, exactly.

Senator Telo Taitague: Yes and this is the opioid settlement. Okay. This reason why I'm asking is because, you know, you didn't do that for this one. I don't know

why that we need the governor's signature for the dignity program as well. Thank you. Thank you, Mr. Speaker, chair.

Chairman Christopher M. Dueñas: Si yu'os ma'ase Senator, just wanted to clear one thing up before I go to Senator Gumataotao. So on your discussion of the 15th Cycle and then also current. Your budget currently will cover those recruits and hires, correct?

Ike Peredo, Director, Customs and Quarantine Agency: Yeah. The 15 cycle is ongoing right now.

Chairman Christopher M. Dueñas: Right.

Ike Peredo, Director, Customs and Quarantine Agency: Yes.

Chairman Christopher M. Dueñas: And then you have 13 positions being interviewed, so you also those are budgeted already?

Ike Peredo, Director, Customs and Quarantine Agency: Yes.

Chairman Christopher M. Dueñas: Okay. Just wanted to make sure. Senator Gumataotao.

Senator Shawn Gumataotao: Thank you, Mr. Chair and thank you to customs for being with us today. I do have a kind of a handful of questions, but I'll go ahead and ask them, and then just a couple of things from your own presentation. First off let's talk a little bit about your employee retirement and medical dental benefits. CQA budget request for employee benefits increased from $5,589,719 in FY 2025 to $6,108,466 or $518,747 in FY 26. What specific costs including medical and dental insurance are attributable to the substantial increase of more than $500,000 in CQA's budget request for employee benefits during FY 2026.

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: I'm looking at what I have in front of me taking a look at it. I know we went through recruitment cycle of, I want to say 40, 40 trainees from 24 to 25. So it's really, the sustainment is also an increase. I apologize, I don't have that breakdown, but I can get it for you. But the sustainment of these trainees, so they're coming in as a trainee.

They're at a entry level step. And then when they graduate, after they go through the whole cycle they are automatically promoted to a customs and quarantine one. So that is also an increase in the funding. So it goes from, we had 40, we picked up in 24? It was in fiscal year 24, so we picked up 40.

So as we move into 25, we have the sustainment again of them becoming a one in addition to with the 45 that we're bringing in. You know, it's always the sustainment of one. I mean, not the sustainment, the promotion of when they come become, when they're a trainee to a customs and quarantine officer one.

Senator Shawn Gumataotao: Okay. Pilar. So, okay, let me just ask again, and I think that it's important that if you can help answer the question and get it back to the committee again, I'll ask it what specific costs, including medical and dental insurance are attributable to the substantial increase of more than $500,000 in your budget request for employee benefits.

I'm hoping that you can at least provide some detail back to the committee. And I think you might want to write 'em down and send 'em back to our chair as we are preparing your budget. Now, if, just to move on for interest of time, if your budget request is based on an employer retirement contribution rate of 34.80%, what information is available at this point confirming whether the contribution rate will further increase? And if this were to occur prior to the new fiscal year, how exactly will CQA absorb the additional costs?

Pilar Carbullido, Program Coordinator, Customs and Quarantine Agency: So we, of course, everyone, every department has a closed working relationship with BBMR. So a lot of times what we do is we, we have our budget, we are given our budget, we work within our means. And towards the end of the fiscal year, we really reconcile and take a look at where our shortfalls come in we try to carry out as much for operations.

And so at the end of the fiscal year, we work hand in hand with BBMR. And we let them know where our negatives are at and where our shortfalls and at are at. And we work with BBMR in trying to really take care of our negatives. We work with them in identifying is there additional funds. The director will be very aggressive when he goes to the front saying, you know, our accounts are showing negatives and this is where we're at, this is where we're short.

Whether it's that increase, or it could very well be, you know, we needed to take care of retirees. So when an employer, an officer retires a lot of times there are, and clear case was, we just had recently is well over, geez, I want to say 80, 80,000, how. It was like $108,000 that we needed to pay out for his retirement.

And you know, we're not going to hold back in having that officer retire. So we had to cover that with our operation cost. And that again, is something we worked with BBMR on. So if, if we do have like that one officer that retired if we have several, that's really what we're going to have to do.

Senator Shawn Gumataotao: Oh, no, that's fair, Pilar and I've been asking every agency that's coming in this building about this important issue because we're all watching the insurance our insurance, the whole negotiations, and I'm hoping other agencies are watching. Let this be a notice to every single agency that comes into this building.

That's probably a question I will continue to ask of all agencies as they come in here. Let me just move on. Your budget request for employee salaries increased. From $11 million, 11.9 million in 2025 to $12.4 million, or just about over half million dollars in change. For the record of the 10 positions, Mr. Director that are proposed to be funded in FY 2026 versus the agency's FY 26 or 25 staffing level, how many represent vacancies that were funded in FY 25 and how many of these are new positions which are not recognized nor funded in FY 25? So please clarify which of the 10 vacancies are for uniform law enforcement and non-uniform law enforcement positions. I saw in your presentation, but for the record, can you please answer this?

Ike Peredo, Director, Customs and Quarantine Agency: Senator, majority of those positions were uniform officers.

Senator Shawn Gumataotao: Okay. Did you say a majority?

Ike Peredo, Director, Customs and Quarantine Agency: Yes.

Senator Shawn Gumataotao: So a 10, all of them. Is it eight, 10?

Ike Peredo, Director, Customs and Quarantine Agency: All of them.

Senator Shawn Gumataotao: When you say majority, so that could be seven or all 10 are all 10?

Ike Peredo, Director, Customs and Quarantine Agency: Yes.

Senator Shawn Gumataotao: Okay. Alright, cool. Thank you for the clarification. Let me move on to your Customs Inspection Services fund based on the special funds report for the period ending April 2025.

BBMR anticipates the Customs Inspection Services Fund, which partially supports your operations and I think it was mentioned by Senator Taitague to collect $7.9 million or just a hair over just near $100,000 above the adopted levels. Comparatively, the Customs Inspection Services Fund collected 7 million by the end of FY 2024.

Now when we look at this, recognizing that there's an excess in the Customs Inspection Services Fund collections. For FY 2024 versus your excess collections figure that they're tracking at BBMR for the balance of FY 2025. It's really different. How exactly has the reservation of $1.3 million from your $7.8 million in FY 2025 appropriations as of March 31st impacted your agency operations? It can't all be hunky dory. Let's be honest. It's a budget. It's a budget hearing.

Ike Peredo, Director, Customs and Quarantine Agency: Well, from my standpoint that that should be a windfall for the agency because it is probably what do you call it? Excess.

Senator Shawn Gumataotao: So a windfall to your agency, even though you're impacted. So that means everything's good.

Ike Peredo, Director, Customs and Quarantine Agency: No, that means that's a funding source that is not allotted to any other programs.

Senator Shawn Gumataotao: Right. Do but do you need it today?

Ike Peredo, Director, Customs and Quarantine Agency: Yes. So what we do is, okay, when we identify the $1.3, then I make will make a request. If I needed the additional 10 FTEs that I need to move to get those bodies hired, then I request administration to use portion of that funding.

Senator Shawn Gumataotao: Okay. Thank you. Moving along in late April, I wrote to you Mr. Director requesting information on the status of any ongoing efforts to develop the custom satellite inspection, holding and secured s facility at the Port Authority. This followed our March 6th meeting with you and your team. At the Piti based commercial seaport, and I appreciate the chair for inviting me, and I appreciate your team for hosting and really giving us a, the view of what's we're seeing over at the port.

Now, during that tour we, the committee learned that you had yet to identify a funding source to support that customs satellite inspection, holding and secured sterile facility as mandated by Public Law 34-112. Now, as you know, in July of 2018, the local statute authorized you to utilize a portion of that parcel to develop that facility.

Probably more importantly is that when we think about its use, if it's undeveloped for three years, there's something would happen to it. I know you're challenged and I think everyone in this room will recognize the challenges, no question. But when we think about the law to it gave you also time to go and get this facility done.

I can tell you right now that as we were talking there was, and you mentioned a bit earlier that thanks to Congressman Moylan, he did get, was able to secure, secure for you $2 million for the A&E for this particular facility. And for the listening audience, the program that was, it's the former earmark, if you're familiar with congressional actions.

But this community project funding allows members of Congress to request direct federal funding for specific projects benefiting the communities that they represent. The funds are provided through, again, through the House Committee on Appropriations, and they can finance a wide variety of projects. And a lot of it has a lot of transparency and a lot of accountability. And I won't even go into the details, but can you, for the record, give us an update on the A&E of the $2 million that you received in 2024 from the US House of Representatives?

Ike Peredo, Director, Customs and Quarantine Agency: Thank you for that question, Senator. The we are working with the, with the grantor on that particular funding. We are in the midst of receiving the funding so we can move forward in, in making sure that we hire an A&E.

Senator Shawn Gumataotao: Mr. Director. It was appropriated by Congress. So when you say you're working with the Grantor agency. What grantor agency is it?

Ike Peredo, Director, Customs and Quarantine Agency: Yes. They directed us to work with the individual what do you call it? Grantor. Normally with that type of funding, they'll assign that over to, i'm not too sure what's the agency.

Senator Shawn Gumataotao: Okay.

Ike Peredo, Director, Customs and Quarantine Agency: And that's the agency that we work with.

Senator Shawn Gumataotao: Okay. Again, for the record, you just said, okay, I, you were given money from Congress to do A&E on a building that at some point will cost $20 million, which we're trying to find money for you. I know that you cannot build a building whether to help with the USDA without that $2 million is the key. So all is asking, you have a whole bunch of people here that are going to procure the services for A&E, has it been procured so that you can build a $20 million facility on that site. I know that there's been some debate of whether or not if you have that property or not.

If it's being procured, then they can't. We're going to have to either come in here and we're going to do a public hearing to extend the amount of time so that we can build it. Or some people might debate that the fact that you have that money, we won't need to do this. So I'm going to ask again. Are, have you started, are you considering it, is it possible that you're going to perhaps get the A&E started for this building?

Ike Peredo, Director, Customs and Quarantine Agency: I can assure you that we were advised that we have the funding. We're just waiting for the funding to be transferred to Department of Administration.

Senator Shawn Gumataotao: But Okay. Okay. Director. Okay. You need, you're going to have to look because it was, it was given to you by Congress last year. So can you double check of your accounts to see if you got $2 million sitting there from a congressional appropriation? Love Jim Moylan.

Ike Peredo, Director, Customs and Quarantine Agency: We have not seen the money.

Senator Shawn Gumataotao: Okay. I'm going to ask you to do that. I mean I asked, I thought it would be an easier slam dunk and I'm looking at the faces of the people and the men and women of customs who rely on all of you all to do this work. I'm, this is not a, not complicated, but it's the pathway to building a facility.

Because if you don't, then I'm going to have to come back here to. To the committee chair and say, oh, we need to extend the time again, another Jim Moylan special from when he was here in this building. Okay. Let me just, because I know Mr. Chair and I apologize. I can go on and on about use tax.

You got an audit that you guys have to do and, or that was done on what's happening with use tax, and I can't, I'm sure we might have to come back later for what has been done in 10 years to, figure out how to address use tax. But I just wanted to make just two comments based on your on your presentation today, and you mentioned drug seizures, agricultural seizures, intellectual property rights, seizures.

Has there been any prosecutions, chief any prosecutions or convictions from what you mentioned in your report today? No. thank you, director. I'll ask the chief. From a law enforcement point of view, have you, has there been any prosecutions or convictions, sir?

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: If you're talking about the methamphetamine problem that we're having, there has been, so you have to realize that when our guys are doing these narcotic seizures, working with the federal task forces, many, if not all of our cases, go unnoticed by the public because they're all sealed. So until it becomes an unsealed case, nobody will know about it. Only the agents who were participating and the federal entities that have been involved.

Senator Shawn Gumataotao: Okay. But, but chief, I mean, you, you came into your accomplishment were in 2025 Fentanyl. And by the way, the fentanyl thing, the DEA says that for every one kilogram of fentanyl, it will kill 500,000 people. For the record, you reported today, 2.8 pounds of fentanyl seizures in our borders, which could kill every single man, woman, and child on Guam three times over. So again this is law enforcement. As a public safety chair, I'm asking if you have these, if you're reporting it back to this committee, how many prosecutions have been done? Or are there any convictions?

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: Well, we're aware of several that have been taking place, but you have to also remember that Guam Customs is fighting a battle right now where the amount of drugs is well over a couple hundred pounds. Right. And the price of narcotics for ice can be as low as $40 economically. That kind of poses the question, supply and demand.

Senator Shawn Gumataotao: Chief, I appreciate this, but I'm only asking a question. So you're saying you don't have a figure on how many prosecutions and how many convictions?

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: We can get that information for you. As far as what we're able to release as far as the prosecutions answer.

Senator Shawn Gumataotao: Okay. Thank you for your answer, Mr. Chair. That's all the questions I have. Thank you so much.

Chairman Christopher M. Dueñas: Si yu'os ma'ase, I just wanted to mention that with all of the agencies we did, and this is part of our pre-budget process. We did note a marked increase in benefits for insurance because of the current health insurance plan under self-insurance as well as retirement. The adjustment that did go up.

Fortunately we've received good news that I think the retirement is going to go from 39.5 down to 38. run around point that's going to be a significant savings across the entire government. But yeah, so benefits are, are definitely showing a marked increase. And once again, that's because of the self-insurance program and the plan.

It's mostly going up on the government side. And then also the it was you know, the adjustment for retirement was significant, but looks like we're getting a marked improvement down with regard to that. Senator Barnett you may proceed.

Senator Chris Barnett: Si yu'os ma'ase, Mr. Chair and good afternoon, buenas and hafa adai to the customs team that's here today.

I'm not going to yell at you, not going to berate you, I actually support you guys and I want to start by commending you for the great work you've done with the drug seizures. Thank you. For seizing 2.8 pounds of fentanyl, which would've

killed three times over our entire population. Un dangkulu na si yu'os ma'ase for that, thank you for seizing 230 and a half pounds of crystal methamphetamine, 2.2 pounds of cocaine, six pounds of marijuana and what 10 ounces of illegal pharmaceuticals.

Among your other seizures. I just want to thank you guys. I know you guys work hard, that's one of your most important mandates. And I know you do a lot of these things in partnership with other great law enforcement entities to include the United States Postal investigators. I know sometimes GPD is involved, so, you know, it's no secret.

Our island's facing has been facing a scourge of crystal methamphetamine and other drugs, and you guys are right on the front line making these huge seizures. So I just want to say that I appreciate Guam customs for that very hard work. And I commend director, chief, and all of your staff for you know, these accomplishments in fiscal year 20 25.

You know, that being said, obviously you're seizing these large amounts of drugs and there's still a lot of drugs out there. So I just want to thank you for that. And I kind of wanted to ask director on some of your FY 26 goals, so nine new canines.

Ike Peredo, Director, Customs and Quarantine Agency: Yes. We're looking forward in picking up an additional nine.

Senator Chris Barnett: Right. So you're going to be putting the nine and canine?

Ike Peredo, Director, Customs and Quarantine Agency: Yes.

Senator Chris Barnett: Good. Solid. And so these canines are, you're able to purchase them through funds from the opioid settlement. Right?

Ike Peredo, Director, Customs and Quarantine Agency: They're all funded under the opioid.

Senator Chris Barnett: Okay. So does that necessarily mean, this is a question a constituent wanted me to ask. Does that necessarily mean that these dogs can only be trained in detection of opioids, or are you able to train them to detect, you know, crystal meth and, and other drugs that aren't necessarily under the opioid umbrella?

Ike Peredo, Director, Customs and Quarantine Agency: Yes, they're able to train with other drugs and I have the special enforcement colonel here that can further explain that to you, Senator.

Senator Chris Barnett: I'd appreciate that, sir.

Franklin Gutierrez, Assistant Chief , Customs and Quarantine Agency: Hafa Adai, Colonel Franklin Gutierrez with Guam Customs. I'm in charge of the special law enforcement division assistant chief and yes, they're drug dogs. So basically the, the main there's usually five items that we train on is methamphetamine cocaine, marijuana, ecstasy, and then heroin, which is part of the opioid. So yes, it, to answer your question all nine dogs will be focusing on drug dogs.

Senator Chris Barnett: And so if I heard correctly with the addition of the nine, that would give you a total of 18, is that right?

Franklin Gutierrez, Assistant Chief , Customs and Quarantine Agency: Yes, theoretically. But I know that we're also in the process that we have current handlers that need to be re-teamed. So we have some dogs, we are looking at about three dogs to retire because there is a life expectancies of a working dog. So we're looking at bringing in six new officers six new canines. So there'll be six brand new teams. And then, we'll, we're going to reteam three existing teams.

Senator Chris Barnett: I gotta see that retirement package for these canines.

Franklin Gutierrez, Assistant Chief , Customs and Quarantine Agency: Yes. Yes.

Senator Chris Barnett: And so I'm just wondering, with the influx of I mean nine dogs, it sounds like you're getting 'em at, at one shot. Are you going to be able to increase the number of handlers or what's that going to look like?

Franklin Gutierrez, Assistant Chief , Customs and Quarantine Agency: Yes, yes. In the last I want to say the last two years, we've greatly increased our handler capability. Our facility can currently hold 18 dogs maximum. We're looking at the possibility they're looking for grants to actually building expanding our facility. We're working along with GPD and DOC, well, GPD for example, they were doing a take home policy, right. But we feel that a kennel facility is more secure.

The reason why they do take home in the US is because it's further away and they live, it's easier for the one on one, but on Guam it's a small area, so it's easier to deploy assets out of one main area. So that's the reason why we deploy out of the airport operations. And to answer your question, we're currently assisting DOC and GPD and housing their dogs currently right now because we're trying to assist them to get their program up and running.

So the really the goal is to create a detector dog task force for the island. It's a very technical discipline and we've been doing it since the 1970s and we're very good at it and it's an evolving science and, by keeping, by training them, we can, you know, we can secure the prison facility. We can, GPD can secure the, the island and then we can take care of the borders and, that's really the goal of this program.

Senator Chris Barnett: That's such good news because you know, when I ran and I first got in, this was the big conversation as I'm sure you remember, director, we need more dogs. We need more dogs. We need more dogs. And now it sounds like we're getting more dogs, but above the 18, do you think there's still room for, for even more than that? Like, what's the magic number?

Franklin Gutierrez, Assistant Chief, Customs and Quarantine Agency: Yes. I believe gosh, the magic number, maybe 25, maybe 30 would be well, would be an, an awesome, adequate for the borders. If we build our facility down at the port we're looking at actually having a kennel facility down there to house, possibly nine dogs just for maritime operations. Again, when they talk about budgets and things like that, they're, you know, you. So the opioid settlement pays for the dog. So we, you know, we select the dogs and then we bring them back.

So they're pre-trained on specific orders, but then we conduct the training on Guam. That's another three months, 12 weeks of training. So it's very, very intense after that. You have the housing, you have the food, you have the veterinarian care and all that heartworm.

Senator Chris Barnett: That's all under your budget. That's not with opioid funds?

Franklin Gutierrez, Assistant Chief, Customs and Quarantine Agency: Yeah. So as we've increased our teams, our budget's going to have to increase to handle the demand, and then we're going to need assets such as canine trailers vehicles to deploy the assets out to those locations.

Senator Chris Barnett: Are you able to share without compromising, like operational security, what's the breakdown of, are they mostly down at the port or you have 'em mostly at the airport?

Franklin Gutierrez, Assistant Chief, Customs and Quarantine Agency: So currently since I took over the special and enforcement division one of my biggest things was to increase deployment activities. So our guys as a matter of fact. Early as this afternoon where they were hitting containers at satellite inspections. My director has been really focusing on increasing overall in narcotic inspections at the port. So we are, our guys are actively out there. They're looking for it and I mean, it is just a matter of time before we find more stuff.

Senator Chris Barnett: So if you were to have the canine facility down at the port, would you be charged rent? I know you guys know where you guys are going with this.

Franklin Gutierrez, Assistant Chief, Customs and Quarantine Agency: I hope we wouldn't, but hopefully we can do a private partnership or maybe our own the facility.

Senator Chris Barnett: Yeah. Okay. Okay. Yeah, no, that, I guess that was my next question. I try to do some research, because I know this comes up every budget cycle. We talk about the amount of rent that you guys pay to the airport authority, with all due respect to the chair who's just sitting right over there. And I know it, it comes down to the determination of aeronautical, non-aeronautical, but has there been any effort to address this? Is it at all feasible? So that way we save you guys that $2.9 million that you're paying in rent over at the airport. It just doesn't make sense to me.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: Senator thank you Captain Pangelinan. You know, the tariff rate for the rental rate for the airport that we are paying is because we are housed the, in the airport facility itself.

Senator Chris Barnett: Correct.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: So, I guess your question is non-aeronautical

Senator Chris Barnett: Right. So I think what I read is [inaudible] have to be paid charged a fair market value for the rent.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: Right. Yeah. That's what we're, that's how we are being assessed for our space up there.

Senator Chris Barnett: Yeah. And so the only way to escape that I'm assuming, would be if there was a policy change on the federal level or if your facilities were housed outside of the airport footprint.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: That has always been discussed out of, you know, people would mention that.

Senator Chris Barnett: Yeah.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: But you know, of course our operations at the airport is to service the airport authority with custom services.

Senator Chris Barnett: Right.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: But, you know, to have that discussion, I think having the airport authority with us would only be fair to have them.

Senator Chris Barnett: Sure. Absolutely and I was just doing some cursory research and I didn't see anywhere under aeronautical or non-aeronautical where customs would fall in. And they listed all kinds of different potentials for both categories, but I didn't see anywhere in their customs. So, yeah I'll do some more research on that.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: Thank you. Just to add Senator Barnett. The history with the rent with it being incorporated into the customs inspection fee has been a long topic of discussion, but it was also crafted. It was, to my understanding, and from what I've read and what I understood through the years, is that in order for customs to come to where we're at, where even with the special, the customs inspection fee these were some of the things that were incorporated or were added in so that we can, the

government of Guam, can avail themselves to a customs agricultural quarantine inspection service charge that we have today to fund custom services and relieve the government of Guam from the general fund for specific custom services. So that's why a discussion with the port, with the airport authorities is always appropriate when we, when we discuss about. What we're paying.

Senator Chris Barnett: Sounds like you're trying not to step on your landlord's toes.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: Be nice. Always good to be nice.

Senator Chris Barnett: Thank you, Captain. Director Peredo on your the goals here for FY2026, but thank you is a lot of ambitious things here, but I wanted to ask, there's a couple that I'm not very familiar with re-establishment of the Anderson Air Force base section. Can you just share more details on that for the viewing public?

Ike Peredo, Director, Customs and Quarantine Agency: Yeah. So sometimes back decades ago, we had an office up at Anderson and then we started downsizing and we made that office a satellite office of the airport. So the airport section that's handling inspection and control will just handle that office on a case by case basis. But with the amount of activities that's going on and we're seeing a lot of this buildup that's coming we're seeing an increase in arrivals and so we need to reestablish that office and operate it on a 24 hour basis.

Senator Chris Barnett: So what's happen happening? What's happening now, sir? In lieu of the office being there, is there a process for.

Ike Peredo, Director, Customs and Quarantine Agency: We have somebody assigned daily to go to follow up the arrival up at Anderson.

Senator Chris Barnett: Okay. And so what's the timeline for, for the establishment, the reestablishment of that, and then what's the funding component?

Ike Peredo, Director, Customs and Quarantine Agency: We're looking within the next three months.

Senator Chris Barnett: Okay.

Ike Peredo, Director, Customs and Quarantine Agency: That's our target is to reestablish that in line because the airport up at Anderson was damaged by typhoon Mawar. So it's being renovated at this point in time. So we're working with them to make sure that in line, we have the opening of that, that we will provide a proper staffing, an additional resection.

Senator Chris Barnett: Thank you, director. And then the establishment of the CQA drone unit. Can you share more details about that? I mean, it sounds very obvious.

Ike Peredo, Director, Customs and Quarantine Agency: Yes. That's a new program that was brought to my attention and I'll have Colonel Gutierez elaborate on that.

Franklin Gutierrez, Assistant Chief, Customs and Quarantine Agency: Hi thank you. That was one of my projects that I kind of took it upon myself back in 2020 to looking at the situation and how law enforcement's using drones.

So I'm actually a drone certified pilot, and a few of the officers behind me are also certified. So we already have the certification. What we did is we looked into the 2021 and 2022 port security grants and FEMA and GHS actually appropriated about $180,000 for drones. So we have federal fundings coming in and so the goal is to establish a sort of like what CBP does is an air wing where we're going to be, it's going to be an un unmanned air wing, right.

And utilizing drone technology. To basically protect the island better. Right. We have vessels we can monitor port activities special operations coastal areas that we normally can't do other than you have to look for vantage points so we can basically eyes in the skies, right?

Senator Chris Barnett: Yeah.

Franklin Gutierrez, Assistant Chief, Customs and Quarantine Agency: And so it, it is a big project. The fire department has a drone program, GPD, so a lot of us, we went to school together. So we're all pilots together. It's just our goal is to establish this program and basically enhance the capability of the agency.

Senator Chris Barnett: Great. That, that sounds very encouraging. I wanted to ask though, you're using the drone technology, I guess for the bird's eye view part,

but what about and this is another issue that's come up before access to the CCTV systems that are installed at the port and the airport. Does customs, do you have access to those systems? Is this something that, that you want to have access to, to better be able to monitor and enforce? All your mandates?

Franklin Gutierrez, Assistant Chief, Customs and Quarantine Agency: Yes. So currently the airport has a CCTV system, and so does the Port Authority of Guam. We do have access into the system, but it's a manual access where we have to go into their, into their command center to view it. So for the record, we, we do have on an as needed basis, but moving forward, what I've done under the Port Security grant in 2023 is a customs CQA itself put in for their own CCTV.

So that is a process that we're currently, and I believe we have about a hundred and close to $200,000 to start the portion of it. So we're looking at placing cameras of the boat basin, the Agat Marina, as well as, and it, it's going to be a phased out project where I'm looking at, we're looking at maybe 8 to 12 cameras to start off with and then just increase our capacity through the years.

And then the second phase would be to work on the airport. Because at the end of the day is their cameras may be facing for security purposes, but we need our cameras for customs purposes. And that's the reason, that's the whole justification of why we need our own cameras.

Senator Chris Barnett: So this isn't going to be a duplication of efforts then?

Franklin Gutierrez, Assistant Chief, Customs and Quarantine Agency: Yeah. I believe it'll be a force multiplier because they would have their cameras. I mean, they have probably a hundred cameras down there where we would have our cameras more strategic in place where we need 'em. And then of course, the drones are cameras in the air as well.

Senator Chris Barnett: Right.

Franklin Gutierrez, Assistant Chief, Customs and Quarantine Agency: And so the CCTV program and the drone program kind of worked together.

Senator Chris Barnett: Okay. Thank you for that clarification because I had heard that you weren't able to access it and now you're saying you do on an as needed basis, but apparently all those issues are going to be solved by standing up

your own material. So thank, you for that. Then lastly Director Peredo in your budget request, I know that 45 CQT's are pending which would bring us much closer to that magic number of 300. Right. And then in your supplemental request, you're requesting funding for an additional 10, is that the max? Can we get any more CQT's in there? Because we, I think as a body we have to do whatever we can to get you as close to that 300.

Ike Peredo, Director, Customs and Quarantine Agency: I'll like to request for higher, but at least, you know.

Senator Chris Barnett: Well, what, tell us, how many can you fit in in a fiscal year?

Ike Peredo, Director, Customs and Quarantine Agency: 30 at least.

Senator Chris Barnett: 30, yes. Additional?

Ike Peredo, Director, Customs and Quarantine Agency: Mm-hmm.

Senator Chris Barnett: So not 10, 30?

Ike Peredo, Director, Customs and Quarantine Agency: Yes.

Senator Chris Barnett: Okay. Yeah. because I know we had the big conference with our counterparts from the Marianas and I had asked you like, so what's the magic number? And, you know, it's very difficult for us to expect you to meet these challenges and you know, most especially the meet your mandates with your short staff was 60 some percent. So thank you. So that you could do 30 recruits in the fiscal year. Thank you very much, director. And si yu'os ma'ase again to the customs family for all your hard work and thank you Mr. Chair, for the opportunity.

Chairman Christopher M. Dueñas: Si yu'os ma'ase, Senator Barnett. So with our oversight chair, we'll, make some comments and then I'll close out for today.

Senator Chris Barnett: Thank you, Mr. Chair.

Chairman Christopher M. Dueñas: Standby moment. Chief.

Ike Peredo, Director, Customs and Quarantine Agency: Senator, I would just like to yield to one of my officers to further explain something to Senator Gumataotao…

Chairman Christopher M. Dueñas: Sure.

Ike Peredo, Director, Customs and Quarantine Agency: Concerning the A&E.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: Senator, Captain Pangelinan, I know you had some questions about the $2 million that Congressman Moylan secured for us. It still has to go through the grant process that we have. The $2 million is for us, it's assigned to a federal agencies, so the director does have staff that are working weekly, daily to meet the requirements that the federal agency needs in order for that money to be transferred into our account. So I'm just at a loss of which federal agency is the one our personnel is working with.

Senator Shawn Gumataotao: Is it Merit?

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: I think it's Merit, but I don't want to say,

Senator Shawn Gumataotao: Hey, there's a brilliant

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: I was thinking merit, so I don't want to mention which one and I was wrong. But it's going to that process.

Senator Shawn Gumataotao: Oh my God.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: It's not a straight up delivery into Govguam accounts from the congressional office. It's going through the federal agencies. I hope that answers your question.

Senator Shawn Gumataotao: It does it a little bit, but like, I mean that's why we're, I think what I've been finding, this just goes back to my experience in Govguam, is that we, there's all these great programs that we're trying to get, and I'm sorry Mr.Chair, if you just let me finish. But the, yeah, we just get into these programs and we just, who, who's going to give it to us? And then we say, okay,

great. And then we just walk away and nobody pays attention. I get it. Yeah. That's what I'm saying. Now that. I believe it's Merit.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: Yeah and I know it's a federal use, but rest assure the director has somebody on that project.

Senator Shawn Gumataotao: Okay.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: They're not on this table. But somebody who was competent enough, very competent, is working on getting that, that money that was awarded to us by Moylan.

Senator Shawn Gumataotao: Thank you, sir.

Chairman Christopher M. Dueñas: Senator Lujan.

Senator Jesse Lujan: Thank you, Mr. Chair. Committee member Gumataotao asked me to excuse him. He says that $8 million threw him off. Sorry. Actually I wanted to respond to, but I, he left, but I'm sure he can review the tape, but I want to again, to comment on Senator Barnett was talking about the rent at the, at the airport. And as we had previously tackled in the last legislature, the uniqueness of Guam Customs and quarantine is unlike any other place in the state where unique, where no other state has its own customs and quarantine.

And so whatever move the airport makes for renting out, either it was in, within the parameters of course, of the airport that they have to get FAA approval. So because you are not part of the federal agency you are considered a tenant of the airport, so are required to pay rent.

And so, you know, my response to Senator Barnett is yes, in our meeting and we're having close discussions actually with the, with the congressman and his policy team. And my main question there is to look and ask the FAA in regards to their grant requirements to try to get an exemption for CQA for Guam, because we are unique.

Again, we're the only ones that pay that, and we say it doesn't make any sense because it's a required thing, but because you're not a federal agency, you're unique

for Guam, you are a tenant. And so having to get FAA approval, I mean, if they didn't charge you for rent, okay, according to FAA okay, the airport will not get their federal grants.

So all renters, you're like Burger King and everybody else up there, you have to pay rent. So we're trying to get, we're trying to get FAA to exempt, CQA, Guam. From paying rent and, and whatever it is that we can do to be able to get an exemption, we'll definitely try to do. You know, if it requires that the director and I and everybody else go to, to DC to try to get an exemption, then we'll, we'll do so that's what we're doing at this point.

And I also want to say that again I will ask my colleagues as I, before they, if they can join me and, and as Senator Gumataotao and other senators have to your facility, visited your facility at the airport where your canines are at. And not only the airport, but also your ports of entry where your canine dogs are at work.

And so I'll work closely with you, likewise with my colleagues and hopefully questions that they, that were asking will be answered. By their visit to your ports of entry and, and you know that your dogs are, are at work. And so, I know we added that money to your you know, because the, the visit that we had to your facility, that's when your handlers were saying, Senator, sometimes we take our money out just to feed the dogs, you know?

And the one thing that was disturbing, I know there was, there was, I think it was the last legislature where Director Bordallo came here and was talking about their lack of funding as well. They said, we don't, he said, we don't even have funding for toilet tissue and all that. I said, so don't request for dogs because your dogs will starve if you, if you don't have money for toilet tissue, you're not going to have money for your dogs.

You know, but that being said, again, I want to thank you folks again for the tour, and we'll arrange again for a tour with our you know, my colleagues and yeah, again your handlers and they showed us their detection because they showed us, you know, they plant the actual drugs actually, that they've, that they've, I think you guys have confiscated before and all that.

They actually plant them not only up at your facility, but down at the Port Authority when we were down there. And again, you guys do a tremendous

amount of work. And thank you very much for that. And I know you need more. And I told Senator Gumataotao $8 million that's just the beginning.

Okay. Waited till my other agencies come in here and then you'll see. But anyway, that being said again, thank you. And congratulations again for their promotions that, you've had just recently and keep up the good work. And we're going to do our part to get you the tools that you need to do your work.

And congratulations on, on your new cycle coming up. What is your again, your I guess, rate of from the folks that start off to the retention from their start to finish. Is it almost a hundred percent from start to finish When they start the cycle, really. Okay.

And how long is that cycle?

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: The cycle depends about eight months.

Senator Jesse Lujan: Eight months? Yeah. Oh, wow. Wow. That's, that's a long time. So it's pretty intense, huh?

Ike Peredo, Director, Customs and Quarantine Agency: Yes.

Senator Jesse Lujan: Yeah. No. Oh, can, can you tell me, I mean, you guys were, we're talking about a possible to aligning with the post commission. What does that alignment entail? I mean, so if you're aligned with the post, what does that mean to your operations?

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: So I was the former chairperson of the post commission, and during my tenure we ended up adopting what is called the Government of Guam, law Enforcement Officer Force structure.

Senator Jesse Lujan: Mm-hmm.

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: What it is follows a scheme similar to the military where you have like E one through E nine. At the lower end you have your guys who are working on the tactical, and then as you move up, you start going into basic supervisory, advanced supervisory, and

then strategic leadership. And so in the post commission we see that there's a mismatch of standards.

And even when your standards kind of align, the pace, schedules for, for the different law enforcement entities are skewed. And the intent behind the post commission is to create standards. For training and for education requirements. So since we've adopted the post LEO four structure that creates an opportunity for what is called a non-competitive career ladder, similar to what the federal government uses, where they go from a GS 5, 7, 9, 10, 11, 12 non-competitively, and then they compete at the supervisory level in the government of Guam.

As we sit here today, as soon as you graduate as a trainee from the customs or the police or the corrections or whatever academy, and you become an officer one, every single promotion after that is competitive, which means that you have to stratify against your peers. You either have to test. Opposed to the non-competitive where if you meet time and grade, time and service meet the career education training plan and your performance evaluations are satisfactory, then you will get promoted.

And this is a way for us to address the retention issue that we have. If you take a look at what the customs and quarantine officers are, are making, compared to our federal counterparts, many you, you see around 32% of the officers who have resigned from the Customs and Quarantine Agency work in the federal government.

Some of them are port directors, many of them are like in high leadership positions. And here in customs, I feel like we're just a training ground for federal service. So we really need to do something like what the Post Commission is doing

Senator Jesse Lujan: mm-hmm.

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: With that force structure.

Senator Jesse Lujan: Mm-hmm. So how soon will you be, I mean, you're talking about aligning, so how soon are you thinking to. Get a line up.

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: We've already put in a request with the department of Administration. It's currently under

review right now. We're going to be submitting it more than likely next week to try and do the alignment. And at the same time with the post we also have a sub committee for the introduction of the force structure for all category one law enforcement agencies to come into compliance with.

Senator Jesse Lujan: Would that require legislation then either?

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: Legislation or through the administrative rules process? So what I'm doing is that as the subcommittee, we've already had our first meeting to talk about the alignment of, like the apprentice journey and craftsman positions for each agency. And then that way we can standardize it across the board in the category one area.

Senator Jesse Lujan: Mm-hmm.

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: And then more than likely we might be coming before you to present whatever is the shortest way to get us there. We'd like to do it, or if the legislature can help, then we're going to do that as well.

Senator Jesse Lujan: Yes. Okay. With that being said, in regards to possible legislation for that are there any other legislative reforms that will help strengthen again, the agency's authority for ports of entry?

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: Yes. In the previous legislature, we had submitted draft legislation and because the draft legislation did not fully go through the, motions, we, took the legislation back and we retooled it. And we're just in the process of finalizing it. And we will be ready to submit shortly.

Senator Jesse Lujan: Okay. Would you be submitting that to our office now?

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: Yes.

Senator Jesse Lujan: Okay. When can we expect that? Tomorrow.

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: Just one final review and then

Senator Jesse Lujan: Tomorrow, Monday or Monday. This is the final review. Okay. One more question. You submit update customs clearance rules for FY 2026. What are the key changes you're proposing? And again, do they require legislative support?

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: I believe we're talking about the administrative rule making process.

Senator Jesse Lujan: Yeah.

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: So we're going to be, we're just going to be developing the rules and going through the AAA process. If it becomes too difficult, of course we would ask for legislative support.

Senator Jesse Lujan: Okay, Monday.

Vincent Perez, Chief of Customs, Customs and Quarantine Agency: John [inaudible]

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: Just to clarify your question, you're asking about the fee and the

Senator Jesse Lujan: well your submission for the updated customs clearance rules.

John Pangelinan, Captain CQA Inspector, Customs and Quarantine Agency: Yeah. Yes, yes. So, so, so Senator that's in line with those are our procedures that we have in the books now. So those are going to be updated, but it's also going to incorporate the use of HS and more modern best business practices that are being adopted from other customs administrations into that particular rulemaking process.

Senator Jesse Lujan: Okay.

So that's what we're that's one of the projects that we're going to, we intend to complete. As well as the fee adjustments which we did put as one of our accomplishments.

Senator Jesse Lujan: Okay.

And those both processes will require the AAA

Senator Jesse Lujan: Okay.

To go through AAA so that we can hear and present to our stakeholders before submitting it as required down here to the lawmakers.

Senator Jesse Lujan: Okay. Well, one, one more question. I lied. One more question. You guys are downsizing your footprint at the airport. What does that what does that entail in regards to, to, to your rent? How much would that lower your rent in, in regards to the footprint shrinkage?

Ike Peredo, Director, Customs and Quarantine Agency: The current footprint that we have?

Senator Jesse Lujan: Yeah. Yes, yes, yes.

Ike Peredo, Director, Customs and Quarantine Agency: What we're doing is we are not, we're not increasing our footprint, we're just trying to restructure the office.

Senator Jesse Lujan: Oh, okay.

Ike Peredo, Director, Customs and Quarantine Agency: To accommodate the administrative, offices and so that we can move over there so we don't have to pay rent at [inaudible].

Senator Jesse Lujan: Okay. But you're okay. So you're not shrinking, you're not shrinking your footprint then you're just realigning

Ike Peredo, Director, Customs and Quarantine Agency: Yes. realigning.

Senator Jesse Lujan: Okay. Okay. So, okay. So you won't reflect on your rent.

Ike Peredo, Director, Customs and Quarantine Agency: No.

Senator Jesse Lujan: But I, you know, actually the last time I came in when you had that one line going that I think has been very efficient. I mean, from what I saw that morning anyway, it, it seemed to go pretty fast, you know, because you know, in, in previous times you say, which one's the shorter line, you know, and then you wind up, there's a person in front of you and you have to go to secondary, and then they're taking about a half hour ai leche. Anyway. But thank you very much. Mr. Chair. Thank you.

Chairman Christopher M. Dueñas: You're welcome. Senator Lujan and Mr. Chairman. So, no rush on the deadlines Monday. So I just want to join my colleagues in and saying thank you for the work that you do. Every single time I've encountered a need to be in front of a customs officer, I've always you know, received professional treatment.

And so when I just mention that to you guys, once again, keep up the good work and, and like you said, director, you know, you've had good times and tough times, but it seems like it doesn't matter, you know, when we come in either at the airport or we're bringing in some goods or the like, you know, for me at least all my interactions have been very positive, very professional.

So thank you once again to your organization. I think we've vetted your budget well enough this afternoon. I don't really have any other questions. So with that this will conclude this afternoon's budget hearing on Bill No. 44-38 (COR) relative to the Customs and Quarantine agency. The committee will continue to accept written testimony on the bill within seven calendar days from today, which may address to myself, Senator Christopher M. Dueñas as chairman of the committee.

Or mailed to 163 West Chalan Santo Papa in Hagatna, 96910. You may also send your testimonies to my email at senator.duenas@guamlegislature.gov. This afternoon's budget hearing is now adjourned and the time is 3:44 PM. Si yu'os ma'ase we are adjourned.

The Budget Hearing was adjourned at 3:44 P.M.

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Tuesday, June 17, 2025, at 9:00 A.M.

Department of Corrections (DOC)

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on June 17, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Tue, Jun 10, 2025 at 9:30 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 10, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **FIRST NOTICE - FY26 Budget Hearing on June 17, 2025**

The Committee on Finance and Government Operations will conduct a budget hearing on **Tuesday, June 17, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
- Department of Corrections (DOC)

2:00 pm
- Office of the Attorney General (OAG)

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

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SECOND NOTICE - FY26 Budget Hearing on June 17, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Fri, Jun 13, 2025 at 10:04 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 13, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **SECOND NOTICE - FY26 Budget Hearing on June 17, 2025**

The Committee on Finance and Government Operations will conduct a budget hearing on **Tuesday, June 17, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
- **Department of Corrections (DOC)**

2:00 pm
- **Office of the Attorney General**

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

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Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

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FOR IMMEDIATE RELEASE
June 13, 2025

MEMORANDUM

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Chairman, Committee on Finance and Government Operations

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SECOND NOTICE - FY26 Budget Hearing on June 17, 2025

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SECOND NOTICE - FY26 Budget Hearing on June 17, 2025

PUBLIC HEARING

Posted on: 06/13/2025 11:31 AM

Posted by: Camarin Breton

Public Hearing Date: 06/17/2025 09:00 AM

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Division(s):
OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

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FOR IMMEDIATE RELEASE
June 13, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on June 17, 2025

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Relative to **Bill No. 44-38 (COR)** (http://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%2044-38%20(COR).pdf) - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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BUDGET HEARING AGENDA

Tuesday, June 17, 2025 – Guam Congress Building

9:00 A.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Department of Corrections (DOC)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 17, 2025 **Time: 9:00 a.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

– Relative to Department of Corrections (DOC)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Fred C Bordallo	DOC	[redacted]	[redacted]	✓	✓	✓	
2	Antone Aguon	DOC						
3	MISHAE CRUZ	DOC	671-735-5170	MISHAE.CRUZ@DOC.GUAM.GOV				
4	DIANE CRUZ	DOC	" "	DIANE.CRUZ@DOC.GUAM.GOV				
5	MARICEL ATANACIO	DOC	" "	MARICEL.ATANACIO@DOC.GUAM.GOV				
6	ROMA OKADA	DOC	"	roma.okada@doc.guam.gov				
7	Mark T. Perez	DOC	[redacted]	mark.perez@doc.guam.gov				
8	MIKE QUINATA	DOC						
9								
10								
11								
12								

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 17, 2025 **Time: 9:00 a.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

-- Relative to Department of Corrections (DOC)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Shawn MT Hee	DOC	[redacted]					
2								
3								
4								
5								
6								
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9								
10								
11								
12								

LOURDES A. LEON GUERRERO
Governor

JOSHUA F. TENORIO
Lieutenant Governor

Department of Corrections
Depattamenton Mangngurihi
Government of Guam

P.O. Box 3236 Hagatna, Guam 96932
#1 Mashburn Lane Dairy Road, Mangilao, Guam 96913
Telephone No.: (671)735-5170/5176
Fax No.: (671)734-4051
Website: www.doc.guam.gov

FRED E. BORDALLO JR.
Director

June 17, 2025

MEMORANDUM

To: Honorable Senator Christopher M. Duenas
Chairman, Committee on Finance, and Government Operations
38th Guam Legislature
Office of Finance Budget
Ran Care Bldg, Suite 2 2nd Floor
721 Marine Corps Dr, Tamuning, Guam 96913

From: Fred E. Bordallo Jr.
Director, Department of Corrections
#1 Mashburn Lane Dairy Road
Mangilao, Guam 96913

Subject: **Testimony BILL No. 44-38 (COR)**

Buenas yan Hafa Adai! Honorable Senator Chrsitopher M. Duenas.

I am providing testimony with the support of the management staff, Department of Corrections for BILL 44-38 (COR) ***"AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCHELLANEOUS AND ADMINISTRATIVE PROVISIONS."***

I want to express my appreciation to you, our Guam Legislature oversight Chair Senator Guamataotao, and the Guam Legislature's Office of Finance Budget for the opportunity to have discussions about the budget provisions pertaining to the Department of Corrections.

I have attached herewith a highlight of issues that were raised in our budget discussions. I have included some concerns, and expectations that the management staff had and would be ready to share. Finally, I have included strategies we believed once adopted, would be beneficial, in terms of executing the budget plan.

Thank you!

Si Yu'us Ma'ase'

FRED E. BORDALLO JR.
Director

BILL 44-38 (COR) "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCHELLANEOUS AND ADMINISTRATIVE PROVISIONS

ISSUES DISCUSSED WITH OFB: DEPARTMENT OF CORRECTIONS (DOC), BUDGET & EXPECTIONS

*Highest Cost incurred by Department of Corrections are inmate medical expenses. An increase population at the Department of Corrections (highest pretrial inmates 500) has increased the cost of health care. Both Medical and Behavioral health care services are coordinated through a Tri-Mou with GMHA and GBHWC.

DOC administrative officer response prioritize on private health care providers payments and then GMHA. Prior debt obligations and later supplemental request for any shortfalls.

DOC Case work staff reviewing inmate health insurance.

Legislation inmate copayments of medical debts

*Transportation cost for court and medical are provided by Department of Corrections. Dependence on reliable secured and functional vehicle transportation with security escort personnel.

DOC allowed from the new prison fund, a million and potentially four million additionally for infrastructure renovations, security systems upgrades, and security operations equipment and vehicles.

*DOC through discussions and advisement with DPW terminated negotiations with bidder for A&E new prison at the cost of 16mil.

For new prison funding, continued authorization of appropriations modernization act of 2021 5m. With anticipated Hagtana restoration plan enacted with relocation of Hagatna Detention Facility. Additional discussions warranted for a detention facility that houses both federal and local and segregated from local adjudicated incarcerated inmates.

MOU completed with GHURA for renovations at Mangilao ACF.

Water, power, and electrical infrastructure improvements and sustainability

Judiciary Master Plan 2010, Detention facility space and Parole Enforcement programs with Probation.

*DOC recruitment goals with present count at 181 corrections officers, an effort is ongoing to achieve the recruitment and training activities so that by December 2025 DOC has a force of 200 corrections officers.

25%differential pay, Corrections reserve program, parole reserve program. Staff management identified a disparity of uniform allowance pay of $250.00 that corrections officers were given as opposed to other law enforcement officers budgeted for $500.00

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Christopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Tuesday, June 17, 2025** at **9:00 AM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Tuesday, June 10, 2025** (5-Day Notice), and again on **Friday, June 13, 2025** (48-Hour Notice).

SENATORS PRESENT
Senator Christopher M. Dueñas, Chairman
Senator Sabrina Salas Matanane
Senator Telo T. Taitague
Senator Eulogio Shawn Gumataotao
Senator Chris Barnett

ORAL TESTIMONY:
Antone Aguon, Major, DOC
Roma Okada, Administrative Services Officer, DOC

WRITTEN TESTIMONY:
Fred E. Bordallo Jr., Director, DOC

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **[9:01 A.M.]**

[Questions and Discussion] **[***Begins at 00:20:54 and ends at 02:24:23*]

Chairman Christopher M. Duenas: *Manana Si Yu'os!* Good morning and welcome to your Guam Congress building. Today we'll be continuing our series of budget hearings. So, thank you for all of you who have joined us today. And today we'll be addressing Department of Corrections. So, the Committee on Finance and Government Operations is now called to order. The time is 0901, and it's June 17th, 2025. First notice of this public hearing was disseminated to all senators and media outlets on June 10th, 2025, with its second notice disseminated on June 13th, 2025. The hearing notices were also made available on the Guam Legislature's website, our Guam legislative calendar, and the government of Guam's public Notice portal.

The committee will now hear bill number 44-38 (COR)- **COMMITTEE ON RULES BY REQUEST OF *I MAGA'HÅGAN GUÅHAN*, THE GOVERNMENT OF GUAM,**

IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Once again today, this is relative to the Department of Corrections, DOC. Thank you for the DOC family for being here. And I note that you've already been seated at the table. So, I will proceed, but before we begin, as is customary with budget hearings we do have the Swearing in process as we'll be dealing with fiscal matters. So, I ask you at this time to please rise and allow for the sergeant arms to swear you in.

Edward Pocaigue, Sergeant-at-arms: Please raise your right hand under penalty of perjury. Do you affirm that any and all information you provide today, whether it be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth? Mr. Chair, they're under Oath, you may proceed.

Chairman Christopher M. Duenas: Thank you, Sarge, and also joining me today to assist with this hearing Senator Sean Gumataotao, who just stepped out for take a phone call. Also, Senator Telo Taitague and Senator Sabrina Salas-Matanane. Thank you Senators for joining us this morning. Before we begin, I'd like to remind everyone in attendance of *I Liheslåturan Guåhan*'s General Rules of Conduct, individuals testifying shall first be recognized by the chairperson before speaking and shall state their full name for record keeping purposes. Questions and testimony shall be confined to the substance of and the nature of the bill on the agenda. Personal inferences to the character or motive of any senator or individual testifying are not permitted. The chairperson of the committee may order the removal from the hearing of any member of *I Liheslåturan Guåhan* or public audience who fails to observe decorum. Pursuant to the 38th Guam Legislature Standing Rules, any violation of this general rule of conduct will result in immediate removal from the public hearing room. And with that, we'll now proceed to hear testimony on Bill 44-38 relative to the Department of Corrections. Also like to welcome Senator Barnett, who has joined us.

So, this time Chief the format that I've been moving with during these budget hearings is I'll recognize you, Chief Bordallo DOC director and then you can introduce your panel members and whether they'll be testifying or just in support of any questions that the committee may have. So, Chief, I recognize you at this time. Please state your name clearly for the record prior to providing any testimony for record keeping purposes at this time. Chief, you're recognized. Thank you.

Fred E. Bordallo Jr., Director, DOC: Good morning, Senators. My name is Fred E. Bordallo Jr. I'm the Director of Department of Corrections. With me here on our to testify on our budget is our Administrative Service Officer, Roma Okada. And then I also have our Administrative Division Finance Major Antone Aguon, who's with us. And we may have more of our staff come over as this budget process goes through. I wanna read my testimony.

Håfa Ådai Honorable Senator Chris Duenas and also I'd like to say Good Morning Senator Sabrina Salas-Matanane, and Senator Sean Gumataotao, oversight, Senator Chris Barnett and Senator Taitague.

I am providing testimony with the support. The management staff, the Department of Corrections for a bill 44 dash 38 corrections, an act making appropriations for the operation of the executive branch of the government of Guam for fiscal year ending September 30th, 2026, making other appropriations in establishing miscellaneous and administrative provisions.

I want to express my appreciation to you, Senator Duenas, to..

(Please see attached testimony)

and therefore we're now subject to any questions there, Senator Duenas.

Chairman Christopher M. Duenas: Thank you very much Chief Bordallo. So, are you gonna express the concerns you might have at this point in time, or just wait for the question to ask?

Fred E. Bordallo Jr., Director, DOC: With the attachment I can go ahead and read some of the highlights of attachment. We'll, I'll start just like I had indicated in the Office of Finance and Budget. Our highest…

Chairman Christopher M. Duenas: Yeah, Why don't we do that? So, the senators are prepared to ask you questions based on that as well, so please proceed.

Fred E. Bordallo Jr., Director, DOC: Okay. So, the highest costs incurred by the Department of Corrections are inmate medical expenses, an increase in population of the Department of Corrections. The highest, of course, the pretrial inmates numbering over 500 has increased the cost of healthcare at Department of Corrections. Both medical and behavioral healthcare services are coordinated through a TRI MOU with Guam Memorial Hospital Authority and also the Guam Behavioral Health and Wellness. Department of Corrections Administrator Officer, as I said, is with me Roma Okada her response in prioritizing the healthcare provider's payments is what she does. She takes care of those first before she starts to look at the bills and the payments for the Guam Memorial Hospital prior debt obligations and later supplemental requests are for shortfalls are what we always anticipate and expect. And that's why some of the conversations I've had with BBMR with Lester Carlson is to just keep them, keep him informed when any of those shortfalls are happening as we go through this fiscal year. DOC casework staff we have them tap the reveal, the inmates health insurance. 'cause if they have Medicare, anything past 24 hours, we've been told if they're hospitalized, may be covered by Medicare. We don't know how that might go with a lot of the issues that are happening nationwide, but that's one of the strategies we're using to, is to ensure that we take account of any pretrial inmate, including sentence inmates and what kind of healthcare insurance do they have right now. Another potential strategy is legislation, inmate co-payments of medical debts that has been done in other jurisdictions in the states where they actually charge inmates co-payments and it'd have to go through some legislative process. Of course, the caveat to that is there sometimes there's some legal challenges to that, right. But that would, that was one thing that I wanted to mention, our transportation costs for the court. And medical are provided by Department of Corrections and that's dependent on reliable, secure, functional vehicle transportation with security escort personnel.

So that's a lot of, we bear the cost of that. And I can just tell you right now, we average in from on a day, sometimes 60 to 80 transports going back and forth from *Mangilao* to the court, and then also to hospital runs or appointments or clinic runs. And this is again a wear and tear on our vehicles and our transportation to include the personnel escorts that are needed to be with those inmates when they're having their medical appointments.

The Department of Corrections is allowed from the new prison fund a million dollars that was discussed in the previous legislature appropriations to us. But there's potentially the other $4 million additionally for infrastructure renovations, security systems, upgrade, security operation equipment and vehicles, which we're utilizing the 1 million for at least helping us out with some of those backups to do those security transports and supply runs also. The Department of Corrections of Discussions and advisement of Department of Public Works terminated negotiations with the bidder for the new, for the architectural the A&E for new prison.

At the cost of $16 million, we didn't have $16 million. That's I discussed that with OFB, that we didn't have that that in the account to pay the A&E and we were just advised by the DPW terminate negotiations and we'll probably have to restart all over again if it comes down to reevaluating the Modernization Act and what it calls for those deposits of $5 million every fiscal year for the new prison funding. Continuing authorization appropriations, as I mentioned here is 5 million. We've anticipated *Hagatna* Restoration Plan enacted with relocation of a *Hagatna* detention facility. What that translates to is that we've had members of the *Hagatna* Restoration Plan have been appointed. One of the thems is Mr. Leon Guerrero, who has reviewed that plan and there's no plan. There's, there was nothing indicated where the *Hagatna* Detention facility is going to be relocated, right. And I've mentioned this to the Guam attorney Generals, I mentioned this to the governor and I've mentioned it publicly in the legislature that, you know, from the correction facility that I worked at, we don't have pretrial detainees mixed in together with sentenced inmates.

Sentenced inmates adjudicated have already been plead, convicted. They're serving their time at the department of corrections . In the pretrial inmates are in a different category. They're waiting for their court trial. Most of the disruptions that we can

look at, the frequency of reports we have really came from pretrial detainees, right? In other jurisdictions, they're at a jail detention facility away from that state prison. In the military, they're at Leavenworth that's where the convicted prisoners are at. They're not over at the correction for cities where I'm work at. So, we need to so what I was suggesting, and I've had discussions with the governor and the chief Justice is rethinking what the judicials are planning on their master plan in 2010, right? Because like other jurisdictions, if a detention facility is just right there within the vicinity where the court is at you eliminate all those transports high costs and you eliminate a lot of the potential violence that can happen of a pretrial inmate who's innocent being possibly assaulted, or subject to a violent crime by sentence Inmates.

We have an MOU, a Memorandum of Understanding completed with GHURA for the renovations. They've also been given a power for procurement from DPW. So, actually today they're gonna be going to the *Hagatna* Detention facility, make an assessment there. But they're gonna be working on the project where the domes are at, because the domes, as I had mentioned before in previous public hearings they are some of the domes, I think two of them or three of them out of the four, the aircon systems are down. They've been down for a long time and a lot of that is gonna have to be done through a procurement process of invitation to bid process. And that's why GHURA and their engineer Sunny Perez, is really gonna be really great in assisting us in that effort.

Another thing is the water power electrical infrastructure improvements and sustainability, that's all gonna be part of this GHURA assisting us, but it is also a factor what we are bearing right now in our budget and our costs. We've had a situation Hagatna Detention where the parole office is at, where they had some leaks and we requested from Guam Waterworks, they came down and they helped us out.

Now they billed us for about $8,000 for the going there, but there have been other areas in the department of corrections in *Mangilao*, the down correction facility, that it's so old up there and the water system up there, we can probably be you know, wreaking in an expensive cost just for water leaks up there; thousands and thousands of dollars, right? And that's going to really amount and translate to a lot of work being done up there, especially if they're going to be doing renovations, to really

look at our water distribution up there in Manila to fix some of those stuff to reduce that water power electrical again, that came with the MOU. They'll be assessing our electrical stuff and that's very important because once the electrical stuff is also you know, taken care of now, our communication systems and our internet you know, the ability for communications is gonna be taken care of because we really need to ensure that those connectivities are there. They're not disrupted because of the power and the situation that we have up there at the, and also to where *Hagatna* Detention Facility is at. I just mentioned the Judiciary Master Plan at 2010, the detention facility space and parole enforcement programs or probation. These are areas of discussions I've sort of had some discussions with because as we get into the overcrowding of our facility, a lot of the pretrial probation at the court, it depends on how robust their pretrial is. You know, and a lot of what has been mentioned is electronic monitoring as a solution to that, and also for our parole, a lot of of what is suggested for to ensure that we reduce our parole revocations during, in compliance is electronic monitoring too and of course community supervision of the parolees aggressive supervision of the probation but that will re require amount of personnel. I can't speak on behalf of the courts, but I know for parole there have been discussions and I know I shared with Senator Gumataotao and other previous senators a possibility of a parole reserve program similar to our corrections reserve program. I don't know whether courts have mentioned, and I won't speak on behalf of them, whether they were thinking of a parole probation reserve program, but they have a Marshall Reserve program. One of our Correction Officer Reserve works for the court as a Deputy Marshall Reserve, which is a very successful program for the courts.

The recruitment goals for Department of Corrections. Our count is at about 181 corrections officers. Our effort is ongoing to achieve recruitment and training activity so that by December of 2025, we will have a force of 200 corrections officers on board. We have already four that are completing that are in the cycle with the Guam Police Department so that they can have enough to have to push their cycle through. But we've just recently been going through interviews, department administration have been giving to us to make sure that we you know, get about 20 of the recruits Major Aguon can elaborate that and Roma where we're at on that, if there's any questions on that.

But I believe the biggest thing about recruitment, because I came from the, not only a corrections background from the Marine Corps, I was also a recruiting officer for the Marines in Louisiana and served with the recruiting service. And the biggest thing about attracting individuals to come both in the Corrections reserve program or in the corrections as a full time is just what is the salary? Like, what's the pay like? Right. And we've, we started, and I'd like to thank the Guam state chair, and the governor started giving the Department of Corrections, the first 25% differential, and then a couple of other agencies start to get some of that too. But it is one of the things too and it's a very and I mentioned it here, it's about uniform pay disparity, you know, for stipends, right? Department of Corrections, we, with the budget we're limited to, can only afford a $250 budget stipend. But we're hearing, but we hear another officers from other law enforcement, both that they get a $500 stipend, right. So I had mentioned this in the Office of Finance budget. Is there a way to look at standardizing and making sure we limit the disparity, you know, in uniform allowance? I remember Senator Telo Taitague, we mentioning, how's the process on Cola? 'cause I'm a retire rate. How's that, right? So maybe that might be the same principle too, you know, and when we're trying to say listen, why would you give this agency, that agency and public safety 250 for their uniforms, but others 500, could it be spread around, you know, spread across evenly 300? And that might you know, have a couple of other law enforcement agency officers who used to 500 mad. But if we can give everyone 500, that would even be the best optimal we can afford it for the budget, but that's the kind of thing when it comes down to recruitment and also retention. We've been managing to sustain our a hundred and you know, up to 180 officers to include our parole services division that has 10 parole officers. They're a security element too, and they do respond. They're part of our emergency office plan and part of, our corrections force when they come and check the perimeter and everything else.

So that's basically a summary of all the different points. We had discussions with the Office of Finance, budgeting for the legislature, and then now it's subject to any questions that the Senator have here today. Thank you.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase*, Chief Fred, I'm just gonna go over a couple of things before I move on to the oversight chair and other senators.

So, it looks as though from the Budget Digest to right now with the budget request, there's been a significant increase from the governor's request and the agency request totaling close to 6 million. Maybe the 4, maybe 4,500,000. Is that in anticipation of what you discussed in your findings with your using of the additional 4 million from your set aside appropriation for debt service.

Fred E. Bordallo Jr., Director, DOC: Senator? The additional 4 million from the, you know, already 1 million off was given to us to that was supposed to be used for the new prison. We're using it for the renovations, security systems, vehicles and stuff. The other 4 million wasn't part of the request for the budget that wasn't included in our budget discussions with *Adelup*.

Chairman Christopher M. Duenas: So I'm anticipating then with this additional then I'm not sure if you had this direct conversation with BBMR, but is this in recognition of what do you call that? The governor's ceiling. So, this is gonna fit within the governor's ceiling that was set for the departments and agencies?

Fred E. Bordallo Jr., Director, DOC: With our current budget at the $41 million that we've had is the ceiling.

Chairman Christopher M. Duenas: And so the variance is this 5 million, which is not within the ceiling?

Fred E. Bordallo Jr., Director, DOC: No, it's not parts, okay.

Chairman Christopher M. Duenas: Yeah, one thing I want to make sure and we'll confirm this, but I think there's a misunderstanding. I know we discussed this during, when the time when we did get the appropriation for the 1 million from debt service. That debt service is not an annual appropriation that accumulates, that debt service is an additional recognition of a debt service between yourself and also the 35 million for the hospital. That's a set aside until the procurement goes forward and there's actual award and that debt service is set aside to start serving that you know, need and requirement for when, you know, construction and the like is going to start. So, I, if once that 5 million is used up, then it will be replenished at the time that you're actually going out and doing your. You know, after you're A&E is done, and we

gotta talk about that too then that when you actually go to market and you know, gonna have that debt service, that's when that annual appropriation will kick in again. So that's a one time appropriation set aside until the procurement goes forward. So, on the 16 million I'm concerned about that because they told, how did you originally, initially go out for procurement without having identified funds for it?

Fred E. Bordallo Jr., Director, DOC: Senator were, you know, Major Aguon briefed me, 'cause it was prior to my arrival in 2023 when this procurement for the A&E you know, and how they came across what estimate they would have to pay for that A&E, and it was under, you know, the projected a cost according to what Major Aguon had briefed me. Major Aguon can elaborate a little bit on that, on the, you know, the $16 million and what was the originally projected with DPW you know when they were putting out for the new prison.

Antone Aguon, Major, DOC: Good morning. So, back in, of course, 2021 we presented our master plan to the legislature for the new facility. When we did that, of course it's a 80 year plan, phase 1 through to 10. We were trying to do phase one through four, which would give us about 1100 to 1200 beds. And then we had meetings and, you know, the issue was how much does the architect cost? Our estimate at the time for one through four was about $20 million. Again, the cost for the one through four was look at $200 million. A percentage, 10% architect with about 20 million, but we weren't really sure exactly, you know, on the architect. So the governor met with, we met with DPW back when Robert Camacho was still around and I believe the governor used some ARPA money to give some seed money to DPW to put out an RFP, to in, you know, get the discussion, talking about how much the architects would cost. So, companies, there was an RFP that went out for design of phase one, but phase one of course incorporates almost all the phases because of the plumbing and the electrical that has to be done upfront.

Anyway, they selected a company EXP, they submitted their price quote for the phase one and all that, and it was around $16 million. And so we had several back and forth negotiations. We even at one point came down to where, you know, we asked if we can do it in phases, you know, give you 5 million for phase one, and then another 5 million for phase two of it and phase three.

So, in three years we would have a design, right. 'Cause we didn't, and make sure that in the RFP at any point we didn't have the money. It stops now, you know, the contract so that we don't overcommit. But again, under advising of DPW, that probably was not the best. They did not recommend that so eventually we had, they had to cancel the whole the whole RFP design process to, you know, ensure that procurement process is, you know, there's no is issue.

So that's kind of where we're at now and in the event we do have some money to move forward. We would have to go again, go back to DPW and go back to the drawing board and reissue an RFP again with whatever parameters, you know, to hopefully make it a successful one next time, but that's, as we're looking at it, like I said, phase one could be easily about $16 million just to get a design you know. But for now everything's kind of like standstill until we can figure out what would be the best route to go to move it forward.

Chairman Christopher M. Duenas: So that makes sense. So you weren't committing the 16 million?

Antone Aguon, Major, DOC: No.

Chairman Christopher M. Dueñas: You were doing the RFP and then DPW's managing this, and then the price tag came in and it was like, okay, let's go ahead and cancel this.

Antone Aguon, Major, DOC: It was a little bit more than I guess, everyone anticipated.

Chairman Christopher M. Dueñas: Okay.

Antone Aguon, Major, DOC: And we were hoping at the first that, you know, that 5 million that we got would be enough to at least get it going, but kick it off. Yeah. When the numbers came in we're scratching our head like, okay, it's a little bit more than we thought, but you know. How can we move it forward?

Chairman Christopher M. Dueñas: So maybe major that and I'm sure probably DPW advises you to do this. Maybe what you'll do then is go back and re-look at your procurement and break it down yourself into phases and say, go out on procurement for phase one only.

Antone Aguon, Major, DOC: Yes. And I think that would be the quicker way so that the 5 million the legislature gives us, we can secure it, commit it, do that, and then, you know, we'll start having tangible work presented to us that everyone could look at critique every along the way to make sure it's the right way. And by year three, come up with a final design and everything that we can now have a good cost of what it'll cost to actually build it. And that makes use of the 5 million and even if we had the 15 million or 16 million right now according to the architect, it would still take them about three years, even if all the money is put into a bank to, to just do it. So, I think the phase approach would be more efficient.

Chairman Christopher M. Dueñas: Yeah, that sounds, I mean, you need to do this post. So, yeah, I think Chief, maybe that's the best way to go back to the drawing board on this one. And I do agree on the 5 million when it comes for the debt service for the purposes of your going to A&E.

I'm not concerned about the fact if we authorized from this legislature the first set aside for any operational needs that you have right now. And then of course once you're gonna go to procurement, that's included with the fact that you're gonna build the prison and that 5 million, that's what the design was for design and then debt service post that. So we can make that happen. But yeah, I just chief, I think it's better to go back in there and you know, and see if you can reduce the scope and get it down to what you really need. Get those additional beds in that first phase going like you said, Major, that's around maybe a thousand, 1200 beds, correct. If it was phase one done..

Antone Aguon, Major, DOC: I mean if we can do it that senator and get the 1200 bed that would be great.

Chairman Christopher M. Dueñas: Okay.

Antone Aguon, Major, DOC: That would help us and everything from over time to the current maintenance issues that we're having. As you know, all of, you know, the facility is just, it's just old and we're struggling just to keep it running with electrical and the plumbing and bed space obviously the bed space. But, you know, we are every day we are, you know, doing our best to, you know, what we can do to make it better. And so it's just a challenge.

Chairman Christopher M. Dueñas: Sounds good. Okay. Well that's, and that's, you know, I know that's delving operational, but you know, it deals with how we're gonna have the funding for it, right? And understanding why this whole dynamic happened with with BB or with DPW. And so that, that makes sense that while you're gonna spend the whole 16 million, you're gonna have all three years for the all three phases. It's better to just come back to the drawing board. Okay. I'm comfortable with that Chief. You know what, I'm gonna go ahead and have the other senators ask questions and then come back to myself. So, we're gonna start out with a 10 minute clock and a allow for follow ups. So, Chairman please proceed.

Senator Eulogio Shawn Gumataotao: Thank you, Mr. Chair. And again, thank you to DOC for all that you do in service to the people of Guam. And I do appreciate the input today and a logical call it extension of our recent discussions. And I do appreciate the time and I still need to head up and visit you all at some point. And there's quite a number of things that we can do, and I think we just gotta, we just spend a little bit of time. I think that would be helpful, especially in this process. I just want to chat with you about a couple different things. If you can let me start with the allotment reserve, if you will. What programs, equipment and or supplies and uniform personnel are impacted by BBMR'S reservation of $9.2 million of Doc's FY 2025 appropriations across the General Fund Corrections Inmate Revolving Fund and Safe Streets Fund as of March 31st, 2025?

Fred E. Bordallo Jr., Director, DOC: Senator, I'm gonna go ahead and have Roma give some of the challenges of that revolving fund because you know that also involves what has to be paid for and it keys into the high. The first thing about the high cost of the medical. That is being you.

Senator Eulogio Shawn Gumataotao: Oh, we'll get to that,

Fred E. Bordallo Jr., Director, DOC: but I just can..

Senator Eulogio Shawn Gumataotao: we just talk about your allotment reserve first?

Fred E. Bordallo Jr., Director, DOC: Yep. Yep. Well, well, we've always had a great relationship with Department of Administration, right. And the personal specialists there. When it comes down to and with GSA too coordinating with GSA. I've always had very good relationship with Ed Birn and and Lisa Fisher who's not there anymore as a deputy director, the private administration. I think the biggest biggest effect when it comes down to any changes when it comes down to what kind of policy department administration's giving when it comes down to allotments can affect and impact our department, especially because we're a critical agency when our needs are really important when it comes down to a situation with a vehicle breakdown or with the recruitment or with just giving an example with a recent Civil Service Commission ruling that we have to pay back prior obligations for, I mean, we have to pay back obligations for individuals who win their civil service case. Our budget in the, when it comes down to all those categories within our budget, it's gonna be affected by that Senator.

Senator Eulogio Shawn Gumataotao: So, so, okay. So, I'll ask again. So, any issues are you able to access those monies? Are they, are, you've been working with them and you have a concern..

Fred E. Bordallo Jr., Director, DOC: And as I said Roma who who has come on board has a good relationship. She's our personal officer has already retired from the department, but she's now taking some of those duties and she's looking at some of the things when it comes down to you know, freeing up what we can find and coordinating with BBMR more what we can free from our accounts.

Senator Eulogio Shawn Gumataotao: No, I got it Chief. Let me ask Roma. Roma, are you having any any issues?

Roma Okada, ASO, DOC: No issues.

Senator Eulogio Shawn Gumataotao: Okay, thank you. That's what I was trying to get to. Trying to figure yeah. No, was yeah. Can I ask you what portion of your 2024 general fund appropriations were carried into 2025 and what expenses were covered by that funding source?

Roma Okada, ASO, DOC: Good morning. So, we don't actually have any that was carried over besides the supplemental for the recruitment cycle. But of course, that's a special fund that we can't just touch. So right now, BBMR is assisting me with trying to release. The previous recruit cycle as well, but he has to justify how he can release it to us with the shortfalls of fiscal year 24.

Senator Eulogio Shawn Gumataotao: Alright, thanks Roma. Let's talk a little bit about the, I know that the chairman alluded to the DOC facility and actually your interpretation, I believe Mr. Chair is correct. I mean, there's a lot more work to be done relative to it, but I just spent a little bit of time and I'll just ask for first for the record. So outside of what we just heard today, what portion of your funding for a new facility has been spent to date pursuant to public law 37-144. And what efforts, if any, have been made to restore funding, allowing the agency to maintain resources for a new facility? So, where are you at on the design and the construction? I know we mentioned a canceled A&E, but where are you at right now?

Fred E. Bordallo Jr., Director, DOC: I believe we're just back in square one right when we terminated negotiations.

Senator Eulogio Shawn Gumataotao: Okay. And, you know, and that's a fair assessment director, I wanted to just share with you the DOC master plan. And I'm not trying to be critical Antone at all and to the group, but an 80 year master plan is very aspirational. I had a chance to look and if you haven't the jail design guide that's. Put out by the National Institute of Corrections that was for last published in March of 2011. They mentioned that, you know, 10 and 20 year master plans are probably more appropriate. My experience of the judiciary would be, would probably help me to back that up. And in those 10 and 20 year plans, giving 5 year updates along the way, obviously it has to do with a lot of national prison standards, pr, prison Rape and Elimination Act. All the things that you guys have are coming here and trying to protect not only yourselves but the inmates, but is there any thought about, perhaps

going back to the drawing board, as you will, to go back to a shorter master plan now in the jail design guide, there's certain phases that can be redone. If you can scale it back to then in getting a person, I know Antone, you're busy, but there's gotta be someone else on team that can help assist with the construction of a jail.

Antone Aguon, Major, DOC: Yes, And the reason why it was 80 years is 'cause as we did this project, right, we went off island and we met with certain Franklin County Jail, some other prisoners that were building the same format phases because of the money. So, when we did the 80 year, we're mostly because of the buildings. It's, we're talking about putting buildings and a lot of it had to do with the layout of our land. So we're thinking, okay, if we start on the far end and we're gonna build out over the course of, you know, 20, 30 years you know, we know where that building is gonna go. So, if somebody becomes the director in 2060 and they need a new prison. They kind of know where the land, right? So we can maximize our land. But we already knew in the beginning, even doing that 80 year, like you said, is that things change. Technology changes, philosophies change, you know, all kinds of things.

So, our master plan is actually a living plan. All the numbers and everything that we did for 80 years projections, 4% population growth and all those, you know, those are all there. But it can change. And so when we build with a new prison, let's say we do get a architect company, now come in and we're designing and we sit down, they're gonna take our master plan and they'll probably say, well, we like that, but this is the latest technology. What do you think of this? And so we understand that's okay, you know, yeah, we like this. But now that you're mentioning that, we might wanna go there too. So we understand that there will be some adjustments from the time, an architect to a time the construction changes, modifications, things like that. So, but again, the reason why the 80 was mostly because of, to try to make sure we space out the land 'cause we know we're not gonna get no land anywhere else. And I didn't wanna go fight with the neighbors on anything, but..

Senator Eulogio Shawn Gumataotao: No and I agree.

Antone Aguon, Major, DOC: We can't change it, sir. I have it in Word document. Everything I have, every, the whole master plan in Word I have a PDF, I have

everything. So when we sit down with the, in the future, if we need to sit down and revise it, in fact, I was talking to the director. That's one of the things probably in the future they're gonna ask us is have you updated your master plan? And so we're prepared for that. Like I said, I have everything in Word. We just gotta go in there and redo the numbers and look at what's changed. And if we never have to get there, then because of other changes in the community. And so drug use is down, crime is down, and we decide, well, we don't really need that big of a prison. Okay, then well, then we stop. That's why it's in phases.

Senator Eulogio Shawn Gumataotao: And Anton that's a good point because I think that if you look at the National Institute of Corrections, their guide, it, it talks about the planning side and it's so much work that goes into the planning that you're not even touching a construction until that planning document has been done. But I would love to come back and talk with you guys more about that when I do visit. If I can move on. The total appropriations, as the chairman mentioned for DOC is continuing to increase. We've seen that you guys are looking for an additional 545,000 to cover some of the costs of the care and custody of prisoners that are confined in on, especially on the federal side. We look at your employees, the population, your request for breakfast, lunch, dinner, over $5 million, 5.1 to be exact. What ideas have been put forward to help reduce the cost of incarcerating individuals, including implementing the Prison Industries Act and other programs for inmates to engage in activities including farming, as a way to generate food for themselves on the prison today?

Fred E. Bordallo Jr., Director, DOC: Thank you. One of the things that we have, Sarah Nededog, who's our program director and who's been working very closely with our Case service workers and with other with other of our partners public health. One of the things I mentioned here, trying, looking even at the medical costs, what kind of health insurance, Medicaid, could any of these inmates enroll in Medicaid?

Senator Eulogio Shawn Gumataotao: Don't get excited, we're gonna talk about that in a second. But let's talk about these things within prison industry..

Fred E. Bordallo Jr., Director, DOC: Prison education, We just recently had a conference up there at Guam Community College, I think last month. With the that the higher prisoners, you know, in their education, the more or less likely they'll be violent. So, the VA Institute of Justice was and it was hosted by Guam Community College. Take a look at online programs or any kind of programs to get the inmates back into education. Our SET program, our residential substance of treatment program also is very robust when it comes down to helping individuals 'cause over 80% of our inmates are addicted to drugs. So, we need..

Senator Eulogio Shawn Gumataotao: How about the food side chief? The, to feed them is, it's, I mean, we're talking about other rehabilitation programs, but what about feeding our inmates?

Fred E. Bordallo Jr., Director, DOC: Yeah. We, right now we have it used to be before I used to remember, 'cause I was GPD assigned to resolve detention facility. They had a galley and and I toured Saipan facility. They have a galley, right? And but the thing is from the explanation I was given, it was so costly just to try and maintain. A galley for the inmates. So our vendor went, and that's another thing by contract provides the food services to the inmates, right?

The, and so that we don't have a galley where there, there could have been possibly, while inmates are helping and assisting at the galley, they can get into any kind of culinary kind of training and stuff like that. But GCC, you know, the trades and even the trades they've also communicated to us, you know, potential you know, what we can do, but we're always talking about these adjudicated prisoners, not the 500 pretrial, but the adjudicated prisoners.

Senator Eulogio Shawn Gumataotao: Right? And we, so when we think about like farming as a way to, to kind of get 'em a skillset, I mean, that's not saying that's not a good thing, but they can grow it. They can give it to whoever's the vendor and it'll always go back to the prison that'll reduce the cost of say per meal. But I throw it out there as more of a to kind of try to engage you relative to this, if I could let's talk now about this, the clinic, if we can.

What percentage of your DOC population of the nearly 900 inmates and detainees are treated on a weekly basis by GMHA employees through the DOC clinic? According to GMHA, which includes 27 medical personnel, including a physician, staff, nurses, LPNs, and medical records clerks.

Fred E. Bordallo Jr., Director, DOC: Yeah, we according to, again, I was brief you know, that the, we're paying, you know, a lot of our costs for our medical, we're paying for the staff of GMH being up there at the Department of Corrections. And the MOU, you know, of they're supposed to provide a service. We have only one doctor, Dr. Anderson up there. Right. But a lot of what eats up into the medical costs is when you have a person, like we had an inmate who was hospitalized dialysis and for a long time racking up the bills, right. It and wasn't an insured. Right. And the Department of Corrections had to eat up a lot of that.

Senator Eulogio Shawn Gumataotao: And Chief, maybe I can ask yeah, but what your I guess what percentage are treated weekly? Can anyone answer how many, if..

Fred E. Bordallo Jr., Director, DOC: I had a…

Senator Eulogio Shawn Gumataotao: If you can get back to committee..

Fred E. Bordallo Jr., Director, DOC: We can get back to you and get, we can get that information.

Senator Eulogio Shawn Gumataotao: Yeah. This is important. You're having this amount of money you're spending, but we, the committee wants to know how much, at least in terms of weekly.

Fred E. Bordallo Jr., Director, DOC: Yeah.

Senator Eulogio Shawn Gumataotao: And your staff is like doing air numbers staff.

Antone Aguon, Major, DOC: Yeah. So Senator, so the way the stick call works right, is inmates put in a request, sick call. The nurses go around every day, check

all the boxes, triage it, and the doctor is there 40 hours a week. Dr. Anderson, he's in *Mangilao*, and then I believe on Tuesdays or Thursdays he's in a *Hagatna*. So, Probably on a good week, you know, he's probably seeing more than a hundred or so prisoners. And then there's follow up and things like that, but we will get the, I'll get with Ms. Pauline and we'll get the exact numbers for you of the sick calls.

Senator Eulogio Shawn Gumataotao: Yeah, exactly Antone, I think the amount of sick calls or what are they treating? Is it scratch? Is it a headache? Yeah, just wanna understand the weekly type of calls too, right?

Antone Aguon, Major, DOC: So, some inmates may not see a doctor at all 'cause they don't put in a sick call or they're okay. But they do, for example, when they get booked and confined, if they're there more than 14 days, by the 14th day, they're having a complete medical assessment, like a physical right, where they're looking at all of that. So, some of them, if they come there like two or three days, they'll get initial screening and then they may not see the doctor all day and then they're getting released from jail. You know, again it's based on the sick call, who needs medication, who comes in with medication and all these things, but I will get you those numbers, sir. And you know, provide it to the Mr. Duenas, Senator.

Senator Eulogio Shawn Gumataotao: Yeah, it's a very big ticket item. But let me ask you, to what extent are public health services available to DOC inmates and detainees for non-emergency services? You know, that we, the clinic is right down the road, or Lee used to be, but I know can you help explain to the people and to the, those watching in us about the your relationship with public health.

Fred E. Bordallo Jr., Director, DOC: I know that Sarah, our program director's, been trying to has been communicating with public health because, especially if we have a case of TB, that's one of the issues about what our policy and isolating them and the most of interaction with public health is before I came on board and that was during the COVID when they had to come over and coordinate with Department of Corrections to ensure that COVID spread didn't take place within the Department of Corrections.

Senator Eulogio Shawn Gumataotao: And when I think of public health, I think of them a little bit more, I mean, they're not as expensive in terms of the GMH bill is so, so big. Yeah. And they're, and they can get there that's why. Yeah. I mean, I asked that in the pre-budget meetings and I asked you today. Yeah. I mean, I think that when we look at the relationship, we just gotta find a way to get them involved somehow.

Fred E. Bordallo Jr., Director, DOC: Yeah. Yes, because they have an office of Medicaid too, where we wanted to ask them questions about that too.

Senator Eulogio Shawn Gumataotao: Okay. I only have one more question, Mr. Chair. This is relative to your prior year obligations. What assistance, if any, has been offered by the office of the Governor Guam to settle $7,042,950.96 in prior year obligations as of September 30th, 2023? This goes back a bit. And is the government potentially liable for any interest payments for the period these payments remain outstanding. So this goes back a bit ways.

Fred E. Bordallo Jr., Director, DOC: Well, you know, just coincidentally, even today on my monthly meeting I have with the governor, you know, that some of the challenges we have she assure she has al always indicated to me that we have those challenges. The coordinated with Lester Carlson at BBMR and he's sat us and Ed Birn when we're dealing with our debt, the debt that's still there that needs to be taken care of. It's a matter of juggling, you know, like what Roma does on a daily basis, juggling the funds around just to make sure we find it. And she's had real good significant help from BBMR. That's the best we can do on a daily basis. Senator what we're doing, and one thing Lester did say to me is don't worry about it. If you're come into shortfall..

Senator Eulogio Shawn Gumataotao: Well wait. Don't worry about it, but I, we'll work with you. We'll work with you to hoping that you'll be able to engage them, get the money over, take care of that to assist you and your team. I appreciate his kindness and his generosity of words, but you needed action. You need to be able to get the transfer authority, get it in there, and support our corrections officers when they need those, that equipment. I just wanna leave with one thing, Mr. Chair, and if I can, is going back to the this, the idea of the master plan. And I really do look

forward to working with DOC to try to help this once and for all 'cause there's many ways that we all can find ways to. To help with the prison population. I know we, we've and I've talked to the Attorney General on different occasions re relative to maybe using other prisons in the region, perhaps you know, electronic monitoring. I like the idea of the electronic monitoring on the parole side. I think it we, the rules are pretty, we can use the rules from the judiciary. You don't have to reinvent the wheel that you can help with that obviously that's gonna need money. But anything that we can do to lessen the burden on the men and women of the Department of Corrections and how we can use technology today to be able to do more of that supervision, I think will go a long way. And looking forward especially in the next budget cycle, to be able to find ways to fund that. 'cause I mean, we can start talking about it now. It'll take almost maybe six months to do the rules plus, but we should make the effort today and we should try to use technology as best we can, especially when it comes to community supervision and in this case our corrections. So, thank you, Mr. Chair for the time. And thank you DOC for your effort.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Senator Gumataotao, Chairman of the correct or the public safety to include corrections. Senator Telo Taitaigue, you're recognized.

Senator Telo T. Taitague: Si Yu'os Ma'ase and good morning to my colleagues *Håfa Ådai* Chief, Good to see you. Ms. Okada, right? It's Okada and of course Major Antone, Good morning to you. And of course, your staff that's here. Thank you so much for all your hard work. I do, and I'm still trying to put my head around this because, you know, it's shocking when we. We get budgets that are brought to us, and we're finding that it's like significantly lower than the prior year of budget that was provided.

And right now I'm seeing here that it's significant by $4.5 million. And I think they were trying to explain to me what, or explain earlier why that was such a huge difference. Can you once again kind of explain that because I'm still looking at this and showing that it's $4.5 million less than what you requested? And FY 25 you have 45 million, 45.9 million, and then now you're asking for FY 26, 41.3 million?

Fred E. Bordallo Jr., Director, DOC: Thank you, Senator. Because yeah, I'm looking at this, the $41 million, but, you know, it was you know, the $41 million that we have here, but on previous previous times we've, you know, previous times we've had a little bit of every time it's always that we want more, you know, every single fiscal year that the costs have gone up, especially with an increase of inmates here. And you know, the one of the things we hope as we go through the budget process here, I mean that we're on this budget fiscal year that we have with the budget that, you know, the, that we're given. Is that we, I set expectations are that we gonna have some shortfalls. Right? And a lot of it is gonna possibly be in the medical side if we continue to increase inmate confinement. You know, and the population increases. 'cause there's even, there was even a trend showing that we were fluctuating up to 950. If it ever goes to a thousand inmates, it's, we don't have the space and capacity for that. We have to find ways to reduce that cost and some of that translates to reducing the clients that we have at Department of Corrections.

Senator Telo T. Taitague: Yeah, I see. Yeah, but I still doesn't tell me why you've only asked for 41 million, 41.3 million versus what you received last year at 45. You have an increase of inmates down there, and I know there's a lot of issues that you have down at DOC that needs funding.

Fred E. Bordallo Jr., Director, DOC: Yeah, I know on our, it showed on our FY25, authorized level of 40..

Senator Telo T. Taitague: 45. I'm showing 45.9. Okay. Do have the same one like this? Maybe that might be helpful. Can we put a pause on the clock and see if they can Yeah, and if they can get one of these. Yeah. Chief, I think there's one coming your way right now. What I'm looking at here just take a moment and look at that. Yeah. And have your and have Ms. Okada see that too.

Fred E. Bordallo Jr., Director, DOC: Okay. So you're looking at the FY25 authorized level 44,720,000..

Senator Telo T. Taitague: 45. FY 25..

Fred E. Bordallo Jr., Director, DOC: Right. The 455929665..

Senator Telo T. Taitague: FY 25 at 45.9..

Fred E. Bordallo Jr., Director, DOC: 45. And then now we're down to 41.

Senator Telo T. Taitague: Yeah. Okay. Significant.

Fred E. Bordallo Jr., Director, DOC: Yeah, I believe the 5 million on that, they included the 5 million on that modernization act. Right. The one that we got that we're gonna use the 1 million on that…

Senator Telo T. Taitague: You mean in FY 25?

Fred E. Bordallo Jr., Director, DOC: On the FY 25? Yeah.

Senator Telo T. Taitague: Ah, so, so, yeah. But then the governor and even requested even higher at 47 for FY26, what was the difference?

Fred E. Bordallo Jr., Director, DOC: Yeah. We don't see that $5 million there in the Modernization Act, right. We don't see that, right.

Senator Telo T. Taitague: I don't know if it came from that, that 5 million, because I'm looking at FY 26.

Fred E. Bordallo Jr., Director, DOC: Oh, I, oh, I know. Is that when you go from 45 million to 41, it is a reduction and that's easy to observe. And with any kind of reduction on our budget we're you know, if there, the expectation is to live within the means of 41. I can just tell you that and I'll be honest and frank, we're gonna have shortfalls before this fiscal year ends, and we're gonna be asking for supplemental requests here before the legislature.

Senator Telo T. Taitague: Yeah, I see that. Well, speaking of supplemental requests, I believe there was a bill that was passed. Bill 368-37 for $1 million. We tried to give you that 5 million, but can you okay, there's some explanation going on. Maybe that's something interesting. Standby. Ms. Okada I guess you know, OFB

had mentioned something to you. Is there anything you wanna share? Are you reading this correctly that you did this 5 million shortfall that compared to last year is strictly for the the building.

Roma Okada, ASO, DOC: So it's, if you look in the fiscal year 26 go Governor's requests, if the 5 million is included in that one.

Senator Telo T. Taitague: And that's strictly for the building of the new facility?

Fred E. Bordallo Jr., Director, DOC: Yes.

Senator Telo T. Taitague: Okay. FY 24, you receive 35.8 million, and then you received in FY 25, 45.9. What, how did, what was that attributed to that additional. That's $10 million more. So, a little over 10 million, maybe 11 million.

This was for which one? If you look at FY 24, it was 35.9, I mean 30.8 million. And then in FY 25, current year now is 45.9 million. That's over $10 million, almost 11 million. What did you utilize that funding for overall on our budget?

Fred E. Bordallo Jr., Director, DOC: I mean, the majority of it is on personal costs, you know, I believe in during this time also, we've had psycho, you know, I think recently, I think it was the 32 graduating, right? And we're undergoing training. And so to the credit of the previous director, Joe Carbullido, they were in the business of recruiting and ensuring that we had you know, a cycle, a graduate by when I came in 2023 on August of 2023. So, a lot of it is majority of the course, of course, as are personal. So, cover 25 5%.

Senator Telo T. Taitague: It was to cover the increase in salary was to cover the recruitment, right?

Fred E. Bordallo Jr., Director, DOC: recruitment. Most of it is personal cost. Yeah. Right? Personal cost.

Senator Telo T. Taitague: So10 million, it was personal cost. Okay. So if you're going over to FY 26, the requested amount at 41, yeah, you are gonna have shortfall.

Fred E. Bordallo Jr., Director, DOC: Yeah. So, yeah, we're good.

Senator Telo T. Taitague: Earlier I heard you speaking that there was a cap? Chief, Can you tell me what did you mean by there was a cap when you submitted your budget?

Fred E. Bordallo Jr., Director, DOC: When we of course, you know, and I'm just gonna say this, that Roma shared, you know, recently when we were discussing our budget, she really wished we had $50 million. And I said, oh, you know, and she said that $50 million. And I said, well, guess what? You know, as we submit our budget requests and it's reviewed up there by BBMR they're looking at other, the other law enforcement agencies too. Right? We're in the public safety thing. Right. And we got ours, you know, it's lower than the Guam Police Department, you know, and I used to be the chief of police for the Guam Police Department. I get that, that, you know, Guam Police Department gets a $60 million while we get the $41 million. We're not in any competition 'cause we're on the same page of keeping the people of Guam safe, right.

Senator Telo T. Taitague: Clearly understand.

Fred E. Bordallo Jr., Director, DOC: It's just, it's just that the powers that be, you know, say that you can run and operate a prison and jail at the same time 'cause that's what we're doing with the budget that we have and what we, what, kudos to my staff and the corrections officers grinding every single day. They know that you know, we're fighting for them to try and get as much, and the senators like yourself and senators here who hear this as the budget process goes on, maybe able to take a look and say, Hey, you know, there are some fundings that are identified because I believe that's the philosophy too, also of Governor Lou and Josh snowing if there's funding, you know, and it doesn't jeopardize, you know, and break it back.

Senator Telo T. Taitague: Well, Chief, may I make a recommendation to take the advice of your ASO Miss Okada and asked for the 50 million?

Fred E. Bordallo Jr., Director, DOC: Yeah.

Senator Telo T. Taitague: This only this reminds me of GMH.

Fred E. Bordallo Jr., Director, DOC: Yeah.

Senator Telo T. Taitague: You know, they would come to us and it was way below what they really needed at the hospital, and they got in so much trouble and we kept telling them, come to us with what you really need. You know, there, there should be no cap given to you. You're the ones that are running DOC, you know, at, at all. And you know what it, it needs to be to stay on top of it. Because the last thing we need to see is a receivership of DOC, which is really on the cliff of that happening, considering your inmates, their conditions, several suits that have been going on by prison inmates against the department. There's gonna be an issue. Of course, there's always been a big problem with the medical side of DOC and the importance of being fully funded for that as well. And of course you can go into many suits regarding that. Now, one thing that's good is I was able to attend the education training for inmates at GCC and implementing something like that so we can reduce recidivism. And we're seeing a lot of, you know, people coming back to DOC re repeat offenders constantly. And I think a program like that is going to need some funding, you know? Have you considered that in moving forward, in putting this in the budget?

Fred E. Bordallo Jr., Director, DOC: We're also exploring the possibility, of course, if there's any assistance and grants, because that's another thing to, you know, that would be very helpful when we have grants that you know, are tailored to help jumpstart programs like this for prison education programs and stuff right. So those are some of the things we are, we're exploring. And that also pertains even to some of the grants that we have that may look at like FEMA, you know, the FEMA situation of our and what we can do and also PREA grants that might. Involved security equipment and, you know, more video you know, surveillance of what's happening within the prisons because, you know, we certainly wanna prevent a rape or a criminal. Right. Sexual conduct inside.

Senator Telo T. Taitague: What about speaking of federal funding, are you in jeopardy at all losing any federal funding from these cuts that are going on?

Fred E. Bordallo Jr., Director, DOC: Right now, We're just paying attention again to you know, again, with the health insurance, with the Medicaid. We're just watching that very closely.

Senator Telo T. Taitague: Okay.

Fred E. Bordallo Jr., Director, DOC: But we haven't seen any, so far I've been briefed. We haven't had any very lucky participation of losing any kind of federal funding because of being in public safety and law enforcement.

Senator Telo T. Taitague: Is there any debt that you owe or do you owe anything to the Guam Behavioral Wellness at all?

Fred E. Bordallo Jr., Director, DOC: According to what I've been briefed now, just, no, we don't owe anything the to Guam Behavioral Wellness.

Senator Telo T. Taitague: Do you deal with Guam Behavioral Wellness with your inmates at all? I mean, do you have a psychiatrist that comes to, and is it out of Guam Behavioral Wellness or is it out of GMH..

Fred E. Bordallo Jr., Director, DOC: On the wellness, we have an annex there..

Senator Telo T. Taitague: Yeah.

Fred E. Bordallo Jr., Director, DOC: For their clients. And they frequently would offer some assistance, especially when it comes down to, and I've went on public that the prisons and jails have the highest suicide rate. So, they are certainly a good asset that can collaborate with our case service social workers, correctional social workers, and looking at what we could do to, and not only just for the inmates to behavioral health and wellness, have also been a very asset to any of our corrections officers. They're working..

Senator Telo T. Taitague: That was my next question.

Fred E. Bordallo Jr., Director, DOC: 12 hours. They're working 12 hour shifts. Right?

Senator Telo T. Taitague: Very much so. You know, it's not just the inmates that need the assistance, you know, on, but it's your employees. You know, working at DOC is a very difficult job and I, you know, again, thank all the hardworking individuals who are there to that work there, but also to their families, you know, who give them that support because it's very taxing on the employees there and I truly feel that it's a time where we also need to look at our correction officers and the employees there to have their time downtime to be able to speak to someone in the pro, you know, professionally for any concerns that they have. And I hope Chief, that you continue to monitor your employees and your correction officers for the assistance they need when it comes to any kind of medical attention that they may need. Okay. So I just wanna make sure that, that's good. Your Guam behavioral wellness section or psychiatrist is fully paid. We don't wanna lose that. The other one is, have you. Okay. So back to that one question I was gonna ask you about the $1 million that bill 368-37 that was passed by the legislature. Have you received that funding? It was last year. And what did you use that funding for?

Fred E. Bordallo Jr., Director, DOC: It was last year. And what did you use that funding for? Yes, we've had account established already and I believe we have a there's some canine, you know, for security vehicles. The canine unit are gonna have some vehicles. I think Roma can she share with what some of the stuff we're getting on that?

Roma Okada, ASO, DOC: So, we've spent about 300,000 and that's purchasing about five vehicles using the rest for infrastructure on like plumbing and hardware also preparing the dog's living shelter.

Senator Telo T. Taitague: You have canine there on, are these, you didn't purchase any canine, you just the shelter area infrastructure for these for the dogs, right?

Roma Okada, ASO, DOC: Yes. These are the canine from customs.

Senator Telo T. Taitague: I believe it's the opioid.

Roma Okada, ASO, DOC: Yeah, the opioid, okay.

Senator Telo T. Taitague: So, you received some, I know that nine was given to

Roma Okada, ASO, DOC: Custom…

Senator Telo T. Taitague: Customs. Customs and then so you received as well?

Roma Okada, ASO, DOC: Yes. We're gonna get two more. So we have a total of four.

Senator Telo T. Taitague: Four total. And the money that you spent it on was for the facility of these canines, correct?

Roma Okada, ASO, DOC: Yes.

Senator Telo T. Taitague: Okay. What about veterinarian costs, food and everything like that is that incorporated into, because this is, well, is it incorporated into your budget?

Roma Okada, ASO, DOC: For fiscal year 26? Yes, I incorporated it already.

Senator Telo T. Taitague: What part? If you look at this blue sheet that was given to you, can you show me where you incorporated that? At what area?

Roma Okada, ASO, DOC: Oh, I put everything in under the director's office, contractual, and well, it's probably not here, but..

Senator Telo T. Taitague: Okay.

Roma Okada, ASO, DOC: It's all under contractual services.

Senator Telo T. Taitague: Okay. They're all contractual. Okay. Okay. That, well, that's good to hear. That's good news. And you fully expended the full million already?

Roma Okada, ASO, DOC: No, because we are waiting for the assessment for GHURA to finish using the funds on air conditioning generator and the electrical.

Senator Telo T. Taitague: Okay. That's the part of the 700. 'cause you have 300 that was spent for vehicles. Then 700,000 is leftover. So that's for..

Roma Okada, ASO, DOC: The rest of the infrastructure.

Senator Telo T. Taitague: Yeah. Okay. Infras, because I know generator was really needed. You know, I mean, that was part of the whole discussion on the session floor and that generator. So, when do you anticipate that?

Roma Okada, ASO, DOC: We're waiting on the assessment from Ghura.

Senator Telo T. Taitague: Wow. I mean, it's so ridiculous. We give you this money almost, you know what, in November, was it November that the bill passed? Senator Barnett was in November earlier than that. I can't, can you imagine it's taking us a year to utilize funding in order to get something that you needed yesterday?

Antone Aguon, Major, DOC: Senator yeah I can't recall when the bill was passed. So what we're doing is the department, you know, the Department of Correction, we don't have facility managers. We don't have maintenance people with, you know, our maintenance is run by correction officers and inmates, and that's been like that for 20, 30 years. I mean, you know, so what we're trying to do to maximize the money is we wanna make sure when we do these repairs, we do it the right way. We don't do it half fast and then it breaks again. So we reached out, the Director Ms. Nededog reached out to Ghura and you know, they Mr. Sonny Perez over there and he's, they've will, they're willing to help us and we do a MOU of them. Of course, it's not free. They're gonna charge us some money costs to do it, but they're gonna come in with their facilities managers, people, their electricians their carpenter, all their, you know, 'cause he's a mechanical engineer and they're gonna look at our facility and they're gonna evaluate it as far as electrical and the plumbing and all these things.

They're gonna help us put together the scope of work that needs to be done. And we've already got the delegation of authority from DPW to Ghura. And we're gonna go through their procurement process and use their team to help us. Because like for the domes, you know, there, the aircons are the 45 ton aircons. But Mr. Perez told us that I. If you put a 40 ton air con in here, three to six months, it's gonna break because your entire electrical systems going up to the domes all need to be upgraded. And, you know, we don't have the skills, I don't have the skills to do the scope of work of what exactly needs to be done. So that's why we partner with them. And he, in fact, like the director said they're supposed to be going down to a *Hagatna* today and they're gonna make assessments and, you know, we're gonna have some meetings and then we're gonna prioritize and say, okay, what's the prioritize? Do we do the plumbing, the electrical before we get into the air con then they're gonna do *Mangilao* and then again, we'll sit down and we'll have that meeting. And so that's why the money that we did do for the canine and stuff, you know, me and Roma we said, you know, we don't wanna just keep spending until we know what we need to do with Ghura. So we need to stop. Let's get the Ghura stuff, let's get all that work. Scope of work, let's get it, you know, and then we'll move from there. So, we do, like I said, we are moving forward the MOU signed and we're just gonna have to sit down with them and hammer all the details. So, you know, we are working on that and I wanna spend all the money to do everything electrical, plumbing, because as much as I need a new facility, the reality is I gotta keep what I have running. And so we have to do all those things to the generators. They're gonna help us with the generators and the scope of work and everything there. So, we have that MOU and, you know, we can share that with the Senator Duenas, if you guys like, so you can see how they're gonna help us with this.

Senator Telo T. Taitague: Thank you Major Antone and what is the estimated projected timeframe in which we can get everything up and running?

Antone Aguon, Major, DOC:
Well, again, we're, they're gonna be going to *Hagatna* again, the plan was for today and later this week then we'll sit down with them probably the following week and go over it, and we'll start looking at timelines and all this other issues that we have to address. And then I'm, you know, cautiously optimistic. By next week or the week

after, we'll have a better timeline together on Okay. What we're gonna do first and how long we're looking to get this done.

Senator Telo T. Taitague: Yeah. Is it normal that you're going through Ghura right, on this whole thing? Is it normal for them to charge, you know, to do an assessment?

Antone Aguon, Major, DOC: Well, it, you know, Senator, I mean, all the agencies as much as we like to get the freebie stuff we get billed. I mean, like the director said, when GWA came and fixed our leaks and stuff in Hagatna, they had to bring in Detry plumbing and other things. So, you know, we had to reimburse them for that. But I guess, you know, they're gonna help us with the their manpower, their staff, you know, to help us. So..

Senator Telo T. Taitague: Yeah, but is it,

Antone Aguon, Major, DOC: You know, well, it's the first time we've ever done something like this with Ghura, so, so it's us.

Senator Telo T. Taitague: Did you ask them that? Do you normally charge another government agency when assisting that agency? Well, or is there any funding through federal funds to kind of pay for that, whatever bill they wanna slap you with?

Antone Aguon, Major, DOC: Well, again no, I did not ask them and..

Senator Telo T. Taitague: I think you should, yeah..

Antone Aguon, Major, DOC: But for me, Senator, I really other unless the senator wants, unless the re wants to give me another 300,000 so I can hire my own facility managers and my own, oh..

Senator Telo T. Taitague: We would love to do that.

Antone Aguon, Major, DOC: People, and then you know..

Senator Telo T. Taitague: but you also have to learn to work within your means too. Right. And you have to think outside the box. Yeah. Well, it's not about just throwing money anymore to these agencies, which we've done in the past. It's about thinking outside the box, finding an alternative ways in order to get the job done.

Antone Aguon, Major, DOC: Well, so Senator, I've..

Senator Telo T. Taitague: I appreciate what you're saying about GHura and I understand that they have the means to do this, you know, and that's good. But why would they wanna charge you? We're already strapped with it. And if there's any other alternatives that we can find, then I suggest you look for it and just don't take a Okay. You know? Yes. We'll go ahead and pay the bill. And unless you ask these questions, it's important, Major, so I appreciate it.

Antone Aguon, Major, DOC: Thank you, Senator and just for the record, I've been up there 31 years. Yep. Believe me. We have thought. And it's, and the place is still going to outta the box so many times. Yeah. I don't even see boxes anymore. Yeah. Well, okay we just..

Senator Telo T. Taitague: Then maybe it's time for you to retire.

Antone Aguon, Major, DOC: It's out of boxes. We got. So we, well, this, you know, senator, we just need help. Okay.

Senator Telo T. Taitague: Yeah. And that's exactly what we're doing.

Antone Aguon, Major, DOC: Like I said, for 31 years I've been up there, we have not added a single bed to that prison since 1998.

Senator Telo T. Taitague: Isn't that shameful?

Antone Aguon, Major, DOC: Okay. 1998, when FDF and Hagatna were built under former Governor Gutierrez and Angel Sablan, when he was the director, that's the last time we've put any beds in that facility, but our numbers continue to go up and we continue to struggle with maintaining it. And I, we have brought the media

in, we have done everything. I mean, it is no secret. I mean, Brent McCready went up there. We've had all kinds of stuff over and over and, you know, it's just, you know, we're doing the best. And we understand the government's limitations. And we try and we know, you know, crime is not sexy. Prison is not sexy. But every day, my men, the men and women that come to work there, we try our best to keep this the place safe and so that all of us go home and that there's no escape and contraband is not, you know, introduced but it is a struggle. Like no one can believe. And we operate 365 days during Typhoon and everything else, and we have human bodies to take care of people that a lot of them are not healthy. Okay. They are not in there, in that prison for singing loud at church, as the former warden would say it. They're there for some really bad crimes.

Fred E. Bordallo Jr., Director, DOC: Senator..

Antone Aguon, Major, DOC: Buildings..

Fred E. Bordallo Jr., Director, DOC: Senator I'll ask Ghura. We can reduce the payment for Senator Perez.

Senator Telo T. Taitague: Thank you, Chief. Major Antone you have done what the best you can, and that's all that we are asking for. That's all we can ask for, is for you to do your best. Unfortunately, the prison has been in so many situations of going under receivership. Maybe that's the case because we know it's not your issue. This issue goes as far as administration from providing the things that you need. This administration has done nothing to help DOC the way I see it. All they've done is just hired in individuals to, you know, collect a paycheck in certain circumstances while your hard individual working staff that have been there with the qualifications for years continue to be frustrated with this administration for not getting DOC up to what's considered safe. And, no, I, I disagree, you know, safety, you are saying it's not sexy, it's, I'm lost for words. It's the number one priority next to education in healthcare is safety. It should be given the attention it needs, it should be given the funding, but it's not your fault. It's this administration's fault. They know this has been a problem for years, and yet they have done nothing. So that's my concern. And every chance that you get thinking outside the box, doing what you can, that tells me

you're doing your very best and that's all I'm asking. Please continue to do your very best and Ms. Okada, you convinced the Chief to ask for 50 million, even if he has

Chairman Christopher M. Duenas: Senator..

Senator Telo T. Taitague: To stay back. You go up there. So I Oh, my time is up. Thank you so much for all your hard work. Thank you.

Chairman Christopher M. Dueñas: So, for the balance of those that are gonna be asking questions, again, I got a clarification from OFB, so go ahead and look at your spreadsheet so we'll be clear. So, in fiscal year 2024, the expenditures encumbrances were basically 35,900,000. Please follow along the DOC folks on the panel the authorized level for fiscal year 2025, as was mentioned was 45929, and that is including the 4 million. So that's what happened because as I see your 4 million check out your spreadsheet as well as I see your DOC files right now for 2025 is right around 40,052,000 right now that you're tracking. And so the total plus the 4 million would be the 45 authorized level was, which they placed in. So, it basically is now with the governor's request, just to be clear, including that 4 million where the governor's request, you'll be at $1.3 million above what your current level is even when you include the 5 million. So, if you go straight over on the variance with the governor's request the five nine two seven basically when you take that request overall in terms of if you get the budget that is proposed in terms of the governor's request, it will still be a 1.3 million in addition if everything tracks as authorized in fiscal year 2025.

So, we'll make sure that we go back and reinforce this with you, but that's what's showing on our OFB books. Okay? So, we are tracking to an increase and a significant increase from the 2024 levels. Okay? Senator Matanane, you're recognized.

Senator Sabrina Salas Matanane: Thank you, Mr. Chairman. If I could just get some clarification on what is the capacity or not the capacity, what is the population at the ACF in *Mangilao* current population to date?

Fred E. Bordallo Jr., Director, DOC: I can get the accurate number, but it's roughly about 9 billion. I mean, 900 and 900 and 950 950 inmates, I believe, or something like that..

Senator Sabrina Salas Matanane: Inmates in *Mangilao*.

Fred E. Bordallo Jr., Director, DOC: Yeah.

Antone Aguon, Major, DOC: So, yeah, so I have the numbers from the other day. In *Mangilao* there's altogether 700 and 713 prisoners. Those are inmates and detainees and in *Hagatna* there are 223 down here in *Hagatna* for a combine of about 936 between *Mangilao* and *Hagatna.*

Senator Sabrina Salas Matanane: What is the capacity that it was built for?

Antone Aguon, Major, DOC: So, in *Mangilao* we're over, I did the numbers we're over by about 160 prisoners, and in *Hagatna* we're over 130, so there should be about 130 in *Hagatna*, maxed out. We're at 223 so we're about 130 over there. So, and that's bed, that's based on the beds and you know, the number of cells and number of beds that are in there, the design capacity, as you will call it. Right. So that's kind of where we're at now.

Senator Sabrina Salas Matanane: Okay. What's the current officer to inmate ratio?

Antone Aguon, Major, DOC: Well, you know, ma'am, it depends. In *Mangilao,* So in *Mangilao* we have 17 housing units, and each housing unit has a different officer to inmate ratio based on the type of prisoners that are there. For example, minimum, we would have 40 prisoners and one officer, but if you're at post six where there's 48 inmates and they're hardheaded inmates, they're not the right. Then there's two, supposed to be two. There's be, that's a off ratio of nine to one should be nine to one inmates to one officer. But it's kind of all over the map. It just depends ma'am on where, what housing unit you are in for the day because again, ratio can determine the nature of the housing unit, the how inmates are like medium post 16 nonviolent, but they usually play well with either others. They're on our work assignment, they're work detail. So usually one officer and there's 80 inmates up there. One officer will

be not ideal, but that's usually the daily operation of one officer to 80 at post 17 where there's 60, almost 70 inmates, there's probably about one officer that's admin seg, PC status. And then over at post 18, we have about 70 inmates to one officer. So generally, I guess you, I could see the numbers you're saying is probably one to 70, I guess is what.

Antone Aguon, Major, DOC: And how does that compare to national standards? Well, again, a lot of it ma'am, it depends, Senator. It depends on the type of, the vicinity you are having. So, when we visit Camden City Jail, for example, there were 580 prisoners and only seven officers on duty. Because of the design of the building and the cameras and all the technology that was put into the building, that it was very efficient. He only had seven officers on duty. I mean, I almost like, wow. Seven officers. So, it just depends on the type of vicinity. It varies from facility from here.

Senator Sabrina Salas Matanane: Right, but this is in Kansas?

Senator Sabrina Salas Matanane: This is, yeah, that was in Michigan.

Senator Sabrina Salas Matanane: Oh, Michigan..

Senator Sabrina Salas Matanane: Then, and then in Fulton County county Fulton, where they're building their big jail, they're gonna have one to two officers for 200 prisoners. But again, they're making use of camera systems and all these other technology that was put into their new building that it was very efficient for them to have minimum officers. And then in their max unit, you know, they'll have three to four officers for a little bit more, but it just really depends, Senator on the, what you're comparing it to as far as another facility. But I mean, ideally we have our own staffing. Each housing has a staffing minimum manning requirement that we have developed that we would, in best case scenario, like to follow. But that would require us to have 350 officers. Let's put the bottom line, if I was to man that facility *Mangilao and Hagatna* based on our current standard operating procedures and having an officer in all those posts that we've identified, including the perimeter, all the different posts out there, I would need 350 officers. And that is using a formula from the National Institute of Corrections called staffing analysis are called network hours. Where we, you, it's a formula where you base how many manpower hours for

a particular post, right? That will be 350 if everything was perfect. We have 181 and that is from the warden down. Plus we have other officers that are not necessarily directly with the inmates, like, transport, visitation, our central control, internal affairs, our maintenance officers that take around the inmates. So there's a lot. Our hub officers, processing officers, our they handle the zoom and all these things. So, it just takes a lot. And, you know, I unfortunately, I'm sorry I can't give you a direct national average, but we do have policies of what would be the best case. But 350 officers I, ideally is just I've never seen that. I don't think we've ever reached that much. We've, I mean, the farthest we've ever got an officers I think was 220 to230.

Senator Sabrina Salas Matanane: So currently 181, we have 200 by the end of this year. But truly you would need 350. How safe are our officers then?

Antone Aguon, Major, DOC: Well, considering other factors, ma'am, that will help dictate the security is, you know, how do we treat the inmates? What programs do we have available? How long are they out of their cells? Do we have working air conditioners? Do we have recreation and visitation and incoming? I mean, all these other things help us manage the inmate population in terms of their behavior and their attitude, right? And we're very fortunate that our officers, you know, we train them well and they have good interpersonal communication skills and our inmates are just not numbers to us like in some federals, you know, we treat them like human beings and we take their concerns seriously, and we do our best to make sure that we're addressing their medical needs the infrastructure needs, their program needs, their visitation and family connections, their, you know, all those attorney and all these, we do our best. So, you know, we do have a few inmates that are not compliant. And, you know, we try to deal with that, but generally I believe my officers are safe. We, you know, again, like any other law enforcement, there's potential for some hotheads that don't want to follow the policies and rules and try to challenge our officers and we have our sort team and other mechanisms in place to try to deal with that, right.

Senator Sabrina Salas Matanane: I was just curious because you said one officer in some instances to 70 inmates, right? That..

Antone Aguon, Major, DOC: Yeah.

Senator Sabrina Salas Matanane: Is concerning.

Antone Aguon, Major, DOC: Yeah..

Senator Sabrina Salas Matanane: Moving on, I wanted to talk about your presentation. Issues discussed with OFB, department of Corrections budget and expectations. And Chief you had on here, highest cost incurred by the Department of Corrections are inmate medical expenses and something you said earlier was that the Department of Corrections is paying for GMH staff. Is that correct?

Fred E. Bordallo Jr., Director, DOC: That's correct.

Senator Sabrina Salas Matanane: You're paying for, what was it, Sean? 26?

Fred E. Bordallo Jr., Director, DOC: The staff that are down at the Department of Corrections.

Senator Sabrina Salas Matanane: All 26 GMH employees.

Fred E. Bordallo Jr., Director, DOC: That's correct.

Senator Sabrina Salas Matanane: And how much are you paying or are you guys paying? Because it would be interesting to see if GMH is also paying these same employees.

Fred E. Bordallo Jr., Director, DOC: Estimate right now of how much it costs just to have the staffing of GMH over at Department of Corrections, their staff 4 million, an estimate of $4 million.

Senator Sabrina Salas Matanane: And DOC has been paying these employees. There's nothing owed to GMH for these employees.

Roma Okada, ASO, DOC: So, this is part of the MOU that we have with GMH.

Fred E. Bordallo Jr., Director, DOC: We, we have a trying memorandum of understanding.

Senator Sabrina Salas Matanane: Right. I see that. Is that a new MOU or is this recently signed, or? This has been in place for years.

Fred E. Bordallo Jr., Director, DOC: When I got there, it's been in place separate memorandum of understandings between Behavioral and GMH, but then we converged it into one tri MOU. But it's the same provisions that the monies the agreement that Department of Corrections has is that the staff, the costs we bear, we're gonna bear the cost of the staff and the services that the Guam Memorial Hospital has when they're on, like their nurses down there at the *Hagatna* Detention, examining a pretrial detainee. We're gonna be paying for that, that those services.

Senator Sabrina Salas Matanane: So, you pay for the medical care, the staff. Do you also pay for supplies?

Fred E. Bordallo Jr., Director, DOC: According to yeah. The brief I got from we're paying for their supplies actually, even the, there was even a case where they're saying we have to get oxygen, you know, refilled, you know, for those inmates that might need oxygen tanks and stuff like that.

Senator Sabrina Salas Matanane: So this Tri MOU also with Guam, behavior Health and Wellness Center, I think it was my colleague, Senator Telo Taitague who asked about Guam Behavioral, and you guys mentioned that you don't pay anything?

Antone Aguon, Major, DOC: Yeah. I'm sorry. May I cut? May I may. Let me give you some, yeah. Historical here. So, around 2015 when the former Attorney General Barrett Anderson came into office DOC was under still a consent degree with the federal court since 1991. And so when Barrett Anderson came, one of the challenges was the medical and so they put together a working group moving forward. GMH in that time took over our medical services to the prisoners, right? So, there was an MOU that was generated. There's actually a one, two and three. There's three, three three third version, I think.

But anyway, GMH takes over our medical and they're required to have nurses and doctors on our facility. And out of that we pay them close to 4 million a year, and they invoice us. And in the invoice breakdown that they provide, it's got all the nurses' salary and all the other things that, for them, assigning their medical staff to our facility.

And we basically just reimburse GMH for that. But GMH is the one that actually pays their paycheck. We just reimburse them, GMH, that, and it also causes pharmaceuticals and basic supplies for their office and medical supplies. And then that's just a one. And then with the Guam Behavioral, fortunately we don't, they don't charge us any, anything for their services. They have staff on our facility that handle our mental health and behavioral and pro. There's an executive order that was created and a MOU, and then we just recently did a try, MOU, between GMH, Guam Behavioral and DOC on the type of services. And, but Guam Behavioral does not charge us anything for their services, so they provide that to our inmates for free.

Senator Sabrina Salas Matanane: I see. So, so you said recently signed Tri MOU when that was?

Antone Aguon, Major, DOC: I wanna say last eight months, maybe last, within the last six to eight months because GMH, we had one with GMH, we had one with one behavioral, and then there was some overlap and some, you know, discussion amongst the two and then DOC's in the middle. So we brought all three of them to all of us together and said, okay, can we make this a, you know, so that we're more clear on the lines of who's doing what and stuff. So we, it called it a TRI.

Senator Sabrina Salas Matanane: Okay. If I could get a copy, you know, of the TRI MOU I'd greatly appreciate that. Okay. So you took, you mentioned how you pay for GMH staff services, equipment, et cetera, for the clinic at GMH? Does DOC owe anything to GMH for inmates that receive treatment at the hospital? And if so, how much, and is that included anywhere in this budget to settle that debt?

Antone Aguon, Major, DOC: Yes. Yes. Yes. Senator we owe GMH so there's, we pay for the MOU covers, all that. But outside of the MOU when inmates or prisoners are taking the GMH for medical conditions, they're admitted to the hospital and all

that. Yes. We owe them some money. I believe. It's a, I got my little notes here. Hold on. I got a lot of notes. Oh, this the one, right? This the one, okay. So, Guam Memorial Hospital inpatient. Alright. And so as of the 31st, and this is including prior years, we owe over 5 million. Usually at about one point, I got the numbers breaking down, but we all, all together, we owe about 5 million for inpatient services. And that's separate from our MOU you know, and that's, you know, because again, we're required to provide them healthcare. And so some come off the street, they get confined and within the hour they're in the hospital for some kind of medical issues. And unfortunately, the bill comes back to DOC and we have not fully paid that.
And GMH is constantly on our, you know, can you pay? So, but we are, you know, Miss Roma and we try to work with the front office and them to try to. Pay down whatever we can when we can. But you know, in short answer, yes, we owe them money.

Senator Sabrina Salas Matanane: 5 million. What about GRMC? You owe GRMC? Anything?

Antone Aguon, Major, DOC: Yeah. Can you see? I my oh yes. Oh yes. We owe them too. Not as much as GMH. We try to stick to GMH, but we owe them about 537,000. And that's over the course of three fiscal years. Four, four fiscal years.

Senator Sabrina Salas Matanane: It's not in, in this budget request to pay off this debt?

Roma Okada, ASO, DOC: Well, with my original budget request, it was included, but when we received the ceiling, I can't pay it.

Senator Sabrina Salas Matanane: Okay. Senator Taitague was mentioning the MOU completed with Ghura right? For the renovations and a partial portion of that funding coming from the public law that was enacted in December of last year regarding the $1 million allocation from the $5 million, correct? And you said that $300,000 was going to go for dogs and a dog kennel. And the remaining $700,000 would go to infrastructure improvements.

Roma Okada, ASO, DOC: Oh. So, 300,000 we use, not just for the dogs, but also the vehicles and maintenance supplies.

Senator Sabrina Salas Matanane: Okay.

Roma Okada, ASO, DOC: Five vehicles and maintenance supplies. Maintenance.

Senator Sabrina Salas Matanane: I'm sorry, I can't hear you.

Roma Okada, ASO, DOC: Like hardware, plumbing, just to keep up with the infrastructure and repairs.

Senator Sabrina Salas Matanane: And how much are you guys paying Ghura? I don't think I heard that for this assessment.

Roma Okada, ASO, DOC: Seven, I believe about 7,000 or they requested for, because of Sonny Perez, their engineer, you know, for a services for us.

Senator Sabrina Salas Matanane: So the assessment, you are paying $7,000 to Gora for an assessment for renovations at the *Mangilao* Adult Correctional Facility, it doesn't include *Hagatna*.

Fred E. Bordallo Jr., Director, DOC: We're No, we're paying the they said to kick out this memorandum agreement, I believe the 7,000 for the use of Sonny Perez who's gonna coordinate all this from, everything from the IFB you invitation to bid out for the domes and everything else, and all the work that he's doing..

Senator Sabrina Salas Matanane: To prepare an IFB for the actual assessment to be conducted?

Fred E. Bordallo Jr., Director, DOC: He's actually gonna go out and do an assessment not only of *Hagatna* detention, but *Mangilao* and all our facilities.

Senator Sabrina Salas Matanane: To Okay. This MOU your writeup said MOU completed with Ghura for renovations at *Mangilao* ACF, so..

Fred E. Bordallo Jr., Director, DOC: Yeah. Yes.

Senator Sabrina Salas Matanane: So it does include *Hagatna*.

Fred E. Bordallo Jr., Director, DOC: Yes. It'll include *Hagatna*.

Senator Sabrina Salas Matanane: Yeah. And that is, again, can you just explain that is not for the actual assessment to be conducted, it's just to help, okay.

Fred E. Bordallo Jr., Director, DOC: It's just for his services because it's time away from Ghura, you know, like what Senator Telo said to use Sonny Perez as a, you know, his, and his services and what he's doing.

Senator Sabrina Salas Matanane: Okay. So $700,000 is going to be enough. I mean, to actually do the renovations, 'cause that's what I thought the law was for, was to start doing renovations. I not to do an IFB..

Fred E. Bordallo Jr., Director, DOC: I believe we said that with the renovations and the infrastructure improvements that we're gonna need and security systems that we're gonna need done at our current facilities, both at *Mangilao* and *Hagatna*, it'll probably cost more than the $1 million. It's probably we're gonna have to dip into.There were $4 million left. And I think there's been discussions I've had with the governor and when things senator join us about that other $4 million, you know, because we know we're gonna go past that. There's a lot of, as I said, there's a lot of things that need to be done in terms of the infrastructure, electrical, the water bill that we're getting, all the water distribution. The systems that we have and a lot of things that are being, that are gonna be needed up there both at the *Hagatna* and at the *Mangilao* facility.

Senator Sabrina Salas Matanane: Do you have a rough estimate, maybe, I know that the assessment hasn't even started, but do you have a rough estimate on how much would be needed for the repairs at DOC in *Hagatna* and then *Mangilao*?

Fred E. Bordallo Jr., Director, DOC: Well, I think we'll have a better picture that once they do the assessment up there, *Mangilao* especially looking at the domes

because Sonny Perez gave us a sketch of what they intend to do, not use the HVAC, but a different kind of system, you know, for the dotes for their cooling systems.

Senator Sabrina Salas Matanane: If they give you a sketch, wouldn't you have a little bit of an estimate on how much it may cost?

Fred E. Bordallo Jr., Director, DOC: We can provide you a copy of that. We can let you see that.

Senator Sabrina Salas Matanane: You guys mentioned you were at square one for the new prison. And you also mentioned that the governor gave ARPA Seed money, right for A&E. How much was that?

Antone Aguon, Major, DOC: Just based on what I can recall in the documents back in 20, when we initially did this, I think it was like 800,000 to go to DPW, but it didn't go through us. It went through DPW and as far as I, I believe it was ARPA money, I'm not sure what happened after that cause again, it didn't come through our office, it went through them, but and that was my understanding at the meeting is that, you know, they were gonna use that to get a company to come and tell them what it would cost and all these things.But again I don't know where the money is at, but it didn't come to us.

Senator Sabrina Salas Matanane: So, is there any money for this A&E or It would be with DPW?

Antone Aguon, Major, DOC: That money went with DPW, but I don't know if it went where it went after that or, you know, I'm not in that thing. We'll have to find it. But with regards to the, when we do decide to try to go forward, we'll have to sit down DPW and put out another RFP for the design, utilizing the 5 million that we got, and probably different languages in the RFP to make it clear what we need and how we're gonna do this, but I'm looking forward to sitting now with them again and trying to restart this whole process again.

Senator Sabrina Salas Matanane: Right and when you guys do have those discussions, has there been any discussion about possibly going through a design build process as opposed to doing an A&E?

Antone Aguon, Major, DOC: Yes, Senator. So in the Modernization Act, I believe it, that's the kind of language they used in there was a design build format. So, you know, for me, whatever works best and whatever, you know, the, it's just to try to move the project forward, you know?

Senator Sabrina Salas Matanane: And okay. So you said in the Modernization Act they were recommending a design build, but yet you still went out with the A&E?

Antone Aguon, Major, DOC: Well, we took our own design there and I guess they were just trying to get a handle on the architect services, but in the Modernization Act, I believe it does call for a design build. And then it, there was money supposed to be to GEDA to help with the, you know, in case they go in the bond market and things like that. But you know, that's beyond my pay grade as far as what happened there.

Senator Sabrina Salas Matanane: Okay. I did wanna ask, because like with the Guam Memorial Hospital the state of GMH, they're all scared that a next major typhoon that comes through, you know, their lives. You know, it could they just wouldn't be safe. So, with the Department of Corrections I know there's all this talk about the new prison, just like there's all this talk about a new hospital. For DOC, do you think that the current state of the facility will be able to survive another major typhoon?

Antone Aguon, Major, DOC: Well, the ones we would really be concerned is the domes. We have like 200 people up at the domes. Those are those 10 canvas that were built in 2000 by immigration, right? So, our COVID unit in the back of post 16 that we had, that's gone. Mawar took that, but it's our domes. The rest of the facilities cement, they're concrete and stuff. We just got a, as far as our plan is the generators and getting the generators fixed up for some of those units, right? So like the federal detention facility needs a brand new generator. But I think the buildings, other than the domes is again our scary point because those are canvas materials and, they can

go, but usually when the storm happens, we move them to our visitation lobby area around there and we keep 'em there. But yeah, the domes would be our number one concern.

Senator Sabrina Salas Matanane: On a scale of one to 10, then how would you rate the conditions at DOC?

Fred E. Bordallo Jr., Director, DOC: On a scale of one to 10?

Senator Sabrina Salas Matanane: Yeah,

Fred E. Bordallo Jr., Director, DOC: I would say that it's probably gonna be I would say a four. I mean, there's a lot of vulnerability. I said when I first came in August, 2023, and I looked at the different areas. It's a dangerous place up there. I said, I used the word dangerous, especially the vulnerabilities. And every single thing that I've highlighted on the overcrowding, the conditions have been shared with Office of Homeland Security and Civil Defense, because that's like major set. A storm comes those domes, those tent type were built by customs and immigration Federal, and it was signed over back during the previous administration because Chinese illegal immigrants were in. And then I think at the time they had tents set up, right. So, the conditions are, I would say I would rate it as a four. There's a, and that's why. Someone said, are we using a bandaid effect to get these facilities fixed? No, it's a tourniquet that we're doing right now. This is very essential that we and thank the Guam Legislature for giving us that 1 million. And Senator Chris, again, looking at the, possibly using the other 4 million, 'cause it'll go beyond $1 million when we're talking about fixing things at the Department of Corrections to include the *Hagatna* Detention Facility, which is still a little bit open-ended because the *Hagatna* restoration plan doesn't include the *Hagatna* Detention facility in that same location.

So, talks have to be the conversations have to be made where we gonna do what we're gonna do with the *Hagatna* Detention facility and a part of the Prison Modernization Act includes building the detention facility up in *Mangilao*. To me, I was just saying on the record, that's a mistake. You can't have pretrial detainees housed in the area where a prison is at. You know, they should be housed differently.

And I would say that, and I'll say it on the record, judiciary has, and I talk with the Chief Justice, he's open-minded too. It's about what kind of funding too with their master plan. Because like other jurisdictions, the judge looks out that window and that's where that detention facility's at and it's just a walk straight to the court.

Senator Sabrina Salas Matanane: How soon are you guys looking to get this RFP out for the assessment of the ACF and *Hagatna* and when are you anticipating to get these renovations started?

Fred E. Bordallo Jr., Director, DOC: Yeah. Right now I think because they're doing an assessment again, yet today we can have a better assessment, I mean, a better timeline once we talk to Sonny and find out how does it look in *Hagatna*, he's still gonna be looking at *Mangilao*, but we can get a little bit of an idea how much how, what the timeline would be when he starts going this plan of action about the cooling systems over at the domes and stuff and the other renovations that are needed.

Senator Sabrina Salas Matanane: But again, he's just that's not the full assessment. He's just helping to craft the IFB or the RFB or whatever form this is gonna go out as that's not the actual as assessment, correct?

Fred E. Bordallo Jr., Director, DOC: I believe for *Hagatna*, he's just looking at that because it was included what needs to be part of the renovation of this action plan that we have presented to Ghura that not only the main facility in *Mangilao,* but *Hagatna* right now, there's vulnerabilities down in, again in terms of you know, their generator. I believe in some areas that were contraband has been thrown into the facility. And that one is a little bit gonna be a bigger attention getter because half of that *Hagatna* detention is Feds and the Feds wanna in the conversation and what's being done down there too.

Senator Sabrina Salas Matanane: And speaking of the feds, have there been any sort of warnings from the feds that DOC has received in the past year, past couple of years?

Fred E. Bordallo Jr., Director, DOC: No, actually..

Senator Sabrina Salas Matanane: related to these conditions, inhumane conditions, unsafe conditions?

Fred E. Bordallo Jr., Director, DOC: Actually when I came on board in August of 2023, I communicated the Federal Bureau of prisons, the director. She was having her own problem, Ms. Colletta. She was under the fire of the conditions at the federal prisons and some of that happened. Some of that has changed because now under the I believe President Trump administration, a lot of that is going toward privatizing or public private partnerships now, but a lot of the, she was under the gun. She's not there anymore. But I could tell and sense by her response to me on the letter that I wrote to her about coming out, like the previous federal prison director did to come out and visit Guam and take a look at our facilities.

I got the sense that she just said, good luck with what you're doing down there in, in Guam. And, you know, 'cause she had her own, they have their own problems at the Federal Bureau of Prisons. The other side of this is the US Marshals. They've been more, you know, concerned about what's happening down in *Hagatna* detention with their federal detainees. And kudos again to the US marshal here who's working to see what we could do in terms of ensuring that the federal you know, detainees that we have, because we're paying them they're paying us to house them, but we're also talking about potentially increasing the fees on that too, which would, which is something that we're gonna get done.

But they're always concerned too, 'cause the judge there I'm not talking about Judge Bordallo, but judge, you know, has some concerns whenever she sees the federal detainees coming into their courtroom. But their federal public defender has made some noise too, about if it's getting so overcrowded down at the *Hagatna* detention, there's always some of that kind of problem. And I did mention in a public hearing that an inmate can easily do like what they did with Senator Fisher, you know, and make a complaint about the overcrowding both there and then also up there at *Mangilao*.

Senator Sabrina Salas Matanane: So, is that a yes? I'm not sure you kind of went all over the place.

Fred E. Bordallo Jr., Director, DOC: Yes, that's, yeah. The answer is yes. About, okay. Some of those the federal communications on that.

Antone Aguon, Major, DOC: Most of the federal senators, we do have meetings with them monthly. Ms. Nededog meets with them monthly on stuff, and most of their concerns surface around the HVAC system and the aircons do work. They're just not as, you know, there's gotta be some repairs and that's why Sunny's coming in to help us 'cause in, in addition to just the air con we now have to do the electrical and the other things to make sure those aircons do not break once the and the generator over there. Of course. And just for your estimate on the aircons, the last estimate we got, I think was 2022, had a company come in and we're looking at $140,000 just to replace all the air con at the federal detention cause those are the big ton Air con on the roof. And then the generator loan is over a hundred thousand 'cause it's the, you know, the big generator to run everything. So, but just on our quote was like 130, that's not including the electrical upgrades and things that we have to do. That's why working with Ghura now a new way of doing it 'cause DPW normally is the way we would go, but because they're overwhelmed with their own projects the idea was can we use Ghura and Mr. Perez, he helped us with the locking device project and stuff like that. That's how we knew him when he was at UOG. And so that out of the box thinking was, well maybe his team can help us. And so they're gonna do more than just a senator assessment. They're gonna do the assessment, but they're also gonna help us write it all up and we're gonna go through their procurement. 'cause normally we will put it out for bid at DPW, but no, we're gonna put it out bid at Ghura now through them.

And so, we're excited to sit down with them and they're gonna more than just assessment, they're gonna actually help us. Guide us on putting this scope of work out and the bid and sit down on the evaluation and make sure all the projects are done properly, as if they were doing their own gora housings or stuff like that. So we're very excited and we're very glad to have this opportunity to work with them because, you know, Mr. Perez has really helped us in the past with our locking projects and the consent degree and stuff. He's really an amazing person and I'm just glad that he comes and helps us.

Senator Sabrina Salas Matanane: And speaking of Ghura, has the department or had the, has the Department of Corrections submitted any comments regarding this fix and six program?

Antone Aguon, Major, DOC: A lot of that senator in the past it unfortunately won't DOC is not a population as I understand it, that, that grant actually services. I mean, I tried in the past to get the community block grant and things like that, but unfortunately under the definition of a community, DOC is not a community. The term, I guess, is not part of the, we're part of the community, but the term they said is you have to be accessible to anybody at the public, like a police station or a fire station or something, right. So, 'cause we tried to do that before when they were building the Shanya precinct, I think it was Mr. Duenas at the Ghura. I sat down with him, or I believe it was him and we were trying to tweak the language of Tony Lamorena and we tried every which way. And he smiled at us and says, I'm sorry, you're a prison, is not something that's considered community. You know, even though we hold the community and we provide a service for the community, you have to be able to have access to it by anybody in the community, and we're just not that facility. So I said, okay, we, you know, we tried, but yeah, we did not. I'm sorry I gave you the wrong answer.

Fred E. Bordallo Jr., Director, DOC: But Senator I wanna add on to although like what Major said, we it's not a community block grant. We're also, we're, so we're exploring, and I'm exploring this by research, that Department of Corrections is a critical infrastructure up under Homeland Security. Under the Homeland Security, the Federal Homeland Security prisons and jails are considered critical infrastructure. In other words, like, an example is that nine inmates escaped, right. Recently and then there's an escape at another federal institution here in Guam because of the military buildup and the bases. The last thing they need outside the fence is to hear that there's a threat situation, right? And it may be victims, could be military people living off of base. So that's the kind of what kind of federal type of assistance could be needed to ensure that Department of Corrections show up through Homeland Security funding. So that's an area that I'm sort of like researching and touching base, because that's one of the conversations I'm having with some individuals over at the Correctional Leadership association that I'm a member of over at, when I was in in Nashville, Tennessee.

Senator Sabrina Salas Matanane: Thank you. I just have one final question just so that I can just get it on the record. Is the Department of Corrections, would you say, in compliance with federal health and safety standards?

Fred E. Bordallo Jr., Director, DOC: Yes we are. I believe we are. Okay. Thank you.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase,* Senator Salas Matanane. Senator Barnett, you recognize.

Senator Chris Barnett: *Si Yu'os Ma'ase,* Mr. Chair.. *Manana si yu'os* to the people of Guam and thank you director for your presence here this morning. As well as Mrs. Okada and Major Aguon, very frustrating to sit here and listen to all of the issues and the challenges that the Department of Corrections continues to face.

And I think, you know, if we're being honest with each other here, the best solution for 95% of the problems that you're facing is the construction of a new prison. Right? And so look at, for example, the recruitment retention issues. You're saying you need 350 officers. You only have 181. But if we build a new prison, you might not need 350 officers because as Major Antone has said some prisons are running with as few as what 10 officers, and these are prisons that are constructed much differently obviously, than the Mangilao facility.

So that's why I was hesitant to support the bill that gave you guys a million dollars because I saw it as a departure from where we were heading as a government and as an island. And where we were heading was that we all agreed that construction of the new prison was important. And that's why we were setting aside the $5 million for the construction, the A&E and all that. And so when this bill was introduced and we agreed to whittle it from $5 million, remember it was originally $5 million down to a million dollars. I voted for it because you guys said that you needed to do a, the renovations, the stop gap kind of, construction. And at the time it was my understanding that you were gonna do these things and it was gonna act as a bridge towards the construction of the new prison, but now I'm hearing that you want to

drain the balance of the account, which is the $4 million. Am I correct on that, Mr. Director?

Fred E. Bordallo Jr., Director, DOC: That's correct, because it will go over a million dollars with the kind of renovations that are needed, infrastructure. Systems improvement, security systems improvement.

Senator Chris Barnett: So, with the million 300,000 is going to canine assorted issues. But, you know, I got a, a concern from some of the staff that the canine division is having to pay out of pocket for a lot of items that are needed. Is this accurate?

Fred E. Bordallo Jr., Director, DOC: The canine there, there's been times where officers have paid out of their pocket. Yes, I've heard about that.

Senator Chris Barnett: Okay. And so I just wonder why they're doing that. When you just said on the record that we have 300,000 that's gonna be used towards leveling up the canine unit.

Fred E. Bordallo Jr., Director, DOC: You know, the 300,000, not only just for the canine unit, but also for renovations on the facility, not just where the canine are at, but *Hagatna* Detention and *Mangilao*. That's a broad, that's what that 300,000 is gonna be for, but not specifically just for the canine unit, but we have vehicles that we're getting for them for the secure 'cause. That's what it helped support, part of the improvement of the security systems at our department.

Senator Chris Barnett: So, let me just ask these officers who spend out of pocket, whether it's for, you know, dog food or other critical supplies needed at the prison, are they reimbursed for these costs?

Fred E. Bordallo Jr., Director, DOC: No, I don't believe so. And I think part of that probably the conversation, I don't know whether these officers, 'cause they never came forward to me, you know, but I think it may be for it could be for small items, they're taking the canines home, you know, but for operational purposes with what they're doing now, while they're at work and their operation, they're on operations.

They won't have to be having the officer at their house, you know, or at their homes when they're coming to work with the canine that they're assigned to.

Senator Chris Barnett: So, it was said on the record this morning that you believe we're back to square one with the building of a new prison, but if you get access to this $4 million, we'd actually be back to square zero 'cause there wouldn't be any money left for the A&E or the design build or whatever. So I'd like to ask again, on the record, where exactly are we, and is there going to be an effort to do what we need to do to construct the new prison or is the new direction we're going in that you're gonna get somehow get this $4 million and it's gonna go to critical repairs that maybe you're anticipating will last the five to six years, seven years, eight years, 20 years in some cases, that it's gonna take our government to construct a new prison?

Fred E. Bordallo Jr., Director, DOC: No, I believe, I think the plan is that besides fixing what we have right now, present before some litigation takes place from an inmate that they're in unhealthy conditions or in conditions that are dangerous for them too, because we need to stabilize the infrastructure, especially the water and all the old and the facilities. We can do that in combination with going back to the process of planning for the new prison, but in that sense to planning with that new prison it's for the construction of facilities for individuals who are sentenced in *Mangilao* not constructed of facilities to detain people until they await trial because that's what a prison's for, not to detain people waiting their trial for sometimes up to a year pretrial detainees.That's where you're gonna need possibly another project to look at construction of a new detention facility with a possibly 300 capacity.

Senator Chris Barnett: Yeah, this is the one you've mentioned this in a few hearings where you've, you say you've talked to the Chief Justice and you know, you are wanting to put the facility back behind the courthouse, but I don't think as a body we've ever had anything formal come from the judiciary of Guam.

So I kind of question how valid is that idea of yours and is it consistent with the master plan if Major Aguon could?

Fred E. Bordallo Jr., Director, DOC: I believe it what's not consistent with the master plan is the deletion of pretrial inmates up there at the at the *Mangilao* prison, I believe with the master plan. The sense I have based on how they're constructing it in those fir those phases from phase one, phase two, phase three, without mentioning it that first capacity on the first phase that they're building 300 capacity space. The question is it for sentence prisoners that are already in the old housing units and moving there? Or is it for the overflow that we're currently experiencing now with having to send pretrial inmates up to *Mangilao* to hold? My sense is that with the modernization act in building that first phase and those facilities are, it's gonna be used for an overflow unless a new detention facility is built.

Senator Chris Barnett: So, in your testimony you said that through discussions and advice from the Department of Public Works that you terminated negotiations with the bidder for the architecture of the A&E of the new prison at the cost of 16 million. So, if you could, just for the viewing public, if you do get access to the remaining 4 million that's in that fund what is the timeline before we see this go out to bid again and actually begin work on the new prison?

Fred E. Bordallo Jr., Director, DOC: Well, it would depend on the appropriations that we can get into an account for the construction, the a and e design. What would be in that account balance right now? And right now what we have, I don't, I haven't seen from talking to our my finance people in our accounts that we have $16 million, $15 million, or even $10 million. The balance that we would have right now for this fiscal year is roughly what we spent from the 1 million and the other 4 million. And I don't know if you remember the current speaker, Senator Frank Blas said, it's on me to watch what's on that account balance. So, we're gonna be, we're gonna be paying attention. Is anything deposited into that account that's reserved for the for the construction of a new prison, right?

Senator Chris Barnett: And so if the A&E was to the tune of $16 million, are we looking at three years before you're able to put this bid up? Because it's my understanding that they were willing to work with incremental payments of $5 million?

Fred E. Bordallo Jr., Director, DOC: I can't predict who would win the next bid on what their negotiation would be different from the one who won this bid where we have to terminate and negotiations. But I'll just tell you this again, as we look at, you know, planning you know, implementing the plans for new prison and getting discussions like that, one of the critical issues have to be again, is what is the you know, on that process, right? What money do we have to work with that are inside those accounts? I think it was disclosed publicly in previous testimony that we didn't see any monies that were you know, there to we didn't have $16 million, you know, so we were, the Department of Corrections was placed in a situation where you don't have $16 million.The advice given to us was then it's don't go forward in negotiating because give expectation…

Senator Chris Barnett: Yeah. That was pretty much taking the money to pay the car and using it to pay the power, right?

Fred E. Bordallo Jr., Director, DOC: Yeah

Senator Chris Barnett: So, with this budget request of yours, Director Bordallo, are we funding drug testing of the corrections officers and the staffs? Is that gonna be covered under this budget request?

Fred E. Bordallo Jr., Director, DOC: I believe the majority of it is, yeah, for personnel, yeah. Okay.

Senator Chris Barnett: And so you'll be conducting what?

Fred E. Bordallo Jr., Director, DOC: We're doing recruitment right now, we're in the process. I think we've been doing some interviews. I think we've had a listing from Department of Administration. They're giving us additional, we have a con continuous listing available, so we're trying to recruit for individuals who want to join the Department of Corrections. We just had a recent, I swore yesterday in a person from DYA, a youth service worker who's now transferred. He's a SORT operator trained. It's now with us at Department of Corrections and our Security.

Senator Chris Barnett: Have you had any discussions with the administration? As, as you know, we had introduced a bill to ask the Department of Administration to conduct recruitment retention study for specifically the Department of corrections. You know, unfortunately the bill was vetoed, but in having discussions with the Guam Police Department, Chief Ignacio, they were able to get I think a 25% additional pay incentive for the Guam Police Department. And they did it without a law being passed. So have you had any discussions with the administrations administration about hazard pay or any other type of recruitment or retention incentive that can be done outside of the legislative process?

Fred E. Bordallo Jr., Director, DOC: Well, I, I believe in major again, even a price made that we were the ones who started the 25% differential pay. And, you know, the at attract, again, the attractiveness of working at Department of Corrections you know, the members of the public, the community watch what's happening at Department of Corrections. They see through the public support, you know, the officers they see things happening, you know, and just what kind of outlook would they have. And that's why we put out, we published our strategic plan on the website. We were constantly recruiting and promoting to the members of the public. The, this is the positions that we have continuous announcement we, in, in terms of incentives to work they know they're gonna get hazardous pay 'cause they're in a hazardous environment that comes with it. The uniform pay, as I mentioned, you know, in here they see, well, you know, they see in public hearings that why does Department of Corrections get $250 uniform allowance, but another agency has a $500, maybe a, that might attract people to go to the law enforcement agency that has the higher amount of uniform allowance unless it's, there's parity here. Right. For uniform allowance. Spread it out. Right. If they, if we increase our allowance, we can afford it to 300 or 400 and it's spread among the other law enforcement agencies that might have an impact in terms of our recruitment. But the main bottom line of why individuals are senator coming into the choosing Department of Corrections, and we hear it from individuals who are interviewing is because there is a they see there is a this is a good place to start their law enforcement career. They see that the depart, the morale department in terms of the leadership, that if they're gonna be long hours, but you put in for your leave, we've never said no to anyone who wants to take time off. Right. With the situation we're at with the shortage..

Senator Chris Barnett: Are you current with your overtime?

Fred E. Bordallo Jr., Director, DOC: Overtime?

Antone Aguon, Major, DOC: Yes, Senator. With our overtime we are current we've exceeded our budget, but we're current.

Senator Chris Barnett: Huh. Yeah. I wanted to ask director Relia, because you had talked about the public watching the Department of Corrections, and I think anybody in the public who's watching the Department of Corrections right now is probably not very happy with what they see relative to allegations, serious allegations of officer misconduct. So I want to ask, what does this budget do to prevent and stem the flow of contraband into the prison? do you have plans to address? You know, it's very troubling. We read about a big federal bust involving an inmate Dema pond. And then I come to find out that, you know, weeks after that bust, we're still finding cell phones charging things on this particular inmate in our most maximum security unit. So, I have to question you know, your leadership and your plans to address these very serious issues ongoing at the Department of Corrections. Thank you for that, Senator. You know, it is a concern, you know, and I don't fault the public for looking at the instances where we've encountered or the federal in you know, law enforcement agency. We cooperate with them, have them come into our facility, participate with them in a shakedown, in a search, and find an individual, an inmate who's drug trafficking. And it's been named public of the indictment of that inmate and the indictment of a corrections officer. That's not good news for the Department of Corrections and certainly would affect the men and women of the Department of Corrections, but we constantly ensure them, keep your heads up high, keep looking for your friends or neighbors who want to join the battle instead of just talking on the sidelines about that battle, you know, come in and join because it is it would be important, significant that we have the people, you know, the personnel, which is why in this budget it will allow us for not only our current staff, but the recruit and to increase our force to at least 200 by December.

So that's promising there, to have at least 200 people to include the reserve program that we have and other programs that we're looking at with our parole division and I believe a, a mention to Senator Gumataotao is looking at this with the potentiality of

a parole reserve program because community aggressive would be the alternate of when you release a pretrial inmate you know, to probation or they're out on parole, that they don't come back. You know, that they're out there if they have a drug problem, they're treated, you know. Programs that, you know, like the lighthouse recovery, which is something that needs to be expanded, you know, in our community with the drug problem, not just enforcing it by locking them up and putting them in a cell that's already overcrowded.

Senator Chris Barnett: I just think the, as a senator and, you know, very understanding what the public's seeing here it, it's frustrating when you see these high profile actions being taken by the federal law enforcement. And then just weeks after you have the same inmate has a cell phone again, has a charger again. And I think it just it makes the public think, you know, what is going on at DOC under Director Bordallo watch if we have corrections officers who, and you know, the only silver lining of this is I think parole division is now not short anymore because we're having to transfer these officers who are getting ensnared in these webs and facing these allegations over to parole, which I know is leading to subsequent shortages in other areas of the prison.

So yeah, again, the question, I mean, are we seeing increases with you know, internal affairs with this budget? How does this budget address those issues again?

Fred E. Bordallo Jr., Director, DOC: Well again, like I said, we have to staff, everything is about staffing too. We're short and staffed. We can't continue on short staffed to have 12 hour shifts. You have burnout, then you might have an excess of individuals back to one 50. When I first came on board, I believe. There was about 150 to 160 people we're at 181, and we're steadily keeping at that and then hopefully to have 200 we don't want to go down to that. We don't have individuals, right? Who say, I'm out of here, right. And when the community sees that will be a burden of the community and a cost higher than the community will bear.

Senator Chris Barnett: So, can you just Director Bordallo, explain to the public again how having 200 officers will make you do a better job of policing the officers there? Who and just monitoring, you know, the situations that DOC with the flexibility of, with the increase of our personnel of 200 officers. Now we can have

some individuals in the specialized units, some of them internal affairs. We believe in our staffing. We're trying to also, and it's, this also includes the civilian, 'cause I have my civilian staff that are present to, they need help too when it comes down to accounting for the supplies, for the budget, you know, for our accounts and for grants too, because we're gonna beef up our special programs unit, need to explore grants and see what we can do on that, right. So, our, for the healthcare we're thinking of having, and I'll just mention this, a, a potential healthcare administrator, right? And that's where the idea I got that from was when I was at a national healthcare conference and that healthcare administrator takes a look at the GMH and Behavioral looking at, you know, the healthcare system we have the Department of Corrections and can probably mitigate some of the things that we may have in terms of an inmate claiming that they're you know, not getting the healthcare and then suing the department and then having litigation that's gonna be very costly. But the staffing is gonna be the most important in this budget of ensuring that we have the security personnel to go and be in shifts, reduce the hours from 12 to 8 hours. And as more and motivating a morale factor when you do that. Yeah. And then give them the equipment that's necessary for them to do their jobs. I'm currently in discussions with a military person who we're looking at the potential for the use of night vision and devices and, you know, security systems.And Major wants to, he has his own project that he wants to do when it comes down to ensuring that we have more robust camera surveillance system that makes the officers feel safe in their housing areas, you know, that we're gonna use part of the budget for, in terms of improvement.

Senator Chris Barnett: Yeah, and I think that's what's is part of the frustration is we're gonna go put lipstick and we're gonna put cameras and all these other things at this facility that's, you know, crumbling very much like GMH, but the only difference is there's no political will to move quickly. To build a new prison the way we see how quickly we're moving to construct a billion dollar medical complex. So, yeah, just again, that's very frustrating. So basically, Director Bordallo, you're saying we get 200 officers by the end of the year with the graduation of this latest cycle that gives you the ability to put some guys out on the perimeter to be watching for contraband, being thrown over the fence that gives you the flexibility to increase the ratio.

So it's not, and I really implore my colleagues, you know, they took a bunch of tours when they started the 30 Aqua Legislature, but I think they *Mangilao* and I've been there and yeah, every time I hear anything about DOC, I go up there. I always call my kids right after and say, hey guys, do not go to jail. Do not go to jail because not only do these conditions pose great risks to our corrections family, obviously there's the risk to the inmates and the detainees, right? Who as we've seen are, we're just not we're lacking the supervision necessary to keep these people who aren't in jail for singing loudly in church from hurting each other, right. And so I wanted to ask I just have a little bit of time left, but what, how does this budget mitigate like gang activity and violence against inmates? Same answer.

Fred E. Bordallo Jr., Director, DOC: Well, I'll just tell you, there's some in the creation of the strategic threat intelligence unit. Every, the information that we have, all these incidents that happen are being shared with Office of Homeland Security diffusion intelligence. But a lot of this is staying a step ahead, right? Of what patterns that we see from these housing units, the violent incidences or where the contraband are being sort of found or detected, right? And what incidents is there a pattern? But our case worker is essential to that. They're very important ingredient to that because case worker, our correction, social workers meet with the inmates and they get a chance to see them and take a look at what kind of profile they have in their files to see are they suicidal or are they an individual with that drug addiction that's needed are they a, a good candidate that could be in the RA program, you know, are they a good candidate being work, credit programmer? What kind of classification? And that's why I kudos to the correction social workers too, who meet with the warden on our segregation committee to constantly gimme reports on whose house with who because when the segregation gets so bad that you have a pretrial detainee, and then you have a sentenced prisoner in that same group, that's not, that's a good mix. That's not good chemistry there. And it's a dangerous situation.

Senator Chris Barnett: You know, I asked the last three directors this question, I think Senator Lujan is not here, has also asked the question, do you think a state of emergency exists at the Department of corrections today?

Fred E. Bordallo Jr., Director, DOC: No, I don't. No, I don't.

Senator Chris Barnett: So, you, you think this is just a normal way of running a prison?

Fred E. Bordallo Jr., Director, DOC: Well, you know, when I saw those tents, I didn't think that was normal of the feds leaving us tents that you can use a razor blade to cut through there on that last attempted escape. No, you have, it's not normal, but there's ways to improve it. I have optimism that it's not an emergency. It's not an emergency that we have the resources available both from the executive side and from the legislature that have been very helpful in ensuring that we mitigate some of the challenges we have at Department of Corrections.

Senator Chris Barnett: Now the previous Director would ask the question, said, oh, the front office is aware of the conditions that the Department of Corrections. So, what's the response you receive from the governor, Lieutenant governor when you share things like, Hey, you know, we've got 944 inmates and detainees at a facility that was built to house much less, you know, our officers are facing threats to their safety and their health working in these conditions.What do they say that's not an emergency?

Fred E. Bordallo Jr., Director, DOC: Yeah, I believe some of the positive signs from the governor and the lieutenant Governor and our public safety meetings and the briefs of our challenges, and then my monthly meeting with the governor is that she's put in you know, messages to Department of Administration and BBMR the urgency for Department of Corrections for our recruitment and training. And in terms of the overcrowding, she's actually went out Senator to *Mangilao* and visit the place. She came to *Hagatna* Detention last month and visit the place. We've actually had a meeting with the Chief Justice and we invite they were invited. The Attorney General Guam there he didn't come over and was present, but the discussion with the chief justice and with the governor is the, these, the overcrowding situation with the pretrial and what are some of the strategies what does the court have in their data in terms of nonviolent versus violent pretrial, you know, and what some sort of strategies that can happen. And very interesting presentation, but at least the attention is there to look at the possible, you know, actions that can take place. So, the governor's very well and cares and comes and with her visit and with her you know, engagement with us at Department of Corrections as indicated to the

personnel that she's very you know, willing to help out in any way she can with the powers that she has as a governor.

Senator Chris Barnett: Thank you. Just in closing Mr. Chair we support the Department of Corrections. Obviously, I said this last fiscal year. You know, please come with a real budget request. Don't be scared to step on our toes and tell us exactly what you need to get you exactly where you need to go. And, you know, that being said, I also want to commend the department. Sir, I know that under the Warden of supervision certain inmates have been out like bush cutting, doing cleanups. I know you also assisted with the move at LBJ Elementary, so I just wanted to thank you for that on the record and *Si Yu'os Ma'ase*, Mr. Chair.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase* Senator Barnett, and chief and your team, thank you for being here this morning. Look forward to assisting you on the reboot with regard to the prison plan. I'll say it again. As I've said, probably 10, 15, 20 times that remains the most comprehensive well put together, well researched, well studied you know, facility request that I've seen even during my time in government.

So, it's, yeah, you're right, sir, that, that kind of thing is construction of that kind of a facility is not sexy, but it's needed. And so, look forward to helping anyway I can. Chief you had some recruits that were here when GPD was here joining their fellow officers for the budget hearing.

So, it was really nice to see the guys, they're upbeat they're ready to get to work as soon as they finish their cycle. So yeah, continue the work on recruitment and hopefully retention, but I'm, I always like seeing those recruits. It's so promising when you see it in their eyes that they really want to serve.

And so, and your graduations are awesome too when they take place. So, with that chief, you know, we'll do what we can. Like I said your overall right now in my math looks like a 1.3 increase when we take into consideration the 5 million and it's been recognized by both the Governor's office and OFB and especially in terms of your current tracking.

So, they just put the whole 5 million in there. We'll see what we can do in terms of your ability to expand. So with that this will conclude this morning's budget hearing on Bill 44-38 COR relative to the Department of Corrections. The committee will continue to accept written testimony on the bill within seven calendar days from today, which may be addressed to myself, Senator Christopher Duenas as chairman of the committee, and mailed or mailed to 163 West Chalan Santo Papa Hagatna, 96910. You may also send your testimonies to my email at senator .duenas@guamlegislature.gov. This morning budget hearing is now adjourned and the time now is 11:24. Have a great day. We are adjourned.

The Budget Hearing is now adjourned at 11:24 a.m.

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Tuesday, June 17, 2025, at 2:00 P.M.

Office of the Attorney General of Guam

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on June 17, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Tue, Jun 10, 2025 at 9:30 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 10, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **FIRST NOTICE - FY26 Budget Hearing on June 17, 2025**

The Committee on Finance and Government Operations will conduct a budget hearing on **Tuesday, June 17, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
- Department of Corrections (DOC)

2:00 pm
- Office of the Attorney General (OAG)

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

First Notice OFB Budget Hearing 6.17.25 (DOC & OAG).pdf
358K

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2:00 pm
- **Office of the Attorney General**

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearings will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

This ad was paid with funds by the Office of Finance & Budget

FIRST NOTICE - FY26 Budget Hearing on June 17, 2025

PRINT

FIRST NOTICE - FY26 Budget Hearing on June 17, 2025

PUBLIC HEARING

Posted on: 06/10/2025 09:43 AM

Posted by: Camarin Breton

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s):
OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE
June 10, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on June 17, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Tuesday, June 17, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** (http://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%2044-38%20(COR).pdf) - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
· Department of Corrections (DOC)

2:00 pm

· Office of the Attorney General (OAG)

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you***

accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov (mailto:senator.duenas@guamlegislature.gov) or by phone at (671) 989-9554.***

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This ad was paid with funds by the Office of Finance & Budget

Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on June 17, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Fri, Jun 13, 2025 at 10:04 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 13, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **SECOND NOTICE - FY26 Budget Hearing on June 17, 2025**

The Committee on Finance and Government Operations will conduct a budget hearing on **Tuesday, June 17, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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9:00 am
- **Department of Corrections (DOC)**

2:00 pm
- **Office of the Attorney General**

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This ad was paid with funds by the Office of Finance & Budget

--

Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot (1).jpg
70K

Second_Notice_OFB_Budget_Hearing_6.17.25_(DOC_&_OAG)[1].pdf
358K

FOR IMMEDIATE RELEASE
June 13, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **SECOND NOTICE - FY26 Budget Hearing on June 17, 2025**

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Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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2:00 pm
- **Office of the Attorney General**

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This ad was paid with funds by the Office of Finance & Budget

SECOND NOTICE - FY26 Budget Hearing on June 17, 2025

PRINT

SECOND NOTICE - FY26 Budget Hearing on June 17, 2025

PUBLIC HEARING

Posted on: 06/13/2025 11:31 AM

Posted by: Camarin Breton

Public Hearing Date: 06/17/2025 09:00 AM

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s):
OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

Types of Notice: PUBLIC HEARING (/notices?type_id=7)

For Audience(s): PUBLIC (/notices?public=1)

Share this notice

FOR IMMEDIATE RELEASE
June 13, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on June 17, 2025

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9:00 am
- **Department of Corrections (DOC)**

2:00 pm

- **Office of the Attorney General**

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This ad was paid with funds by the Office of Finance & Budget

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P.O BOX 368
HAGATNA, GUAM 96932 U.S

Advertiser ID: 2732 Amount Paid _____

2732-00004-0000	06/18/2025	1
Official Invoice	**Date**	**Page**

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2732-00004-0000 O 06/18/2025 1

OFFICE OF FINANCE AND BUDGET
RAN CARE BLDG. CBU 203
761 S. MARINE CORPS DRIVE
TAMUNING, GUAM 96931

Purchase Order Number: **2538PO175**
Est. Number:
Co-Op:
Description:
Salesperson: San Agustin, Christie

Date	Day	Length		Qty	Rate	Total
06/18/2025	WED		KUAM TV **BUDGET HEARING – JUNE 17, 2025 (DOC & OAG)** FIRST NOTICE - AIR DATE: 06/10/25 1x :15 SECOND AD 1x :15 SECOND AD (KUAM MATCH) SECOND NOTICE - AIRDATE: 06/13/25 1x :15 SECOND AD 1x :15 SECOND AD (KUAM MATCH)			$200.00

PAYMENT DUE UPON RECEIPT OF INVOICE.

Quantity	**4**	**Total**	**$200.00**
Total Due			**$200.00**

INVOICE

BUDGET HEARING AGENDA

Tuesday, June 17, 2025 – Guam Congress Building

2:00 P.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Office of the Attorney General of Guam (OAG)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 17, 2025 **Time: 2:00 p.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

-- Relative to Office of the Attorney General (OAG)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Douglas B. Moylan	OAG						
2	Thomas Paulino	OAG						
3	RAYMOND ICAGAN	OAG						
4	TIC VOR	OAG						
5	NEIL BONNITA	OAG						
6	BILL SALISBURY	OAG						
7	[illegible]	OAG						
8	MARIAS PIDO	OAG						
9	John Sales	OAG						
10	Wilfred Affairs	OAG/ [illegible]						
11	Tanni Duenas	OAG						
12	Judilynne De Vera	OAG						

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 17, 2025 **Time: 2:00 p.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

– Relative to Office of the Attorney General (OAG)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Dulce Taladoc	OAG						
2	Eleanor Atoigue-Cruz	OAG						
3	Scott Mooy Lane	//						
4	Joseph A. Enriquez	OAG						
5	Maria CN Hernandez	OAG						
6	Danielle Tenorio-Balbas	OAG						
7								
8								
9								
10								
11								
12								

March 12, 2025

RECEIVED
3.12.25
13:26
Office of Senator Taitague

Honorable Telo T. Taitague
Chairperson, Committee on Justice
38th Guam Legislature
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

Subject: DOA Delinquency & Interference w/ AG Office Prosecution & Civil Operations

Håfa Adai Oversight Chairperson Taitague:

We reach out to you with a serious issue that this law firm faces since I have been in this Office. The Department of Administration has consistently failed in their duty and responsibility of handling our agency's finances in a timely manner, impacting our operations and our relationships with our vendors. We note both Public Law No. 31-153 (enacted 11/23/11), and our recent Anti-Crime proposed legislation that speaks directly to autonomy.

Our internal investigation uncovered **646** delayed payments since I took office in January 2023. **14** payments took over 120 days to be processed, **35** payments took 91-120 days, **98** payments took 61-90 days, and **499** payments took 31-60 days. Our attached report paints a clearer picture of DOA's delinquency.

Aside from delayed payments, we experienced the following issues with DOA:

- DOA experienced a "serious system issue" and only informed us 2-3 weeks after the issues began.
- DOA delayed registering our existing contracts. They did not recertify funds before the fiscal year ended.
- Up to this day, their Guam Financial Management Information System shows negative amounts on our accounts, impeding our ability to pay our vendors linked to that account.

Office of the Attorney General
Douglas B. Moylan · Attorney General of Guam
590 S. Marine Corps. Drive · ITC Bldg., Ste. 902 · Tamuning, Guam 96913 · USA
671-475-3324 · 671-475-4703 (fax) · dbmoylan@oagguam.org · www.oagguam.org
"Guam's Toughest Law Enforcers"

- Our Child Support Enforcement Division's payments for Peraton, which handles child support payments, have recently been delayed for 60 days or more.

Payments and procurement are crucial to this law office performing its crime fighting and civil functions throughout our 8 divisions and with our about 200 strong legal staff. Delayed payments paralyze our AG operations, to the benefit of criminals, law breakers and others seeking to weaken our ability to enforce laws to benefit our client. Preventing us from hiring and paying prosecutors and staff, hindering procurements, damaging our relationships with our vendors, such as private attorneys and local businesses, prevents us from effectively prosecuting crime and representing our client.

The AG's Anti-Crime Bill includes reform of the AG's Office budget, to prevent other government officials whom AG is investigating and prosecuting from retaliating against our operations by sabotaging our finances. We ask for your support in passing this important bill so that we can focus upon the legal work required of this elected law firm.

Respectfully,

Douglas B. Moylan
Attorney General of Guam

DOA Payment Processing Time

FY23-24

30 Days or Less	**415**
31-60 Days	**499**
61-90 Days	**98**
91-120 Days	**35**
120+ Days	**14**

Office of the Attorney General Invoice Log FY23-FY24

DATE PREPARED	INVOICE NO.	INVOICE DATE	PO #	AMOUNT	VENDOR NAME	CHECK DATE	CHECK NO.	DOA PROCESSING TIME(IN DAYS)
10/27/2023	23-2126	9/22/2023	P236A03338	$ 1,085.00	PROMOTIONS SPECIALTIES	2/10/25	EFT3	472
10/23/2024	272002	8/22/2024	PO0000916	$ 490.43	STANDARD OFFICE SUPPLIES	12/16/2025	EFT	419
10/1/2024	238021578	9/26/2024	P246A00085	$ 29.00	XEROX CORPORATION	11/21/2025	EFT	416
6/4/2024	267140	5/24/2024	PO0000352	$ 450.00	STANDARD OFFICE SUPPLIES	2/10/2025	EFT	251
2/7/2024	230630325	2/1/2024	P246A00075	$ 535.28	XEROX CORPORATION	9/16/2024	EFT	222
2/7/2024	230630507	2/1/2024	P246A00075	$ 4,012.93	XEROX CORPORATION	9/16/2024	EFT	222
6/6/2023	230563738	6/1/2023	P236A01979	$ 457.29	XEROX CORPORATION	12/27/2023	EFT	204
3/26/2024	C00018760	3/25/2024	P246A01709	$ 124.68	COPY EXPRESS, INC.	9/26/2024	EFT	184
3/1/2023	169688	2/27/2023	P236A01718	$ 33.46	BENSON GUAM ENTERPRISES, INC.	8/23/2023	758990	175
1/20/2023	78756	1/19/2023	P236A01205	$ 149.00	MEGABYTE	7/11/2023	EFT	172
1/20/2023	78444	12/21/2022	P236A01205	$ 184.50	MEGABYTE	7/11/2023	EFT	172
12/28/2023	C00018233	12/22/2023	P246A00201	$ 1,028.00	COPY EXPRESS, INC.	6/6/2024	EFT	161
6/29/2023	0016053-IN	4/4/2023	P236A01878	$ 330.00	JMI MEDICAL SYSTEMS, INC.	12/4/2023	760952	158
8/4/2023	5-560544	8/3/2023	P236A02318	$ 92.16	PACIFIC TYRE	12/27/2023	EFT	145
1/6/2023	135988	1/6/2023	P236A01718	$ 20.37	BENSON GUAM ENTERPRISES, INC.	5/3/2023	756689	117
1/6/2023	136156	1/6/2023	P236A01718	$ 47.99	BENSON GUAM ENTERPRISES, INC.	5/3/2023	756689	117
1/9/2023	137842	1/9/2023	P236A01718	$ 53.98	BENSON GUAM ENTERPRISES, INC.	5/3/2023	756689	114
1/9/2023	B97744	1/9/2023	P236A01720	$ 62.77	ERC HARDWARE EXPRESS-DEDEDO	5/3/2023	EFT	114
1/9/2023	B97746	1/9/2023	P236A01720	$ (14.49)	ERC HARDWARE EXPRESS-DEDEDO	5/3/2023	EFT	114
7/30/2024	92	7/29/2024	PO0001778	$ 1,559.60	EMC, INCORPORATED DBA: SHOP-4-LESS	11/21/2024	EFT	114
1/13/2023	C00016015	1/5/2023	P236A01200	$ 146.00	COPY EXPRESS	5/3/2023	EFT	110
5/4/2023	14291761	5/1/2023	P236A00372	$ 550.00	TELEGUAM HOLDINGS, LLC	8/22/2023	EFT	110
8/29/2023	C00017491	8/29/2023	P236A02908	$ 612.00	COPY EXPRESS	12/15/23	EFT	108
8/29/2023	302251	8/29/2023	P236A03363	$ 35.94	BENSON GUAM ENTERPRISES, INC.	12/15/23	EFT	108
8/29/2023	462775/1	8/29/2023	P236A03365	$ 29.95	GUAM HOME CENTER	12/15/23	EFT	108
8/29/2023	216434	8/28/2023	P236A05723	$ 430.00	NATIONAL OFFICE SUPPLY	12/15/23	EFT	108
6/15/2023	C00017039	6/13/2023	P236A01200	$ 51.00	COPY EXPRESS	9/29/2023	EFT	106
10/1/2024	81440753	9/17/2024	P246A00093	$ 294.00	LABCORP OF AMERICA HOLDINGS	1/15/2025	EFT	106
7/18/2023	SE-14267	6/22/2023	P236A04677	$ 9.09	SCHOOL ESSENTIALS	10/31/23	EFT	105
4/19/2024	24-2316INV	4/2/2024	P246A00176	$ 390.00	PROMOTIONS SPECIALTIES	7/30/2024	EFT	102
5/2/2024	ZM-1128042	4/23/2024	P246A00167	$ 89.99	MICROPAC INC	8/12/2024	EFT	102
7/6/2023	4725	6/30/2023	P236A04164	$ 1,600.00	TRI VISION MEDIA GROUP, LLC	10/12/23	759969	98
9/12/2023	5-552306	4/10/2023	P236A01607	$ 15.00	PACIFIC TYRE	12/19/23	EFT	98
9/12/2023	4731	7/31/2023	P236A04164	$ 1,600.00	TRI VISION MEDIA GROUP, LLC	12/19/23	761285	98
7/5/2023	AG-1119467	7/3/2023	P236A01206	$ 171.92	MICROPAC INC	10/6/2023	EFT	93
6/12/2024	850256984	6/1/2024	P246A00386	$ 31.29	WEST PUBLISHING CORPORATION	9/13/2024	EFT	93
10/1/2024	1131702	9/17/2024	PO0001410	$ 2,599.99	Micropac Inc	1/2/2025	EFT	93
1/31/2023	5-545662	1/12/2023	P236A01603	$ 226.33	PACIFIC TYRE	5/3/2023	EFT	92
7/6/2023	97837	6/12/2023	P236A01195	$ 54.00	GRAPHIC CENTER, INC	10/6/2023	EFT	92
7/6/2023	244820	6/15/2023	P236A04493	$ 293.84	BENSON GUAM ENTERPRISES, INC.	10/6/2023	759865	92
7/6/2023	244825	7/1/2023	P236A04493	$ 47.97	BENSON GUAM ENTERPRISES, INC.	10/6/2023	759865	92
7/6/2023	17864	7/5/2023	P236A04914	$ 1,880.00	1-A GUAMWEBZ	10/6/2023	EFT	92
7/18/2024	5-587180	7/12/2024	P246A00189	$ 10.00	PACIFIC TYRE	10/18/2024	EFT	92
8/21/2024	16613	8/16/2024	PO0001560	$ 3,498.00	Sanford Technology Group Llc	11/21/2024	EFT	92
3/16/2023	CO103228	3/6/2023	P236A03362	$ 422.00	PACIFIC DAILY NEWS	6/15/2023	EFT	91
8/1/2023	215664	6/20/2023	P236A04681	$ 212.80	NATIONAL OFFICE SUPPLY	10/31/23	EFT	91

5/17/2024	5-582041	5/3/2024	P246A00189	$	15.00	PACIFIC TYRE	8/16/2024	EFT	91
5/17/2024	5-582045	5/3/2024	P246A00189	$	15.00	PACIFIC TYRE	8/16/2024	EFT	91
7/31/2024	24-2326INV	4/12/2024	P246A00176	$	380.00	PROMOTIONS SPECIALTIES	10/30/2024	EFT	91
3/14/2023	15457139	3/1/2023	P236A02358	$	72.82	I T & E CORPORATION	6/12/2023	EFT	90
4/19/2024	A93386	4/10/2024	P246A01801	$	448.00	THE GUAM DAILY POST, LLC	7/17/2024	EFT	89
9/25/2024	23254585	9/1/2024	PO0002094	$	132.74	IT&E Corporation	12/23/2024	EFT	89
5/17/2024	181891	5/13/2024	P246A00188	$	130.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	8/12/2024	EFT	87
8/26/2024	17700	8/20/2024	PO0000914	$	46.00	JARAGI CORP. DBA OFFICE SMART	11/21/2024	EFT	87
8/26/2024	17701	8/20/2024	PO0000899	$	465.90	JARAGI CORP. DBA OFFICE SMART	11/21/2024	EFT	87
8/26/2024	2699678RI	8/29/2024	PO0001539	$	810.00	VERNON COMPANY (THE)	11/21/2024	EFT	87
8/26/2024	2699681RI	8/29/2024	PO0001539	$	960.00	VERNON COMPANY (THE)	11/21/2024	EFT	87
4/23/2024	219540	4/15/2024	PO0000182	$	155.70	NATIONAL OFFICE SUPPLY	7/18/2024	EFT	86
4/23/2024	265011	4/12/2024	PO0000527	$	48.48	STANDARD OFFICE SUPPLIES	7/18/2024	EFT	86
4/23/2024	265018	4/13/2024	PO0000181	$	33.60	STANDARD OFFICE SUPPLIES	7/18/2024	EFT	86
3/21/2023	24772	3/13/2023	P236A02636	$	6,577.60	GETS BUSINESS SYSTEM	6/14/2023	757509	85
7/6/2023	15-6-2942	7/6/2023	P236A02984	$	65.00	ISLAND SHINE MULTISERVICES	9/29/2023	759701	85
2/5/2024	101821	2/5/2024	P246A00196	$	48.00	GRAPHIC CENTER, INC	4/30/2024	EFT	85
4/24/2024	81	4/18/2024	PO0000489	$	398.27	EMC, INCORPORATED DBA SHOP-4-LESS	7/18/2024	EFT	85
4/24/2024	73856	4/12/2024	P246A00139	$	179.90	MEGABYTE	7/18/2024	EFT	85
4/24/2024	SE-14400	4/18/2024	PO0000488	$	326.89	SCHOOL ESSENTIALS	7/18/2024	EFT	85
8/19/2024	TP-1130744	8/9/2024	P246A00167	$	149.96	MICROPAC INC	11/12/2024	EFT	85
8/2/2023	A89133	7/3/2023	P236A01963	$	-	GUAM DAILY POST, LLC	10/25/23	EFT	84
7/26/2024	5-587409	7/15/2024	P246A00189	$	75.59	PACIFIC TYRE	10/18/2024	EFT	84
9/28/2023	23.0926.7	9/26/2023	P236A05550	$	24.21	ONE-PACIFIC (GUAM), INC.	12/19/23	761283	82
6/26/2024	267395	5/30/2024	PO0000352	$	500.00	STANDARD OFFICE SUPPLIES	9/16/2024	EFT	82
2/9/2024	5-575533	2/9/2024	P246A00189	$	15.00	PACIFIC TYRE	4/30/2024	EFT	81
2/9/2024	S-226148	2/9/2024	P246A00399	$	999.00	NATIONAL OFFICE SUPPLY	4/30/2024	EFT	81
3/19/2024	24031901AG	3/19/2024	P246A00152	$	89.99	DETAILS UNLIMITED, LP	6/7/2024	1003941	80
6/28/2024	8281890945	5/13/2024	PO0000183	$	1,065.75	MOTOROLA SOLUTIONS, INC	9/16/2024	EFT	80
9/28/2023	A90505	9/21/2023	P236A03361	$	672.00	THE GUAM DAILY POST, LLC	12/15/23	EFT	78
9/28/2023	23.0905.1	9/5/2023	P236A05550	$	24.21	ONE-PACIFIC (GUAM), INC.	12/15/23	761231	78
9/28/2023	23.0926.3	9/26/2023	P236A05550	$	24.21	ONE-PACIFIC (GUAM), INC.	12/15/23	761231	78
9/28/2023	23.0926.6	9/26/2023	P236A05550	$	24.21	ONE-PACIFIC (GUAM), INC.	12/15/23	761231	78
9/28/2023	23.0926.8	9/26/2023	P236A05550	$	24.21	ONE-PACIFIC (GUAM), INC.	12/15/23	761231	78
11/3/2022	FY2022-23	5/10/2022	P236A00375	$	2,446.00	C W A G-CONFERENCE OF WESTERN	1/19/2023	EFT	77
9/9/2024	242893	8/30/2024	PO0000658	$	442.30	PACIFIC DATA SYSTEMS	11/25/2024	EFT	77
2/14/2024	4974	1/31/2024	P246A02178	$	1,600.00	TRI VISION MEDIA GROUP, LLC	4/30/2024	1003076	76
2/14/2024	687820	2/14/2024	P246A01706	$	796.00	NET CIRCUIT DBA COMPACIFIC	4/30/2024	EFT	76
2/14/2024	465514/1	2/14/2024	P246A00157	$	42.48	GUAM HOME CENTER	4/30/2024	EFT	76
10/1/2024	24708	8/14/2024	P246A00532	$	1,484.00	DEWITT TRANSPORTATION SERVICES	12/16/2024	EFT	76
10/1/2024	689534	9/26/2024	PO0001671	$	3,193.00	NET CIRCUIT DBA COMPACIFIC	12/16/2024	EFT	76
10/1/2024	539332	8/23/2024	PO0001557	$	70.50	Benson Guam Enterprises Inc	12/16/2024	EFT	76
9/28/2023	23.0825.2	8/25/2023	P236A05550	$	48.42	ONE-PACIFIC (GUAM), INC.	12/12/23	761127	75
11/8/2024	250067	10/1/2024	PO0000658	$	442.30	PACIFIC DATA SYSTEMS	1/22/2025	EFT	75
7/27/2023	5-559788	7/25/2023	P236A02318	$	77.18	PACIFIC TYRE	10/09/23	EFT	74
7/27/2023	5-559844	7/27/2023	P236A03872	$	71.38	PACIFIC TYRE	10/09/23	EFT	74
5/5/2023	14637-323296	5/4/2023	P236A03946	$	(20.04)	CARQUEST OF GUAM	7/17/2023	758226	73
8/14/2023	230582401	8/1/2023	P236A00373	$	299.30	XEROX CORPORATION	10/25/23	EFT	72

8/14/2023	230582303	8/1/2023	P236A00373	$	4,012.93	XEROX CORPORATION	10/25/23	EFT	72
6/6/2024	5-583851	5/29/2024	P246A00189	$	15.00	PACIFIC TYRE	8/16/2024	EFT	71
6/6/2024	5-583854	5/29/2024	P246A00189	$	15.00	PACIFIC TYRE	8/16/2024	EFT	71
6/6/2024	5-583859	5/29/2024	P246A00189	$	15.00	PACIFIC TYRE	8/16/2024	EFT	71
8/8/2024	SE-14454	7/31/2024	PO0000895	$	53.98	SCHOOL ESSENTIALS	10/18/2024	EFT	71
8/8/2024	SE-14456	7/31/2024	PO0000913	$	6.87	SCHOOL ESSENTIALS	10/18/2024	EFT	71
8/8/2024	SE-14456	7/31/2024	PO0000913A	$	33.98	SCHOOL ESSENTIALS	10/18/2024	EFT	71
6/3/2024	1608/1	6/3/2024	P246A00156	$	11.99	ERC HARDWARE EXPRESS-DEDEDO	8/12/2024	EFT	70
6/3/2024	13613993	5/18/2024	P246A02070	$	1,666.66	HYATT REGENCY, GUAM	8/12/2024	1004980	70
6/3/2024	13613993	5/18/2024	PO0000310	$	1,000.00	Hyatt Regency Guam	8/12/2024	1004980	70
6/3/2024	13613993	5/18/2024	PO0000664	$	1,400.00	Hyatt Regency Guam	8/12/2024	1004980	70
9/16/2024	230671189	7/1/2024	P246A00085	$	644.42	XEROX CORPORATION	11/25/2024	EFT	70
10/7/2024	C00019526	7/30/2024	PO0001544	$	87.00	COPY EXPRESS INC	12/16/2024	EFT	70
2/22/2024	C00018560	2/21/2024	P246A01709	$	88.00	COPY EXPRESS, INC.	4/30/2024	EFT	68
6/5/2024	36037	5/24/2024	P246A00166	$	627.00	MEGABYTE	8/12/2024	EFT	68
9/5/2024	226839974	8/26/2024	PO0001605	$	1,827.90	B&h Foto & Electronics Corp	11/12/2024	EFT	68
2/23/2024	1126558	2/23/2024	P246A02289	$	1,099.98	MICROPAC INC	4/30/2024	EFT	67
6/6/2024	1586/1	5/31/2024	P246A00156	$	5.00	ERC HARDWARE EXPRESS-DEDEDO	8/12/2024	EFT	67
6/6/2024	1594/1	5/31/2024	P246A00156	$	203.36	ERC HARDWARE EXPRESS-DEDEDO	8/12/2024	EFT	67
6/6/2024	100844964	5/31/2024	P246A00158	$	96.70	TSANG BROTHERS CORP	8/12/2024	EFT	67
11/14/2022	IN4207	10/31/2022	P236A00755	$	422.00	PACIFIC DAILY NEWS	1/19/2023	EFT	66
8/7/2023	A89446	8/1/2023	P236A03361	$	672.00	THE GUAM DAILY POST, LLC	10/12/23	EFT	66
9/20/2024	230689449	9/1/2024	P246A00075	$	135.73	XEROX CORPORATION	11/25/2024	EFT	66
9/20/2024	230689533	9/1/2024	P246A00075	$	4,012.93	XEROX CORPORATION	11/25/2024	EFT	66
9/20/2024	C00019606	8/9/2024	PO0001544	$	165.00	COPY EXPRESS INC	11/25/2024	EFT	66
9/20/2024	230671189	7/1/2024	P246A00085	$	644.42	XEROX CORPORATION	11/25/2024	EFT	66
11/8/2024	250273	11/1/2024	PO0000658	$	442.30	PACIFIC DATA SYSTEMS	1/13/2025	EFT	66
8/8/2023	17512025 - AUG	8/1/2023	P236A02358	$	72.58	I T & E CORPORATION	10/12/2023	EFT	65
4/24/2024	32012	4/17/2024	P246A00144	$	150.00	DIMENSION SYSTEMS	6/28/2024	EFT	65
9/11/2024	J-INV-241031	9/5/2024	PO0001968	$	35,000.00	Johndel International Inc.	11/15/2024	EFT	65
8/26/2024	24-2471INV	8/12/2024	PO0001538	$	408.02	PROMOTIONS SPECIALTIES	10/30/2024	EFT	65
2/26/2024	5089	2/26/2024	P246A00168	$	148.50	GUAM DRY CLEANERS	4/30/2024	EFT	64
2/26/2024	C00018586	2/23/2024	P246A01709	$	115.00	COPY EXPRESS, INC.	4/30/2024	EFT	64
9/19/2024	17710	9/12/2024	PO0002199	$	276.00	JARAGI CORP. DBA OFFICE SMART	11/21/2024	EFT	63
9/19/2024	17711	9/12/2024	PO0001567	$	300.00	JARAGI CORP. DBA OFFICE SMART	11/21/2024	EFT	63
12/16/2022	S-219760	12/14/2022	P236A01479	$	2,019.60	NATIONAL OFFICE SUPPLY	2/16/2023	EFT	62
9/14/2023	686412	8/31/2023	P236A05418	$	128.00	NET CIRCUIT DBA COMPACIFIC	11/15/23	EFT	62
2/28/2024	A92595	2/15/2024	P246A01801	$	560.00	THE GUAM DAILY POST, LLC	4/30/2024	EFT	62
7/26/2024	1822/1	7/19/2024	P246A00156	$	207.89	ERC HARDWARE EXPRESS-DEDEDO	9/26/2024	EFT	62
7/26/2024	100847394	7/19/2024	P246A00158	$	307.60	TSANG BROTHERS CORP	9/26/2024	EFT	62
7/26/2024	100847435	7/19/2024	P246A00158	$	13.16	TSANG BROTHERS CORP	9/26/2024	EFT	62
7/26/2024	100847550	7/23/2024	P246A00158	$	33.00	TSANG BROTHERS CORP	9/26/2024	EFT	62
7/26/2024	100847570	7/23/2024	P246A00158	$	19.00	TSANG BROTHERS CORP	9/26/2024	EFT	62
7/26/2024	100847571	7/23/2024	P246A00158	$	3.52	TSANG BROTHERS CORP	9/26/2024	EFT	62
7/26/2024	100847686	7/25/2024	P246A00158	$	5.54	TSANG BROTHERS CORP	9/26/2024	EFT	62
7/20/2023	230573601 - JUNE	7/1/2023	P236A01978	$	10.00	XEROX CORPORATION	9/19/2023	EFT	61
7/20/2023	230573670 - JUNE	7/1/2023	P236A01978	$	1,416.17	XEROX CORPORATION	9/19/2023	EFT	61
7/20/2023	230573528	7/1/2023	P236A01979	$	511.00	XEROX CORPORATION	9/19/2023	EFT	61
8/17/2023	2022-05190	8/8/2023	P236A04678	$	48.74	JARAGI CORP. DBA OFFICE SMART	10/17/2023	EFT	61
1/31/2024	14384	1/26/2024	P246A01639	$	57.16	SCHOOL ESSENTIALS	4/1/2024	EFT	61
1/31/2024	218341	1/29/2024	P246A01637	$	395.44	NATIONAL OFFICE SUPPLY	4/1/2024	EFT	61
1/31/2024	260611	1/26/2024	P246A01408	$	1,059.60	STANDARD OFFICE SUPPLIES	4/1/2024	EFT	61

2/29/2024	5-576867	2/27/2024	P246A00189	$	150.36	PACIFIC TYRE	4/30/2024	EFT	61
2/8/2024	C00018483	2/8/2024	P246A00194	$	159.00	COPY EXPRESS, INC.	4/8/2024	EFT	60
2/2/2024	409433	2/2/2024	P246A00155	$	15.29	BENSON GUAM ENTERPRISES, INC.	4/1/2024	EFT	59
2/2/2024	465343/1	2/2/2024	P246A00157	$	27.98	GUAM HOME CENTER	4/1/2024	EFT	59
4/9/2024	24033101GAG	4/3/2024	P246A00152	$	89.99	DETAILS UNLIMITED, LP	6/7/2024	1003941	59
9/23/2024	2700765RI	9/5/2024	PO0001539	$	480.00	VERNON COMPANY (THE)	11/21/2024	EFT	59
1/30/2023	174733	1/30/2023	P236A01604	$	25.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	3/29/2023	EFT	58
1/30/2023	B98551	1/26/2023	P236A01720	$	20.97	ERC HARDWARE EXPRESS-DEDEDO	3/29/2023	EFT	58
4/9/2024	230648009	4/1/2024	P246A00085	$	457.29	XEROX CORPORATION	6/6/2024	ACH	58
7/30/2024	J-INV-24715	7/30/2024	P246A00406	$	1,500.00	JOHNDEL INTERNATIONAL, INC	9/26/2024	EFT	58
2/1/2023	684338	2/1/2023	P236A02748	$	235.00	NET CIRCUIT DBA COMPACIFIC	3/29/2023	EFT	56
5/19/2023	176609	5/18/2023	P236A01604	$	74.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	7/14/2023	EFT	56
6/22/2023	2440	6/20/2023	P236A04421	$	479.88	EMC, INCORPORATED DBA: SHOP-4-LESS	8/17/2023	758857	56
6/30/2023	5-557558	6/29/2023	P236A03366	$	379.15	PACIFIC TYRE	8/25/2023	EFT	56
7/25/2023	685931	7/19/2023	P236A02750	$	340.95	NET CIRCUIT DBA COMPACIFIC	9/19/23	EFT	56
7/25/2023	31455	7/19/2023	P236A04284	$	2,902.00	DIMENSION SYSTEMS	9/19/23	EFT	56
8/17/2023	98785	8/14/2023	P236A01195	$	24.00	GRAPHIC CENTER, INC	10/12/23	EFT	56
8/17/2023	JG-1120967	8/16/2023	P236A01206	$	919.96	MICROPAC INC	10/12/23	EFT	56
8/17/2023	16183	7/25/2023	P236A05130	$	1,614.00	SANFORD TECHNOLOGY GROUP LLC	10/12/23	EFT	56
8/17/2023	16210	8/16/2023	P236A05130	$	174.00	SANFORD TECHNOLOGY GROUP LLC	10/12/23	EFT	56
9/12/2023	4758	8/31/2023	P236A04164	$	1,600.00	TRI VISION MEDIA GROUP, LLC	11/7/23	760469	56
10/31/2023	255585	10/31/2023	P246A00376	$	9.36	STANDARD OFFICE SUPPLIES	12/26/2023	EFT	56
2/12/2024	264860	2/9/2024	P246A00190	$	15.00	ONE STOP AUTO REPAIR	4/8/2024	1002197	56
3/5/2024	465707/1	2/26/2024	P246A00157	$	104.70	GUAM HOME CENTER	4/30/2024	EFT	56
4/24/2024	SE-14399	4/16/2024	PO0000528	$	138.12	SCHOOL ESSENTIALS	6/19/2024	EFT	56
6/5/2024	467341/1	5/30/2024	P246A00157	$	145.51	GUAM HOME CENTER	7/31/2024	EFT	56
11/21/2024	107436	11/13/2024	P246A01711	$	145.00	GRAPHIC CENTER, INC	1/16/2025	EFT	56
10/25/2024	24-00219	10/10/2024	PO0000213	$	3,566.00	DATA MANAGEMENT RESOURCES, LLC	12/20/2024	EFT	56
4/13/2023	AG001	3/29/2023	P236A03695	$	41,995.00	GUAM AUTO SPOT	6/7/2023	EFT	55
4/18/2023	15929853	4/1/2023	P236A02358	$	77.69	I T & E CORPORATION	6/12/2023	EFT	55
6/27/2023	3327-JRYAMAST	6/26/2023	P236A04897	$	500.00	TELEGUAM HOLDINGS, LLC	8/21/2023	EFT	55
8/22/2023	33008	8/3/2023	P236A05419	$	379.00	MEGABYTE	10/16/2023	EFT	55
9/6/2023	686331	8/24/2023	P236A02750	$	408.00	NET CIRCUIT DBA COMPACIFIC	10/31/23	EFT	55
3/6/2024	465834/1	3/4/2024	P246A00157	$	45.24	GUAM HOME CENTER	4/30/2024	EFT	55
6/6/2024	467350/1	5/31/2024	P246A00157	$	70.26	GUAM HOME CENTER	7/31/2024	EFT	55
6/22/2023	CT-1119079	6/21/2023	P236A01206	$	269.97	MICROPAC INC	8/15/2023	EFT	54
6/22/2023	SE-14263	6/20/2023	P236A03845	$	89.90	SCHOOL ESSENTIALS	8/15/2023	EFT	54
7/26/2023	462071/1	7/25/2023	P236A04262	$	349.00	GUAM HOME CENTER	9/18	EFT	54
7/27/2023	177607	7/27/2023	P236A03873	$	53.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	9/19/23	EFT	54
7/27/2023	11630	7/17/2023	P236A04795	$	16,060.00	HEIDI ANNE WORLDWIDE CORP	9/19/23	EFT	54
9/6/2023	23-00169	8/30/2023	P236A00371	$	1,836.00	DATA MANAGEMENT RESOURCES, LLC	10/30/23	EFT	54
9/6/2023	33410	3/31/2023	P236A01205	$	248.00	MEGABYTE	10/30/23	EFT	54
9/6/2023	13085	3/30/2023	P236A03339	$	167.00	AMERICAN PRINTING CORPORATION	10/30/23	EFT	54
9/7/2023	C00017490	8/29/2023	P236A05067	$	31.76	COPY EXPRESS, INC.	10/31/23	EFT	54

2/7/2024	687691	1/31/2024	P246A01114	$ 12,976.00	NET CIRCUIT DBA COMPACIFIC	4/1/2024	EFT	54
2/7/2024	1126136	2/6/2024	P246A00167	$ 51.98	MICROPAC INC	4/1/2024	EFT	54
2/14/2024	416756	2/13/2024	P246A00155	$ 43.30	BENSON GUAM ENTERPRISES, INC.	4/8/2024	EFT	54
2/14/2024	417205	2/14/2024	P246A00155	$ 24.16	BENSON GUAM ENTERPRISES, INC.	4/8/2024	EFT	54
2/14/2024	DC18581	2/13/2024	P246A00194	$ 192.00	COPY EXPRESS, INC	4/8/2024	EFT	54
3/7/2024	20437598	3/1/2024	P246A00073	$ 100.54	I T & E CORPORATION	4/30/2024	EFT	54
10/2/2024	230689547	9/1/2024	P246A00085	$ 479.62	XEROX CORPORATION	11/25/2024	EFT	54
7/24/2023	98382	7/17/2023	P236A01195	$ 45.00	GRAPHIC CENTER, INC	9/15/2023	EFT	53
2/15/2024	417715	2/15/2024	P246A00155	$ 27.19	BENSON GUAM ENTERPRISES, INC.	4/8/2024	EFT	53
9/12/2024	C00019618	8/14/2024	P246A01709	$ 55.00	COPY EXPRESS, INC.	11/4/2024	EFT	53
9/12/2024	24793	9/3/2024	P246A01458	$ 577.50	DEWITT TRANSPORTATION SERVICES	11/4/2024	EFT	53
9/12/2024	24080108	8/31/2024	P246A00146	$ 950.00	CHOICE BROADCASTING CO. LLC	11/4/2024	1006548	53
9/20/2024	16627	8/30/2024	PO0000353	$ 3,500.00	Sanford Technology Group Llc	11/12/2024	EFT	53
10/3/2024	230697581	10/1/2024	P246A00075	$ 927.62	XEROX CORPORATION	11/25/2024	EFT	53
8/21/2023	462531/1	8/17/2023	P236A03365	$ 41.56	GUAM HOME CENTER	10/12/2023	EFT	52
8/21/2023	H-117714	8/9/2023	P236A05090	$ 131.13	PACIFIC LAUNDRY & TEXTILE	10/12/2023	759963	52
9/8/2023	C00017521	8/31/2023	P236A02908	$ 420.00	COPY EXPRESS	10/30/23	EFT	52
9/8/2023	1460	9/6/2023	P236A04165	$ 4,800.00	CHERRY ENTERPRISES, INC	10/30/23	760321	52
6/21/2024	1661/1	6/13/2024	P246A00156	$ 12.00	ERC HARDWARE EXPRESS-DEDEDO	8/12/2024	EFT	52
6/21/2024	100845054	6/3/2024	P246A00158	$ 27.60	TSANG BROTHERS CORP	8/12/2024	EFT	52
7/23/2024	C00019446	7/16/2024	PO0001544	$ 500.00	COPY EXPRESS INC	9/13/2024	EFT	52
9/13/2024	5069	9/5/2024	PO0000903	$ 4,410.00	CODE 1 LAW ENFORCEMENT SUPPLY	11/4/2024	1006550	52
9/13/2024	24-00164	8/27/2024	P246A00076	$ 42,200.00	DATA MANAGEMENT RESOURCES, LLC	11/4/2024	EFT	52
7/26/2023	787677	7/20/2023	P236A03944	$ 23.65	BMI AUTOMOTIVE, LLC	9/15/23	EFT	51
8/22/2023	292181	8/15/2023	P236A03363	$ 78.96	BENSON GUAM ENTERPRISES, INC.	10/12/2023	759948	51
8/22/2023	567/1	8/17/2023	P236A03364	$ 197.94	ERC HARDWARE EXPRESS-DEDEDO	10/12/2023	EFT	51
8/22/2023	232951	8/21/2023	P236A04861	$ 1,445.00	PACIFIC DATA SYSTEMS	10/12/2023	EFT	51
8/22/2023	2022-05192	8/8/2023	P236A05250	$ 800.80	JARAGI CORP. DBA OFFICE SMART	10/12/2023	EFT	51
8/22/2023	2022-05193	8/8/2023	P236A05355	$ 588.50	JARAGI CORP. DBA OFFICE SMART	10/12/2023	EFT	51
10/1/2024	2085/1	9/26/2024	P246A00762	$ 473.93	ERC HARDWARE EXPRESS-DEDEDO	11/21/2024	EFT	51
10/1/2024	561112	9/27/2024	P246A00763	$ 3,003.24	BENSON GUAM ENTERPRISES, INC.	11/21/2024	EFT	51
1/30/2023	151182	1/30/2023	P236A01718	$ 7.18	BENSON GUAM ENTERPRISES, INC.	3/21/2023	755491	50
2/7/2023	C00016210	2/1/2023	P236A01200	$ 571.00	COPY EXPRESS	3/29/2023	EFT	50
2/7/2023	23-02-0020	2/6/2023	P236A02896	$ 162.00	PACIFIC SIGN SHOP	3/29/2023	EFT	50
4/26/2023	2604424RI	4/24/2023	P236A03340	$ 453.00	VERNON COMPANY (THE)	6/15/2023	EFT	50
4/26/2023	A87866	4/14/2023	P236A03361	$ 672.00	THE GUAM DAILY POST, LLC	6/15/2023	EFT	50
8/23/2023	297422	8/22/2023	P236A03363	$ 66.40	BENSON GUAM ENTERPRISES, INC.	10/12/2023	759948	50
8/24/2023	23-2047INV	7/30/2023	P236A04999	$ 5,090.00	PROMOTIONS SPECIALTIES	10/13/23	EFT	50
8/24/2023	2625046 RI	8/8/2023	P236A05001	$ 940.00	VERNON COMPANY (THE)	10/13/23	EFT	50
9/11/2023	5-563530	9/7/2023	P236A03872	$ 15.00	PACIFIC TYRE	10/31/23	EFT	50
9/11/2023	5-563524	9/7/2023	P236A03872	$ 15.00	PACIFIC TYRE	10/31/23	EFT	50
9/26/2023	24817	9/5/2023	P236A01192	$ 390.88	GETS BUSINESS SYSTEM	11/15/23	760623	50
9/26/2023	138936	9/25/2023	P236A03339	$ 1,580.00	AMERICAN PRINTING CORPORATION	11/15/23	EFT	50
9/26/2023	23-00199	9/21/2023	P236A05035	$ 300.00	DATA MANAGEMENT RESOURCES, LLC	11/15/23	EFT	50
11/6/2023	300015562	11/3/2023	P246A00179	$ 1,425.00	NATIONAL DISTRICT ATTORNEYS	12/26/2023	EFT	50
11/9/2023	2606	11/8/2023	P246A00375	$ 799.80	EMC, INCORPORATED DBA SHOP-4-LESS	12/29/2023	EFT	50
2/28/2024	100370	2/16/2024	P246A01119	$ 163.60	SUNLEADER GUAM CO., LTD	4/18/2024	EFT	50

10/1/2024	13333	8/2/2024	PO0001536	$	2,150.00	AMERICAN PRINTING CORPORATION	11/20/2024	EFT	50
10/1/2024	13337	8/7/2024	PO0001543	$	485.00	AMERICAN PRINTING CORPORATION	11/20/2024	EFT	50
10/1/2024	13378	9/11/2024	PO0001536	$	1,600.00	AMERICAN PRINTING CORPORATION	11/20/2024	EFT	50
10/1/2024	32319	9/17/2024	P246A00144	$	150.00	DIMENSION SYSTEMS	11/20/2024	EFT	50
10/1/2024	140242	8/15/2024	PO0001543	$	540.00	AMERICAN PRINTING CORPORATION	11/20/2024	EFT	50
10/1/2024	140311	9/4/2024	PO0001395	$	1,140.00	AMERICAN PRINTING CORPORATION	11/20/2024	EFT	50
10/1/2024	221804	9/3/2024	PO0002189	$	50.84	NATIONAL OFFICE SUPPLY	11/20/2024	EFT	50
6/27/2023	252658	6/26/2023	P236A01606	$	15.00	ONE STOP AUTO REPAIR	8/15/2023	758779	49
6/27/2023	S-223902	6/26/2023	P236A04321	$	266.75	NATIONAL OFFICE SUPPLY	8/15/2023	EFT	49
7/27/2023	C00017221	7/24/2023	P236A02908	$	1,685.00	COPY EXPRESS	9/14/23	EFT	49
7/27/2023	C00017220	7/24/2023	P236A03690	$	2,800.00	COPY EXPRESS, INC.	9/14/23	EFT	49
7/28/2023	5-580044	7/28/2023	P236A03366	$	50.76	PACIFIC TYRE	9/15/23	EFT	49
8/1/2023	2623567 RI	7/28/2023	P236A05001	$	760.00	VERNON COMPANY (THE)	9/19/23	EFT	49
8/24/2023	216349	8/22/2023	P236A05353	$	551.30	NATIONAL OFFICE SUPPLY	10/12/23	EFT	49
9/11/2023	33524	9/8/2023	P236A01205	$	239.00	MEGABYTE	10/30/23	EFT	49
9/11/2023	5-563451	9/6/2023	P236A01607	$	15.00	PACIFIC TYRE	10/30/23	EFT	49
10/27/2023	686927	10/26/2023	P236A05805	$	344.00	NET CIRCUIT DBA COMPACIFIC	12/15/23	EFT	49
2/12/2024	413124	2/7/2024	P246A00155	$	21.27	BENSON GUAM ENTERPRISES, INC.	4/1/2024	EFT	49
2/12/2024	413140	2/7/2024	P246A00155	$	7.09	BENSON GUAM ENTERPRISES, INC.	4/1/2024	EFT	49
2/12/2024	849661876 - JAN	2/1/2024	P246A00386	$	1,265.72	WEST PUBLISHING CORPORATION	4/1/2024	EFT	49
2/12/2024	849661877 - JAN	2/1/2024	P246A00386	$	31.29	WEST PUBLISHING CORPORATION	4/1/2024	EFT	49
6/4/2024	270184	5/22/2024	P246A00190	$	251.95	ONE STOP AUTO REPAIR	7/23/2024	1004638	49
6/4/2024	270188	5/22/2024	P246A00190	$	34.90	ONE STOP AUTO REPAIR	7/23/2024	1004638	49
6/28/2024	5-585108	6/14/2024	P246A00189	$	15.00	PACIFIC TYRE	8/16/2024	EFT	49
6/28/2024	5-585314	6/17/2024	P246A00189	$	15.00	PACIFIC TYRE	8/16/2024	EFT	49
9/16/2024	23117464	9/1/2024	PO0001553	$	83.34	IT&E Corporation	11/4/2024	EFT	49
10/7/2024	A95780	9/4/2024	P246A01801	$	560.00	THE GUAM DAILY POST, LLC	11/25/2024	EFT	49
10/7/2024	C00019517	7/29/2024	PO0001544	$	192.00	COPY EXPRESS INC	11/25/2024	EFT	49
10/7/2024	SE-14490	9/19/2024	PO0000913	$	118.93	SCHOOL ESSENTIALS	11/25/2024	EFT	49
2/17/2023	C00016328	2/17/2023	P236A01200	$	5.00	COPY EXPRESS	4/6/2023	EFT	48
3/10/2023	14215624	3/1/2023	P236A00372	$	556.96	TELEGUAM HOLDINGS, LLC	4/27/2023	EFT	48
6/28/2023	2616904RI	6/26/2023	P236A04101	$	4,032.88	VERNON COMPANY (THE)	8/15/2023	EFT	48
8/2/2023	C00017277	7/26/2023	P236A05067	$	150.00	COPY EXPRESS, INC.	9/19/23	EFT	48
8/25/2023	A896459	8/21/2023	P236A03361	$	280.00	THE GUAM DAILY POST, LLC	10/12/23	EFT	48
9/28/2023	23-00204	9/27/2023	P236A05035	$	225.00	DATA MANAGEMENT RESOURCES, LLC	11/15/23	EFT	48
11/8/2023	179430	11/7/2023	P246A00188	$	79.90	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	12/26/2023	EFT	48
3/13/2024	72	3/12/2024	P246A01636	$	17.52	EMC, INCORPORATED DBA SHOP-4-LESS	4/30/2024	EFT	48
5/2/2024	2679522 RI	4/30/2024	PO0000636	$	934.24	VERNON COMPANY (THE)	6/19/2024	EFT	48
7/23/2024	15323743	6/1/2024	PO0000217	$	490.00	DOCOMO PACIFIC INC.	9/9/2024	EFT	48
7/23/2024	15370917	7/2/2024	PO0000217	$	490.00	DOCOMO PACIFIC INC.	9/9/2024	EFT	48
7/23/2024	22263779	7/1/2024	PO0001553	$	116.53	IT&E Corporation	9/9/2024	EFT	48
12/16/2022	IN4542	11/30/2022	P236A00755	$	990.00	PACIFIC DAILY NEWS	2/1/2023	EFT	47
12/16/2022	A85115	12/8/2022	P236A00756	$	560.00	THE GUAM DAILY POST, LLC	2/1/2023	EFT	47
5/3/2023	NB-1117798	5/2/2023	P236A01206	$	259.90	MICROPAC INC	6/19/2023	EFT	47
5/4/2023	CM0355-22	5/4/2023	P236A01165	$	100.00	ABUAN, ELIZABETH E	6/20/2023	EFT	47
6/29/2023	138577	6/29/2023	P236A01199	$	140.00	AMERICAN PRINTING CORPORATION	8/15/2023	EFT	47
6/29/2023	252730	6/27/2023	P236A01602	$	94.95	ONE STOP AUTO REPAIR	8/15/2023	758779	47
6/29/2023	252803	6/28/2023	P236A01602	$	349.42	ONE STOP AUTO REPAIR	8/15/2023	758779	47
6/29/2023	248151	6/28/2023	P236A04714	$	241.24	STANDARD OFFICE SUPPLIES	8/15/2023	EFT	47

9/7/2023	C00017489	8/29/2023	P236A05069	$	2,240.00	COPY EXPRESS, INC.	10/24/23	EFT	47
9/7/2023	558/1	8/16/2023	P236A05255	$	973.51	ERC HARDWARE EXPRESS-DEDEDO	10/24/23	EFT	47
9/7/2023	686330	8/24/2023	P236A05816	$	2,946.00	NET CIRCUIT DBA COMPACIFIC	10/24/23	EFT	47
11/17/2023	34368	11/17/2023	P246A00166	$	219.50	MEGABYTE	1/3/2024	EFT	47
11/17/2023	217175	11/10/2023	P246A00510	$	139.38	NATIONAL OFFICE SUPPLY	1/3/2024	EFT	47
6/6/2024	270304	5/24/2024	P246A00190	$	34.90	ONE STOP AUTO REPAIR	7/23/2024	1004638	47
6/6/2024	270305	5/24/2024	P246A00190	$	34.90	ONE STOP AUTO REPAIR	7/23/2024	1004638	47
6/26/2024	1603/1	6/3/2024	P246A00156	$	64.41	ERC HARDWARE EXPRESS-DEDEDO	8/12/2024	EFT	47
6/26/2024	5055	5/31/2024	P246A02178	$	1,600.00	TRI VISION MEDIA GROUP, LLC	8/12/2024	1004990	47
6/26/2024	688651	5/28/2024	P246A00165	$	592.00	NET CIRCUIT DBA COMPACIFIC	8/12/2024	EFT	47
6/26/2024	688746	6/7/2024	P246A00165	$	109.00	NET CIRCUIT DBA COMPACIFIC	8/12/2024	EFT	47
6/26/2024	100845282	6/6/2024	P246A00158	$	35.32	TSANG BROTHERS CORP	8/12/2024	EFT	47
6/26/2024	100846092	6/24/2024	P246A00158	$	42.60	TSANG BROTHERS CORP	8/12/2024	EFT	47
5/4/2023	14637-323185	5/3/2023	P236A03946	$	69.12	CARQUEST OF GUAM	6/19/2023	757588	46
5/5/2023	212920	5/4/2023	P236A03363	$	152.27	BENSON GUAM ENTERPRISES, INC.	6/20/2023	757607	46
5/5/2023	176370	5/4/2023	P236A03873	$	59.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	6/20/2023	EFT	46
8/4/2023	138687	7/31/2023	P236A05000	$	277.00	AMERICAN PRINTING CORPORATION	9/19/23	eft	46
8/4/2023	2624251 RI	8/2/2023	P236A05001	$	480.00	VERNON COMPANY (THE)	9/19/23	EFT	46
8/24/2023	286840	8/8/2023	P236A05256	$	741.73	BENSON GUAM ENTERPRISES, INC.	10/9/2023	759927	46
9/8/2023	2623985 RI	7/31/2023	P236A05001	$	360.00	VERNON COMPANY (THE)	10/24/23	EFT	46
9/8/2023	6367406 RI	8/18/2023	P236A05001	$	750.00	VERNON COMPANY (THE)	10/24/23	EFT	46
9/8/2023	081423-04	8/14/2023	P236A05254	$	250.32	COST U LESS	10/24/23	760203	46
9/8/2023	081623-01	8/16/2023	P236A05254	$	49.17	COST U LESS	10/24/23	760203	46
9/15/2023	SE-14307	9/15/2023	P236A02039	$	127.15	SCHOOL ESSENTIALS	10/31/23	EFT	46
10/2/2023	C00017681	9/29/2023	P236A05069	$	836.00	COPY EXPRESS, INC.	11/17/23	EFT	46
9/19/2024	CML-22041	9/16/2024	P246A01442	$	16,730.36	DEWITT TRANSPORTATION SERVICES	11/4/2024	EFT	46
1/6/2023	847270071 - OCT	11/1/2022	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	2/20/2023	EFT	45
1/6/2023	847440379 - NOV	12/1/2022	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	2/20/2023	EFT	45
1/6/2023	847603996 - DEC	1/1/2023	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	2/20/2023	EFT	45
1/6/2023	78578	1/4/2023	P236A01973	$	430.00	MEGABYTE	2/20/2023	EFT	45
1/6/2023	15835	1/3/2023	P236A02033	$	11,040.00	SANFORD TECHNOLOGY GROUP LLC	2/20/2023	EFT	45
2/20/2023	5-548698	2/20/2023	P236A01607	$	15.00	PACIFIC TYRE	4/6/2023	EFT	45
2/20/2023	300014863	2/20/2023	P236A01735	$	95.00	NATIONAL DISTRICT ATTORNEYS	4/6/2023	755904	45
2/20/2023	230531939 - JAN	2/1/2023	P236A01978	$	1,416.17	XEROX CORPORATION	4/6/2023	EFT	45
3/10/2023	847923724 - FEB	3/1/2023	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	4/24/2023	EFT	45
5/1/2023	5-553558	4/27/2023	P236A03366	$	15.00	PACIFIC TYRE	6/15/2023	EFT	45
5/2/2023	C00016832	5/1/2023	P236A01200	$	10.00	COPY EXPRESS	6/16/2023	EFT	45
5/2/2023	5-553892	5/2/2023	P236A03872	$	15.00	PACIFIC TYRE	6/16/2023	EFT	45
5/2/2023	5-553912	5/2/2023	P236A03872	$	15.00	PACIFIC TYRE	6/16/2023	EFT	45
5/8/2023	14291773 - APRIL	5/1/2023	P236A01987	$	303.34	TELEGUAM HOLDINGS, LLC	6/22/2023	EFT	45
8/1/2023	5-560303	7/31/2023	P236A03366	$	15.00	PACIFIC TYRE	9/15/2023	EFT	45
8/28/2023	33267	8/23/2023	P236A01205	$	239.00	MEGABYTE	10/12/23	EFT	45
9/15/2023	A90075	9/1/2023	P236A03361	$	672.00	THE GUAM DAILY POST, LLC	10/30/23	EFT	45
9/15/2023	178561	9/15/2023	P236A03367	$	143.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	10/30/23	EFT	45
9/15/2023	33537	9/11/2023	P236A05092	$	24,626.00	MEGABYTE	10/30/23	EFT	45
9/15/2023	33389	8/30/2023	P236A06094	$	8,795.00	MEGABYTE	10/30/23	EFT	45

12/11/2023	2603	11/3/2023	P236A06206	$	120.55	EMC, INCORPORATED DBA: SHOP-4-LESS	1/25/24	EFT	45
10/31/2023	FY23-24	5/10/2023	P246A00074	$	2,446.00	C W A G-CONFERENCE OF WESTERN	12/15/2023	EFT	45
8/12/2024	32250	8/12/2024	PO0001879	$	3,034.50	Dimension Systems	9/26/2024	EFT	45
10/7/2024	105209	7/15/2024	P246A00200	$	34.00	GRAPHIC CENTER, INC	11/21/2024	EFT	45
10/7/2024	105244	7/15/2024	P246A00200	$	58.00	GRAPHIC CENTER, INC	11/21/2024	EFT	45
10/7/2024	105481	8/2/2024	PO0001545	$	890.00	Graphic Center Inc.	11/21/2024	EFT	45
2/13/2023	A86171	2/3/2023	P236A00756	$	672.00	THE GUAM DAILY POST, LLC	3/29/2023	EFT	44
10/4/2023	S-225184	10/3/2023	P236A05584	$	56.10	NATIONAL OFFICE SUPPLY	11/17/23	EFT	44
11/20/2023	0016490-1N	11/13/2023	P246A00881	$	150.00	JOHNDEL INTERNATIONAL, INC	1/3/2024	EFT	44
11/20/2023	5-569196	11/17/2023	P246A00189	$	15.00	PACIFIC TYRE	1/3/2024	EFT	44
11/20/2023	C00018006	11/16/2023	P246A00194	$	192.00	COPY EXPRESS, INC.	1/3/2024	EFT	44
10/8/2024	542929	8/28/2024	P246A00155	$	19.13	BENSON GUAM ENTERPRISES, INC.	11/21/2024	EFT	44
2/20/2023	847768399 - JAN	2/1/2023	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	4/4/2023	EFT	43
5/3/2023	A87981	5/1/2023	P236A03361	$	336.00	THE GUAM DAILY POST, LLC	6/15/2023	EFT	43
7/5/2023	248235	6/29/2023	P236A04970	$	846.80	STANDARD OFFICE SUPPLIES	8/17/2023	EFT	43
10/5/2023	23-00198	9/21/2023	P236A02950	$	12,600.00	DATA MANAGEMENT RESOURCES, LLC	11/17/23	EFT	43
11/16/2023	A91044	11/9/2023	P246A00186	$	728.00	THE GUAM DAILY POST, LLC	12/29/2023	EFT	43
11/16/2023	SB91462	11/16/2023	P246A00215	$	300.00	THE GUAM DAILY POST, LLC	12/29/2023	EFT	43
11/16/2023	SV-23004724	11/16/2023	P246A00496	$	320.00	MEDPHARM DBA: PRO-CARE HOME	12/29/2023	EFT	43
11/21/2023	179658	11/21/2023	P246A00188	$	69.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	1/3/2024	EFT	43
11/21/2023	23112101AG	11/21/2023	P246A00152	$	89.99	DETAILS UNLIMITED, LP	1/3/2024	761603	43
11/22/2023	299641051	11/17/2023	P246A00761	$	118.93	COST U LESS	1/4/2024	EFT	43
6/12/2024	241982	6/1/2024	PO0000658	$	442.30	PACIFIC DATA SYSTEMS	7/25/2024	EFT	43
10/2/2024	80390331	5/31/2024	P246A00093	$	294.00	LABCORP OF AMERICA HOLDINGS	11/14/2024	1006565	43
1/13/2023	14140033 - JAN	1/1/2023	P236A01987	$	650.00	TELEGUAM HOLDINGS, LLC	2/24/2023	EFT	42
1/13/2023	14102273 - DEC	12/1/2022	P236A01987	$	650.00	TELEGUAM HOLDINGS, LLC	2/24/2023	EFT	42
2/13/2023	IN5135	1/12/2023	P236A00755	$	422.00	PACIFIC DAILY NEWS	3/27/2023	EFT	42
2/23/2023	C00016329	2/17/2023	P236A01200	$	114.00	COPY EXPRESS	4/6/2023	EFT	42
2/23/2023	C00016345	2/23/2023	P236A01200	$	256.00	COPY EXPRESS	4/6/2023	EFT	42
2/23/2023	300014864	2/20/2023	P236A01735	$	95.00	NATIONAL DISTRICT ATTORNEYS	4/6/2023	755904	42
4/27/2023	138372	4/26/2023	P236A01199	$	160.00	AMERICAN PRINTING CORPORATION	6/8/2023	EFT	42
4/27/2023	138370	4/26/2023	P236A01199	$	80.00	AMERICAN PRINTING CORPORATION	6/8/2023	EFT	42
4/27/2023	208225	4/26/2023	P236A03363	$	11.98	BENSON GUAM ENTERPRISES, INC.	6/8/2023	757358	42
5/4/2023	684778	3/17/2023	P236A03499	$	348.00	NET CIRCUIT DBA COMPACIFIC	6/15/2023	EFT	42
8/8/2023	77426330	8/2/2023	P236A01974	$	294.00	LABCORP OF AMERICA HOLDINGS	9/19/23	759527	42
8/8/2023	230582253 - JULY	8/1/2023	P236A01978	$	10.00	XEROX CORPORATION	9/19	EFT	42
8/8/2023	230582418 - JULY	8/1/2023	P236A01978	$	1,416.17	XEROX CORPORATION	9/19	EFT	42
8/8/2023	98320	7/14/2023	P236A05066	$	783.00	GRAPHIC CENTER, INC	9/19/23	EFT	42
9/18/2023	138903	9/15/2023	P236A01199	$	213.20	AMERICAN PRINTING CORPORATION	10/30/23	EFT	42
9/18/2023	22091301AG	9/13/2023	P236A02985	$	89.99	DETAILS UNLIMITED, LP	10/30/23	760325	42
9/18/2023	2023-1630	9/18/2023	P236A05320	$	2,692.50	ALL STAR INC. DBA QUALITY	10/30/23	EFT	42
9/18/2023	2632430	9/15/2023	P236A05402	$	3,309.76	VERNON COMPANY (THE)	10/30/23	EFT	42
9/19/2023	848879227	9/1/2023	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	10/31/23	EFT	42
11/17/2023	217177	11/10/2023	P246A00373	$	21.50	NATIONAL OFFICE SUPPLY	12/29/2023	EFT	42
11/22/2023	14344	11/9/2023	P246A00512	$	19.14	SCHOOL ESSENTIALS	1/3/2024	EFT	42
11/22/2023	14345	11/9/2023	P246A00372	$	9.90	SCHOOL ESSENTIALS	1/3/2024	EFT	42
11/22/2023	14348	11/9/2023	P246A00377	$	24.05	SCHOOL ESSENTIALS	1/3/2024	EFT	42

11/22/2023	179685	11/22/2023	P246A00188	$ 69.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	1/3/2024	EFT	42
3/11/2024	14679657	3/1/2024	P246A00084	$ 650.00	TELEGUAM HOLDINGS, LLC	4/22/2024	EFT	42
3/19/2024	1291/1	3/19/2024	P246A00156	$ 267.88	ERC HARDWARE EXPRESS-DEDEDO	4/30/2024	EFT	42
3/19/2024	230641060	3/1/2024	P246A00075	$ 584.86	XEROX CORPORATION	4/30/2024	EFT	42
3/19/2024	230641147	3/1/2024	P246A00075	$ 4,012.93	XEROX CORPORATION	4/30/2024	EFT	42
9/23/2024	103419	8/12/2024	PO0001545	$ 695.00	Graphic Center Inc.	11/4/2024	EFT	42
9/23/2024	103420	8/9/2024	PO0001545	$ 250.00	Graphic Center Inc.	11/4/2024	EFT	42
9/23/2024	103421	8/12/2024	PO0001545	$ 695.00	Graphic Center Inc.	11/4/2024	EFT	42
9/23/2024	103422	8/9/2024	PO0001545	$ 29.00	Graphic Center Inc.	11/4/2024	EFT	42
9/23/2024	105721	8/12/2024	PO0001545	$ 180.00	Graphic Center Inc.	11/4/2024	EFT	42
9/23/2024	105780	8/12/2024	PO0001545	$ 32.00	Graphic Center Inc.	11/4/2024	EFT	42
9/23/2024	80390417	5/31/2024	P246A00093	$ 294.00	LABCORP OF AMERICA HOLDINGS	11/4/2024	1006565	42
9/23/2024	80518555	6/14/2024	P246A00093	$ 294.00	LABCORP OF AMERICA HOLDINGS	11/4/2024	1006565	42
9/23/2024	230671078	7/1/2024	P246A00080	$ 1,416.17	XEROX CORPORATION	11/4/2024	ACH	42
12/22/2022	A84457	11/8/2022	P236A00756	$ 560.00	THE GUAM DAILY POST, LLC	2/1/2023	EFT	41
1/5/2023	14140024	1/1/2023	P236A00372	$ 562.28	TELEGUAM HOLDINGS, LLC	2/15/2023	EFT	41
5/10/2023	C00016888	5/8/2023	P236A01200	$ 51.00	COPY EXPRESS	6/20/2023	EFT	41
5/10/2023	138413	5/9/2023	P236A01211	$ 110.00	AMERICAN PRINTING CORPORATION	6/20/2023	EFT	41
5/10/2023	176445	5/9/2023	P236A01604	$ 66.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	6/20/2023	EFT	41
5/10/2023	181 /1	5/10/2023	P236A01720	$ 17.98	ERC HARDWARE EXPRESS-DEDEDO	6/20/2023	EFT	41
5/10/2023	217167	5/10/2023	P236A03363	$ 46.74	BENSON GUAM ENTERPRISES, INC.	6/20/2023	757607	41
5/10/2023	361658	5/9/2023	P236A03944	$ 11.44	BMI AUTOMOTIVE, LLC	6/20/2023	EFT	41
5/10/2023	4700	5/8/2023	P236A04092	$ 449.25	CODE 1 LAW ENFORCEMENT SUPPLY	6/20/2023	757609	41
5/10/2023	050823-02	5/8/2023	P236A04323	$ 229.60	COST U LESS	6/20/2023	757644	41
5/10/2023	164 /1	5/4/2023	P236A04324	$ 179.97	ERC HARDWARE EXPRESS-DEDEDO	6/20/2023	EFT	41
7/5/2023	101	6/28/2023	P236A04712	$ 10,117.35	FIRST SHOTS	8/15/2023	758770	41
9/20/2023	77795367	9/8/2023	P236A01974	$ 294.00	LABCORP OF AMERICA HOLDINGS	10/31/23	760351	41
9/20/2023	230594997	9/1/2023	P236A01978	$ 1,416.17	XEROX CORPORATION	10/31/23	EFT	41
9/20/2023	230594991	9/1/2023	P236A01978	$ 10.00	XEROX CORPORATION	10/31/23	EFT	41
9/20/2023	230594954	9/1/2023	P236A01979	$ 461.74	XEROX CORPORATION	10/31/23	EFT	41
9/20/2023	230582288	8/1/2023	P236A01979	$ 491.93	XEROX CORPORATION	10/31/23	EFT	41
9/20/2023	HP04123-CS	4/14/2023	P236A04090	$ 333.00	HANSSEM LLC. DBA: HANSSEM PACIFIC	10/31/23	EFT	41
9/20/2023	138764	8/14/2023	P236A05000	$ 680.00	AMERICAN PRINTING CORPORATION	10/31/23	EFT	41
9/20/2023	C00017447	8/23/2023	P236A05067	$ 1,080.00	COPY EXPRESS, INC.	10/31/23	EFT	41
11/8/2023	16322	11/7/2023	P246A00405	$ 3,122.50	SANFORD TECHNOLOGY GROUP LLC	12/19/2023	EFT	41
11/8/2023	2643375RI	11/7/2023	P246A00440	$ 319.92	VERNON COMPANY (THE)	12/19/2023	EFT	41
2/20/2024	16416	1/31/2024	P246A01799	$ 5,326.50	SANFORD TECHNOLOGY GROUP LLC	4/1/2024	EFT	41
2/20/2024	31849	2/7/2024	P246A02211	$ 7,875.00	DIMENSION SYSTEMS	4/1/2024	EFT	41
6/4/2024	270125	5/21/2024	P246A00190	$ 263.95	ONE STOP AUTO REPAIR	7/15/2024	1004474	41
6/4/2024	270186	5/22/2024	P246A00190	$ 34.90	ONE STOP AUTO REPAIR	7/15/2024	1004474	41
6/12/2024	486242	5/28/2024	P246A00763	$ 1,863.74	BENSON GUAM ENTERPRISES, INC.	7/23/2024	EFT	41
6/12/2024	79838947	4/9/2024	P246A00093	$ 294.00	LABCORP OF AMERICA HOLDINGS	7/23/2024	1004637	41
6/12/2024	230665813	6/1/2024	P246A00080	$ 10.00	XEROX CORPORATION	7/23/2024	EFT	41
6/21/2024	C00019225	6/5/2024	P246A01709	$ 100.00	COPY EXPRESS, INC.	8/1/2024	EFT	41
2/9/2023	157883	2/9/2023	P236A01718	$ 29.46	BENSON GUAM ENTERPRISES, INC.	3/21/2023	755491	40
5/11/2023	C00016884	5/8/2023	P236A01200	$ 43.00	COPY EXPRESS	6/20/2023	EFT	40

5/11/2023	C00016886	5/8/2023	P236A01200	$	11.00	COPY EXPRESS	6/20/2023	EFT	40
5/11/2023	S-223138	5/8/2023	P236A04321	$	149.95	NATIONAL OFFICE SUPPLY	6/20/2023	EFT	40
7/12/2023	415/1	7/11/2023	P236A03364	$	114.95	ERC HARDWARE EXPRESS-DEDEDO	8/21/23	EFT	40
11/9/2023	100159	11/3/2023	P246A00196	$	24.00	GRAPHIC CENTER, INC	12/19/2023	EFT	40
11/9/2023	100226	11/3/2023	P246A00196	$	314.00	GRAPHIC CENTER, INC	12/19/2023	EFT	40
11/9/2023	100227	11/3/2023	P246A00196	$	100.00	GRAPHIC CENTER, INC	12/19/2023	EFT	40
2/28/2024	257884	12/11/2023	P246A01117	$	18.56	STANDARD OFFICE SUPPLIES	4/8/2024	EFT	40
7/3/2024	5-586327	7/1/2024	P246A00189	$	247.19	PACIFIC TYRE	8/12/2024	EFT	40
8/7/2024	242606	8/1/2024	PO0000658	$	442.30	PACIFIC DATA SYSTEMS	9/16/2024	EFT	40
8/7/2024	230680338	8/1/2024	P246A00085	$	475.61	XEROX CORPORATION	9/16/2024	EFT	40
10/3/2024	222140	9/24/2024	PO0002197	$	384.00	NATIONAL OFFICE SUPPLY	11/12/2024	EFT	40
2/13/2023	15025228	2/1/2023	P236A02358	$	116.35	I T & E CORPORATION	3/24/2023	EFT	39
3/3/2023	C00016346	2/23/2023	P236A01200	$	44.00	COPY EXPRESS	4/11/2023	EFT	39
5/8/2023	148241749 - APRI	5/1/2023	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	6/16/2023	EFT	39
5/8/2023	130555086 - APRI	5/1/2023	P236A01978	$	1,416.17	XEROX CORPORATION	6/16/2023	EFT	39
5/8/2023	130555035 - APRI	5/1/2023	P236A01979	$	483.56	XEROX CORPORATION	6/16/2023	EFT	39
5/12/2023	89472	5/4/2023	P236A02909	$	500.00	SIGN WRITE	6/20/2023	757626	39
7/17/2023	230563679	6/1/2023	P236A00373	$	4,012.93	XEROX CORPORATION	8/25/23	EFT	39
7/17/2023	230573547	7/1/2023	P236A00373	$	4,012.93	XEROX CORPORATION	8/25/23	EFT	39
7/17/2023	230573632	7/1/2023	P236A00373	$	0.19	XEROX CORPORATION	8/25/23	EFT	39
8/7/2023	98285	7/12/2023	P236A01195	$	24.00	GRAPHIC CENTER, INC	9/15/23	EFT	39
8/7/2023	138719	8/4/2023	P236A01199	$	25.00	AMERICAN PRINTING CORPORATION	9/15/23	EFT	39
8/7/2023	462236/1	8/2/2023	P236A03365	$	65.98	GUAM HOME CENTER	9/15/23	EFT	39
8/11/2023	PD-1120626	7/3/2023	P236A01206	$	116.91	MICROPAC INC	9/19/23	EFT	39
8/11/2023	SV-23003325	8/9/2023	P236A04639	$	2,097.00	MEDPHARM DBA PRO-CARE HOME	9/19/23	EFT	39
8/11/2023	16153	7/3/2023	P236A04899	$	2,552.00	SANFORD TECHNOLOGY GROUP LLC	9/19/23	EFT	39
9/22/2023	89514	9/21/2023	P236A02909	$	1,920.00	SIGN WRITE	10/31/23	EFT	39
2/29/2024	427322	2/29/2024	P246A00155	$	45.82	BENSON GUAM ENTERPRISES, INC.	4/8/2024	EFT	39
8/8/2024	270217	7/29/2024	PO0000898	$	251.04	STANDARD OFFICE SUPPLIES	9/16/2024	EFT	39
8/8/2024	270218	7/29/2024	PO0000894	$	88.00	STANDARD OFFICE SUPPLIES	9/16/2024	EFT	39
8/8/2024	270252	7/30/2024	PO0000912	$	63.20	STANDARD OFFICE SUPPLIES	9/16/2024	EFT	39
8/8/2024	270253	7/30/2024	PO0000902	$	128.00	STANDARD OFFICE SUPPLIES	9/16/2024	EFT	39
8/8/2024	270263	7/30/2024	PO0000916	$	289.20	STANDARD OFFICE SUPPLIES	9/16/2024	EFT	39
8/8/2024	230680338	8/1/2024	P246A00085	$	475.61	XEROX CORPORATION	9/16/2024	EFT	39
11/7/2024	C00019890	9/25/2024	P246A00136	$	674.00	COPY EXPRESS, INC	12/16/2024	EFT	39
5/1/2023	C00016830	5/1/2023	P236A02908	$	755.00	COPY EXPRESS	6/8/2023	EFT	38
5/1/2023	249734	4/27/2023	P236A03871	$	15.00	ONE STOP AUTO REPAIR	6/8/2023	757548	38
5/1/2023	BT042223AG091	4/22/2023	P236A04091	$	450.00	BARGAIN TACTICAL	6/8/2023	EFT	38
7/10/2023	5-558238	7/6/2023	P236A01603	$	97.96	PACIFIC TYRE	8/17/23	EFT	38
7/10/2023	685796	7/7/2023	P236A02748	$	993.60	NET CIRCUIT DBA COMPACIFIC	8/17/23	EFT	38
7/10/2023	16158	7/7/2023	P236A04860	$	2,840.00	SANFORD TECHNOLOGY GROUP LLC	8/17/23	EFT	38
8/7/2023	C00017311	8/3/2023	P236A02908	$	782.00	COPY EXPRESS	9/14/23	EFT	38
8/7/2023	C00017297	8/2/2023	P236A03690	$	752.00	COPY EXPRESS, INC	9/14/23	EFT	38
8/11/2023	98608	8/1/2023	P236A01208	$	985.00	GRAPHIC CENTER, INC	9/18/23	EFT	38
9/22/2023	23-00180	9/8/2023	P236A00214	$	28,128.00	DATA MANAGEMENT RESOURCES, LLC	10/30/23	EFT	38
9/22/2023	JQ020923	2/9/2023	P236A01167	$	65.00	QUITANO, JANE P	10/30/23	EFT	38
9/22/2023	SE-14312	9/21/2023	P236A02892	$	30.90	SCHOOL ESSENTIALS	10/30/23	EFT	38
12/26/2023	78723317	12/13/2023	P246A00093	$	294.00	LABCORP OF AMERICA HOLDINGS	2/2/2024	762669	38
12/26/2023	352021 / 615817	12/1/2023	P246A00386	$	381.07	WEST PUBLISHING CORPORATION	2/2/2024	EFT	38

2/13/2024	20052639	2/1/2024	P246A00073	$	114.45	I T & E CORPORATION	3/22/2024	EFT	38
2/20/2024	230630302	2/1/2024	P246A00080	$	1,416.17	XEROX CORPORATION	3/29/2024	EFT	38
2/20/2024	230630331	2/1/2024	P246A00080	$	10.00	XEROX CORPORATION	3/29/2024	EFT	38
2/20/2024	230630488	2/1/2024	P246A00085	$	489.78	XEROX CORPORATION	3/29/2024	EFT	38
3/1/2024	139598	3/1/2024	P246A00195	$	420.00	AMERICAN PRINTING CORPORATION	4/8/2024	EFT	38
3/1/2024	C00018629	2/29/2024	P246A00194	$	31.00	COPY EXPRESS, INC.	4/8/2024	EFT	38
4/29/2024	2678753 RI	4/24/2024	PO0000636	$	1,777.00	VERNON COMPANY (THE)	6/6/2024	EFT	38
8/19/2024	57616	8/19/2024	P246A02071	$	1,081.15	HILTON GUAM RESORT & SPA	9/26/2024	1006050	38
8/19/2024	526301	8/2/2024	PO0001557	$	2.90	Benson Guam Enterprises Inc	9/26/2024	EFT	38
8/19/2024	528002	8/5/2024	PO0001557	$	104.91	Benson Guam Enterprises Inc	9/26/2024	EFT	38
8/19/2024	100848115	8/2/2024	P246A00158	$	400.00	TSANG BROTHERS CORP	9/26/2024	EFT	38
8/19/2024	468459/1	8/3/2024	PO0001558	$	41.97	Guam Home Center	9/26/2024	EFT	38
2/20/2023	SE-14199	2/2/2023	P236A02833	$	269.40	SCHOOL ESSENTIALS	3/29/2023	EFT	37
2/28/2023	170011	2/28/2023	P236A01718	$	42.96	BENSON GUAM ENTERPRISES, INC.	4/6/2023	755886	37
2/28/2023	A445288	2/28/2023	P236A01720	$	41.98	ERC HARDWARE EXPRESS-DEDEDO	4/6/2023	EFT	37
6/6/2023	230563651 - MAY	6/1/2023	P236A01978	$	10.00	XEROX CORPORATION	7/13/2023	EFT	37
12/27/2023	S-225883	12/18/2023	P246A00510	$	112.38	NATIONAL OFFICE SUPPLY	2/2/2024	EFT	37
2/12/2024	I640288 - FEB 20	2/1/2024	P246A00084	$	650.00	TELEGUAM HOLDINGS, LLC	3/20/2024	EFT	37
3/11/2024	230640998	3/1/2024	P246A00085	$	484.52	XEROX CORPORATION	4/17/2024	EFT	37
3/11/2024	230641044	3/1/2024	P246A00080	$	10.00	XEROX CORPORATION	4/17/2024	EFT	37
3/11/2024	230641045	3/1/2024	P246A00080	$	1,416.17	XEROX CORPORATION	4/17/2024	EFT	37
8/6/2024	100906	12/14/2023	P246A00135	$	432.50	GRAPHIC CENTER, INC	9/12/2024	EFT	37
8/7/2024	850578102	8/1/2024	P246A00386	$	1,265.72	WEST PUBLISHING CORPORATION	9/13/2024	EFT	37
8/7/2024	850578103	8/1/2024	P246A00386	$	31.29	WEST PUBLISHING CORPORATION	9/13/2024	EFT	37
8/20/2024	536902	8/19/2024	PO0001557	$	48.43	Benson Guam Enterprises Inc	9/26/2024	EFT	37
8/20/2024	G-3523	8/20/2024	P246A00151	$	65.00	ISLAND SHINE MULTISERVICES	9/26/2024	1006052	37
1/3/2023	24763	12/30/2022	P236A01975	$	127.50	GETS BUSINESS SYSTEM	2/8/2023	754613	36
2/20/2023	230531927- JAN	2/1/2023	P236A01978	$	10.00	XEROX CORPORATION	3/28/2023	EFT	36
2/20/2023	220249	1/10/2023	P236A02138	$	599.90	NATIONAL OFFICE SUPPLY	3/28/2023	EFT	36
2/20/2023	SE-14181	1/11/2023	P236A02176	$	59.98	SCHOOL ESSENTIALS	3/28/2023	EFT	36
3/1/2023	C00016350	2/23/2023	P236A01200	$	256.00	COPY EXPRESS	4/6/2023	EFT	36
5/15/2023	97000 A	5/8/2023	P236A01195	$	60.00	GRAPHIC CENTER, INC	6/20/2023	EFT	36
5/15/2023	14637-323265	5/4/2023	P236A03946	$	34.91	CARQUEST OF GUAM	6/20/2023	757608	36
6/8/2023	374343	6/7/2023	P236A03944	$	140.99	BMI AUTOMOTIVE, LLC	7/14/2023	EFT	36
7/12/2023	177350	7/11/2023	P236A01604	$	59.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	8/17/23	EFT	36
7/12/2023	215870	7/11/2023	P236A05074	$	77.00	NATIONAL OFFICE SUPPLY	8/17/23	EFT	36
8/14/2023	C00017376	8/11/2023	P236A05067	$	290.48	COPY EXPRESS, INC.	9/19/23	EFT	36
8/16/2023	33033	8/4/2023	P236A01973	$	320.00	MEGABYTE	9/21/23	EFT	36
8/16/2023	98430	7/20/2023	P236A05066	$	605.00	GRAPHIC CENTER, INC	9/21/23	EFT	36
8/16/2023	250008	8/3/2023	P236A05399	$	151.96	STANDARD OFFICE SUPPLIES	9/21/23	EFT	36
8/16/2023	216126	8/3/2023	P236A05400	$	95.88	NATIONAL OFFICE SUPPLY	9/21/23	EFT	36
8/17/2023	SE-14290	8/16/2023	P236A05354	$	35.64	SCHOOL ESSENTIALS	9/22/23	EFT	36
10/12/2023	230601724	10/1/2023	P236A01979	$	530.77	XEROX CORPORATION	11/17/23	EFT	36
10/17/2023	78051390	10/4/2023	P236A01974	$	294.00	LABCORP OF AMERICA HOLDINGS	11/22/23	760790	36
10/17/2023	78051383	10/4/2023	P236A01974	$	196.00	LABCORP OF AMERICA HOLDINGS	11/22/23	EFT	36
10/17/2023	230601737	10/1/2023	P236A01978	$	1,416.17	XEROX CORPORATION	11/22/23	EFT	36
3/25/2024	466154/1	3/25/2024	P246A00157	$	47.97	GUAM HOME CENTER	4/30/2024	EFT	36
3/25/2024	5-578789	3/22/2024	P246A00189	$	15.00	PACIFIC TYRE	4/30/2024	EFT	36
3/26/2024	16432	2/29/2024	P246A02189	$	23,983.56	SANFORD TECHNOLOGY GROUP LLC	5/1/2024	EFT	36

5/14/2024	850106659	5/1/2024	P246A00386	$	1,265.72	WEST PUBLISHING CORPORATION	6/19/2024	EFT	36
5/14/2024	850106660	5/1/2024	P246A00386	$	31.29	WEST PUBLISHING CORPORATION	6/19/2024	EFT	36
2/9/2023	95622	2/7/2023	P236A02864	$	925.00	GRAPHIC CENTER, INC	3/16/2023	EFT	35
2/20/2023	74244850	10/1/2022	P236A01974	$	294.00	LABCORP OF AMERICA HOLDINGS	3/27/2023	755635	35
2/22/2023	174936	2/9/2023	P236A01604	$	716.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	3/29/2023	EFT	35
2/28/2023	79267	2/24/2023	P236A01973	$	1,156.00	MEGABYTE	4/4/2023	EFT	35
4/25/2023	207030	4/24/2023	P236A03363	$	54.44	BENSON GUAM ENTERPRISES, INC.	5/30/2023	757220	35
5/11/2023	685126	4/20/2023	P236A04052	$	268.00	NET CIRCUIT DBA COMPACIFIC	6/15/2023	EFT	35
5/16/2023	A88169	5/5/2023	P236A03361	$	336.00	THE GUAM DAILY POST, LLC	6/20/2023	EFT	35
5/17/2023	5-554824	5/16/2023	P236A01603	$	50.76	PACIFIC TYRE	6/21/2023	EFT	35
5/17/2023	176543	5/15/2023	P236A01604	$	59.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	6/21/2023	EFT	35
6/9/2023	5-555549	6/9/2023	P236A03366	$	5.00	PACIFIC TYRE	7/14/2023	EFT	35
7/24/2023	0016238-IN	7/18/2023	P236A01884	$	9,480.00	JMI MEDICAL SYSTEMS, INC.	8/28/23	EFT	35
7/24/2023	177500	7/19/2023	P236A03873	$	59.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	8/28/2023	EFT	35
7/24/2023	23-M80-0564	6/26/2023	P236A04089	$	1,389.36	M-80 SYSTEMS INC.	8/28/23	EFT	35
8/11/2023	16189	8/1/2023	P236A05228	$	15,692.00	SANFORD TECHNOLOGY GROUP LLC	9/15/23	EFT	35
8/11/2023	216190	8/9/2023	P236A05252	$	88.56	NATIONAL OFFICE SUPPLY	9/15/23	EFT	35
8/11/2023	S-224316	8/1/2023	P236A05548	$	600.00	NATIONAL OFFICE SUPPLY	9/15/23	EFT	35
8/14/2023	98694	8/7/2023	P236A01195	$	37.00	GRAPHIC CENTER, INC	9/18/23	EFT	35
8/14/2023	15-6-2574	8/11/2023	P236A02984	$	65.00	ISLAND SHINE MULTISERVICES	9/18/23	759496	35
8/16/2023	216127	8/3/2023	P236A05353	$	289.86	NATIONAL OFFICE SUPPLY	9/20/23	EFT	35
9/26/2023	253591	9/25/2023	P236A02038	$	66.30	STANDARD OFFICE SUPPLIES	10/31/23	EFT	35
11/17/2023	23-00238	11/3/2023	P236A05956	$	9,835.00	DATA MANAGEMENT RESOURCES, LLC	12/22/23	EFT	35
11/9/2023	78385753	11/4/2023	P246A00093	$	294.00	LABCORP OF AMERICA HOLDINGS	12/14/2023	761209	35
11/14/2023	260073	11/7/2023	P246A00190	$	19.95	ONE STOP AUTO REPAIR	12/19/2023	761296	35
11/29/2023	34492	11/29/2023	P246A00166	$	229.95	MEGABYTE	1/3/2024	EFT	35
11/29/2023	C00018076	11/29/2023	P246A00201	$	382.50	COPY EXPRESS, INC	1/3/2024	EFT	35
11/30/2023	18008	11/16/2023	P246A00136	$	65.00	COPY EXPRESS, INC	1/4/2024	EFT	35
11/30/2023	100476	11/17/2023	P246A00135	$	29.00	GRAPHIC CENTER, INC	1/4/2024	EFT	35
5/2/2024	C00018977	4/26/2024	P246A00136	$	150.00	COPY EXPRESS, INC	6/6/2024	EFT	35
5/2/2024	265797	4/29/2024	PO0000352	$	700.00	STANDARD OFFICE SUPPLIES	6/6/2024	EFT	35
5/2/2024	688461	4/29/2024	PO0000335	$	632.00	NET CIRCUIT DBA COMPACIFIC	6/6/2024	EFT	35
5/2/2024	1128122	4/26/2024	P246A00138	$	1,049.90	MICROPAC INC	6/6/2024	EFT	35
5/17/2024	5-582033	5/3/2024	P246A00189	$	15.00	PACIFIC TYRE	6/21/2024	EFT	35
5/17/2024	5-582222	5/6/2024	P246A00189	$	15.00	PACIFIC TYRE	6/21/2024	EFT	35
5/21/2024	241882	5/13/2024	PO0000658	$	370.96	PACIFIC DATA SYSTEMS	6/25/2024	EFT	35
7/8/2024	230671195	7/1/2024	P246A00075	$	105.91	XEROX CORPORATION	8/12/2024	EFT	35
7/8/2024	230665756	6/1/2024	P246A00075	$	623.35	XEROX CORPORATION	8/12/2024	EFT	35
7/8/2024	230665835	6/1/2024	P246A00075	$	4,012.93	XEROX CORPORATION	8/12/2024	EFT	35
7/8/2024	230671218	7/1/2024	P246A00075	$	4,012.93	XEROX CORPORATION	8/12/2024	EFT	35
9/13/2024	689140	8/8/2024	PO0000337	$	17,920.00	NET CIRCUIT DBA COMPACIFIC	10/18/2024	EFT	35
12/27/2022	243136	12/20/2022	P236A01602	$	495.64	ONE STOP AUTO REPAIR	1/30/2023	754361	34
12/27/2022	243141	12/20/2022	P236A01606	$	15.00	ONE STOP AUTO REPAIR	1/30/2023	754361	34
12/27/2022	243110	12/20/2022	P236A01606	$	15.00	ONE STOP AUTO REPAIR	1/30/2023	754361	34
3/8/2023	C00016430	3/7/2023	P236A01200	$	5.00	COPY EXPRESS	4/11/2023	EFT	34
4/26/2023	5-553416	4/25/2023	P236A03366	$	47.38	PACIFIC TYRE	5/30/2023	EFT	34
5/18/2023	5-554875	5/17/2023	P236A01603	$	15.00	PACIFIC TYRE	6/21/2023	EFT	34

6/9/2023	1118624	6/7/2023	P236A01972	$	678.70	MICROPAC INC	7/13/2023	EFT	34
7/12/2023	97838	6/28/2023	P236A02907	$	5,451.20	GRAPHIC CENTER, INC	8/15/23	EFT	34
7/12/2023	14637-327089	6/16/2023	P236A03946	$	71.92	CARQUEST OF GUAM	8/15/23	758764	34
9/26/2023	253367	9/20/2023	P236A02891	$	1,057.60	STANDARD OFFICE SUPPLIES	10/30/23	EFT	34
10/12/2023	23-2114INV	9/25/2023	P236A04999	$	656.40	PROMOTIONS SPECIALTIES	11/15/23	EFT	34
10/12/2023	138869	9/5/2023	P236A05000	$	3,000.00	AMERICAN PRINTING CORPORATION	11/15/23	EFT	34
11/9/2023	2300122438	10/19/2023	P236A04638	$	1,499.99	JC MARKETING, INC	12/13/23	EFT	34
11/30/2023	16339	11/29/2023	P246A00648	$	23,304.00	SANFORD TECHNOLOGY GROUP LLC	1/3/2024	EFT	34
11/30/2023	34508	11/30/2023	P246A00166	$	100.00	MEGABYTE	1/3/2024	EFT	34
3/27/2024	181211	3/27/2024	P246A00188	$	70.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	4/30/2024	EFT	34
5/3/2024	230654689	5/1/2024	P246A00075	$	1,789.60	XEROX CORPORATION	6/6/2024	EFT	34
5/3/2024	230654690	5/1/2024	P246A00075	$	4,012.93	XEROX CORPORATION	6/6/2024	EFT	34
6/21/2024	104122	6/3/2024	P246A00200	$	60.00	GRAPHIC CENTER, INC	7/25/2024	EFT	34
11/12/2024	A95503	8/19/2024	P246A01801	$	560.00	THE GUAM DAILY POST, LLC	12/16/2024	EFT	34
11/12/2024	A95493	8/19/2024	P246A01801	$	672.00	THE GUAM DAILY POST, LLC	12/16/2024	EFT	34
12/15/2022	5-543321	12/9/2022	P236A01159	$	276.64	PACIFIC TYRE	1/17/2023	EFT	33
12/28/2022	C00015981	12/28/2022	P236A01200	$	5.30	COPY EXPRESS	1/30/2023	EFT	33
3/15/2023	230543528 - FEB	3/13/2023	P236A01979	$	889.03	XEROX CORPORATION	4/17/2023	EFT	33
5/10/2023	16321272	5/1/2023	P236A02358	$	84.00	I T & E CORPORATION	6/12/2023	EFT	33
5/17/2023	16075	5/16/2023	P236A03475	$	983.00	SANFORD TECHNOLOGY GROUP LLC	6/19/2023	EFT	33
5/19/2023	NB-1118234	5/19/2023	P236A01206	$	209.95	MICROPAC INC	6/21/2023	EFT	33
5/19/2023	685404	5/19/2023	P236A02748	$	302.94	NET CIRCUIT DBA COMPACIFIC	6/21/2023	EFT	33
10/13/2023	23-2104	8/22/2023	P236A05545	$	1,400.00	PROMOTIONS SPECIALTIES	11/15/23	EFT	33
3/6/2024	429912	3/4/2024	P246A00155	$	198.00	BENSON GUAM ENTERPRISES, INC.	4/8/2024	EFT	33
3/6/2024	C00018635	3/1/2024	P246A00194	$	31.00	COPY EXPRESS, INC.	4/8/2024	EFT	33
3/6/2024	C00018634	3/1/2024	P246A01709	$	31.00	COPY EXPRESS, INC.	4/8/2024	EFT	33
3/6/2024	C00018657	3/6/2024	P246A01709	$	62.00	COPY EXPRESS, INC.	4/8/2024	EFT	33
3/28/2024	1347/1	3/28/2024	P246A00156	$	50.96	ERC HARDWARE EXPRESS-DEDEDO	4/30/2024	EFT	33
3/28/2024	031972	3/28/2024	P246A01910	$	6,850.00	DIMENSION SYSTEMS	4/30/2024	EFT	33
4/4/2024	3215	4/2/2024	P246A00151	$	65.00	ISLAND SHINE MULTISERVICES	5/7/2024	1003270	33
4/4/2024	DC 18702	4/4/2024	P246A01709	$	338.00	COPY EXPRESS, INC.	5/7/2024	EFT	33
10/2/2024	230689425	9/1/2024	P246A00080	$	10.00	XEROX CORPORATION	11/4/2024	EFT	33
10/2/2024	230689568	9/1/2024	P246A00080	$	1,416.17	XEROX CORPORATION	11/4/2024	EFT	33
2/23/2023	74725886	10/29/2023	P236A01974	$	196.00	LABCORP OF AMERICA HOLDINGS	3/27/2023	755635	32
2/23/2023	75508261	1/28/2023	P236A01974	$	294.00	LABCORP OF AMERICA HOLDINGS	3/27/2023	755635	32
2/23/2023	75309574	12/30/2022	P236A01974	$	196.00	LABCORP OF AMERICA HOLDINGS	3/27/2023	755635	32
3/10/2023	C00016453	3/9/2023	P236A01200	$	1,435.20	COPY EXPRESS	4/11/2023	EFT	32
3/10/2023	C00016465	3/10/2023	P236A01200	$	48.00	COPY EXPRESS	4/11/2023	EFT	32
3/23/2023	A447981	3/23/2023	P236A01720	$	65.92	ERC HARDWARE EXPRESS-DEDEDO	4/24/2023	EFT	32
7/24/2023	230555022	5/1/2023	P236A00373	$	4,012.93	XEROX CORPORATION	8/25/23	EFT	32
7/24/2023	230555084	5/1/2023	P236A00373	$	691.62	XEROX CORPORATION	8/25/23	EFT	32
7/24/2023	461972/1	7/19/2023	P236A03365	$	45.99	GUAM HOME CENTER	8/25/23	EFT	32
8/4/2023	283152	8/3/2023	P236A03363	$	56.98	BENSON GUAM ENTERPRISES, INC.	9/5/23	759253	32
8/4/2023	516/1	8/4/2023	P236A03364	$	47.98	ERC HARDWARE EXPRESS-DEDEDO	9/5/23	EFT	32
11/13/2023	23-00233	10/25/2023	P236A04799	$	11,984.00	DATA MANAGEMENT RESOURCES, LLC	12/15/23	EFT	32
3/7/2024	DC 18630	3/5/2024	P246A01709	$	858.00	COPY EXPRESS, INC.	4/8/2024	EFT	32
4/4/2024	101525	1/19/2024	P246A01711	$	440.00	GRAPHIC CENTER, INC	5/6/2024	EFT	32
4/4/2024	101573	1/19/2024	P246A01711	$	208.00	GRAPHIC CENTER, INC	5/6/2024	EFT	32

4/5/2024	5-579743	4/4/2024	P246A00189	$	15.00	PACIFIC TYRE	5/7/2024	EFT	32
6/21/2024	104328	6/6/2024	P246A00200	$	40.00	GRAPHIC CENTER, INC	7/23/2024	EFT	32
6/21/2024	270122	5/21/2024	P246A00190	$	263.95	ONE STOP AUTO REPAIR	7/23/2024	1004638	32
6/21/2024	24052301GAG	5/23/2024	P246A00152	$	179.98	DETAILS UNLIMITED, LP	7/23/2024	1004628	32
7/29/2024	24385	5/14/2024	P246A01458	$	5,428.50	DEWITT TRANSPORTATION SERVICES	8/30/2024	EFT	32
9/19/2024	100701	9/11/2024	PO0000351	$	120.00	SUNLEADER GUAM CO., LTD	10/21/2024	EFT	32
10/3/2024	C00019827	9/16/2024	P246A00201	$	11.56	COPY EXPRESS, INC.	11/4/2024	EFT	32
10/3/2024	95	9/20/2024	PO0002412	$	1,819.35	EMC, INCORPORATED DBA: SHOP-4-LESS	11/4/2024	EFT	32
10/3/2024	469509/1	9/20/2024	PO0001558	$	207.87	Guam Home Center	11/4/2024	EFT	32
10/3/2024	BT082624OAG	8/26/2024	PO0001439	$	8,875.00	Bargain Tactical	11/4/2024	EFT	32
1/20/2023	5-546335	1/20/2023	P236A01607	$	15.00	PACIFIC TYRE	2/20/2023	EFT	31
5/15/2023	97000	4/25/2023	P236A01195	$	640.00	GRAPHIC CENTER, INC	6/15/2023	EFT	31
6/5/2023	235719	6/5/2023	P236A03363	$	17.95	BENSON GUAM ENTERPRISES, INC.	7/6/2023	758015	31
7/18/2023	138640	7/14/2023	P236A01199	$	295.00	AMERICAN PRINTING CORPORATION	8/18/23	EFT	31
7/18/2023	138646	7/17/2023	P236A01199	$	66.00	AMERICAN PRINTING CORPORATION	8/18/23	EFT	31
7/18/2023	138634	7/13/2023	P236A01199	$	80.00	AMERICAN PRINTING CORPORATION	8/18/23	EFT	31
7/18/2023	448/1	7/18/2023	P236A03364	$	47.98	ERC HARDWARE EXPRESS-DEDEDO	8/18	EFT	31
7/18/2023	248988	7/15/2023	P236A05116	$	132.60	STANDARD OFFICE SUPPLIES	8/18/2023	EFT	31
7/18/2023	N-72356	7/15/2023	P236A05129	$	778.00	NATIONAL OFFICE SUPPLY	8/18/2023	EFT	31
10/17/2023	230601569	10/1/2023	P236A01978	$	10.00	XEROX CORPORATION	11/17/23	EFT	31
11/17/2023	S-225609	11/10/2023	P236A02138	$	22.00	NATIONAL OFFICE SUPPLY	12/18/23	EFT	31
3/8/2024	139638	3/8/2024	P246A00177	$	92.00	AMERICAN PRINTING CORPORATION	4/8/2024	EFT	31
8/26/2024	230680265	8/1/2024	P246A00075	$	10.00	XEROX CORPORATION	9/26/2024	EFT	31
8/26/2024	230680266	8/1/2024	P246A00075	$	1,416.17	XEROX CORPORATION	9/26/2024	EFT	31
9/20/2024	850694858	9/1/2024	P246A00386	$	31.29	WEST PUBLISHING CORPORATION	10/21/2024	EFT	31
10/15/2024	24-2499INV	9/5/2024	PO0001538	$	3,337.23	PROMOTIONS SPECIALTIES	11/15/2024	EFT	31
10/21/2024	24-2535INV	9/30/2024	PO0002325	$	1,555.84	PROMOTIONS SPECIALTIES	11/21/2024	EFT	31
10/21/2024	2097/1	9/30/2024	P246A00762	$	163.80	ERC HARDWARE EXPRESS-DEDEDO	11/21/2024	EFT	31
3/13/2023	179166	3/13/2023	P236A03363	$	257.48	BENSON GUAM ENTERPRISES, INC.	4/12/2023	756143	30
3/20/2023	B101530	3/20/2023	P236A01720	$	16.28	ERC HARDWARE EXPRESS-DEDEDO	4/19/2023	EFT	30
3/20/2023	183616	3/20/2023	P236A03363	$	97.45	BENSON GUAM ENTERPRISES, INC.	4/19/2023	756317	30
3/21/2023	C00016540	3/21/2023	P236A01200	$	15.00	COPY EXPRESS	4/20/2023	EFT	30
3/29/2023	79666	3/29/2023	P236A01205	$	749.75	MEGABYTE	4/28/2023	EFT	30
3/29/2023	189516	3/29/2023	P236A03363	$	53.98	BENSON GUAM ENTERPRISES, INC.	4/28/2023	756561	30
3/29/2023	C00016614	3/29/2023	P236A03690	$	50.00	COPY EXPRESS, INC.	4/28/2023	EFT	30
5/16/2023	1021	4/25/2023	P236A04171	$	2,544.00	WANG BROTHER'S HOLDING LLC	6/15/2023	EFT	30
7/18/2023	138635	7/13/2023	P236A03339	$	1,380.00	AMERICAN PRINTING CORPORATION	8/17/2023	EFT	30
7/18/2023	S-224095	7/11/2023	P236A04965	$	1,413.00	NATIONAL OFFICE SUPPLY	8/17/23	EFT	30
7/18/2023	248691	7/10/2023	P236A05116	$	438.28	STANDARD OFFICE SUPPLIES	8/17/2023	EFT	30
11/13/2023	2604	11/3/2023	P236A05607	$	1,599.60	EMC, INCORPORATED DBA: SHOP-4-LESS	12/13/23	761160	30
1/3/2024	20-00245	12/19/2023	P236A05384	$	91,069.00	DATA MANAGEMENT RESOURCES, LLC	2/2/24	EFT	30
12/4/2023	100677	12/1/2023	P246A00196	$	224.00	GRAPHIC CENTER, INC	1/3/2024	EFT	30
12/4/2023	230612277	11/9/2023	P246A00075	$	962.36	XEROX CORPORATION	1/3/2024	EFT	30
12/4/2023	230612273	11/9/2023	P246A00075	$	4,012.93	XEROX CORPORATION	1/3/2024	EFT	30
12/4/2023	230614676	12/1/2023	P246A00075	$	4,012.93	XEROX CORPORATION	1/3/2024	EFT	30
12/4/2023	IS-G-2846	12/1/2023	P246A00151	$	65.00	ISLAND SHINE MULTISERVICES	1/3/2024	761606	30
12/4/2023	IS-G-2858	12/4/2023	P246A00151	$	65.00	ISLAND SHINE MULTISERVICES	1/3/2024	761606	30
6/12/2024	230654488	5/1/2024	P246A00085	$	542.32	XEROX CORPORATION	7/12/2024	EFT	30

6/12/2024	230665815	5/1/2024	P246A00085	$	500.68	XEROX CORPORATION	7/12/2024	EFT	30
6/12/2024	850256983	6/1/2024	P246A00386	$	1,265.72	WEST PUBLISHING CORPORATION	7/12/2024	EFT	30
11/20/2024	5087		PO0001534	$	200.00	CODE 1 LAW ENFORCEMENT SUPPLY	12/20/2024	1007706	30
11/20/2024	5088		PO0000903	$	1,960.00	CODE 1 LAW ENFORCEMENT SUPPLY	12/20/2024	1007706	30
11/20/2024	5086		PO0002484	$	438.00	CODE 1 LAW ENFORCEMENT SUPPLY	12/20/2024	1007706	30
3/13/2023	C00016470	3/10/2023	P236A01200	$	13.00	COPY EXPRESS	4/11/2023	EFT	29
3/13/2023	C00016431	3/7/2023	P236A03220	$	900.00	COPY EXPRESS	4/11/2023	EFT	29
4/12/2023	685041	4/12/2023	P236A02748	$	204.65	NET CIRCUIT DBA COMPACIFIC	5/11/2023	EFT	29
4/13/2023	176061	4/13/2023	P236A01604	$	59.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	5/12/2023	EFT	29
4/18/2023	202965	4/18/2023	P236A03363	$	43.94	BENSON GUAM ENTERPRISES, INC.	5/17/2023	757121	29
5/17/2023	15993	3/30/2023	P236A03475	$	2,038.00	SANFORD TECHNOLOGY GROUP LLC	6/15/2023	EFT	29
8/1/2023	138686	7/3/2023	P236A01207	$	214.00	AMERICAN PRINTING CORPORATION	8/30/23	EFT	29
8/3/2023	2624237 RI	8/2/2023	P236A03340	$	1,370.60	VERNON COMPANY (THE)	9/1/23	EFT	29
8/7/2023	284479	8/4/2023	P236A03363	$	31.96	BENSON GUAM ENTERPRISES, INC.	9/5/23	759253	29
8/7/2023	249986	8/3/2023	P236A05253	$	273.44	STANDARD OFFICE SUPPLIES	9/5/23	EFT	29
9/7/2023	31529	8/28/2023	P236A04283	$	2,634.00	DIMENSION SYSTEMS	10/6/2023	EFT	29
10/2/2023	98496	7/31/2023	P236A05066	$	3,890.46	GRAPHIC CENTER, INC	10/31/23	EFT	29
10/2/2023	98496 A	9/5/2023	P236A05066	$	480.00	GRAPHIC CENTER, INC	10/31/23	EFT	29
10/17/2023	23-2061INV	8/2/2023	P236A04999	$	190.00	PROMOTIONS SPECIALTIES	11/15/23	EFT	29
10/17/2023	23-2072INV	8/14/2023	P236A04999	$	312.00	PROMOTIONS SPECIALTIES	11/15/23	EFT	29
11/16/2023	450361	11/13/2023	P246A00207	$	168.99	BMI AUTOMOTIVE, LLC	12/15/2023	EFT	29
3/26/2024	849811388	3/1/2024	P246A00386	$	1,265.72	WEST PUBLISHING CORPORATION	4/24/2024	EFT	29
3/26/2024	849811389	3/1/2024	P246A00386	$	31.29	WEST PUBLISHING CORPORATION	4/24/2024	EFT	29
4/8/2024	73803	4/8/2024	P246A00166	$	295.80	MEGABYTE	5/7/2024	EFT	29
4/23/2024	C00018938	4/22/2024	P246A00174	$	1,000.00	COPY EXPRESS, INC.	5/22/2024	EFT	29
4/23/2024	139801	4/23/2024	P246A01710	$	210.00	AMERICAN PRINTING CORPORATION	5/22/2024	EFT	29
4/23/2024	139804	4/23/2024	P246A00177	$	736.00	AMERICAN PRINTING CORPORATION	5/22/2024	EFT	29
4/23/2024	21000568	4/1/2024	P246A00073	$	117.81	I T & E CORPORATION	5/22/2024	EFT	29
4/23/2024	C00018864	4/8/2024	P246A01522	$	1,250.00	COPY EXPRESS, INC.	5/22/2024	EFT	29
4/23/2024	C00018938	4/22/2024	D241100157	$	135.00	#N/A	5/22/2024	EFT	29
4/23/2024	C00018938	4/22/2024	PO0000634	$	2,750.00	COPY EXPRESS INC	5/22/2024	EFT	29
5/21/2024	C00019100	5/17/2024	P246A00136	$	336.00	COPY EXPRESS, INC.	6/19/2024	EFT	29
5/21/2024	C00019101	5/17/2024	P246A00136	$	48.00	COPY EXPRESS, INC.	6/19/2024	EFT	29
6/26/2024	C00019345	6/25/2024	P246A00136	$	162.00	COPY EXPRESS, INC.	7/25/2024	EFT	29
12/21/2022	5-543678	12/21/2022	P236A01603	$	537.69	PACIFIC TYRE	1/18/2023	EFT	28
3/10/2023	230539466 - FEB	3/1/2023	P236A01978	$	1,416.17	XEROX CORPORATION	4/7/2023	EFT	28
3/10/2023	230539626 - FEB	3/1/2023	P236A01978	$	10.00	XEROX CORPORATION	4/7/2023	EFT	28
3/24/2023	5-550951	3/22/2023	P236A01603	$	134.22	PACIFIC TYRE	4/21/2023	EFT	28
4/13/2023	138311	4/13/2023	P236A01199	$	55.00	AMERICAN PRINTING CORPORATION	5/11/2023	EFT	28
4/13/2023	5-552482	4/12/2023	P236A03366	$	99.07	PACIFIC TYRE	5/11/2023	EFT	28
6/19/2023	14637-327096	6/16/2023	P236A03946	$	19.69	CARQUEST OF GUAM	7/17/2023	758226	28
6/19/2023	14637-327127	6/16/2023	P236A03946	$	20.56	CARQUEST OF GUAM	7/17/2023	758226	28
12/1/2023	16340	11/30/2023	P236A05748	$	19,234.00	SANFORD TECHNOLOGY GROUP LLC	12/29/23	EFT	28
12/6/2023	370347	12/5/2023	P246A00155	$	28.98	BENSON GUAM ENTERPRISES, INC.	1/3/2024	EFT	28
3/26/2024	79128847	3/12/2024	P246A00093	$	98.00	LABCORP OF AMERICA HOLDINGS	4/23/2024	1002929	28
4/9/2024	139749	4/8/2024	P246A00177	$	30.00	AMERICAN PRINTING CORPORATION	5/7/2024	EFT	28

4/24/2024	15131491	2/1/2024	PO0000217	$	490.00	DOCOMO PACIFIC INC.	5/22/2024	EFT	28
4/24/2024	15180203	3/1/2024	PO0000217	$	490.00	DOCOMO PACIFIC INC.	5/22/2024	EFT	28
4/24/2024	15230542	4/1/2024	PO0000217	$	490.00	DOCOMO PACIFIC INC.	5/22/2024	EFT	28
6/12/2024	230647688	4/1/2024	P246A00080	$	10.00	XEROX CORPORATION	7/10/2024	EFT	28
6/12/2024	230665793	6/1/2024	P246A00080	$	1,416.17	XEROX CORPORATION	7/10/2024	EFT	28
8/19/2024	230680302	8/1/2024	P246A00075	$	318.19	XEROX CORPORATION	9/16/2024	EFT	28
8/19/2024	230680249	8/1/2024	P246A00075	$	4,012.93	XEROX CORPORATION	9/16/2024	EFT	28
10/24/2024	221827	9/5/2024	PO0001564	$	254.20	NATIONAL OFFICE SUPPLY	11/21/2024	EFT	28
10/24/2024	2704008RI	9/24/2024	PO0001539	$	1,497.60	VERNON COMPANY (THE)	11/21/2024	EFT	28
2/14/2023	14177771	2/1/2023	P236A00372	$	557.03	TELEGUAM HOLDINGS, LLC	3/13/2023	EFT	27
3/21/2023	138175	3/17/2023	P236A01199	$	55.00	AMERICAN PRINTING CORPORATION	4/17/2023	EFT	27
3/21/2023	138178	3/17/2023	P236A03339	$	630.00	AMERICAN PRINTING CORPORATION	4/17/2023	EFT	27
3/22/2023	5-549440	3/1/2023	P236A02318	$	347.45	PACIFIC TYRE	4/18/2023	EFT	27
3/24/2023	5-550924	3/21/2023	P236A01603	$	15.00	PACIFIC TYRE	4/20/2023	EFT	27
4/4/2023	175771	3/30/2023	P236A01604	$	104.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	5/1/2023	EFT	27
4/4/2023	175772	3/30/2023	P236A01604	$	40.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	5/1/2023	EFT	27
4/6/2023	138276	4/4/2023	P236A01199	$	55.00	AMERICAN PRINTING CORPORATION	5/3/2023	EFT	27
4/7/2023	16000	4/5/2023	P236A03726	$	950.00	SANFORD TECHNOLOGY GROUP LLC	5/4/2023	EFT	27
8/1/2023	2623556 RI	7/28/2023	P236A05001	$	1,278.00	VERNON COMPANY (THE)	8/28/23	EFT	27
8/1/2023	2623557 RI	7/28/2023	P236A05001	$	1,482.00	VERNON COMPANY (THE)	8/28/23	EFT	27
8/11/2023	286819	8/8/2023	P236A03363	$	71.88	BENSON GUAM ENTERPRISES, INC.	9/7/23	759304	27
10/19/2023	77616730	8/22/2023	P236A01974	$	294.00	LABCORP OF AMERICA HOLDINGS	11/15/23	760663	27
10/19/2023	23-00194	9/19/2023	P236A02391	$	3,000.00	DATA MANAGEMENT RESOURCES, LLC	11/15/23	EFT	27
10/19/2023	23-00197	9/21/2023	P236A02938	$	11,180.00	DATA MANAGEMENT RESOURCES, LLC	11/15/23	EFT	27
10/19/2023	23-00195	9/19/2023	P236A03060	$	4,630.00	DATA MANAGEMENT RESOURCES, LLC	11/15/23	EFT	27
10/19/2023	2022-20571	10/13/2023	P236A05553	$	162.50	JARAGI CORP. DBA OFFICE SMART	11/15/23	EFT	27
10/19/2023	31630	10/16/2023	P236A05794	$	4,775.00	DIMENSION SYSTEMS	11/15/23	EFT	27
12/7/2023	100663	12/4/2023	P246A00200	$	2,430.00	GRAPHIC CENTER, INC	1/3/2024	EFT	27
12/7/2023	179919	12/7/2023	P246A00188	$	69.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	1/3/2024	EFT	27
12/13/2023	78176891	12/5/2023	P246A00093	$	294.00	LABCORP OF AMERICA HOLDINGS	1/9/2024	761865	27
10/24/2024	221803	9/3/2024	PO0002198	$	155.80	NATIONAL OFFICE SUPPLY	11/20/2024	EFT	27
3/15/2023	230543488 - JAN	3/13/2023	P236A01979	$	759.62	XEROX CORPORATION	4/10/2023	EFT	26
3/15/2023	230543468 - DEC	3/12/2023	P236A01979	$	773.71	XEROX CORPORATION	4/10/2023	EFT	26
3/29/2023	5-551101	3/24/2023	P236A01603	$	53.23	PACIFIC TYRE	4/24/2023	EFT	26
3/29/2023	240832	2/2/2023	P236A02832	$	102.56	STANDARD OFFICE SUPPLIES	4/24/2023	EFT	26
4/13/2023	29605	4/10/2023	P236A02983	$	399.00	PAT'S WINDOW TINTING	5/9/2023	756896	26
6/15/2023	848398133 - MAY	6/1/2023	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	7/11/2023	EFT	26
8/2/2023	685354	5/12/2023	P236A02750	$	1,089.28	NET CIRCUIT DBA COMPACIFIC	8/28/23	EFT	26
8/2/2023	98433	7/25/2023	P236A05066	$	865.00	GRAPHIC CENTER, INC	8/28/23	EFT	26
8/2/2023	C00017260	7/26/2023	P236A05067	$	3,320.00	COPY EXPRESS, INC.	8/28/23	EFT	26
8/2/2023	C00017261	7/31/2023	P236A05067	$	956.25	COPY EXPRESS, INC.	8/28/23	EFT	26
10/5/2023	79643	9/22/2023	P236A03818	$	425.75	MEGABYTE	10/31/23	EFT	26
4/4/2024	3210	4/1/2024	P246A00151	$	65.00	ISLAND SHINE MULTISERVICES	4/30/2024	1003069	26
4/11/2024	77	4/4/2024	PO0000485	$	1,559.60	EMC, INCORPORATED DBA: SHOP-4-LESS	5/7/2024	EFT	26

6/19/2023	2611233RI	5/26/2023	P236A01210	$	449.00	VERNON COMPANY (THE)	7/14/2023	EFT	25
6/19/2023	247606	6/15/2023	P236A04714	$	349.88	STANDARD OFFICE SUPPLIES	7/14/2023	EFT	25
10/6/2023	253392	9/21/2023	P236A02038	$	78.94	STANDARD OFFICE SUPPLIES	10/31/23	EFT	25
12/15/2023	23110105	11/30/2023	P246A00146	$	1,000.00	CHOICE BROADCASTING CO. LLC	1/9/2024	761869	25
1/8/2024	230625605	1/1/2024	P246A00075	$	4,012.93	XEROX CORPORATION	2/2/2024	EFT	25
3/14/2024	139655	3/13/2024	P246A01710	$	170.00	AMERICAN PRINTING CORPORATION	4/8/2024	EFT	25
6/28/2024	79808144	4/6/2024	P246A00093	$	98.00	LABCORP OF AMERICA HOLDINGS	7/23/2024	1004637	25
6/28/2024	79808148	4/6/2024	P246A00093	$	98.00	LABCORP OF AMERICA HOLDINGS	7/23/2024	1004637	25
6/28/2024	79808152	4/6/2024	P246A00093	$	98.00	LABCORP OF AMERICA HOLDINGS	7/23/2024	1004637	25
6/28/2024	849960174	4/1/2024	P246A00386	$	1,265.72	WEST PUBLISHING CORPORATION	7/23/2024	EFT	25
8/19/2024	ZM-1130636	8/6/2024	P246A00138	$	119.95	MICROPAC INC	9/13/2024	EFT	25
10/21/2024	24-2359INV	9/16/2024	PO0000344	$	2,101.44	PROMOTIONS SPECIALTIES	11/15/2024	EFT	25
12/5/2022	14102263	12/1/2022	P236A00372	$	982.25	TELEGUAM HOLDINGS, LLC	12/29/2022	EFT	24
1/6/2023	SE-14177	1/6/2023	P236A02176	$	183.82	SCHOOL ESSENTIALS	1/30/2023	EFT	24
1/27/2023	230526790 - DEC	1/17/2023	P236A01978	$	10.00	XEROX CORPORATION	2/20/2023	EFT	24
1/27/2023	230526789 - DEC	1/17/2023	P236A01978	$	1,416.17	XEROX CORPORATION	2/20/2023	EFT	24
2/13/2023	5-547987	2/10/2023	P236A01607	$	15.00	PACIFIC TYRE	3/9/2023	EFT	24
3/31/2023	SE-14229	3/24/2023	P236A03737	$	40.68	SCHOOL ESSENTIALS	4/24/2023	EFT	24
4/3/2023	248449	4/3/2023	P236A03871	$	184.95	ONE STOP AUTO REPAIR	4/27/2023	756553	24
7/17/2023	848556326 - JUN	7/1/2023	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	08/10/23	EFT	24
8/1/2023	215741	6/28/2023	P236A04971	$	90.00	NATIONAL OFFICE SUPPLY	8/25/23	EFT	24
8/21/2023	A88184	5/9/2023	P236A03361	$	224.00	THE GUAM DAILY POST, LLC	9/14/23	EFT	24
10/23/2023	686822	10/13/2023	P236A05671	$	448.00	NET CIRCUIT DBA COMPACIFIC	11/16/23	EFT	24
12/11/2023	100477	11/20/2023	P246A00135	$	432.50	GRAPHIC CENTER, INC	1/4/2024	EFT	24
12/11/2023	2023-2699	12/7/2023	P246A01407	$	300.00	JTC SERVICES GUAM INC.	1/4/2024	EFT	24
3/15/2024	2024-07	1/30/2024	P246A01638	$	351.00	JARAGI CORP. DBA OFFICE SMART	4/8/2024	EFT	24
10/28/2024	262700	3/4/2024	P246A01408	$	223.20	STANDARD OFFICE SUPPLIES	11/21/2024	EFT	24
3/20/2023	89435	3/13/2023	P236A02909	$	684.00	SIGN WRITE	4/12/2023	756146	23
12/13/2023	139256	12/12/2023	P246A00195	$	250.00	AMERICAN PRINTING CORPORATION	1/5/2024		23
12/13/2023	IS-G-2877	12/11/2023	P246A00151	$	65.00	ISLAND SHINE MULTISERVICES	1/5/2024	761770	23
12/13/2023	IS-G-2879	12/11/2023	P246A00151	$	65.00	ISLAND SHINE MULTISERVICES	1/5/2024	761770	23
12/13/2023	S2-681214	12/12/2023	P246A00206	$	89.00	GOPEZ CORPORATION DBA: DIAMOND	1/5/2024	EFT	23
4/29/2024	1421/1	4/17/2024	P246A00156	$	32.99	ERC HARDWARE EXPRESS-DEDEDO	5/22/2024	EFT	23
4/29/2024	219601	4/17/2024	PO0000336	$	218.62	NATIONAL OFFICE SUPPLY	5/22/2024	EFT	23
4/29/2024	466632/1	4/22/2024	P246A00157	$	225.58	GUAM HOME CENTER	5/22/2024	EFT	23
8/20/2024	105490	8/2/2024	P246A01711	$	425.00	GRAPHIC CENTER, INC	9/12/2024	EFT	23
8/20/2024	105676	8/6/2024	P246A01711	$	107.50	GRAPHIC CENTER, INC	9/12/2024	EFT	23
10/28/2024	32270	8/23/2024	P246A00509	$	150.00	DIMENSION SYSTEMS	11/20/2024	EFT	23
10/28/2024	32260	8/16/2024	P246A00509	$	150.00	DIMENSION SYSTEMS	11/20/2024	EFT	23
10/28/2024	32285	8/27/2024	P246A00509	$	150.00	DIMENSION SYSTEMS	11/20/2024	EFT	23
10/28/2024	32233	7/31/2024	P246A00509	$	150.00	DIMENSION SYSTEMS	11/20/2024	EFT	23
4/6/2023	2600334RI	3/29/2023	P236A01210	$	814.75	VERNON COMPANY (THE)	4/28/2023	EFT	22
4/18/2023	C00016716	4/11/2023	P236A01212	$	290.00	COPY EXPRESS	5/10/2023	EFT	22
11/22/2023	0016489-IN	11/13/2023	P236A04561	$	320.00	JOHNDEL INTERNATIONAL, INC	12/14/23	EFT	22
12/13/2023	34522	12/1/2023	P246A00139	$	589.75	MEGABYTE	1/4/2024	EFT	22
12/13/2023	257719	12/8/2023	P246A01211	$	880.82	STANDARD OFFICE SUPPLIES	1/4/2024	EFT	22
12/13/2023	230612269	11/9/2023	P246A00080	$	1,416.17	XEROX CORPORATION	1/4/2024	EFT	22
12/13/2023	230612270	11/9/2023	P246A00080	$	10.00	XEROX CORPORATION	1/4/2024	EFT	22
12/13/2023	230613172	12/1/2023	P246A00085	$	485.00	XEROX CORPORATION	1/4/2024	EFT	22
12/13/2023	230614530	12/1/2023	P246A00080	$	10.00	XEROX CORPORATION	1/4/2024	EFT	22
12/13/2023	230614553	12/1/2023	P246A00080	$	1,416.17	XEROX CORPORATION	1/4/2024	EFT	22

12/13/2023	230614668	12/1/2023	P246A00085	$	476.53	XEROX CORPORATION	1/4/2024	EFT	22
12/14/2023	24840	12/8/2023	P246A00159	$	467.50	GETS BUSINESS SYSTEM	1/5/2024	761766	22
1/11/2024	C00018308	1/11/2024	P246A00194	$	130.00	COPY EXPRESS, INC.	2/2/2024	EFT	22
4/9/2024	139673	3/19/2024	P246A00137	$	60.00	AMERICAN PRINTING CORPORATION	5/1/2024	EFT	22
4/9/2024	230647946	4/1/2024	P246A00080	$	1,416.17	XEROX CORPORATION	5/1/2024	EFT	22
4/10/2024	14719048	4/1/2024	P246A00084	$	650.00	TELEGUAM HOLDINGS, LLC	5/2/2024	EFT	22
4/15/2024	A93389	4/11/2024	P246A01801	$	364.00	THE GUAM DAILY POST, LLC	5/7/2024	EFT	22
2/23/2023	75309330 / Bill No. 75309329	12/31/2022	P236A01974	$	294.00	LABCORP OF AMERICA HOLDINGS	3/16/2023	755404	21
3/24/2023	243815	3/22/2023	P236A03738	$	40.40	STANDARD OFFICE SUPPLIES	4/14/2023	EFT	21
3/29/2023	15975	3/20/2023	P236A03240	$	775.00	SANFORD TECHNOLOGY GROUP LLC	4/19/2023	EFT	21
4/9/2024	3234	4/8/2024	P246A00151	$	65.00	ISLAND SHINE MULTISERVICES	4/30/2024	1003069	21
4/9/2024	466384/1	4/8/2024	P246A00157	$	19.96	GUAM HOME CENTER	4/30/2024	EFT	21
4/10/2024	73761	4/3/2024	P246A00139	$	397.00	MEGABYTE	5/1/2024	EFT	21
4/10/2024	S-226383	3/15/2024	P246A01116	$	319.90	NATIONAL OFFICE SUPPLY	5/1/2024	EFT	21
4/16/2024	4979	2/29/2024	P246A02178	$	1,600.00	TRI VISION MEDIA GROUP, LLC	5/7/2024	1003277	21
4/16/2024	5009	3/31/2024	P246A02178	$	1,600.00	TRI VISION MEDIA GROUP, LLC	5/7/2024	1003277	21
5/1/2024	A93624	4/22/2024	P246A01801	$	672.00	THE GUAM DAILY POST, LLC	5/22/2024	EFT	21
8/19/2024	22706486	8/1/2024	PO0001553	$	111.90	IT&E Corporation	9/9/2024	EFT	21
8/26/2024	230680265	8/1/2024	P246A00080	$	10.00	XEROX CORPORATION	9/16/2024	EFT	21
8/26/2024	230680266	8/1/2024	P246A00080	$	1,416.17	XEROX CORPORATION	9/16/2024	EFT	21
1/27/2023	S-220401	1/17/2023	P236A02339	$	461.05	NATIONAL OFFICE SUPPLY	2/16/2023	EFT	20
3/29/2023	2022-05169	3/22/2023	P236A03736	$	157.00	JARAGI CORP. DBA OFFICE SMART	4/18/2023	EFT	20
6/1/2023	97611	5/19/2023	P236A01195	$	54.00	GRAPHIC CENTER, INC	6/21/2023	EFT	20
12/14/2023	SE-14355	12/6/2023	P236A02892	$	14.90	SCHOOL ESSENTIALS	1/3/24	EFT	20
12/14/2023	23.1207.2	12/7/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	1/3/2024	761609	20
12/14/2023	23.1211.3	12/11/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	1/3/2024	761609	20
12/14/2023	23.1212.4	12/12/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	1/3/2024	761609	20
3/19/2024	266812	3/18/2024	P246A00190	$	15.00	ONE STOP AUTO REPAIR	4/8/2024	1002197	20
4/17/2024	2676721 RI	4/11/2024	P246A00175	$	270.00	VERNON COMPANY (THE)	5/7/2024	EFT	20
4/17/2024	IN202404238	4/15/2024	PO0000184	$	269.70	PROLINE-SHEN ENT	5/7/2024	1003275	20
5/2/2024	24041701GAG	4/30/2024	P246A00152	$	89.99	DETAILS UNLIMITED, LP	5/22/2024	1003620	20
5/2/2024	24041901GAG	4/30/2024	P246A00152	$	89.99	DETAILS UNLIMITED, LP	5/22/2024	1003620	20
5/2/2024	24042301GAG	4/25/2024	P246A00152	$	89.99	DETAILS UNLIMITED, LP	5/22/2024	1003620	20
5/2/2024	24042501GAG	4/25/2024	P246A00152	$	89.99	DETAILS UNLIMITED, LP	5/22/2024	1003620	20
5/2/2024	2679538 RI	4/30/2024	P246A00175	$	715.00	VERNON COMPANY (THE)	5/22/2024	EFT	20
5/17/2024	C00018932	4/19/2024	P246A00201	$	450.00	COPY EXPRESS, INC.	6/6/2024	EFT	20
5/17/2024	C00018861	4/8/2024	P246A00201	$	486.00	COPY EXPRESS, INC.	6/6/2024	EFT	20
5/17/2024	15276934	5/1/2024	PO0000217	$	490.00	DOCOMO PACIFIC INC.	6/6/2024	EFT	20
5/17/2024	C00018437	2/2/2024	P246A01709	$	43.82	COPY EXPRESS, INC.	6/6/2024	EFT	20
5/17/2024	C00018897	4/12/2024	P246A01709	$	90.75	COPY EXPRESS, INC.	6/6/2024	EFT	20
7/3/2024	104596	6/13/2024	P246A00200	$	63.00	GRAPHIC CENTER, INC	7/23/2024	EFT	20
8/20/2024	15418898	8/1/2024	PO0000217	$	490.00	DOCOMO PACIFIC INC.	9/9/2024	EFT	20
9/12/2024	469154/1	9/4/2024	PO0001558	$	36.28	Guam Home Center	10/2/2024	EFT	20
10/3/2024	A95790	9/6/2024	P246A01801	$	448.00	THE GUAM DAILY POST, LLC	10/23/2024	EFT	20
10/3/2024	A95883	9/9/2024	P246A01801	$	384.00	THE GUAM DAILY POST, LLC	10/23/2024	EFT	20
3/24/2023	79598	3/22/2023	P236A01973	$	649.95	MEGABYTE	4/12/2023	EFT	19
9/20/2023	3J-GSA04623-A	8/31/2023	P236A05144	$	22,900.00	TRIPLE J ENTERPRISES INC	10/09/23	759933	19
12/15/2023	180008	12/14/2023	P246A00188	$	109.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	1/3/2024	EFT	19
4/12/2024	73814	4/9/2024	P246A00139	$	263.80	MEGABYTE	5/1/2024	EFT	19

4/12/2024	73828	4/10/2024	P246A00139	$	114.85	MEGABYTE	5/1/2024	EFT	19
10/2/2024	850694857	9/1/2024	P246A00386	$	1,265.72	WEST PUBLISHING CORPORATION	10/21/2024	EFT	19
11/4/2022	14026692	10/1/2022	P236A00372	$	589.38	TELEGUAM HOLDINGS, LLC	11/22/2022	EFT	18
3/24/2023	242208	2/24/2023	P236A03239	$	295.56	STANDARD OFFICE SUPPLIES	4/11/2023	EFT	18
3/31/2023	5-551562	3/30/2023	P236A03872	$	101.69	PACIFIC TYRE	4/18/2023	EFT	18
4/6/2023	230546654 - MAR	4/1/2023	P236A01978	$	10.00	XEROX CORPORATION	4/24/2023	EFT	18
4/6/2023	230546685 - MAR	4/1/2023	P236A01978	$	1,416.17	XEROX CORPORATION	4/24/2023	EFT	18
4/6/2023	2342	3/24/2023	P236A03780	$	99.80	EMC, INCORPORATED DBA SHOP-4-LESS	4/24/2023	756457	18
4/13/2023	49	3/22/2023	P236A03846	$	168.30	EMC, INCORPORATED DBA SHOP-4-LESS	5/1/2023	756623	18
6/23/2023	230554997 - APRI	5/1/2023	P236A01978	$	10.00	XEROX CORPORATION	7/11/2023	EFT	18
8/4/2023	13054	7/28/2023	P236A05000	$	2,158.00	AMERICAN PRINTING CORPORATION	8/22/23	EFT	18
11/30/2023	31646	10/23/2023	P236A05700	$	2,209.00	DIMENSION SYSTEMS	12/18/23	EFT	18
12/18/2023	180043	12/18/2023	P246A00188	$	69.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	1/5/2024		18
12/18/2023	IS-G-2896	12/18/2023	P246A00151	$	65.00	ISLAND SHINE MULTISERVICES	1/5/2024	761770	18
1/4/2024	2024-01	1/2/2024	P246A00511	$	30.00	JARAGI CORP. DBA OFFICE SMART	1/22/2024	EFT	18
5/17/2024	21359276	5/1/2024	P246A00073	$	100.31	I T & E CORPORATION	6/4/2024	EFT	18
7/5/2024	24062801GAG	6/28/2024	P246A00152	$	190.00	DETAILS UNLIMITED, LP	7/23/2024	1004628	18
10/3/2024	100742	9/24/2024	PO0001173	$	70.00	SUNLEADER GUAM CO., LTD	10/21/2024	EFT	18
1/13/2023	238941	1/4/2023	P236A02139	$	257.40	STANDARD OFFICE SUPPLIES	1/30/2023	EFT	17
2/13/2023	34624	2/2/2023	P236A02755	$	3,563.00	KWAN SOFTWARE ENGINEERING INC	3/2/2023	EFT	17
3/31/2023	95823	2/17/2023	P236A01195	$	47.90	GRAPHIC CENTER, INC	4/17/2023	EFT	17
3/31/2023	175490	3/16/2023	P236A01604	$	53.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	4/17/2023	EFT	17
4/10/2023	14253761	4/1/2023	P236A00372	$	556.96	TELEGUAM HOLDINGS, LLC	4/27/2023	EFT	17
6/6/2023	230563712 -MAY	6/1/2023	P236A01978	$	1,416.17	XEROX CORPORATION	6/23/2023	EFT	17
10/17/2023	849039640	10/1/2023	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	11/03/23	EFT	17
11/13/2023	14522231	11/1/2023	P246A00084	$	650.00	TELEGUAM HOLDINGS, LLC	11/30/2023	EFT	17
4/1/2024	16466	3/28/2024	P246A00145	$	19,360.00	SANFORD TECHNOLOGY GROUP LLC	4/18/2024	EFT	17
4/1/2024	5-579128	3/27/2024	P246A00125	$	15.00	PACIFIC TYRE	4/18/2024	EFT	17
11/8/2024	100744	9/24/2024	PO0001568	$	60.00	Sunleader Guam Co. Ltd.	11/25/2024	EFT	17
11/8/2024	100741	9/24/2024	PO0002200	$	17.94	Sunleader Guam Co. Ltd.	11/25/2024	EFT	17
3/22/2023	139267	3/1/2023	P236A02318	$	121.12	PACIFIC TYRE	4/7/2023	EFT	16
6/6/2023	96 - MAY 2023/JU	6/1/2023	P236A01987	$	1,300.00	TELEGUAM HOLDINGS, LLC	6/22/2023	EFT	16
7/18/2023	14367457	7/1/2023	P236A01987	$	650.00	TELEGUAM HOLDINGS, LLC	8/3/2023	EFT	16
8/8/2023	348723126 -JULY	8/1/2023	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	8/24/23	EFT	16
9/20/2023	3J-GSA04623-B	8/31/2023	P236A05145	$	59,900.00	TRIPLE J ENTERPRISES INC	10/06/23	759890	16
12/20/2023	5-571530	12/20/2023	P246A00189	$	60.32	PACIFIC TYRE	1/5/2024		16
12/20/2023	C00018219	12/19/2023	P246A00201	$	935.00	COPY EXPRESS, INC.	1/5/2024	EFT	16
1/17/2024	S-225982	1/5/2024	P246A01759	$	311.90	NATIONAL OFFICE SUPPLY	2/2/2024	EFT	16
1/17/2024	S-226038	1/15/2024	P246A01759	$	89.75	NATIONAL OFFICE SUPPLY	2/2/2024	EFT	16
4/18/2023	249274	4/18/2023	P236A03871	$	69.95	ONE STOP AUTO REPAIR	5/3/2023	756717	15
4/18/2023	249206	4/17/2023	P236A03871	$	15.00	ONE STOP AUTO REPAIR	5/3/2023	756717	15
6/5/2023	80262	5/15/2023	P236A04282	$	1,890.00	MEGABYTE	6/20/2023	EFT	15
10/23/2023	31578	9/20/2023	P236A04283	$	150.00	DIMENSION SYSTEMS	11/7/23	EFT	15
10/23/2023	080823-09	8/7/2023	P236A05254	$	699.72	COST U LESS	11/7/23	760720	15
10/23/2023	155	10/20/2023	P236A05970	$	10,684.00	TECHNOLOGY FAZE	11/7/23	760723	15
1/18/2024	SE-14380	1/11/2024	P236A02039	$	47.85	SCHOOL ESSENTIALS	2/2/24	EFT	15

10/30/2023	18451552	10/1/2023	P246A00073	$	180.13	I T & E CORPORATION	11/14/2023	EFT	15
12/21/2023	23857	12/20/2023	P246A01458	$	132.00	DEWITT TRANSPORTATION SERVICES	1/5/2024	EFT	15
12/21/2023	A91645	12/18/2023	P246A00186	$	168.00	THE GUAM DAILY POST, LLC	1/5/2024		15
12/28/2023	383678	12/27/2023	P246A00155	$	68.00	BENSON GUAM ENTERPRISES, INC.	1/12/2024	EFT	15
1/18/2024	23932	1/12/2024	P246A01458	$	1,237.50	DEWITT TRANSPORTATION SERVICES	2/2/2024	EFT	15
1/18/2024	100355	1/10/2024	P246A01206	$	199.00	SUNLEADER GUAM CO., LTD	2/2/2024	EFT	15
1/18/2024	100357	1/10/2024	P246A01115	$	118.40	SUNLEADER GUAM CO., LTD	2/2/2024	EFT	15
1/18/2024	218150	1/17/2024	P246A01118	$	100.26	NATIONAL OFFICE SUPPLY	2/2/2024	EFT	15
1/18/2024	259805	1/16/2024	P246A01121	$	127.68	STANDARD OFFICE SUPPLIES	2/2/2024	EFT	15
1/18/2024	398714	1/18/2024	P246A00155	$	9.18	BENSON GUAM ENTERPRISES, INC.	2/2/2024	EFT	15
1/18/2024	5-573742	1/18/2024	P246A00189	$	15.00	PACIFIC TYRE	2/2/2024	EFT	15
1/18/2024	S2-685433	1/18/2024	P246A00206	$	20.00	GOPEZ CORPORATION DBA: DIAMOND	2/2/2024	EFT	15
4/3/2024	35656	3/19/2024	P246A00139	$	100.00	MEGABYTE	4/18/2024	EFT	15
4/15/2024	S1-699234	4/11/2024	P246A00206	$	89.60	GOPEZ CORPORATION DBA: DIAMOND	4/30/2024	EFT	15
1/18/2023	IN4916	12/19/2022	P236A00755	$	990.00	PACIFIC DAILY NEWS	2/1/2023	EFT	14
4/7/2023	187224	3/25/2023	P236A03804	$	339.98	BENSON GUAM ENTERPRISES, INC.	4/21/2023	756438	14
6/27/2023	14583551	3/1/2023	P236A02999	$	496.44	DOCOMO PACIFIC INC.	7/11/2023	EFT	14
6/27/2023	14636957	4/1/2023	P236A02999	$	294.00	DOCOMO PACIFIC INC.	7/11/2023	EFT	14
6/27/2023	14686724	5/1/2023	P236A02999	$	294.00	DOCOMO PACIFIC INC.	7/11/2023	EFT	14
6/27/2023	14731111	6/1/2023	P236A02999	$	294.00	DOCOMO PACIFIC INC.	7/11/2023	EFT	14
6/29/2023	247773	6/20/2023	P236A04680	$	31.12	STANDARD OFFICE SUPPLIES	7/13/2023	EFT	14
8/7/2023	16713040 - JUNE	6/1/2023	P236A02358	$	72.69	I T & E CORPORATION	8/21/23	EFT	14
8/7/2023	17144970 - JULY	7/1/2023	P236A02358	$	72.58	I T & E CORPORATION	8/21/23	EFT	14
9/15/2023	14780113	9/13/2023	P236A02999	$	294.00	DOCOMO PACIFIC INC.	9/29/23	EFT	14
9/20/2023	14405514	8/1/2023	P236A01987	$	650.00	TELEGUAM HOLDINGS, LLC	10/04/23	EFT	14
9/20/2023	14444140	9/1/2023	P236A01987	$	650.00	TELEGUAM HOLDINGS, LLC	10/04/23	EFT	14
9/22/2023	31572	9/18/2023	P236A04284	$	1,205.00	DIMENSION SYSTEMS	10/6/2023	EFT	14
11/22/2023	14982579	11/1/2023	P246A00178	$	496.32	DOCOMO PACIFIC INC.	12/6/2023	EFT	14
12/15/2023	23.1130.3	11/30/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/29/2023	761577	14
12/15/2023	23.1205.2	12/5/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/29/2023	761577	14
1/8/2024	230625606	1/1/2024	P246A00075	$	1,064.89	XEROX CORPORATION	1/22/2024	EFT	14
1/19/2024	5-573813	1/19/2024	P246A00189	$	15.00	PACIFIC TYRE	2/2/2024	EFT	14
5/8/2024	1275	5/2/2024	P246A02072	$	352.98	PACIFIC ISLANDS CLUB	5/22/2024	EFT	14
7/11/2024	140032	6/28/2024	P246A00137	$	1,247.00	AMERICAN PRINTING CORPORATION	7/25/2024	EFT	14
7/11/2024	242283	7/1/2024	PO0000658	$	442.30	PACIFIC DATA SYSTEMS	7/25/2024	EFT	14
7/11/2024	850401906	7/1/2024	P246A00386	$	1,265.72	WEST PUBLISHING CORPORATION	7/25/2024	EFT	14
7/11/2024	850401907	7/1/2024	P246A00386	$	31.29	WEST PUBLISHING CORPORATION	7/25/2024	EFT	14
4/7/2023	14253770	4/1/2023	P236A01987	$	608.07	TELEGUAM HOLDINGS, LLC	4/20/2023	EFT	13
8/9/2023	250390	7/31/2023	P236A04970	$	169.36	STANDARD OFFICE SUPPLIES	8/22/23	EFT	13
9/15/2023	14831790	9/13/2023	P236A02999	$	294.00	DOCOMO PACIFIC INC.	9/28/23	EFT	13
9/15/2023	14886510	9/13/2023	P236A02999	$	294.00	DOCOMO PACIFIC INC.	9/28/23	EFT	13
12/14/2023	23.0927.6	9/27/2023	P236A05550	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/23	761418	13
12/14/2023	23.0927.5	9/27/2023	P236A05550	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/23	761418	13
12/14/2023	23.0927.4	9/27/2023	P236A05550	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/23	761418	13
12/14/2023	23.0912.2	9/12/2023	P236A05550	$	20.00	ONE-PACIFIC (GUAM), INC.	12/27/23	761418	13
12/14/2023	23.1011.1	10/11/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/2023	761418	13
12/14/2023	23.1011.2	10/11/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/2023	761418	13
12/14/2023	23.1023.5	10/23/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/2023	761418	13

12/14/2023	23.1026.2	10/26/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/2023	761418	13
12/14/2023	23.1027.4	10/27/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/2023	761418	13
12/14/2023	23.1109.3	11/9/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/2023	761418	13
12/14/2023	23.1109.4	11/9/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/2023	761418	13
12/14/2023	23.1115.4	11/15/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/2023	761418	13
1/3/2024	101127	12/29/2023	P246A00200	$	546.00	GRAPHIC CENTER, INC	1/16/2024	EFT	13
1/3/2024	101212	12/28/2023	P246A00196	$	24.00	GRAPHIC CENTER, INC	1/16/2024	EFT	13
1/3/2024	389046	1/3/2024	P246A00155	$	339.99	BENSON GUAM ENTERPRISES, INC.	1/16/2024	EFT	13
4/17/2024	230647777	4/1/2024	P246A00075	$	4,012.93	XEROX CORPORATION	4/30/2024	EFT	13
10/8/2024	850840563	10/1/2024	P246A00386	$	1,265.72	WEST PUBLISHING CORPORATION	10/21/2024	EFT	13
10/8/2024	850840564	10/1/2024	P246A00386	$	31.29	WEST PUBLISHING CORPORATION	10/21/2024	EFT	13
11/8/2024	37761	9/30/2024	P246A00139	$	78.00	MEGABYTE	11/21/2024	EFT	13
11/8/2024	37760	9/30/2024	PO0002261	$	500.00	MEGABYTE	11/21/2024	EFT	13
11/8/2024	688136	3/20/2024	P246A00140	$	492.00	NET CIRCUIT DBA COMPACIFIC	11/21/2024	EFT	13
11/8/2024	689562	9/30/2024	P246A00140	$	2,478.00	NET CIRCUIT DBA COMPACIFIC	11/21/2024	EFT	13
4/12/2023	848081892 - MAR	4/1/2023	P236A01959	$	1,235.25	WEST PUBLISHING CORPORATION	4/24/2023	EFT	12
4/12/2023	230546657	4/1/2023	P236A01979	$	900.45	XEROX CORPORATION	4/24/2023	EFT	12
6/9/2023	31172	3/10/2023	P236A02948	$	1,389.00	DIMENSION SYSTEMS	6/21/2023	EFT	12
10/19/2023	298649	8/24/2023	P236A05256	$	257.35	BENSON GUAM ENTERPRISES, INC.	10/31/23	760347	12
12/15/2023	23.1016.1	10/16/2023	P246A00226	$	24.21	ONE-PACIFIC (GUAM), INC.	12/27/2023	761418	12
1/4/2024	C00018249	1/3/2024	P246A00136	$	65.00	COPY EXPRESS, INC.	1/16/2024	EFT	12
1/4/2024	34779	1/3/2024	P246A00139	$	676.95	MEGABYTE	1/16/2024	EFT	12
1/4/2024	14637-345518	1/4/2024	P246A00208	$	182.06	CARQUEST OF GUAM	1/16/2024	761957	12
7/11/2024	80658690	7/3/2024	P246A00093	$	294.00	LABCORP OF AMERICA HOLDINGS	7/23/2024	1004637	12
4/24/2023	249369	4/20/2023	P236A03871	$	64.95	ONE STOP AUTO REPAIR	5/5/2023	756792	11
6/29/2023	252731	6/27/2023	P236A02320	$	341.88	ONE STOP AUTO REPAIR	7/10/2023	758657	11
6/29/2023	2022-05184	6/19/2023	P236A04683	$	193.88	JARAGI CORP. DBA OFFICE SMART	7/10/2023	EFT	11
6/29/2023	2022-05185	6/19/2023	P236A04736	$	69.50	JARAGI CORP. DBA OFFICE SMART	7/10/2023	EFT	11
12/11/2023	217376	11/28/2023	P236A02138	$	220.00	NATIONAL OFFICE SUPPLY	12/22/23	EFT	11
12/29/2023	A91657	12/27/2023	P246A00186	$	364.00	THE GUAM DAILY POST, LLC	1/9/2024	EFT	11
4/25/2023	76433890	4/22/2023	P236A01974	$	294.00	LABCORP OF AMERICA HOLDINGS	5/5/2023	756787	10
6/5/2023	76381758	4/14/2023	P236A01974	$	98.00	LABCORP OF AMERICA HOLDINGS	6/15/2023	757547	10
6/5/2023	76427770	4/21/2023	P236A01974	$	196.00	LABCORP OF AMERICA HOLDINGS	6/15/2023	757547	10
6/5/2023	76316896	4/7/2023	P236A01974	$	294.00	LABCORP OF AMERICA HOLDINGS	6/15/2023	757547	10
6/5/2023	76329336	4/8/2023	P236A01974	$	294.00	LABCORP OF AMERICA HOLDINGS	6/15/2023	757547	10
9/20/2023	77775127	9/7/2023	P236A01974	$	294.00	LABCORP OF AMERICA HOLDINGS	9/30/23	760351	10
12/5/2023	230595035	9/1/2023	P236A00373	$	4,012.93	XEROX CORPORATION	12/15/23	EFT	10
12/5/2023	230601722	10/1/2023	P236A00373	$	4,012.93	XEROX CORPORATION	12/15/23	EFT	10
12/5/2023	230601624	10/1/2023	P236A00373	$	871.50	XEROX CORPORATION	12/15/23	EFT	10
4/25/2023	230544498	3/29/2023	P236A00373	$	3,816.24	XEROX CORPORATION	5/4/2023	EFT	9
4/25/2023	230544499	3/29/2023	P236A00373	$	141.34	XEROX CORPORATION	5/4/2023	EFT	9
4/25/2023	230544570	3/29/2023	P236A00373	$	4,012.93	XEROX CORPORATION	5/4/2023	EFT	9
4/25/2023	230544611	3/29/2023	P236A00373	$	4,012.93	XEROX CORPORATION	5/4/2023	EFT	9
4/25/2023	230544610	3/29/2023	P236A00373	$	368.52	XEROX CORPORATION	5/4/2023	EFT	9
4/25/2023	230544630	3/29/2023	P236A00373	$	4,012.93	XEROX CORPORATION	5/4/2023	EFT	9
4/25/2023	230544631	3/29/2023	P236A00373	$	1,432.16	XEROX CORPORATION	5/4/2023	EFT	9
4/25/2023	230544648	3/29/2023	P236A00373	$	4,012.93	XEROX CORPORATION	5/4/2023	EFT	9
4/25/2023	230544649	3/29/2023	P236A00373	$	791.80	XEROX CORPORATION	5/4/2023	EFT	9
4/25/2023	230546617	3/29/2023	P236A00373	$	4,012.93	XEROX CORPORATION	5/4/2023	EFT	9
4/25/2023	230546747	3/29/2023	P236A00373	$	600.26	XEROX CORPORATION	5/4/2023	EFT	9
4/26/2023	249629	4/25/2023	P236A03871	$	15.00	ONE STOP AUTO REPAIR	5/5/2023	EFT	9

4/26/2023	176206	4/25/2023	P236A03873	$ 59.00	GUAM ENTERPRISE & MARKETING (UNITED TIRE)	5/5/2023	EFT	9
6/6/2023	23-1972	3/31/2023	P236A03338	$ 2,892.00	PROMOTIONS SPECIALTIES	6/15/2023	EFT	9
12/26/2023	2022-20570	12/10/2023	P236A05727	$ 1,498.50	JARAGI CORP. DBA OFFICE SMART	1/4/24	EFT	9
11/13/2023	14483083	10/1/2023	P246A00084	$ 650.00	TELEGUAM HOLDINGS, LLC	11/22/2023	EFT	9
11/27/2023	18827706	11/1/2023	P246A00073	$ 73.12	I T & E CORPORATION	12/6/2023	EFT	9
12/20/2023	15028944	12/1/2023	P246A00178	$ 490.00	DOCOMO PACIFIC INC.	12/29/2023	EFT	9
12/20/2023	19233671	12/1/2023	P246A00073	$ 79.30	I T & E CORPORATION	12/29/2023	EFT	9
12/26/2023	217559	12/8/2023	P246A01210	$ 120.00	NATIONAL OFFICE SUPPLY	1/4/2024	EFT	9
12/26/2023	203074 / 6158179	11/1/2023	P246A00386	$ 1,297.01	WEST PUBLISHING CORPORATION	1/4/2024	EFT	9
12/26/2023	352021 / 6158179	12/1/2023	P246A00386	$ (20.12)	WEST PUBLISHING CORPORATION	1/4/2024	EFT	9
12/27/2023	100676	12/7/2023	P246A01711	$ 314.00	GRAPHIC CENTER, INC	1/5/2024	EFT	9
12/27/2023	139304	12/20/2023	P246A01530	$ 1,200.00	AMERICAN PRINTING CORPORATION	1/5/2024	EFT	9
12/27/2023	217710	12/18/2023	P246A00374	$ 207.42	NATIONAL OFFICE SUPPLY	1/5/2024	EFT	9
12/27/2023	356230	12/20/2023	P246A01603	$ 500.00	TELEGUAM HOLDINGS, LLC	1/5/2024	EFT	9
12/27/2023	5-571710	12/22/2023	P246A00189	$ 97.96	PACIFIC TYRE	1/5/2024		9
1/23/2024	217599	12/12/2023	P246A01116	$ 307.77	NATIONAL OFFICE SUPPLY	2/1/2024	EFT	9
1/24/2024	403106	1/24/2024	P246A00155	$ 22.48	BENSON GUAM ENTERPRISES, INC.	2/2/2024	EFT	9
1/24/2024	380941/1	1/24/2024	P246A00157	$ 155.74	GUAM HOME CENTER	2/2/2024	EFT	9
1/10/2024	101280	1/9/2024	P246A01711	$ 174.00	GRAPHIC CENTER, INC	1/18/2024		8
1/22/2024	1110/1	1/22/2024	P246A00156	$ 26.96	ERC HARDWARE EXPRESS-DEDEDO	1/30/2024	EFT	8
1/22/2024	465166/1	1/22/2024	P246A00157	$ 47.92	GUAM HOME CENTER	1/30/2024	EFT	8
1/25/2024	68	1/25/2024	P246A01640	$ 799.80	EMC, INCORPORATED DBA: SHOP-4-LESS	2/2/2024	EFT	8
6/26/2023	S-223827	6/20/2023	P236A04682	$ 68.18	NATIONAL OFFICE SUPPLY	7/3/2023	EFT	7
1/9/2024	230625620	1/1/2024	P246A00085	$ 486.26	XEROX CORPORATION	1/16/2024	EFT	7
1/9/2024	230625633	1/1/2024	P246A00080	$ 1,416.17	XEROX CORPORATION	1/16/2024	EFT	7
1/9/2024	230625638	1/1/2024	P246A00080	$ 10.00	XEROX CORPORATION	1/16/2024	EFT	7
1/9/2024	849352022	12/1/2023	P246A00386	$ 936.11	WEST PUBLISHING CORPORATION	1/16/2024	EFT	7
1/9/2024	849508058	1/1/2024	P246A00386	$ 1,221.02	WEST PUBLISHING CORPORATION	1/16/2024	EFT	7
1/9/2024	849508059	1/1/2024	P246A00386	$ 75.99	WEST PUBLISHING CORPORATION	1/16/2024	EFT	7
1/10/2024	2024-03	1/5/2024	P246A01760	$ 108.80	JARAGI CORP. DBA OFFICE SMART	1/17/2024		7
1/10/2024	139357	1/9/2024	P246A01710	$ 1,345.00	AMERICAN PRINTING CORPORATION	1/17/2024		7
1/10/2024	259205	1/5/2024	P246A01761	$ 34.24	STANDARD OFFICE SUPPLIES	1/17/2024		7
1/10/2024	379855	12/19/2023	P246A00155	$ 34.45	BENSON GUAM ENTERPRISES, INC.	1/17/2024		7
1/10/2024	393137	1/9/2024	P246A00155	$ 93.12	BENSON GUAM ENTERPRISES, INC.	1/17/2024		7
1/17/2024	101446	1/15/2024	P246A01711	$ 87.00	GRAPHIC CENTER, INC	1/24/2024	EFT	7
1/17/2024	101490	1/16/2024	P246A01711	$ 32.00	GRAPHIC CENTER, INC	1/24/2024	EFT	7
1/23/2024	14600965	1/1/2024	P246A00084	$ 650.00	TELEGUAM HOLDINGS, LLC	1/30/2024	EFT	7
4/12/2023	14177778	2/1/2023	P236A01987	$ 650.00	TELEGUAM HOLDINGS, LLC	4/18/2023	EFT	6
6/27/2023	5-557288	6/26/2023	P236A03872	$ 50.31	PACIFIC TYRE	07/03/23	EFT	6
9/28/2023	17988879 - SEPT	9/1/2023	P236A02358	$ 72.58	I T & E CORPORATION	10/4/2023	EFT	6
11/8/2023	14935946	10/1/2023	P246A00178	$ 294.00	DOCOMO PACIFIC INC.	11/14/2023	EFT	6
1/3/2024	23120112	12/31/2023	P246A00146	$ 900.00	CHOICE BROADCASTING CO. LLC	1/9/2024	761869	6
1/16/2024	139303	12/20/2023	P246A01488	$ 1,200.00	AMERICAN PRINTING CORPORATION	1/22/2024	EFT	6
1/17/2024	687561	1/17/2024	P246A00165	$ 424.80	NET CIRCUIT DBA COMPACIFIC	1/23/2024	EFT	6
1/24/2024	5-574128	1/22/2024	P246A00189	$ 15.00	PACIFIC TYRE	1/30/2024	EFT	6
6/8/2023	14329589	6/1/2023	P236A00372	$ 550.00	TELEGUAM HOLDINGS, LLC	6/12/2023	EFT	4
6/29/2023	0016039-IN	3/29/2023	P236A01878	$ 2,780.00	JMI MEDICAL SYSTEMS, INC	7/3/2023	758606	4
6/29/2023	2300119483	5/16/2023	P236A02191	$ 1,209.60	JC MARKETING, INC	7/3/2023	EFT	4
6/29/2023	2300118842	4/19/2023	P236A02191	$ 534.90	JC MARKETING, INC	7/3/2023	EFT	4
6/29/2023	5-557388	6/27/2023	P236A03872	$ 50.31	PACIFIC TYRE	7/3/2023	EFT	4

1/8/2024	14561721	12/1/2023	P246A00084	$	650.00	TELEGUAM HOLDINGS, LLC	1/12/2024	EFT	4
1/29/2024	569	1/4/2024	P246A00160	$	500.00	SAITECH SOLUTIONS	2/2/2024	EFT	4
1/16/2024	15083954	1/1/2024	P246A00178	$	490.00	DOCOMO PACIFIC INC.	1/19/2024	EFT	3
1/16/2024	19610654	1/1/2024	P246A00073	$	92.15	I T & E CORPORATION	1/19/2024	EFT	3
1/30/2024	34758	1/4/2024	P246A01713	$	3,041.00	KWAN SOFTWARE ENGINEERING INC	2/2/2024	EFT	3
1/30/2024	394863	1/12/2024	P246A01208	$	181.43	BENSON GUAM ENTERPRISES, INC.	2/2/2024	EFT	3
6/5/2023	138485	6/2/2023	P236A03345	$	2,400.00	AMERICAN PRINTING CORPORATION	6/7/2023	EFT	2
6/12/2023	80525	6/9/2023	P236A01205	$	900.00	MEGABYTE	6/14/2023	EFT	2
6/6/2023	251/1	5/30/2023	P236A03364	$	377.93	ERC HARDWARE EXPRESS-DEDEDO	6/7/2023	EFT	1
6/28/2023	215695	6/22/2023	P236A04676	$	29.96	NATIONAL OFFICE SUPPLY	6/29/2023	EFT	1

May 22, 2025

Honorable Telo T. Taitague
Chairperson, Committee on Justice
38th Guam Legislature
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

RECEIVED
05/22/25 3:08 pm
Elvie Cabo
Office of Senator Telo Taitague

Subject: AG's Office Risks Losing Attorneys Due to DOA Delinquency

Hâfa Adai Oversight Chairperson Taitague:

We again ask for your help in addressing a serious issue that continues to jeopardize our office, this time posing a risk to our critical prosecution and civil functions. The Department of Administration continues to slow walk their processing of payments, including reimbursements to our attorneys that we have brought in from off-island. We again note both Public Law No. 31-153 (enacted 11/23/11), and our recent Anti-Crime proposed legislation that speaks directly to autonomy.

The attached report shows the unpaid airfare reimbursements for five of our off-island attorneys. One of these reimbursements remain unpaid for **48 days**. Given this island's severe shortage of attorneys, our recruitment team has gone above and beyond to entice attorneys from the US mainland and other countries to come to Guam and serve the People through the AG's Office. These attorneys have made big sacrifices, offering their services to our client, the People of Guam, and filling our island's desperate need for licensed legal professionals. DOA's delays in their reimbursements strain our ability to recruit and retain these qualified attorneys. This administrative issue has a *butterfly effect*. Without attorneys, we will be unable to fulfill our mandate, prosecuting criminals and protecting crime victims and our law-abiding citizens.

We ask for your assistance in addressing this issue and thank you for your continued support for the AG's Anti-Crime Bill which includes reform of the AG's Office budget, to prevent other government officials whom AG is investigating and prosecuting from retaliating against our operations by sabotaging our finances.

Respectfully,

Douglas B. Moylan
Attorney General of Guam

Attachments: 22

Office of the Attorney General
Douglas B. Moylan · Attorney General of Guam
590 S. Marine Corps. Drive · ITC Bldg., Ste. 902 · Tamuning, Guam 96913 · USA
671-475-3324 · 671-475-4703 (fax) · dbmoylan@oagguam.org · www.oagguam.org
"Guam's Toughest Law Enforcers"

Airfare Reimbursements for AG's Office Attorneys

DOA DOCUMENT NO.	DESCRIPTION	DATE SUBMITTED	STATUS	NO. OF DAYS PENDING
D251100 151	Airfare Reimbursement (Atty. Helen Dolland)	03/28/2025	UNPAID	48
D251100 160	Airfare Reimbursement (Atty. Lucas Wood)	04/10/2025	UNPAID	35
D251100 161	Airfare Reimbursement (Atty. Alexander Ford)	04/10/2025	UNPAID	35
D251100 174	Airfare Reimbursement (Atty. Samuel Alexander)	04/28/2025	UNPAID	17
D251100 175	Airfare Reimbursement (Atty. Robin Whitley)	04/28/2025	UNPAID	17

GOVERNMENT OF GUAM
DEPARTMENT OF ADMINISTRATION
FINANCIAL MANAGEMENT SYSTEM

REQUEST FOR DIRECT PAYMENT

DOCUMENT NO.: D251100 151
DATE: 28-Mar-25

[XX] URGENT - EXPEDITE PAYMENT [ ] KEY & RELEASE - A S A P

PAYEE:	VENDOR NUMBER:
HELEN PAMILA DOLLAND OFFICE OF THE ATTORNEY GENERAL 590 S MARINE CORPS DR STE 901 TAMUNING, GUAM 96913	V0019584

PURPOSE:
Reimbursement for one way airfare for newly hired as authorized pursuant 5 GCA § 30121 2 ©

TRAN CODE	ACCOUNT NUMBER	AMOUNT	INVOICE NUMBER / MONTH	INVOICE DATE
190	[redacted]	$ 1,680.79	NK22LQ	3/15/2025
	TOTAL:	$ 1,680.79		

CHECK APPROPRIATE BOX BELOW:

[X] ACCOUNT NUMBER IS CORRECT [ ] JOB ORDER NUMBER IS CORRECT [ ] INSUFFICIENT FUNDS
[ ] PRIOR REFERENCE IS CORRECT [X] VENDOR NUMBER IS CORRECT
[ ] OVERRIDE IS AUTHORIZED [X] SUFFICIENT FUNDS

[X] I CERTIFY THAT GOODS/SERVICES SPECIFIED HAVE BEEN RECEIVED AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS

[ ] I CERTIFY THAT A VALID LIABILITY EXIST BY REASON OF WITHHOLDING, OVERPAYMENT OR DEPOSIT AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS

Truc Q. Van, Accountant II
PREPARED BY — Signature — 3/28/25 Date

Douglas B. Moylan,
Attorney General
APPROVING OFFICIAL — for Joseph A. Guthrie — Signature — 4/7/25 Date

Joseph A. Guthrie,
Chief Deputy Attorney General
CERTIFICATION OF FUNDS AVAILABLE — Joseph A. Guthrie — Signature — 4/7/25 Date

Form ACC-DPA001 Revised 01-2019

Truc Q. Van <tvan@oagguam.org>

Re: eTicket Itinerary and Receipt for Confirmation NK22LQ

Sheenalynn Hawkins <shawkins@oagguam.org> Wed, Mar 26, 2025 at 5:18 PM
To: TroyPH <[redacted]>
Cc: Thomas Paulino <tpaulino@oagguam.org>, "Truc Q. Van" <tvan@oagguam.org>, Douglas Moylan <dbmoylan@oagguam.org>

Hello Atty. Dolland,

Thank you for your message. We look forward to your arrival. I have included Mr. Tom Paulino and Mr. Truc Van in this communication to assist with the processing of your reimbursements through the Department of Administration.

Tom and Van: Please review Atty. Dolland's new vendor form, accompanied by a copy of her driver's license and a voided check. Should you have any inquiries, do not hesitate to reach out to me. Thank you for your attention to this matter.

Best regards,

Sheenalynn Hawkins
Chief of Staff
Office of the Attorney General of Guam
134 W. Soledad Avenue,
4th Floor, Suite 412
Hagatna, GU 96910
Tel: (671) 475-3324 ext. 5039
Fax: (671) 477-4703
Website: oagguam.org

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On Sat, Mar 15, 2025 at 12:26 PM TroyPH <hpdolland@gmail.com> wrote:

---------- Forwarded message ---------
From: **United Airlines** <Receipts@united.com>
Date: Fri, Mar 14, 2025 at 9:13 PM
Subject: eTicket Itinerary and Receipt for Confirmation NK22LQ
To: <[redacted]>

UNITED

Sat, Mar 15, 2025

Thank you for choosing United.

A receipt of your purchase is shown below. Please retain this email receipt for your records.

Get ready for your trip: Visit the Travel-Ready Center, your one-stop digital assistant, to find out about important travel requirements specific to your trip.

Confirmation Number:

NK22LQ

Wed, Apr 09, 2025
08:15 AM
Nashville, TN, US (BNA)

Wed, Apr 09, 2025
10:18 AM
Denver, CO, US (DEN)

Wed, Apr 09, 2025
11:40 AM
Denver, CO, US (DEN)

Thu, Apr 10, 2025
02:45 PM
Tokyo, JP (NRT)

Thu, Apr 10, 2025
05:00 PM
Tokyo, JP (NRT)

Thu, Apr 10, 2025
09:40 PM
Guam, GU, US (GUM)

Traveler Details

DOLLAND/HELEN
eTicket number: **0162468845193**
Frequent Flyer: **UA-XXXXX270 Member**

Economy Plus Seat (0164480417047)

Seats: **BNA-DEN 36F**
DEN-NRT 31A
NRT-GUM 35A
DEN-NRT

Purchase Summary

Method of payment:	**American Express ending in 1002**
Date of purchase:	**Sat, Mar 15, 2025**
Airfare:	**1615.00**
U.S. Transportation Tax:	**22.90**
Passenger Civil Aviation Security Service Fee:	**5.60**
Guam Inspection Service Charges:	**8.29**
Japan Passenger Security Service Charge:	**4.70**
U.S. Immigration User Fee:	**7.00**
Japan Passenger Service Facilities Charge:	**8.30**
U.S. Passenger Facility Charge:	**9.00**
Total Per Passenger:	**1680.79 USD**
Total:	**1680.79 USD**

Additional Purchase Summary

Method of payment: **American Express ending in 1002**
Date of purchase: **Fri, Mar 14, 2025**

Economy Plus Seat (Reference Number: 0164480417047): **194.99**

Total: 194.99 USD

Fare Rules

Additional charges may apply for changes in addition to any fare rules listed.
REFUNDABLE/CXLFEE

MileagePlus Accrual Details

Helen Dolland					
Date	Flight	From/To	Award Miles	PQP	PQF
Wed, Apr 09, 2025	1716	Nashville, TN, US (BNA) to Denver, CO, US (DEN)	980	196	1
Wed, Apr 09, 2025	143	Denver, CO, US (DEN) to Tokyo, JP (NRT)	5595	1119	1
Thu, Apr 10, 2025	197	Tokyo, JP (NRT) to Guam, GU, US (GUM)	1510	302	1
MileagePlus accrual totals:			8085	1617	3

Baggage allowance and charges for this itinerary

Origin and destination for checked baggage	1st bag charge	2nd bag charge	1st bag weight and dimensions	2nd bag weight and dimensions
Wed, Apr 09, 2025 Nashville, TN, US (BNA) to Guam, GU, US (GUM)	0.00 USD	100.00 USD	50lbs(23kg) - 62in(157cm)	50lbs(23kg) - 62in(157cm)

Important Information about MileagePlus Earning

- Accruals vary based on the terms and conditions of the traveler's frequent flyer program, frequent flyer status, and the selected itinerary. United MileagePlus® mileage accrual is subject to the rules of the MileagePlus program. Once travel has started, accruals will no longer display. You can always view your MileagePlus account for posted accrual.
- You can earn up to 75 000 award miles per ticket. The 75,000 award miles cap may be applied to your posted flight activity in an order different than shown. Accrual is only displayed for MileagePlus members who choose to accrue to their MileagePlus account.

International eTicket Reminders

- **Check-in Requirement** - Bags must be checked and boarding passes obtained at least 60 minutes prior to scheduled departure. Baggage will not be accepted and advance seat assignments may be canceled if this condition is not met.
- **Boarding Requirement** - Passengers must be prepared to board at the departure gate with their boarding pass at least 30 minutes prior to scheduled departure.

- Failure to meet the **Boarding Requirements** may result in cancellation of reservations, denied boarding, removal of checked baggage from the aircraft and loss of eligibility for denied boarding compensation.
- Bring this eTicket Receipt along with photo identification, proof of citizenship, passport and/or visa to the ticket lobby for check-in.
- The FAA now restricts carry-on baggage to one bag plus one personal item (purse, briefcase, laptop computer, etc.) per passenger. The fare rules for your ticket may restrict your carry-on baggage allowance even further.
- For up to the minute flight information, sign-up for our Flight Status Updates or call 1-800-824-6200, in Spanish 1-800-426-5561.
- If flight segments are not flown in order, your reservation will be cancelled. Rebooking will be subject to the fare rules governing your ticket.
- For the most current status of your reservation, go to our Flight Status page.
- Your eTicket is non transferable and valid for 1 year from the issue date unless otherwise noted in the fare rules.
- International taxes and fees may be collected at your departure airport.

Data Protection Notice

Your personal data will be processed in accordance with the applicable carrier's privacy policy and if your booking is made via a reservation system provider ("GDS"), with its privacy policy. These are available at http://www.iatatravelcenter.com/privacy or from the carrier or GDS directly. You should read this documentation, which applies to your booking and specifies, for example, how your personal data is collected, stored, used, disclosed and transferred

Customer Care Contact Information

We welcome your compliments, comments or complaints regarding United or a United travel experience. You may contact us using our Customer Care form

Hazardous materials

Federal law forbids the carriage of hazardous materials on board aircraft in your luggage or on your person. A violation can result in five years' imprisonment and penalties of $250,000 or more (49 U.S.C. 5124). Hazardous materials include explosives, compressed gases, flammable liquids and solids, oxidizers, poisons, corrosives and radioactive materials. Common examples of hazardous materials/dangerous goods include spare or loose lithium batteries, fireworks, strike-anywhere matches, aerosols, pesticides, bleach and corrosive materials. Additional information can be found on:

united.com restricted items page
FAA website Pack Safe page
TSA website Prohibited Items page

Refunds Within 24 Hours

When you book and ticket a reservation through united.com, the United mobile app, the United Customer Contact Center, at our ticket counters or city ticket offices, or if you use MileagePlus® miles to book an award ticket, we will allow you to cancel the ticketed reservation without penalty and receive a 100 percent refund of the ticket price to the original form of payment if you cancel the reservation within 24 hours of purchase and if the reservation is made one week or more prior to scheduled flight departure.

Disinsection Notice

Certain countries require that the passenger cabins of aircraft be treated with insecticides. For additional information and a list of those countries, please visit the U.S. Department of Transportation's disinsection website.

IMPORTANT CONSUMER NOTICES

Changes/Cancellations - Most tickets, other than Basic Economy tickets or those for travel originating outside the United States, other than for travel between the United States and Mexico or the Caribbean, may be changed to a different itinerary, or cancelled and the value of the ticket retained so that it can be applied to a new ticket, without a change fee. Such change or cancellation must be made prior to the scheduled departure time. Travelers making changes will be responsible for the fare difference if the new itinerary has a higher fare than the original ticketed itinerary. Regarding non-refundable tickets, if the new itinerary has a lower fare than the original

ticketed itinerary, changes can be made without charge, but the traveler is not entitled to any residual value. United may, in its sole discretion, provide partial or full residual credit under certain circumstances. A change fee may apply for changes or cancellations made to tickets for travel originating outside the United States, other than for travel between the United States and Mexico or the Caribbean. Policies concerning your ability to make reservation changes and cancellations and any fees associated with such changes can be found at Important travel notices | United Airlines.

Notice of Baggage Liability Limitations - For domestic travel between points within the United States (except for domestic portions of international journeys), United's liability for loss of, damage to, or delay in delivery of a customer's checked baggage is limited to $3,800 per ticketed customer unless a higher value is declared in advance and additional charges are paid (not applicable to wheelchairs or other assistive devices). For such travel, United assumes no liability for high value, fragile, perishable, or otherwise excluded items; excess valuation may not be declared on certain types of valuable articles. Further information may be obtained from the carrier. For international travel governed by the Warsaw Convention (including the domestic portions of the trip), maximum liability is approximately 640 USD per bag for checked baggage, and 400 USD per passenger for unchecked baggage. For international travel governed by the Montreal Convention (including the domestic portions of the trip), maximum liability is 1,288 SDRs per passenger for baggage, whether checked or unchecked. For baggage lost, delayed, or damaged in connection with domestic travel, United requires that customers provide preliminary notice within 24 hours after arrival of the flight on which the baggage was or was to be transported and submit a written claim within 45 days of the flight. For baggage damaged or delayed in connection with most international travel (including domestic portions of international journeys), the Montreal Convention and United require customers to provide carriers written notice as follows: (a) for damaged baggage, within seven days from the date of receipt of the damaged baggage; (b) for delayed baggage, within 21 days from the date the baggage should have been returned to the customer. Please refer to Rule 28 of United's Contract of Carriage for important information relating to baggage and other limitations of liability.

Notice of Incorporated Terms - Transportation is subject to the terms and conditions of United's Contract of Carriage, which are incorporated herein by reference. Incorporated terms may include, but are not limited to: 1. Limits on liability for personal injury or death of the customer, and for loss, damage, or delay of goods and baggage, including high value, fragile, perishable, or otherwise excluded items. 2. Claims restrictions, including time periods within which customers must file a claim or bring an action against the carrier. 3. Rights of the carrier to change terms of the contract. 4. Rules about reconfirmation of reservations, check-in times, and refusal to carry. 5. Rights of the carrier and limits on liability for delay or failure to perform service, including schedule changes, substitution of an alternate air carrier or aircraft, and rerouting. The full text of United's Contract of Carriage is available at united.com or you may request a copy at any United ticket counter. Passengers have the right, upon request at any location where United's tickets are sold within the United States, to receive free of charge by mail or other delivery service the full text of United's Contract of Carriage.

Notice of Certain Terms - If you have purchased a restricted ticket, depending on the rules applicable to the fare paid, one or more restrictions including, but not limited to, the following may apply to your travel: (1) the ticket may not be refundable but can be exchanged for a fee for another restricted fare ticket meeting all the rules/restrictions of the original ticket (including the payment of any difference in fares); (2) a fee may apply for changing/canceling reservations; or (3) select tickets may not be eligible for refunds or changes even for a fee; (4) select tickets have no residual value and cannot be applied towards the purchase of future travel; or (5) travel may be restricted to specific flights and/ or times and a minimum and/or maximum stay may be required. United reserves the right to refuse carriage to any person who has acquired a ticket in violation of any United tariffs, rules, or regulations, or in violation of any applicable national, federal, state, or local law, order, regulation, or ordinance. Notwithstanding the foregoing, you are entitled to a full refund if you cancel a ticket purchased at least a week prior to departure within 24 hours of purchase.

Notice of Boarding Times - For Domestic flights, customers must be at the boarding gate at least 15 minutes prior to scheduled departure. For International flights, customers must be at the boarding gate at least 30 minutes prior to scheduled departure. The time limits provided by United in this Notice are minimum time requirements. Customer and baggage processing times may differ from airport to airport. Please visit united.com for information regarding airport-specific boarding times. It is the customer's responsibility to arrive at the airport with enough time to complete check-in, baggage, and security screening processes within these minimum time limits. Please be sure to check flight information monitors for the correct boarding gate and the departure time of your flight. Failure to be at the boarding gate by the required time could result in the loss of your seat without compensation, regardless of whether you are already checked in or have a confirmed seat and boarding pass.

Advice to International Passengers on Carrier Liability - Passengers on a journey involving an ultimate destination or a stop in a country other than the country of departure are advised that international treaties known as the Montreal Convention, or its predecessor, the Warsaw Convention, including its amendments, may apply to the entire journey, including any portion thereof within a country. For such passengers, the treaty, including contracts of carriage embodied in applicable tariffs, governs, and may limit the liability of the Carrier in respect of death or injury to passengers, and for destruction or loss of, or damage to, baggage, and for delay of passengers and baggage.

Notice - Overbooking of Flights - Airline flights may be overbooked, and there is a slight chance that a seat will not be available on a flight for which a person has a confirmed reservation. If the flight is overbooked, no one will be denied a seat until airline personnel first ask for volunteers willing to give up their reservation in exchange for compensation of the airline's choosing. If there are not enough volunteers, the airline will deny boarding to other persons in accordance with its particular boarding priority. With few exceptions, including failure to comply with the carrier's check-in deadlines, which are available upon request from the air carrier, persons denied boarding involuntarily are entitled to compensation. The complete rules for the payment of compensation and each airline's boarding priorities are available at all airport ticket counters and boarding locations. *Some airlines do not apply these consumer protections to travel from some foreign countries, although other consumer protections may be available. Check with your airline or your travel agent.*

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E-mail Information
Please do not reply to this message using the "reply" address.
The information contained in this email is intended for the original recipient only.

View our Privacy Policy View our Legal Notices

2 attachments

Driver's License.pdf
445K

Helen Dolland New Vendor Form & Voided Check.pdf
2274K

GOVERNMENT OF GUAM
DEPARTMENT OF ADMINISTRATION
FINANCIAL MANAGEMENT SYSTEM

REQUEST FOR DIRECT PAYMENT

DOCUMENT NO.: D251100 160
DATE: 10-Apr-25

[XX] URGENT - EXPEDITE PAYMENT [ ] KEY & RELEASE - A S A P

PAYEE:	VENDOR NUMBER:
LUCAS WOOD OFFICE OF THE ATTORNEY GENERAL 590 S MARINE CORPS DR STE 901 TAMUNING, GUAM 96913	V0019689

PURPOSE:
Reimbursement for one way airfare for newly hired as authorized pursuant 5 GCA § 30121 2

TRAN CODE	ACCOUNT NUMBER	AMOUNT	INVOICE NUMBER / MONTH	INVOICE DATE
190	[redacted]	$ 1,870.69	MNF97V	3/26/2025
	TOTAL:	$ 1,870.69		

CHECK APPROPRIATE BOX BELOW.

[X] ACCOUNT NUMBER IS CORRECT [ ] JOB ORDER NUMBER IS CORRECT [ ] INSUFFICIENT FUNDS
[ ] PRIOR REFERENCE IS CORRECT [X] VENDOR NUMBER IS CORRECT
[ ] OVERRIDE IS AUTHORIZED [X] SUFFICIENT FUNDS

[X] I CERTIFY THAT GOODS/SERVICES SPECIFIED HAVE BEEN RECEIVED AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS

[ ] I CERTIFY THAT A VALID LIABILITY EXIST BY REASON OF WITHHOLDING, OVERPAYMENT OR DEPOSIT AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS

Truc Q. Van, Accountant II — PREPARED BY — Signature — 4/10/25 Date

Douglas B. Moylan, Attorney General — APPROVING OFFICIAL — Signature — Date

Joseph A. Guthrie, Chief Deputy Attorney General — CERTIFICATION OF FUNDS AVAILABLE — Signature — Date

Form ACC-DPA001 Revised 01-2019

Lucas Wood <lwood@oagguam.org>

Fwd: eTicket Itinerary and Receipt for Confirmation MNF97V

1 message

Lucas Wood [redacted] Tue, Apr 8, 2025 at 11:56 AM
To: lwood@oagguam.org

Lucas Wood, J.D.
Marquette University School of Law
Juris Doctor, Class of 2017
University of Tennessee, Knoxville
History and Political Science, Class of 2014
[redacted]

Sent from my iPhone. Please excuse any typos or grammatical mistakes.

Begin forwarded message

From: United Airlines <Receipts@united.com>
Date: March 26, 2025 at 11:15:41 PM GMT+10
To: [redacted]
Subject: eTicket Itinerary and Receipt for Confirmation MNF97V

UNITED

Wed, Mar 26, 2025

Thank you for choosing United.

A receipt of your purchase is shown below. Please retain this email receipt for your records.

Get ready for your trip: Visit the Travel-Ready Center, your one-stop digital assistant, to find out about important travel requirements specific to your trip.

Confirmation Number

MNF97V

Sun, Mar 30, 2025
08:06 AM
Memphis, TN, US (MEM)

Sun, Mar 30, 2025
09:50 AM
Denver, CO, US (DEN)

Sun, Mar 30, 2025
11:40 AM
Denver, CO, US (DEN)

Mon, Mar 31, 2025
02:45 PM
Tokyo, JP (NRT)

Mon, Mar 31, 2025
04:55 PM
Tokyo, JP (NRT)

Mon, Mar 31, 2025
09:35 PM
Guam, GU, US (GUM)

Traveler Details

WOOD/LUCASTYLER
eTicket number: **0162472214731**
Frequent Flyer: **UA-XXXXX387 Member**

Seats: **MEM-DEN 15C**
DEN-NRT 48F
NRT-GUM 21C

Purchase Summary

Method of payment	**Master Card ending in 5666**
Date of purchase	**Wed, Mar 26, 2025**
Airfare	**1805.00**
U.S. Transportation Tax	**22.90**
Passenger Civil Aviation Security Service Fee	**5.60**
Guam Inspection Service Charges	**8.29**
Japan Passenger Security Service Charge	**4.70**
U.S. Immigration User Fee	**7.00**
Japan Passenger Service Facilities Charge	**8.20**
U.S. Passenger Facility Charge	**9.00**
Total Per Passenger	**1870.69 USD**
Total:	**1870.69 USD**

Fare Rules

Additional charges may apply for changes in addition to any fare rules listed.
NONREF/0VALUAFTDPT
Cancel reservations before the scheduled departure time or TICKET HAS NO VALUE.

MileagePlus Accrual Details

Lucastyler Wood

Date	Flight	From/To	Award Miles	PQP	PQF
Sun, Mar 30, 2025	295	Memphis, TN, US (MEM) to Denver, CO, US (DEN)	960	192	1
Sun, Mar 30, 2025	143	Denver, CO, US (DEN) to Tokyo, JP (NRT)	6360	1272	1
Mon, Mar 31, 2025	855	Tokyo, JP (NRT) to Guam, GU, US (GUM)	1715	343	1
MileagePlus accrual totals			9035	1807	3

Baggage allowance and charges for this itinerary

Origin and destination for checked baggage	1st bag charge	2nd bag charge	1st bag weight and dimensions	2nd bag weight and dimensions

Sun, Mar 30, 2025 Memphis, TN, US (MEM) to Guam, GU, US (GUM)	0.00 USD	100.00 USD	50lbs(23kg) - 62in(157cm)	50lbs(23kg) - 62in(157cm)

Important Information about MileagePlus Earning

- Accruals vary based on the terms and conditions of the traveler's frequent flyer program, frequent flyer status, and the selected itinerary. United MileagePlus® mileage accrual is subject to the rules of the MileagePlus program. Once travel has started, accruals will no longer display. You can always view your MileagePlus account for posted accrual.
- You can earn up to 75,000 award miles per ticket. The 75,000 award miles cap may be applied to your posted flight activity in an order different than shown. Accrual is only displayed for MileagePlus members who choose to accrue to their MileagePlus account.

International eTicket Reminders

- **Check-in Requirement** - Bags must be checked and boarding passes obtained at least 60 minutes prior to scheduled departure. Baggage will not be accepted and advance seat assignments may be canceled if this condition is not met.
- **Boarding Requirement** - Passengers must be prepared to board at the departure gate with their boarding pass at least 30 minutes prior to scheduled departure.
- Failure to meet the **Boarding Requirements** may result in cancellation of reservations, denied boarding, removal of checked baggage from the aircraft and loss of eligibility for denied boarding compensation.
- Bring this eTicket Receipt along with photo identification, proof of citizenship, passport and/or visa to the ticket lobby for check-in.
- The FAA now restricts carry-on baggage to one bag plus one personal item (purse, briefcase, laptop computer, etc.) per passenger. The fare rules for your ticket may restrict your carry-on baggage allowance even further.
- For up to the minute flight information, sign-up for our Flight Status Updates or call 1-800-824-6200, in Spanish 1-800-426-5561.
- If flight segments are not flown in order, your reservation will be cancelled. Rebooking will be subject to the fare rules governing your ticket.
- For the most current status of your reservation, go to our Flight Status page.
- Your eTicket is non transferable and valid for 1 year from the issue date unless otherwise noted in the fare rules.
- International taxes and fees may be collected at your departure airport.

Data Protection Notice

Your personal data will be processed in accordance with the applicable carrier's privacy policy and if your booking is made via a reservation system provider ("GDS") with its privacy policy. These are available at http://www.iatatravelcenter.com/privacy or from the carrier or GDS directly. You should read this documentation, which applies to your booking and specifies, for example, how your personal data is collected, stored, used, disclosed and transferred.

Customer Care Contact Information

We welcome your compliments, comments or complaints regarding United or a United travel experience. You may contact us using our Customer Care form.

Hazardous materials

Federal law forbids the carriage of hazardous materials on board aircraft in your luggage or on your person. A violation can result in five years' imprisonment and penalties of $250,000 or more (49 U.S.C. 5124). Hazardous materials include explosives, compressed gases, flammable liquids and solids, oxidizers, poisons, corrosives and radioactive materials. Common examples of hazardous materials/dangerous goods include spare or loose lithium batteries, fireworks, strike-anywhere matches, aerosols, pesticides, bleach and corrosive materials. Additional information can be found on:

- united.com restricted items page
- FAA website Pack Safe page
- TSA website Prohibited Items page

Refunds Within 24 Hours

When you book and ticket a reservation through united.com, the United mobile app, the United Customer Contact Center, at our ticket counters or city ticket offices, or if you use MileagePlus® miles to book an award ticket, we will allow you to cancel the ticketed reservation without penalty and receive a 100 percent refund of the ticket price to the original form of payment if you cancel the reservation within 24 hours of purchase and if the reservation is made one week or more prior to scheduled flight departure.

GOVERNMENT OF GUAM
DEPARTMENT OF ADMINISTRATION
FINANCIAL MANAGEMENT SYSTEM

REQUEST FOR DIRECT PAYMENT

DOCUMENT NO.: D 251100 161
DATE: 10-Apr-25

[XX] URGENT - EXPEDITE PAYMENT [ ] KEY & RELEASE - A S A P

PAYEE:	VENDOR NUMBER:
ALEXANDER FORD OFFICE OF THE ATTORNEY GENERAL 590 S MARINE CORPS DR STE 901 TAMUNING, GUAM 96913	V0019690

PURPOSE:
Reimbursement for one way airfare for newly hired as authorized pursuant 5 GCA § 30121.2.

TRAN CODE	ACCOUNT NUMBER	AMOUNT	INVOICE NUMBER / MONTH	INVOICE DATE
190	[redacted]	$ 1,826.49	G0VV4S	4/5/2025
	TOTAL:	$ 1,826.49		

CHECK APPROPRIATE BOX BELOW

[X] ACCOUNT NUMBER IS CORRECT [ ] JOB ORDER NUMBER IS CORRECT [ ] INSUFFICIENT FUNDS
[ ] PRIOR REFERENCE IS CORRECT [X] VENDOR NUMBER IS CORRECT
[ ] OVERRIDE IS AUTHORIZED [X] SUFFICIENT FUNDS

[X] I CERTIFY THAT GOODS/SERVICES SPECIFIED HAVE BEEN RECEIVED AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS

[ ] I CERTIFY THAT A VALID LIABILITY EXIST BY REASON OF WITHHOLDING, OVERPAYMENT OR DEPOSIT AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS

Truc Q. Van, Accountant II
PREPARED BY — Signature — 4/10/25 Date

Douglas B. Moylan,
Attorney General
APPROVING OFFICIAL — Signature — Date

Joseph A. Guthrie,
Chief Deputy Attorney General
CERTIFICATION OF FUNDS AVAILABLE — Signature — Date

Form ACC-DPA001 Revised 01-2019

Gmail

Alexander Ford <alexanderjford@gmail.com>

eTicket Itinerary and Receipt for Confirmation G0VV4S

United Airlines <Receipts@united.com>
To [redacted]

Fri, Apr 4, 2025 at 7:14 PM

United Airlines

Sat, Apr 05, 2025

Thank you for choosing United.

A receipt of your purchase is shown below. Please retain this email receipt for your records.

Get ready for your trip: Visit the Travel-Ready Center, your one-stop digital assistant, to find out about important travel requirements specific to your trip.

Confirmation Number

G0VV4S

Sun, Apr 20, 2025
11:40 AM
Denver, CO, US (DEN)

Mon, Apr 21, 2025
02:45 PM
Tokyo, JP (NRT)

Mon, Apr 21, 2025
04:55 PM
Tokyo, JP (NRT)

Mon, Apr 21, 2025
09:35 PM
Guam, GU, US (GUM)

Traveler Details

FORD/ALEXANDERJAMES
eTicket number: **0162475088979**
Frequent Flyer: **UA-XXXXX535 Member**

Seats: **DEN-NRT 44F**
NRT-GUM 12D

Purchase Summary

Method of payment:	**Visa ending in 8550**
Date of purchase:	**Sat, Apr 05, 2025**
Airfare:	**1765.00**

U.S. Transportation Tax:	22.90
Passenger Civil Aviation Security Service Fee:	5.60
Guam Inspection Service Charges:	8.29
Japan Passenger Security Service Charge:	4.80
U.S. Immigration User Fee:	7.00
Japan Passenger Service Facilities Charge:	8.40
U.S. Passenger Facility Charge:	4.50
Total Per Passenger:	1826.49 USD

Total: 1826.49 USD

Fare Rules

Additional charges may apply for changes in addition to any fare rules listed

NONREF/0VALUAFTDPT

Cancel reservations before the scheduled departure time or TICKET HAS NO VALUE

MileagePlus Accrual Details

Alexanderjames Ford

Date	Flight	From/To	Award Miles	PQP	PQF
Sun, Apr 20, 2025	143	Denver, CO, US (DEN) to Tokyo, JP (NRT)	6955	1391	1
Mon, Apr 21, 2025	865	Tokyo, JP (NRT) to Guam, GU, US (GUM)	1875	375	1
MileagePlus accrual totals			8830	1766	2

Baggage allowance and charges for this itinerary

Origin and destination for checked baggage	1st bag charge	2nd bag charge	1st bag weight and dimensions	2nd bag weight and dimensions
Sun, Apr 20, 2025 Denver, CO, US (DEN - International) to Guam, GU, US (GUM)	0.00 USD	100.00 USD	50lbs(23kg) - 62in(157cm)	50lbs(23kg) - 62in(157cm)

Important Information about MileagePlus Earning

- Accruals vary based on the terms and conditions of the traveler's frequent flyer program, frequent flyer status, and the selected itinerary. United MileagePlus® mileage accrual is subject to the rules of the MileagePlus program. Once travel has started, accruals will no longer display. You can always view your MileagePlus account for posted accrual.
- You can earn up to 75,000 award miles per ticket. The 75,000 award miles cap may be applied to your posted flight activity in an order different than shown. Accrual is only displayed for MileagePlus members who choose to accrue to their MileagePlus account.

International eTicket Reminders

- **Check-in Requirement** - Bags must be checked and boarding passes obtained at least 60 minutes prior to scheduled departure. Baggage will not be accepted and advance seat assignments may be canceled if this condition is not met.
- **Boarding Requirement** - Passengers must be prepared to board at the departure gate with their boarding pass at least 30 minutes prior to scheduled departure.
- Failure to meet the **Boarding Requirements** may result in cancellation of reservations, denied boarding, removal of checked baggage from the aircraft and loss of eligibility for denied boarding compensation.

GOVERNMENT OF GUAM
DEPARTMENT OF ADMINISTRATION
FINANCIAL MANAGEMENT SYSTEM

REQUEST FOR DIRECT PAYMENT

DOCUMENT NO.: D251100 174
DATE: 28-Apr-25

[XX] URGENT - EXPEDITE PAYMENT [ ] KEY & RELEASE - A S A P

PAYEE:	VENDOR NUMBER:
SAMUEL ALEXANDER OFFICE OF THE ATTORNEY GENERAL Bank of Hawaii Building 134 W. Soledad Avenue, 4th Floor, Suite 412 Hagatna, GU 96910	V0019818

PURPOSE:
Reimbrusement for one way airfare for newly hired as authorized pursuant 5 GCA § 30121.2.

TRAN CODE	ACCOUNT NUMBER	AMOUNT	INVOICE NUMBER / MONTH	INVOICE DATE
190	[redacted]	$ 2,000.79	N08246	4/13/2025
	TOTAL:	$ 2,000.79		

CHECK APPROPRIATE BOX BELOW:

[X] ACCOUNT NUMBER IS CORRECT [ ] JOB ORDER NUMBER IS CORRECT [ ] INSUFFICIENT FUNDS
[ ] PRIOR REFERENCE IS CORRECT [X] VENDOR NUMBER IS CORRECT
[ ] OVERRIDE IS AUTHORIZED [X] SUFFICIENT FUNDS

[X] I CERTIFY THAT GOODS/SERVICES SPECIFIED HAVE BEEN RECEIVED AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS.

[ ] I CERTIFY THAT A VALID LIABILITY EXIST BY REASON OF WITHHOLDING, OVERPAYMENT OR DEPOSIT AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS.

Truc Q. Van, Accountant II PREPARED BY	Signature	4/28/25 Date
Douglas B. Moylan, Attorney General APPROVING OFFICIAL	for Joseph A. Guthrie Signature	4/29/25 Date
Joseph A. Guthrie, Chief Deputy Attorney General CERTIFICATION OF FUNDS AVAILABLE	Joseph A. Guthrie Signature	4/29/25 Date

Form ACC-DPA001 Revised 01-2019

Gmail Samuel Alexander <aesam80835@gmail.cor

eTicket Itinerary and Receipt for Confirmation N08246

United Airlines <Receipts@united.com> Sun, Apr 13, 2025 at 2:08 P
To [redacted]

UNITED

Sun, Apr 13, 2025

Thank you for choosing United.

A receipt of your purchase is shown below. Please retain this email receipt for your records.

Get ready for your trip: Visit the Travel-Ready Center, your one-stop digital assistant, to find out about important travel requirements specific to your trip.

Confirmation Number:

N08246

Flight 1 of 2 UA1175

Class: United Economy (W)

Sun, Apr 27, 2025
09:20 AM
San Francisco, CA, US (SFO)

Sun, Apr 27, 2025
11:59 AM
Honolulu, HI, US (HNL)

Flight 2 of 2 UA201

Class: United Economy (M)

Sun, Apr 27, 2025
02:20 PM
Honolulu, HI, US (HNL)

Mon, Apr 28, 2025
06:15 PM
Guam, GU, US (GUM)

Traveler Details

ALEXANDER/SAMUELJOHN

eTicket number: **0162477398798**

Seats: SFO-HNL 38G
HNL-GUM 56G
SFO-HNL

Preferred Zone Seat (0164488401419)

Purchase Summary

Method of payment:	**Visa ending in 1501**
Date of purchase:	**Sun, Apr 13, 2025**
Airfare:	**1955.00**
U.S. Transportation Tax:	**22.90**

Guam Inspection Service Charges	8.29
U.S. Passenger Facility Charge	9.00
Total Per Passenger	2000.79 USD

Total: **2000.79 USD**

Additional Purchase Summary

Method of payment	Visa ending in 1501
Date of purchase	Sun, Apr 13, 2025
Preferred Zone Seat (Reference Number: 0164488401419)	64.99

Total: **64.99 USD**

Fare Rules

Additional charges may apply for changes in addition to any fare rules listed.

NONREF/0VALUAFTDPT

Cancel reservations before the scheduled departure time or TICKET HAS NO VALUE.

Baggage allowance and charges for this itinerary

Origin and destination for checked baggage	1st bag charge	2nd bag charge	1st bag weight and dimensions	2nd bag weight and dimensions
Sun, Apr 27, 2025 San Francisco, CA, US (SFO) to Guam, GU, US (GUM)	0.00 USD	100.00 USD	50lbs(23kg) - 62in(157cm)	50lbs(23kg) - 62in(157cm)

Important Information about MileagePlus Earning

- Accruals vary based on the terms and conditions of the traveler's frequent flyer program, frequent flyer status, and the selected itinerary. United MileagePlus® mileage accrual is subject to the rules of the MileagePlus program. Once travel has started, accruals will no longer display. You can always view your MileagePlus account for posted accrual.
- You can earn up to 75,000 award miles per ticket. The 75,000 award miles cap may be applied to your posted flight activity in an order different than shown. Accrual is only displayed for MileagePlus members who choose to accrue to their MileagePlus account.

International eTicket Reminders

- **Check-in Requirement** - Bags must be checked and boarding passes obtained at least 60 minutes prior to scheduled departure. Baggage will not be accepted and advance seat assignments may be canceled if this condition is not met.
- **Boarding Requirement** - Passengers must be prepared to board at the departure gate with their boarding pass at least 30 minutes prior to scheduled departure.
- Failure to meet the **Boarding Requirements** may result in cancellation of reservations, denied boarding, removal of checked baggage from the aircraft and loss of eligibility for denied boarding compensation.
- Bring this eTicket Receipt along with photo identification, proof of citizenship, passport and/or visa to the ticket lobby for check-in.
- The FAA now restricts carry-on baggage to one bag plus one personal item (purse, briefcase, laptop computer, etc.) per passenger. The fare rules for your ticket may restrict your carry-on baggage allowance even further.
- For up to the minute flight information, sign-up for our Flight Status Updates or call 1-800-824-6200, in Spanish 1-800-426-5561.
- If flight segments are not flown in order, your reservation will be cancelled. Rebooking will be subject to the fare rules governing your ticket.
- For the most current status of your reservation, go to our Flight Status page.

GOVERNMENT OF GUAM
DEPARTMENT OF ADMINISTRATION
FINANCIAL MANAGEMENT SYSTEM

REQUEST FOR DIRECT PAYMENT

DOCUMENT NO.: D251100 175
DATE: 28-Apr-25

[XX] URGENT - EXPEDITE PAYMENT [ ] KEY & RELEASE - A S A P

PAYEE:	VENDOR NUMBER:
ROBIN WHITLEY OFFICE OF THE ATTORNEY GENERAL Bank of Hawaii Building 134 W. Soledad Avenue, 4th Floor, Suite 412 Hagatna, GU 96910	V0019820

PURPOSE:
Reimbrusement for one way airfare for newly hired as authorized pursuant 5 GCA § 30121.2

TRAN CODE	ACCOUNT NUMBER	AMOUNT	INVOICE NUMBER / MONTH	INVOICE DATE
190	[redacted]	$ 2,092.79	NLTFOV	4/7/2025
	TOTAL:	$ 2,092.79		

CHECK APPROPRIATE BOX BELOW:

[X] ACCOUNT NUMBER IS CORRECT
[ ] JOB ORDER NUMBER IS CORRECT
[ ] INSUFFICIENT FUNDS
[ ] PRIOR REFERENCE IS CORRECT
[X] VENDOR NUMBER IS CORRECT
[ ] OVERRIDE IS AUTHORIZED
[X] SUFFICIENT FUNDS

[X] I CERTIFY THAT GOODS/SERVICES SPECIFIED HAVE BEEN RECEIVED AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS.

[ ] I CERTIFY THAT A VALID LIABILITY EXIST BY REASON OF WITHHOLDING, OVERPAYMENT OR DEPOSIT AND THAT PAYMENT IS PROPER AS PER THE ATTACHED DOCUMENTS

Truc Q. Van, Accountant II
PREPARED BY
Signature
4/28/25
Date

Douglas B. Moylan,
Attorney General
APPROVING OFFICIAL
for Joseph A. Guthrie
Signature
4/29/25
Date

Joseph A. Guthrie,
Chief Deputy Attorney General
CERTIFICATION OF FUNDS AVAILABLE
Joseph A. Guthrie
Signature
4/29/25
Date

Form ACC-DPA001 Revised 01-2019

Truc Q. Van <tvan@oagguam.org>

Fwd: eTicket Itinerary and Receipt for Confirmation NLTFDV

1 message

Sheenalynn Hawkins <shawkins@oagguam.org> Fri, Apr 25, 2025 at 4:50 PM
To: Thomas Paulino <tpaulino@oagguam.org>
Cc: "Truc Q. Van" <tvan@oagguam.org>, Douglas Moylan <dbmoylan@oagguam.org>

Hello Tom and Van,

Attached are the documents pertaining to Atty. Robin Whitley, including her itinerary, driver's license, new vendor form, and bank statement needed for her airfare reimbursement. Please process these items appropriately with the Department of Administration.

If you have any questions or require further information, please let me know.

Thank you for your attention to this matter.

Best regards,

Sheenalynn Hawkins
Chief of Staff
Office of the Attorney General of Guam
134 W. Soledad Avenue,
4th Floor, Suite 412
Hagatna, GU 96910
Tel: (671) 475-3324 ext. 5039
Fax: (671) 477-4703
Website: oagguam.org

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---------- Forwarded message ---------
From: **Robin Whitley** <rwhitley@alumni.scu.edu>
Date: Fri, Apr 11, 2025 at 8:27 AM
Subject: Fwd: eTicket Itinerary and Receipt for Confirmation NLTFDV
To: Sheenalynn Hawkins <shawkins@oagguam.org>

Good afternoon,

I have included my flight itinerary below and attached the required paperwork for reimbursement. Please let me know what else you may need, thank you.

UNITED

Mon, Apr 07, 2025

Thank you for choosing United.

A receipt of your purchase is shown below. Please retain this email receipt for your records.

Get ready for your trip: Visit the Travel-Ready Center, your one-stop digital assistant, to find out about important travel requirements specific to your trip.

Confirmation Number:

NLTFDV

Sat, Jun 21, 2025

08:50 AM

Oakland, CA, US (OAK)

Sat, Jun 21, 2025

11:20 AM

Honolulu, HI, US (HNL)

Flight Operated by Hawaiian Airlines

Sat, Jun 21, 2025

02:25 PM

Honolulu, HI, US (HNL)

Sun, Jun 22, 2025

06:05 PM

Guam, GU, US (GUM)

Traveler Details

WHITLEY/ROBINJOY

eTicket number: **0162475702457**

Seats: OAK-HNL ----- **HNL-GUM 30A**

Purchase Summary

Method of payment:	**UATP ending in 4788**
Date of purchase:	**Mon, Apr 07, 2025**
Airfare:	**2047.00**
U.S. Transportation Tax:	**22.90**
Passenger Civil Aviation Security Service Fee:	**5.60**
Guam Inspection Service Charges:	**8.29**
U.S. Passenger Facility Charge:	**9.00**
Total Per Passenger:	2092.79 USD
Total:	**2092.79 USD**

Fare Rules

Additional charges may apply for changes in addition to any fare rules listed.

NONREF/0VALUAFTDPT

Cancel reservations before the scheduled departure time or TICKET HAS NO VALUE.

Baggage allowance and charges for this itinerary

Origin and destination for checked baggage	1st bag charge	2nd bag charge	1st bag weight and dimensions	2nd bag weight and dimensions
Sat, Jun 21, 2025 Oakland, CA, US (OAK) to Guam, GU, US (GUM)	0.00 USD	0.00 USD	50lbs(23kg) - 62in(158cm)	50lbs(23kg) - 62in(158cm)

In compliance with U.S. Department of Transportation regulations, checked baggage policies for your entire itinerary are determined by Hawaiian Airlines. Visit united.com/baggage for more information.

Important Information about MileagePlus Earning

- Accruals vary based on the terms and conditions of the traveler's frequent flyer program, frequent flyer status, and the selected itinerary. United MileagePlus® mileage accrual is subject to the rules of the MileagePlus program. Once travel has started, accruals will no longer display. You can always view your MileagePlus account for posted accrual.
- You can earn up to 75,000 award miles per ticket. The 75,000 award miles cap may be applied to your posted flight activity in an order different than shown. Accrual is only displayed for MileagePlus members who choose to accrue to their MileagePlus account.

International eTicket Reminders

- **Check-in Requirement** - Bags must be checked and boarding passes obtained at least 60 minutes prior to scheduled departure. Baggage will not be accepted and advance seat assignments may be canceled if this condition is not met.
- **Boarding Requirement** - Passengers must be prepared to board at the departure gate with their boarding pass at least 30 minutes prior to scheduled departure.
- Failure to meet the **Boarding Requirements** may result in cancellation of reservations, denied boarding, removal of checked baggage from the aircraft and loss of eligibility for denied boarding compensation.
- Bring this eTicket Receipt along with photo identification, proof of citizenship, passport and/or visa to the ticket lobby for check-in.
- The FAA now restricts carry-on baggage to one bag plus one personal item (purse, briefcase, laptop computer, etc.) per passenger. The fare rules for your ticket may restrict your carry-on baggage allowance even further.
- For up to the minute flight information, sign-up for our Flight Status Updates or call 1-800-824-6200; in Spanish 1-800-426-5561.
- If flight segments are not flown in order, your reservation will be cancelled. Rebooking will be subject to the fare rules governing your ticket.
- For the most current status of your reservation, go to our Flight Status page.
- Your eTicket is non transferable and valid for 1 year from the issue date unless otherwise noted in the fare rules.
- International taxes and fees may be collected at your departure airport.

Data Protection Notice

Your personal data will be processed in accordance with the applicable carrier's privacy policy and if your booking is made via a reservation system provider ("GDS"), with its privacy policy. These are available at http://www.iatatravelcenter.com/privacy or from the carrier or GDS directly. You should read this documentation, which applies to your booking and specifies, for example, how your personal data is collected, stored, used, disclosed and transferred

Customer Care Contact Information

EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

31-11-1139
Office of the Speaker
Judith T. Won Pat, Ed. D.
Date 11/28/11
Time 2:08 PM
Received by

November 23, 2011

Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Unu Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

Dear Madame Speaker:

Transmitted herewith is Bill No. 286-31 (COR) **"AN ACT TO *AMEND* §§30109 AND 30118, AND TO *ADD* NEW §§ 30121, 30121.1 AND §30121.2, ALL OF CHAPTER 30 OF DIVISION 3, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO GRANTING INCREASED AUTONOMY TO THE OFFICE OF THE ATTORNEY GENERAL ON FINANCIAL AND PERSONNEL MATTERS"**, which was enacted into law without the signature of *I Maga'lahan Guåhan*. The legislation is now designated as **Public Law 31-153**.

Senseramente,

EDDIE BAZA CALVO

Attachment: copy of Bill

Ricardo J. Bordallo Governor's Complex • Adelup, Guam 96910
Tel: (671) 472-8931/6 • Fax: (671) 477-4826 • www.governor.guam.gov

1139

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2011 (FIRST) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'LAHEN GUÅHAN*

This is to certify that **Bill No. 286-31 (COR), "AN ACT TO *AMEND* §§ 30109 AND 30118, AND TO *ADD* NEW §§ 30121, 30121.1 AND §30121.2, ALL OF CHAPTER 30 OF DIVISION 3, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO GRANTING INCREASED AUTONOMY TO THE OFFICE OF THE ATTORNEY GENERAL ON FINANCIAL AND PERSONNEL MATTERS,"** was on the 8th day of November, 2011, duly and regularly passed.

Judith T. Won Pat, Ed.D.
Speaker

Attested:

Tina Rose Muña Barnes
Legislative Secretary

This Act was received by *I Maga'lahen Guåhan* this 9th day of Nov., 2011, at 4:25 o'clock P.M.

Assistant Staff Officer
Maga'lahi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'lahen Guåhan

Date: NOV 21 2011

Public Law No. 31-153

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN
2011 (FIRST) Regular Session

Bill No. 286-31 (COR)
As amended by the Committee on Public Safety,
I aw Enforcement and Judiciary; and further amended on the Floor.

Introduced by: Adolpho B. Palacios, Sr.
T. C. Ada
V. Anthony Ada
F. F. Blas, Jr.
B. J.F. Cruz
Chris M. Dueñas
Judith P. Guthertz, DPA
Sam Mabini, Ph.D.
T. R. Muña Barnes
M. Silva Taijeron
v. c. pangelinan
R. J. Respicio
Dennis G. Rodriguez, Jr.
Aline A.Yamashita, Ph.D.
Judith T. Won Pat, Ed.D.

AN ACT TO *AMEND* §§ 30109 AND 30118, AND TO *ADD* NEW §§ 30121, 30121.1 AND §30121.2, ALL OF CHAPTER 30 OF DIVISION 3, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO GRANTING INCREASED AUTONOMY TO THE OFFICE OF THE ATTORNEY GENERAL ON FINANCIAL AND PERSONNEL MATTERS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the people of Guam first elected an Attorney General for the government of

Guam in 2002. The election of the position of the Attorney General provides for more independence of that office from *I Maga'lahi* and *I Liheslatura*, which is appropriate for the wide-ranging duties of the Attorney General as the chief legal officer of the government of Guam.

I Liheslatura further finds that the Office of the Attorney General experiences difficulties with government bureaucracy, specifically concerning personnel recruitment and the release of funds appropriated to the Office. These problems have diminished the ability of the Office of the Attorney General to effectively and efficiently execute its responsibilities as the government of Guam's chief legal representative.

I Liheslaturan Guåhan finds that the Public Defender Service Corporation (PDSC), as provided in Title 12, Guam Code Annotated, is authorized to administer its budgetary resources and matters pertaining to personnel. This level of autonomy allows for the PDSC to efficiently manage its financial resources and to recruit in a timely manner, and retain personnel critical to supporting the mandates of the PDSC.

I Liheslaturan Guåhan further finds that it is manifestly in the interest of the people of Guam that the Attorney General shall have more autonomy over the operations of the agency in which he heads. It is only appropriate that the Attorney General have more control over the administration of the Office's budgetary resources and the management of its personnel, including the recruitment, hiring and retention process. This will only enhance its independence and its credibility in the rendering of legal opinions, carrying out its prosecutorial responsibilities and performing the other duties of the Office.

Therefore, it is the intent of *I Liheslaturan Guåhan* to amend and add provisions in Title 5, Guam Code Annotated, which grant the Office of the Attorney General a level of autonomy similar to the PDSC relative to the

recruitment, hiring and retention of agency personnel, and the proper administration of its financial matters.

Section 2. Duties of the Attorney General. § 30109 of Chapter 30, Division 3 of Title 5, Guam Code Annotated, is hereby *amended* to read:

"**§ 30109. Duties.**

The Attorney General is the public prosecutor and, by himself, a deputy or assistant, *shall*:

(a) conduct on behalf of the government of Guam the prosecution of all offenses against the laws of Guam which are prosecuted in any of the courts of Guam, the District Court of Guam, and any appeals therefrom;

(b) draw all information, conduct grand jury proceedings, prosecute all recognizances forfeited in the courts and all actions for the recovery of debts, fines, penalties and forfeitures accruing to the government of Guam, *except* as otherwise provided in this Act;

(c) conduct on behalf of the government of Guam all civil actions in which the government is an interested party; provided that those branches, departments or agencies which are authorized to employ their own legal counsel may use them instead of the Attorney General;

(d) deliver receipts of money or property received by him in his official capacity and file duplicates thereof with the Director of Administration;

(e) as soon as practical after the receipt of any money in his official capacity, turn the money over to the Director of Revenue and Taxation, and on the first (1st) Monday of each month file with the Director of Administration, an account, verified by his oath, of all

monies received by him in his official capacity for the government of Guam during the preceding month;

(f) be diligent in protecting the rights and properties of the government of Guam;

(g) institute by any appropriate action proceedings on behalf of himself or any other public officers (*not* an employee) to have determined by the courts the validity of any law, rule or regulation of the government of Guam;

(h) prepare and submit annual budgets for approval by *I Liheslaturan Guåhan*;

(i) administer federal funds/programs on behalf of the Office of the Attorney General;

(j) serve as the Office of the Attorney General's approving authority for the expenditure of funds;

(k) serve as the Office of the Attorney General's appointing authority for all personnel employed at the Office of the Attorney General, hiring employees from an established list of qualified applicants in accordance with established criteria and assigning, detailing, and transferring employees as the Attorney General deems necessary for the effective operation of the Office of the Attorney General; and

(l) perform such other duties as are required by law."

Section 3. Budget and Financial Matters of the Attorney General's Office. § 30118 of Chapter 30, Division 3 of Title 5, Guam Code Annotated, is hereby *amended* to read:

"**§ 30118. Budget and Financial Matters.**

The Office of the Attorney General *shall* receive an annual budget pursuant to appropriation by *I Liheslaturan Guåhan*, which is *not* subject to the allotment process or the control of the Bureau of Budget and Management Research, nor shall *I Maga'lahen Guåhan* impound or transfer funds appropriated to the Office of the Attorney General. The Office of the Attorney General *shall* receive from the Department of Administration, or its successor, an amount *no less than* one twelfth (1/12) of its budget on the first (1st) day of every month of the fiscal year until such budget has been exhausted. In a month in which more than two (2) pay periods occur, the Department of Administration *shall* release such funds required for the purpose of meeting the operational needs of the Office of the Attorney General for that month, provided a sufficient balance of the appropriation remains."

Section 4. Fiscal Authority of the Attorney General's Office. A new §30118.1 is hereby *added* to read:

"§30118.1. Fiscal Authority Accounting; Expenditures.

(a) The Office of the Attorney General *shall* be responsible for the conduct of operational matters addressing its financial activities, in accordance with and consistent with the provisions contained herein.

(b) The Department of Administration *shall* establish, for the benefit of the Office of the Attorney General, a fund to be known as the "Office of the Attorney General Operations Fund", hereafter referred to as the "Fund", which *shall* be maintained by the general administrative services of the Department of Administration separate and apart from other funds of the government of Guam, and independent records and accounts *shall* be maintained in connection

therewith. Financial statements detailing the revenues generated and expenses incurred of the Fund *shall* be submitted to the Speaker of *I Liheslaturan Guåhan* quarterly, or as otherwise required by law.

(c) All monies, *except* for monies required by law to be deposited in a special fund, received by the Office of the Attorney General, from whatever source derived, *shall* be deposited in the Fund bank account of an eligible bank, as defined in 5GCA §21112, which is procured by the Department of Administration.

(d) All expenditures from the Fund *shall* be made by the Department of Administration, at the direction of the Office of the Attorney General.

(e) The Department of Administration *shall* adopt a uniform system of accounting, consistent with other government of Guam requirements, for the Fund and special funds of the Office of Attorney General."

Section 5. Administration of Personnel Matters by the Office of the Attorney General of Guam. New §§ 30121, 30121.1 and 30121.2 are hereby *added* to Chapter 30, Division 3, Title 5, Guam Code Annotated, to read:

"**§ 30121. Administration of General Personnel Matters.**

The Office of the Attorney General *shall* be responsible for the conduct of operational matters addressing its personnel activities, in accordance with and consistent with the provisions contained herein.

§ 30121.1. Administration of Personnel.

The Attorney General of Guam is authorized to hire and appoint such personnel, and to fix their duties and responsibilities under and in accordance with Title 4, Guam Code Annotated, as may be necessary for the purposes of this Chapter.

§ 30121.2. Employment.

(a) Pursuant to the provisions of § 4105 of Title 4, Guam Code Annotated, the Attorney General may establish rules and regulations governing selection, promotion, performance evaluation, demotion, suspension and other disciplinary action for the employees of the Office of the Attorney General. Until such time as the Office of the Attorney General adopts its own rules and regulations as provided herein, the rules and regulations adopted by the Department of Administration *shall* continue to apply to the Office of the Attorney General.

(b) Employees of the Office of the Attorney General *shall* continue to be members of the Government of Guam Retirement Fund, subject to the provisions of §8105 of Title 4, Guam Code Annotated. The Office of the Attorney General *shall* contribute to the Government of Guam Retirement Fund on the basis of annual billings as determined by *I Liheslaturan Guåhan* or the Government of Guam Retirement Fund, for the government share of the cost of the retirement benefits applicable to the Office of the Attorney General employees and their beneficiaries. The Office of the Attorney General *shall* also contribute to the Workmen's Compensation Fund, on the basis of annual billings as determined by the Workmen's Compensation Commissioner, for the benefit payments made from the Workmen's Compensation Fund on account of the Office of the Attorney General's employees.

(c) Notwithstanding any other provision of law the Office of the Attorney General may provide one (1) way airfare for newly-hired classified, unclassified and/or limited term appointment attorney(s), to

Guam and may seek reimbursement from the attorney(s) who do *not* serve the full term of their contract with the Office of the Attorney General."

Section 6. Effective Date. The provisions contained herein *shall* be fully effective *no later than* one hundred eighty (180) days following the enactment of this Act. From the period of enactment until the full effect of this Act, the Office of the Attorney General and the Department of Administration may effect a transitional arrangement toward full implementation.

Section 7. Severability. *If* any provision of this Act or its application to any person or circumstance is found to be invalid or contrary to law, such invalidity *shall not* affect other provisions or applications of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.

FY2026 BUDGET REQUEST

Office of the Attorney General of Guam

QUICK FACTS

Office of the Attorney General
FY2026 Budget Request

Current budget		**$21,246,340**
Requested Budget Increase		**+ $2,861,605**
Breakdown[1]		
• **Salaries**[1]	**$1,320,685**	
• **Operations**	**$346,649**	
• **Legal Contractual**	**$0**	
• **Child Support**	**$1,193,770**	
• **Upgrades**	**$500**	
• **Vacancies**	**$0**	
Lapses		**$0.00**

No. of Attorneys Required	**96**
No. of Attorneys in Office	**40**
No. of Attorneys NEEDED	**56**
Average Attorney Salary & Benefits	**x $150,000**[2]
ACTUAL ADDITIONAL NEEDED	**$8,400,000**
Total Personnel	**174**
• **Attorneys**	**40**
• **Staff**	**134**
Criminal Jury Trial Wins Since Jan. 2023	**over 57**

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1. Figures in the breakdown are rounded off.
2. Does not include paralegals, legal secretaries, support staff, supplies or facilities expenses.

A message from **Attorney General Douglas Moylan**

Hafa Adai Senators:

Herein contains our detailed budget request for Fiscal Year 2026, which remains under budget in light of this community's need for legal services. Our Island continues to suffer from a lack of legal professionals yet our need for prosecuting crimes to protect us, stopping corruption wasting our tax dollars, getting children their child support, representing our government in Court and advising government officials, protecting our children in Family Court, helping consumers and performing necessary notary administration functions all continue.

Attorneys and legal professionals are expensive in staffing any law firm, but most especially Guam's largest law firm which is the AG's Office. This AG has made it a point to exceed our appropriation. In addition, trying to recruit and keep attorneys is a challenge that we consistently struggle with, considering the significant relocation, culture shock and training required for each person hired.

Notwithstanding the formidable struggles, my team has produced and continues to champion prosecution victories keeping us all safe, and pursuing civil causes that improve and protect our quality of life in this U.S. Territory. Our budget this fiscal year accommodates the increased costs to run this law firm, and attempts to maintain the level of legal services, whilst improving our capabilities as well. Serving our client requires resources, yet rest assured that this Attorney General believes strongly in creating policies and procedures that streamline our operations.

Respectfully,

DOUGLAS B. MOYLAN
ATTORNEY GENERAL OF GUAM

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FY2025 vs. FY2026 BUDGET

Appropriation Classification	FY 2025 Authorized Level	FY 2026 Agency's Request
PERSONNEL SERVICES		
Regular Salaries/Increments/Special Pay:	12,364,408	13,596,269
Overtime:	0	0
Benefits:	5,281,477	5,879,526
TOTAL PERSONNEL SERVICES	$17,645,885	$19,475,795
OPERATIONS		
TRAVEL- Off-Island/Local Mileage Reimburs:	0	25,428
CONTRACTUAL SERVICES:	1,623,416	2,194,373
OFFICE SPACE RENTAL:	1,439,749	1,848,706
SUPPLIES & MATERIALS:	59,573	53,578
EQUIPMENT:	334,150	331,090
WORKERS COMPENSATION:	5,000	5,000
DRUG TESTING:	1,669	5,571
SUB-RECIPIENT/SUBGRANT:	0	0
MISCELLANEOUS:	71,120	71,120
TOTAL OPERATIONS	$3,534,677	$4,534,865
UTILITIES		
Power:	0	0
Water/ Sewer:	0	0
Telephone/ Toll:	26,500	31,148
TOTAL UTILITIES	$26,500	31,148
CAPITAL OUTLAY	$39,278	$66,138
TOTAL APPROPRIATIONS	$21,246,340	$24,107,945

In a nutshell, our proposed FY2026 budget is $24,107,945 which represents 1.78% of the Government of Guam's FY2026 budget of $1,357,061,551. As the largest law firm on island with over 40 attorneys and about 134 supporting staff, our office is actively recruiting to fill additional attorney positions to serve our client, who are the People of Guam. Our requested about $2.8M or 12.6% increase from the FY2025 budget is due to an increase in salaries and benefits resulting from organic growth, retirement rate increases, legal consultants, and office rent.

2025

Legal Policies, Direction & Protecting the People's Quality of Life

HEALTHCARE

Protecting Us Against Reimbursing the Federal Government

$1.5 Billion Project Pipe Dream . . .

We need structural repair, pharmaceuticals and medical professionals (cardiac surgeon, neurologist, oncologist).

People are dying. People are suffering.

EDUCATION

Procurement Support: Simon Sanchez High School and F.B. Leon Guerrero Middle School

This AG supports the People's mandate for their government to provide proper education to our children. In fulfilling this mandate, this AG's Office is consistently communicating, coordinating, and providing procurement support to both GDOE and DPW to accomplish the reconstruction of a brand-new Simon Sanchez High School and the completion of the refurbishment of F.B. Leon Guerrero Middle School in Yigo. Our kids and families deserve it.

PUBLIC SAFETY

100% Meth Inspections Saves Lives

Meth is flooding our island, creating victims in every village and overwhelming our justice system. In December 2024, the AG released a 100-page ***Meth Interdiction Plan*** to fight back—starting with the Port Authority.

The AG has put the Governor on notice: meth is slipping through containers and cargo leaving our port. To stop it, the Governor must act now—order 100% inspections of all cargo. No more delays. No more excuses. Meth is killing our people. It's time to use our power, our resources, and our resolve to cut off the supply and drive up the price. Let's protect our families and take our island back.

2025

PROJECTS & PROGRAMS

Making Guam A Good Place to Live

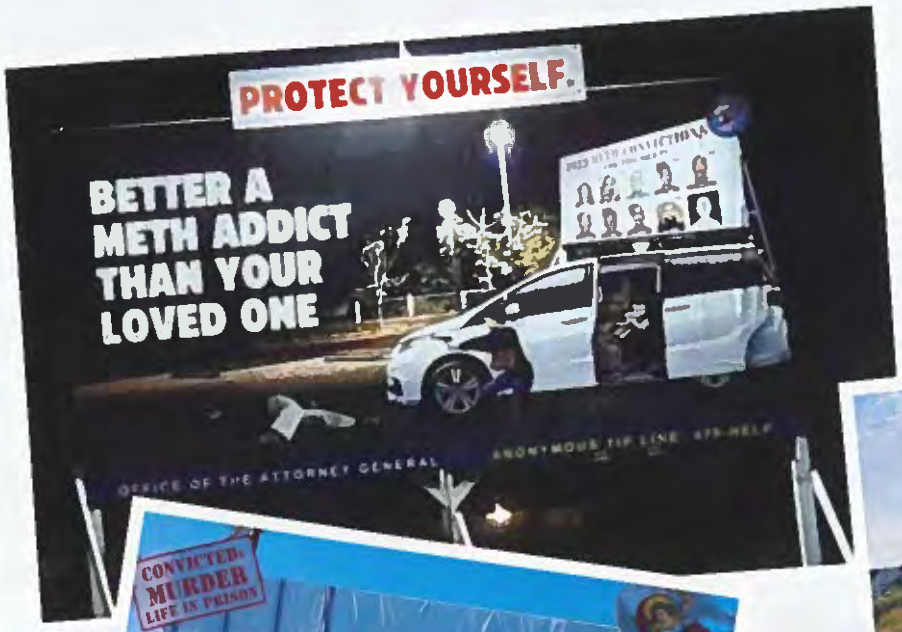
PROSECUTION

Guam's ***Toughest Law Enforcers*** continue to uphold the AG's commitment to protecting the public, successfully prosecuting numerous criminal cases ranging from minor offenses to serious felonies. These cases include drug-related offenses, violent crimes, and white-collar crimes.

Our dedicated team of AG Renegades has won over 57 trials since January 2023. Each trial victory signifies another criminal removed from our community and another crime victim receiving the justice they deserve. We...***Go, Fight, Win!***

BILLBOARDS

We continue communicating with our client, the People of Guam, through our billboards. To date, the AG's Office has released **21** distinct billboard designs, each one shedding light on crimes and legal issues. On the spotlight this year are our ***Meth Kills, Panbusters,*** and ***Crime Victims Fighting Back!*** billboards. These images paint a picture of the issues we face and are not (necessarily) intended to make us feel comfortable.


PROTECT YOURSELF.
BETTER A METH ADDICT THAN YOUR LOVED ONE
OFFICE OF THE ATTORNEY GENERAL
ANONYMOUS TIP LINE 675-HELP

YOU THE JURORS ARE PROTECTING US
We the People

DUI KILLS
HE LOST HIS LICENSE
SHE LOST HER LIFE

CONVICTED: MURDER LIFE IN PRISON
REAL LOVE SHOULD NOT HURT
EMMANUEL CEPEDA
EMMA CATAPANG-CEPEDA
1977 - 2023
OFFICE OF THE ATTORNEY GENERAL
ANONYMOUS TIP LINE 675-HELP

CONGRATULATIONS. YOU WENT VIRAL!
JOSEPH, KDJ
CONVICTED: ASSAULT

DEPORT AIR

WE ARE VICTIMS OF CRIMINALS . . .
ARE YOU NEXT?
STOP
CATCH
RELEASE &
PROFFEND

Imagine a place for those in need . . .
MEAL · SHOWER · SLEEP · WORK
DIGNITY PROJECT

METH KILLS
METH IS DEATH

GOOD SAMARITANS
IN EVERY VILLAGE
BECOME ONE!

GOVERNOR, HELP OUR PEOPLE!
UPDATE
GOV. TOOK HER LOGOS

GAME

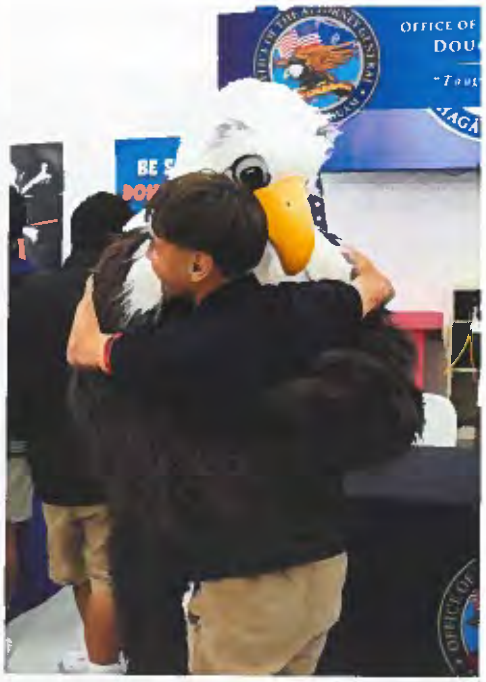
CRIME VICTIMS
FIGHTING BACK!
50 TRIAL WINS AND COUNTING

GOVERNOR
100%
METH INSPECTIONS
SAVES LIVES
METH KILLS

CHANGING OUR KIDS' DNA

Since launching in November 2024, the AG's *Changing Our Kids DNA* School Tour has covered **8 middle and high schools**, delivering a critical message: ***Meth Kills and Be Smart, Don't Start.*** We're showing students that the real danger isn't just jail — it's the deadly poison that is meth brought by death dealers that can destroy their future. Through these outreach efforts, we're helping students through education and stay on the path to success. This program continues to reach more schools, helping our youth stay away from meth and pursue their dreams with a healthy, bright future.

BE SMART.
METH KILLS

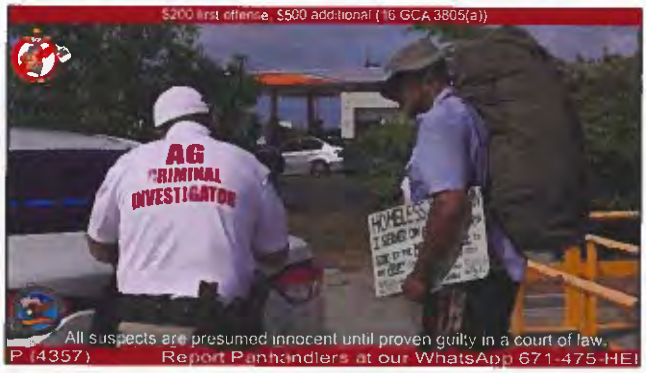


JOSE L.G. RIOS MIDDLE SCHOOL'S
Schoolwide Learner Outcomes (SLOs)
– Resourceful Problem Solvers
– Involved Citizens
– Open Minded and Creative Thinkers
otivated Learners
METH KILLS

METH KILLS

AG'S *PROTECT ONE ANOTHER* VILLAGE Q&A

The AG's Office is bringing crucial information directly to our client, We the People, through the **Protect One Another Village Q&A Outreach** series, equipping residents with knowledge of their rights under Guam's Castle Doctrine and Self-Defense laws. With successful events in 4 villages and more on the way, General Moylan and our team of attorneys and staff are reaching out to every community to share how they can lawfully protect themselves and their families. Beyond the legal presentation, these interactive sessions creates meaningful discussions between your Elected-AG and the People of Guam.



PANBUSTERS . . . everyone has to follow the law.

The AG PanBuster team was created in January 2025 to enforce the Anti-Aggressive Panhandling Law, 16 GCA § 3805(a). Our team of men and women in white suits patrol the streets of Guam, ensuring the safety of our roads. As of March 25, our PanBuster teams have issued a total of 22 tickets to illegal panhandlers, sending a clear message: ***Get off our Roadways & Get A Job.***

DEPORT AIR

We effectuate the will of our people and continue have alien criminals removed from our island. The Criminal Deportation Initiative, launched on August 21, 2023, enables pretrial and post-judgment defendants to undergo voluntary deportation, barring their reentry to Guam. On November 1, 2023, our "29 Deported and Counting" billboard was erected in Dededo, Barrigada, and Agana. The subsequent "Deport Air" billboard, featuring 40 non-US criminals with ICE detainers, was unveiled on June 1, 2024.

LOVE YOUR KIDS

In August 2024, the AG's Office, led by AG Moylan and the dedicated team from the Child Support Enforcement Division, hit the road with our beloved mascot, Eric the Eagle, bringing a wave of outreach events. August was once again proclaimed as "Child Support Awareness Month," officially launching another round of family-focused outreach events. From village to village, the AG's Office is making sure parents know their rights, children get the support they deserve, and the island hears the call to ***Love Your Kids.***

OTHER ONGOING PROJECTS

Crime Victims Fighting Back

Anti-School Violence

Clearing of Homeless Encampments

Concrete Action on Road Damages

Load Shedding Accountability

Consumer Rights Awareness

Releasing Undistributed Child Support Funds (PL 37-100)

Awarding Good Samaritans

and many more . . .

STAFFING TREND

THE PEOPLE OF GUAM'S ELECTED LAW FIRM

TARGETS & PROJECTIONS

The Office of the Attorney General of Guam is a democratically-elected law firm created by Congress and Guam law. Based upon the May 31, 2024 Supreme Court decision, our projected 55 attorneys who might have done both criminal and civil legal work, has now been increased to 96 attorneys in order to service all the departments and agencies. An additional 56 Assistant AGs are still needed. This will require additional legal support staff, equipment & supplies and facilities for these attorneys. ***We are up to the task.***

ATTRACTING TALENT

Staffing our public law firm with high-caliber attorneys, paralegals, investigators, legal secretaries, and clerks is critical to fulfilling our mandate. It's no secret that Guam faces a shortage of qualified attorneys, but this AG's Office is meeting the challenge head-on.

Our team is aggressively recruiting the skilled attorneys needed to carry out our mission of Protecting the Public. Our efforts have already brought dozens of experienced, off-island attorneys to join our ranks, reinforcing AG Moylan's commitment to be the ***Toughest AG on Crime***, backed by his Renegades, the ***Toughest Law Enforcers***.

GET HIRED
ON THE SPOT!
JOIN OUR TEAM!
OFFICE OF THE ATTORNEY GENERAL
HAGÅTÑA, GUAM

WE RECRUIT
THE BEST AND THE BRIGHTEST
JOIN OUR TEAM!

OFFICE OF THE ATTORNEY GENERAL
HAGÅTÑA, GUAM
JOIN OUR TEAM!

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Chirstopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Tuesday, June 17, 2025** at **2:00 PM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Tuesday, June 10, 2025** (5-Day Notice), and again on **Friday, June 13, 2025** (48-Hour Notice).

SENATORS PRESENT
Senator Christopher M. Dueñas, Chairman
Senator Sabrina Salas Matanane
Senator Telo T. Taitague
Senator Eulogio Shawn Gumataotao

ORAL TESTIMONY:
Douglas Moylan, Attorney General of Guam, OAG
Raymond Ilagan, Deputy Director, Division of Child Support, OAG:
Tom Paulino, Fiscal Officer, OAG

WRITTEN TESTIMONY:
Douglas Moylan, Attorney General of Guam, OAG

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **2:05 PM.**

[Questions and Discussion] **[***Begins at 00:11:38 and ends at 01:16:50*]

Chairman Christopher M. Duenas: Hafa Adai, welcome to all of you who have shown up for today's public hearing on our budget process and today we have the Office of the Attorney General and welcome to your Guam Congress building. The Committee on Finance and Government Operations is now called to order at 2:05 PM or 14:05 PM.

The first notice of this public hearing was disseminated to all senators and media outlets on June 10th, 2025, with its second notice disseminated on June 13th, 2025. The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's public Notice portal.

The committee will now hear Bill No. 44-38 (COR), introduced by the Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance

with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS relative to the office of the Attorney General.

Joining me for this budget hearing is Senator Telo Taitague, who has oversight of the office of the Attorney General and also Senator Shawn Gumataotao and Senator Sabrina Salas Matanane. Thank you, Senators for joining us today. Before we begin, as is, customary, when we have our budget hearings dealing with finance, I'm going to ask all of you to please rise and be sworn in by our Sergeant at arms, and then we'll continue the proceeding.

Edward Pocaigue, Sergeant at Arms: Please raise your right hand under penalty of perjury. You all affirm that any and information you provide today, whether it be verbally, electronically, underwriting, be the truth, the whole truth, and nothing but the truth. Mr. Chair, their under oath. You may proceed.

Chairman Christopher M. Duenas: Thank you, Sergeant, and thank you General Moylan and the team from the Office of the Attorney General.

Before we begin, I'd like to remind everyone in attendance of the *I Liheslaturan* General Rules of Conduct, individuals testifying shall first be recognized by the chairperson before speaking, and shall state their full name for the record keeping purposes, questions and testimony shall be confined to the substance and the nature of the bill that's on the agenda.

Personal inferences to character or motive of any senator or individual testifying are not permitted. The chairperson of the committee may order removal from the hearing of any member of the *I Liheslaturan Guahan* or the public audience who fails to observe property quor Pursuant to the 38 Guam legislature, standing rules, any violation of this general conduct will result in immediate removal from this public hearing room.

So now we'll move on to recognize our Attorney General, general Moylan. So the format that I've been using General is allowing you to open with an opening statement and if you want to let the members of your panel or you want to introduce them and then just let us know whether they'll be testifying or whether they'll be in

support and here for any questions that the committee may have. So with that General morning, I turn over the floor to you.

Douglas Moylan, Attorney General of Guam, OAG: Hafa Adai, Mr. Vice Speaker Duenas and our oversight Chairwoman Senator Telo Taitague, Senator Gumataotao and Senator Matanane. My name is Douglas Moylan. I am the elected Attorney General of Guam. To my right, I have from my office Neil Bonavita, Ray Ilagan, and Wilfred Aflague.

To my left, I have Mr. Tom Paulino, John Salas, and Mr. Joe Guthrie. They're here today to answer any questions that the senators might have in relation to the office of the AG's fiscal year 2026 budget. So our office this Attorney general has been in office now for about two and a half years.

The impact of our office, given that we have criminal and civil purview as the Chief Legal Officer of the people of Guam, is healthcare, public safety and education. In the past year there's been very serious issues, legal issues pertaining to the three categories that I've just spoken about as this is a budget hearing.

I guess one of the summary phrases that I can use is you're either going to pay now or pay later. With lawyers we are important to the operation of government. I've tried to make the office important towards the quality of life for our people here. Instead of being a better quality of life, I like to say a good quality of life.

And I think that lawyers throughout our nation have had an important role in not only enforcing the laws that you lawmakers make, but also in saving money for the taxpayers, for creating those priceless things that you can't pay for public safety. You know, and again, it goes to education and healthcare as well.

Our office is made up of eight divisions that includes the general crimes, the government corruption divisions, which deal with the criminal statutes as well as the solicitors, civil child support, family consumer protection and then I also have the appellate and writing division, which is important for we wordsmiths in the AG's office.

So, having said that, senators, we are here today in order to answer any question that you might have. We're trying to keep this as an operational budget, a bare bones budget. I can appreciate the frugality that I've always run my office in my first term as AG, as well as in this term as Attorney General.

I do not believe in overspending, the money that's given to us in my first four years and in the last two years we've had lapses for very different reasons, but mainly because I don't run an office in the red and I try to get my staff to do the same thing. Today you're going to hear about a projection from the child support office that we discussed with the finance the legislative finance committee.

Regarding the two third, one third split we're hoping that you might understand the needs of the child support function that our office provides. So, having said that Senator, we are available for this oversight and this budget hearing.

Chairman Christopher M. Duenas: Thank you, General. Will your fiscal officer be making a presentation or just taking questions at this point?

Douglas Moylan, Attorney General of Guam, OAG: I think it might be helpful for him to at least run the numbers for us. We did put together a somewhat of a summary, the budget request that we just handed out here. We tried to condense the numbers, you know, how much more is being requested. And again, I, we call it organic growth. At least I've heard, it's called organic growth. When you have a certain size of a existing payroll, the salary increments, the, bonuses, whatever is incorporated, the retirement people that retired that's my understanding of the main projection has occurred because of that growth of having such a large law firm.

And again, I'd like to reiterate that not only has Guam, not enough lawyers right now, but we are the largest attorney law firm on Guam, providing services to the government and to our people. So maybe Mr. Paulino can do, as you suggest and give a, a quick summary of our numbers.

Mr. Tom Paulino, Fiscal Officer, OAG: Good afternoon Senators, we are asking for $2.8 million more than our current appropriation, and this is broken into three main parts. Personnel, especially within our agency accounts for 81% of the total expenditure of that $813,000 is purely organic growth. That is, that relates to increments, that it relates to the increase in retirement, Medicare, I mean not Medicare, medical and dental insurance.

And then there remaining $500,000 is equivalent to three new attorneys for our office. I did want to say that since we submitted this budget, in March, we have hired eight additional attorneys at a cost of $1.2 million and three additional staff so the total increase from the time we submitted to now is $1.3 million.

For operations there was an increase of $346,000. The vast majority is an increase in rent. We had moved from ITC to Bank of Hawaii, but I wanted to stress that even though we moved and there is a slight increase in rent, we actually saved, $278,000 because if we had stayed at ITC, it would've been $4 a square foot versus the $3.3 that we're paying at this new location.

So there was a savings involved and we did forego 5,000 square feet by moving that amount is offset by a eight $80,000 decrease in our contractual cost. And then the remaining $1.1 is really for child support. It's to support their personnel 43% of the increase is for personnel.

We have gone through an audit, so the auditors have requested that we, I'm sorry, have certain staff in place for protection of the IRS, area. So this is why we have a huge increase in personnel. And then contractual is our child support system increases. So that's the difference between what we're asking for this fiscal year or this upcoming fiscal year.

Douglas Moylan, Attorney General of Guam, OAG: Mr. Vice Speaker, I'd also like to point out, on the lease issue I've pointed out before in the last legislature, I submitted a proposed legislation. We're literally paying enough money to buy a piece of property in Agana and when I was first the AG it was the Pedros Plaza. I've the market research has shown that the prices have not increased significantly in Agana.

If that's where you wanted the AG's office, we literally could buy a building in three years of our rent that we're paying right now. So I just wanted to throw that out there, that the, there's alternatives that could be done to create the equity and then take this money that we're paying for lease payments and actually buy something. Thank you.

Chairman Christopher M. Duenas: Certainly a idea worth looking into if there's maybe we can work with your office at least to understand if you've identified property or there's a proposal to I'll put that forward in terms of legislation. Thank you, we can discuss that with you another time, but thank you for letting us know that we can possibly create a future savings to the people of Guam by acquiring property or building to accommodate the needs of the Office of Attorney General. Thank you.

So General, I just want to go through this real quick. When I look at the Total General Fund, 2024 levels at $16,667,000, fortunately, and we did, recognize your needs and the legislature passed a budget with your authorized level now in 2025 at, $2,000 or

$21,246, 340, a very reasonable increase, fiscal 2026 budget as your, ASO or your financial manager has mentioned.

Yes, you are, having a variance of about, close to $2.9 million. The governor's request is at $19 million with that variance, making it $4,304,090. I want to thank you and your team for meeting us during the pre-budget hearings. What I mentioned to the team was, we were going to get as close as possible, to the request given the current, fiscal constraints.

We do recognize exactly what you present in general, that one of the major areas, two major areas that's really throughout the government now is the retirement benefits, for employees as well as, as well as the health insurance contract. And so we know that embedded in that request that you have is a significant amount to cover that organic growth as you spoke about.

So certainly we're obligated to that and, then we'll pursue going forward beyond that. But so I want to thank you once again. Like I said, your team was very effective when you met with us in our pre-budget hearing. And so, we'll continue to work with the committee and, and see what we can do going forward.

I'd like to now defer to the, chair, so that she can ask any questions, and start with her. This is a very important hearing and, you know, we've got, we've got senators who are able to make it today, so there'll be no clock. No need for a clock on this one, given the fact that, I want to give as much time as possible to those that have joined us. Senator Taitague chair of the Office of Attorney General's office, please proceed.

Senator Telo T. Taitague: *Si yu'us ma'åse* and good afternoon to my colleagues and of course, good afternoon to the hardworking individuals at the Attorney General's office. Greatly appreciate, everything that you do, and it's, it's not an easy, position to be up over there.

I mean, the kind of work that you do and protecting the island, it's, it takes a lot, it takes a toll on you, I'm sure, but, and I'm sure it takes a toll on your families as well. So I greatly appreciate your families giving you that support. You need to come to work every day, so please extend that to them for me.

You know, Mr. Attorney General, I, you're, you're the most recognized individual on this island. Probably the most popular of all. But I, I say that in, in, in, you know,

in a good way because this is an attorney general that is active in our community. You have done everything possible, and it even shows in this booklet that was passed out and I'm saying only some of the stuff is in here that I, I don't think I saw that one area where you actually take the time to, to educate our community. Especially when we as legislature pass bills, for instance, the Castle Doctrine Bill, and you took the initiative to school, you know, the, in our community about the Castle Doctrine bill to ensure that, you know, individuals understand the law.

I didn't see it in this, but it, that means you must be missing some other great things that you're doing for outreach, you know, and, and trying to convince the people the concerns that we have here on this island with the drug epidemic the importance of screening our cargo that comes in here.

Everything from child Protective Services in that perspective. So I greatly appreciate regarding the, I'm just curious regarding the Castle Doctrine where you took the initiative, you and your staff took the initiative just to go out, how many communities were you able to, or areas did you go out during that Castle Doctrine outreach program?

Douglas Moylan, Attorney General of Guam, OAG: I, I think it's about six villages. Four. I'm sorry, four villages. I was informed four villages.

Senator Telo T. Taitague: Four villages, okay, that you were in. And so you hit the north, south and central.

Douglas Moylan, Attorney General of Guam, OAG: That's correct.

Senator Telo T. Taitague: Other one. Okay.

Douglas Moylan, Attorney General of Guam, OAG: Dededo was one of our last ones, so we're probably going to be up in Yigo, but it's a, it's a year round type of function that we're doing our outreaches. In order, as you say, to see our client, which is literally those people in our community, especially the law abiding ones, the ones that want to follow the law.

Senator Telo T. Taitague: Well, I really hope that you keep some funding in that area to continue these outreach programs because like I said, we pass these legislation and a lot of times people are not quite sure whether something is legal now or not legal or what extent they, for instance, the, the fireworks, you know,

when we had the fireworks bill that that was passed and people were not sure exactly, is it legal? Is it not legal? Can we bring them in? Can we not bring, I mean they know they can't bring 'em in, but can we still shoot 'em off? Things like that. So please maintain that part in the community so that we understand the people, Guam can know exactly what they can and cannot do, so that they don't get in trouble.

Douglas Moylan, Attorney General of Guam, OAG: Thank you, we will.

Senator Telo T. Taitague: So I appreciate that. And in that area, you, you do set aside some funding for that on the outreach, continuing to do that?

Douglas Moylan, Attorney General of Guam, OAG: That's correct. The communication function, as you can see with the billboards, it's just not the billboard, it's the message that we're trying to get to our client, which is like with, with our senators here, the, the constituency of the senators is the same client that we represent.

And, we have built it in. And, you know, again, I've got a very creative team here, especially with Tom and our accounting people that are able to see what we're budgeted to be within that budget and then to spend the money as effectively as we can. But the communication function is critical cause that creates the deterrence, that creates the positivity that we need from our community to lessen the load of our criminal, especially our criminal cases.

Senator Telo T. Taitague: And I appreciate also extending that invitation to senators, you know, to let them clearly understand, especially if legislation comes up there should be somebody in your office that's willing to, you know, we do like when they call, one of my colleagues call and say, look, I need some help on a particular legislation.

Douglas Moylan, Attorney General of Guam, OAG: Absolutely.

Senator Telo T. Taitague: You know, you've been very good with me and, and a couple other colleagues. But if.

Douglas Moylan, Attorney General of Guam, OAG: Our government Senator, and I'd like to emphasize that with Lee Miller who's in our attendance today, the, the ability to protect government employees that are sued in a, official capacity, such as what happened with, I believe that was five police officers that are in federal district

court that we've had to step up and represent them versus the intimidation that can occur when a private party has to go find an attorney.

You know, that is not what the government of Guam stands for, and the attorney general is the Chief Legal Officer of the government of Guam, that is what Congress stated. And the government of Guam includes all three branches. So thank you, Senator.

Senator Telo T. Taitague: Absolutely.

Douglas Moylan, Attorney General of Guam, OAG: Yeah, absolutely. It's been done, by the way, for decades in the AG's office, even before there was an elected ag, the prior appointed AG's did provide legal representation to the entire government and its employees.

Senator Telo T. Taitague: Absolutely. It plays a critical role in upholding the law and protecting public's interest. The one question I have, when you express concerns about DOAs control over your office funds there was an issue that was brought to my attention, and I'm talking on a budget perspective, with regards to this, and how your office can, you know, function when you're not getting these allotments to your office.

You know, you lose the opportunity of getting. Additional employees as well as, yes, most especially attorneys, which you definitely lack. And according to your, your document here, you need 96 attorneys. You only have 40 at this point.

Douglas Moylan, Attorney General of Guam, OAG: Yes.

Senator Telo T. Taitague: So, you know, 56 attorneys needed and nobody's going to want to work at an office, not sure if they're going to get paid.

Douglas Moylan, Attorney General of Guam, OAG: That's correct.

Senator Telo T. Taitague: They have families that they have to provide for too. So, can you, you know, like the judiciary and OPA, do you think that the attorney general would, would benefit from, you know, similar allotments like they're having in order to help you.

Douglas Moylan, Attorney General of Guam, OAG: Thank you. Thank you, Senator. Senator, what happens is that when you're an elected official, you're, you have a certain amount of time in order to fulfill the voter's will, which is putting us into office.

When we talk about the governor, we talk about senators, we talk about, the public auditor let alone autonomous agencies when they speak of what is an autonomous agencies, an elected official is like an autonomous agency to the extent that. They need to be able to fulfill their duty during that limited temporary employment that we all hold here.

What we've seen is that, and this started not just with myself, but as far back as 2011 under general [inaudible], when Governor Calvo was the, governor at the time, the legislature unanimously passed Public Law 31-153. That specifically gave a certain amount of autonomy to the AG's office, but not enough.

The autonomy that you speak of, that the public auditor has, and usually use the ability to take the money, put it in the account, and be able to issue checks off of that account with an accounting department. The AG's office already has that. We have the computers, we have the people, we have the staff. What we need is the legislative authority to be truly independent and in again, I referenced the public law and that's in front of you right now. The, if you review the legislative intent that was, incorporated into that bill that became law back in 2011, it's exactly what we're experiencing today.

When you are the watchdog of the government, when you have to go out and arrest people, when you have to do what BJ does the public auditor by taking information and then finding out whether or not there's any wrongdoing. People don't necessarily like you, especially those people that may be in certain positions to interfere with operations.

That's what Public Law 31-153 was all about. But they didn't give the full autonomy, which over the last 20 years has gotten to that point where the legislature has specifically given certain officials, let alone again at the autonomous agency, the CCU, they don't have to ask the governor for or one of her cabinet members who you're actively investigating to, to please give us some money.

I feel like that what is that? Finn, what is that thing? Please, sir. A little bit more we're begging our own, our own government for things that shouldn't be a question.

And when, when you talk about the employee, the attorneys, it's hard enough to get a licensed professional to come to this US territory all the way out in the Pacific, where our quality of life, and let's just face it, it's not like the states, the states has a better quality of life unless you're in one of the blue cities right now.

But I mean, you know, the states has a better quality of life. You can go to the store, you can earn your living without the, the trials and tribulations that we experience here on Guam, the potholes, all the, the things that you have to deal with living in this tropical climate. Most especially not having enough resources that's an endemic in any island community.

So when what I've experienced is that I recruit off island and I can't even pay the plane ticket. Which is allowed for under the law because the certain individuals in the government are not processing the payments in a timely manner. And we have the money. It's not a matter that we don't have the money, the money is in our bank account.

But the bureaucracy or the interference, or whatever you want to call it, is occurring right now. And it's, it required that March 12th and March, May 22 letter that Mr. Paulino and team put together, that gave dozens of instances of slow walking the AG's office. Well, that's what you do in the Art of war, right?

You, you slow them down so that they can't be as active in the prosecutions that they miss statute of limitations times because you don't have, and especially going back to the attorneys, when you don't have enough prosecutors, attorneys in the office, then you're not going to get the instant justice, the sufficient justice that's required of the duties in Title 5 Guam Code Annotated, Chapter 30.

There are so many duties required of the AG's office, and that's why we're literally looking down what is the most important functions that we need to, to do to serve this community, to represent our client. So not paying the, the reimbursements that these attorneys are entitled to, not even their salaries.

I've had situations where literally an attorney came in from New York, complained that his salary wasn't paid, and within two weeks he was outta here. He said that this is, you know, he, this is the type of unprofessionalism that we, we should not be experiencing at the AG's office because that attorney was brought here in order to help us in this community, you know, our salaries, and thanks to the, the judiciary and the senators we're, we're competitive with the states, but the competition we're

dealing with is they can match our salary and maybe beat it when, if they're in their same city when they're one state away versus relocating your entire family, packing up all your stuff or selling it off 'cause it's too expensive to ship to Guam and then trying to start a life here.

So most of my attorneys right now are from off island. That's how good of a team that I have in our admin, that we are, we are doing whatever we need to within the law. And I'm a strong advocate, follow the law that we're getting. We're getting past a lot of these things, but it doesn't need to be this way.

that's why I asked for, to please, give us the same autonomy, and independent operational independence that we see in many instances throughout our government, but especially among the elected officials.

Senator Telo T. Taitague: Well, thank you so much, attorney General for that. I mean, it's our legal integrity especially that, that's being compromised here. It's tying the hands of the attorney general to keep our public, our community safe is, is a big problem. And that's why I answered to that letter and asking DOA, but I have still yet to get a solid answer as to why, unfortunately. But, moving on, I, I know that you, you brought up the high rent your, your rent cost and, you already addressed that, so I'm not going to go into that.

We just talked about the attorney shortage. I had a few questions here for you. And then, the one thing I'm really concerned about, because we did have a meeting with OFB regarding the shortage, and I, I think if you can elaborate a little bit more on the child support enforcement and why we are in a situation, that we may have to take steps for this div certain division in your office, for financial stability. So can you kind of elaborate on what is really needed here for that, especially child support?

Douglas Moylan, Attorney General of Guam, OAG: Thank you. So, Senator, I have Raymond Ilagan who's our Division Deputy of the Child Support Enforcement Division, as well as the [inaudible]. I'll ask him to address that issue.

Senator Telo T. Taitague: Hafa Adai, please state your name for the record before you begin.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: My name is Raymond Ilagan. I'm Deputy Attorney General for the Child Support Division. Essentially,

Senator Telo T. Taitague: Can you just get the mic and just right directly you can lower it down the, there you go. Perfect. Okay.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: Essentially, when I first took the position as Deputy Attorney General, that was, about two years ago, we had about 60 plus employees at the child support division. We're down to about 41 employees at the child support division. So we are down one third staff. So with regard to that, we've been trying to keep up with what the AG wants cost effectiveness of our office. So we've been operating, with the shorter or smaller staff.

We're trying to keep up with our caseload. Essentially we have, been doing that. We've been doing extra work. I know about a year ago we passed legislation about, its escheatment, but before we even start that process, of escheating money, we've been trying to locate and assess the cases to figure out where the money belongs.

And since that time, it's about a year and two months, we've located additional families and I think we've distributed about $1.3 million of the UDC funds that have been sitting in our account. So our office has been really, really working hard to, do what the AG wants for the child support division, but we are definitely lacking in staff.

So, yes, that's why, I think $1.1 million is what we're asking for, is to hire additional staff. We've gone from 10 attorneys, we're down to five, including myself. So I also have two caseloads in addition to my deputy director position. We have staff that are doing two or three jobs over and above what is called for, in the requirements for the position they're holding. So we do have dedicated staff at the child support office, but we do need additional staff…

Senator Telo T. Taitague: Staff based on the OPA's requirements to in their audit.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: Correct.

Senator Telo T. Taitague: I understand. We, what, what was the amount in the funds that you were trying to get to? It's, rightful owner, you know, the… **[inaudible]**

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: We have about one, I think initially when we started there was about $6 million.

Senator Telo T. Taitague: $6 million. Yeah, that's right. Okay.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: I'm going off the top of my head.

Senator Telo T. Taitague: Yeah. I think it was around six point, $6.3 million or something like that.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: Yes.

Senator Telo T. Taitague: And then now you've, you've put out $1.3 million now.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: Correct.

Senator Telo T. Taitague: Okay.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: So there's still quite a bit left. There's still quite a bit left.

Senator Telo T. Taitague: Yeah.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: Part of that money that's in our trust fund is ongoing money that is constantly coming in and going out.

Senator Telo T. Taitague: Right.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: With current child support. But the bulk of that is money that needs to be distributed to families. So before we escheat, we're trying to, distribute that money to the rightful owners.

Senator Telo T. Taitague: And there is a timeline, right? which you've considered what is the timeline when you've done everything possible you can to find the individual the, child or even the, the parent, the mother or father that is entitled to it.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: I believe it's two years.

Senator Telo T. Taitague: So after two years, where does that funding then go to?

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: Then we have to start the process of escheatment.

Senator Telo T. Taitague: Okay. And how did, how is that, have you escheated any funding in FY24?

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: No, we have not escheated any money whatsoever.

Senator Telo T. Taitague: Whatsoever. Okay.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: We're still trying to locate…We're assessing the cases right now. And so we're, we are basically trying to. Before it goes to the government.

Senator Telo T. Taitague: Right? Right.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: We want to make sure that we done…

Senator Telo T. Taitague: Every possibility.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: We done all we can to distribute that money to the proper owners.

Senator Telo T. Taitague: And, and if I'm not mistaken, this, this have has been going on for about two years right now, isn't it?

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: About a year and two months.

Senator Telo T. Taitague: A year and two months,

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: Yeah.

Senator Telo T. Taitague: A year and two months. Okay. So we're still waiting that possibly. Okay. Well, thank you so much for everything you're doing and, you know, hopefully we can do something to help this particular division. Not, not just, you know, to try and get escheat funds, but get it to the rightful, you know parent or even to the child. Is that a possibility? Right. I mean, if, if the parent isn't found and that individual child is now 18 and older, can that money be given to that child or adult?

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: I did ask the Office of Child Support Services about a year ago, and they said they can't pay it directly to the child unless they have a court order.

Senator Telo T. Taitague: Okay.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: For some like probate so that, yeah, it's possible.

Senator Telo T. Taitague: Okay.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: But they have to go through some legal process and if the amount is less than I think $20,000, they can do a small probate like an affidavit saying that there's the sole survivor.

Senator Telo T. Taitague: Oh, good. Yeah. Yeah. If it's that small, well, I hope that route happens next, you know, to, to give it to that child rather than for the government to have it. So That's great. Thank you so much for that. And last one I had was, well, you know, it was, it was mentioned, of course, your, your campaign against, you know, methamphetamine on this island, even down to fentanyl that's coming in. I appreciate what you're doing with the opioid and we've been seeing agencies come here saying that they received dogs from the Attorney General.

I think it was just the last one was, today for DOC.

Douglas Moylan, Attorney General of Guam, OAG: Yes.

Senator Telo T. Taitague: But the one for customs was like nine dogs at that time. Yes. You know, I asked that question too. I'm not going to, I just, you know, just for a hint, I asked the question if the governor's signature needed to be on that when you delivered that.

Douglas Moylan, Attorney General of Guam, OAG: Absolutely not. So, you know, this is where the government has been thrown into a tailspin right now with the decision that came out at the Governor's beckoning, where the court says that the governor's signatures required on all contracts since 1985 whenever the Guam procurement law had been passed.

The example you're giving is the perfect one. The canines that were authorized by the Opioid Recovery Advisory Council back in 2023. We authorized 18 canine dogs. They finally got the procurements all done. They got their, I think it was there were several dogs. They, I think nine of the, the 18 that we had originally authorized.

There was no governor's signature on it, you know, and that's, that's the, that is why this is going up to the Guam Supreme Court. I think as of today it's going to, the Guam Supreme Court needs to Right the ship.

Senator Telo T. Taitague: Yeah.

Douglas Moylan, Attorney General of Guam, OAG: We have a procurement system that is being interpreted because the governor wants the signature on every document. And by the way, it's a 1962 law when we didn't even have an elected governor. The Supreme Court's going to have to fix it because the Opioid Recovery Council, ORAC, we called it, had authorized the money. You guys created ORAC specifically to get this money and then to dissolve after. But I mean, this is the turmoil that we're creating for ourselves as a people, whether it's the legislative, executive, or judicial branch. Yeah, there was no signature on those dogs.

Senator Telo T. Taitague: Is there any additional funding in that opioid, account?

Douglas Moylan, Attorney General of Guam, OAG: We have about. We normally have about…

Senator Telo T. Taitague: What is the balance on that?

Douglas Moylan, Attorney General of Guam, OAG: $5 million we're at maybe three, about $3 million after the authorization for the homeless project. That was the whole subject of the governor trying to help the suffer…[inaudible]

Senator Telo T. Taitague: The 3 million, right.

Douglas Moylan, Attorney General of Guam, OAG: Yeah. That was going on over there. So I'm still going on. So the suffering is still in going on while the government is spinning its wheels in bureaucratic, useless litigation. That is, does nobody any good out there and only hurts us.

Senator Telo T. Taitague: Is there a timeline in order to , you know, finish that funding that's there? There's no timeline.

Douglas Moylan, Attorney General of Guam, OAG: There's no timeline.

Senator Telo T. Taitague: There's definitely the need out there though.

Douglas Moylan, Attorney General of Guam, OAG: Right.

Senator Telo T. Taitague: Well, and that timeline is, is just as important, you know, of the need today meet.

Douglas Moylan, Attorney General of Guam, OAG: Yeah, absolutely, Senator.

Senator Telo T. Taitague: So, okay other than that, I again appreciate everything that you're doing and, and to please always be of avail yourselves of, of any senator here who, who needs your assistance on anything, especially when legislation comes up. We look forward to your comments. On, on legislation, especially on public hearings. It's so important, you know? But, so other than that, thank you, Mr. Chair for the opportunity. Thank you.

Chairman Christopher M. Duenas: Thank you, Senator.

Douglas Moylan, Attorney General of Guam, OAG: Thank you, Senator.

Chairman Christopher M. Duenas: Senator Gumataotao you are recognized at this time.

Senator Eulogio Shawn Gumataotao: Thank you, Mr. Chair and thank you to attorney General Moylan and your team for being here. I'll just say that in my short time since I've been a lawmaker, I absolutely appreciate the effort that your office brings to, and not just the policies that I brought forward in support of Guam's public safety law enforcement community, but just for the whole community, sir.

And I just want to tell you, with your team here, thank you for your continued service to the people of Guam. I just had a couple questions if I could. I was going to ask, about the Undistributed child support payments, thank you Mr. ilagan, thank you for your, clarification, on the, on the status of that, how that $6 million has been, been or at least the effort to try to get that out to these custodial parents and the likes.

So thank you again for that update, if I can, I just wanted to just start on the, for me, and just so I can get it for the record, the OAG'S budget request for employee benefits increased, to $6.7 million or $949,263,000 more in FY 26. What specific costs, including medical and dental insurance are attributable to the substantial increase of more than $900,000 in the OAG's budget request for employee benefits during FY 26?

Douglas Moylan, Attorney General of Guam, OAG: I'll ask Mr. Paulino to answer that. Thank you.

Mr. Tom Paulino, Fiscal Officer, OAG: Thank you Senator, retirement increased, from 32.35% to 34.8%. That was a $333,000 increase our Medicare or medical costs, increased about 32.8%. So that added, $423,000 and then our dental, while it was , 21%, it wasn't too much 'cause it's a standard rate, or it's a one, it's $12,000 more. So that was our increase just on, just the increases in, in the rates.

Senator Eulogio Shawn Gumataotao: Okay. Thank you so much for that. And I, I was going to ask about that contribution rate. So if something does happen to happen, in terms of any, any chance that the contribution rates if it increases prior to the new fiscal year, how do you guys plan to absorb that additional cost if it does happen?

Douglas Moylan, Attorney General of Guam, OAG: I think the answer is budget amendment right now. We, we we're not anticipating right, that there was a increase in contribution rate.

Mr. Tom Paulino, Fiscal Officer, OAG: Yeah. That already included the increase in contribution and that was established by BBMR. So we're using their figures. If it does change, it usually changes in the next fiscal year based on the OPA audit.

Senator Eulogio Shawn Gumataotao: Okay. Thank you so much for that. Let's talk a little bit about your leases, what information is available regarding efforts by your office to re relocate all the operations from Tamuning to Hagatna and how have

these efforts assisted in supporting our government lawyers and support staff with local and federal court proceedings?

Douglas Moylan, Attorney General of Guam, OAG: Excellent. So my model has always been that the, the capital of the island of Guam has been in Hagatna. After I left 2006, the office was relocated to Tamuning, which is a commercial district of Guam. So, and we were, as I said before, we were in the Pedros Plaza, which had all operations of the AG's office.

We were able to fit everybody there. When I became the AG I, and the lease was coming up too, at the time, I decided that it would be better to restore us back to Agana and be close to the both courts the superior court of Guam, the judiciary of Guam, as well as the federal district court. So because of the landlord issues as well as the Mawar, we finally have been able to.

Transfer 'cause we put out the RFP back or the bid back in 2023 but logistical issues had occurred now where half of our, more than half of our operations are now in Agana in the Bank of Hawaii building. If anybody knows the Bank of Hawaii building, there's no parking, there's not really any parking on the inside on the parking garage.

And everything on the outside is being shared with everybody that's around there. So we decided that the child support operations, not only did we not have enough space there at the time, for the child support operations, but especially for the customers of child support, which is the greatest number we were going to keep the operation in, Tamuning for now because we did not want to hurt the public on being frustrated, trying to, to see the investigators there in order to open their cases.

The family division we've kept over there for now, as well as HR function. So we're in two offices right now, but everybody else is at the main bank of Hawaii building, which includes especially the criminal prosecution that is the greatest utilizer of the court system. The AG's office is the greatest utilizer, utilizer of the superior court of Guam, as a, a customer, hence the reason why Elizabeth Barry Anderson back at the time actually had our office in the judiciary at that time. But in 2003 we moved out, the Pedros Plaza. So Senator, the ability to, to house our staff. And it's not just the attorneys, it's the paralegals, the clerks, the investigators, all the support staff and adds to this budget request is labor intensive.

You know, lawyers our lawyers. Our trade is with the individual and the training that we get. Computer office, you know, you can open up your own little law firm that way. So, but all the functions, it's not just criminal, it's civil it's notary services, consumer protection, you name it, it's in the, the statutes in addition to servicing the rest of our government, which is the solicitor's division, providing the procurement support, the 5150 analysis for the over 500,000 procurements to the entire government, including the autonomous agencies.

Those are all the functions that we now have operating out of the new space, out at the Bank of Hawaii building, we call it we've gone this far. We're starting to, to get our feet up firmly in the ground. We've got attorneys coming in. I think I've got two attorneys in the next two weeks that are coming in.

That's the type of tempo that we're doing in the AG's office. , and by the way, when we bring in an attorney, it's not just the attorney being present. There's a, at least a three month training period. That they need to have in order to get acclimated to this jurisdiction 'cause there's a lot of different rules that they have to get used to in addition to getting their lives transplanted and, you know, finding the place on Guam and all the logistics that are involved.

Senator Eulogio Shawn Gumataotao: No understood. And I know you touched on it a bit earlier, but when you're paying that kind of rent, is it, is it possible to is the, will the office of the Attorney general begin looking at a place to call its own call? Its own home at this point. What do you think that is?

Douglas Moylan, Attorney General of Guam, OAG: Absolutely. The that is why in the last legislature, we literally drafted the legislation, Joe Guthrie, our whole team. It, it was a, it was a intact legislation and with our oversight chairwoman and hopefully our vice speakers invitations, I'm going to resubmit it. I put it on my note here so that the senators…

Senator Eulogio Shawn Gumataotao: I think there's four senators that might take that bill right now. I mean…

Douglas Moylan, Attorney General of Guam, OAG: We'd love that.

Senator Eulogio Shawn Gumataotao: I mean to think about it. I mean, if you think about it, AG Moylan at this time, and we're trying to maximize those dollars, it would make perfect sense at this point. To put money into a building that you guys can call

home at least once and for all. I mean, I mean, I, I'm sure that everyone in Agana appreciates the rent being paid. Right. But you need to have your own home.

Douglas Moylan, Attorney General of Guam, OAG: Thank you. And I agree a hundred percent. That's always been when I was growing up in the nineties and stuff, the government had the department administration building. It had a Department of Education building. The people owned the property and the over the cost of doing business went down because you own the property. Obviously the maintenance is a, an issue that everybody faces. But I mean, that's the type of thinking that, that you would expect from the lawyers, because financially it's a losing proposition.

Whenever you're renting, it's always better for the homeowner, to own and to put that money into equity as opposed to putting it into rental. And I do understand there's certain, it helps the economy in a certain respect because the landlords take the money and recirculates in our economy. But when you, you're talking about the Attorney General's office, I literally have had to lease.

I think it's a two or three storage spaces now because of all the things that were taken out of that ITC building, we couldn't keep it there. So we we're now putting them in storage. We're looking at selling off, equipment that could have been used for a larger space that we could have gotten if we owned the building or something.

And then we're going to have to rebuy it at some point if we have to move again. You know, and this is only a five year lease. I think we are in, I think it's a five year lease. So we're talking about transplanting the AG's office. And it was tremendous having to have literally not only a moving company, but our staff work at least four days clearing that space so we wouldn't be charged for another month's rent and we could move.

So these are all the logistics, but whenever you move our ability to be fully a hundred percent functional is decreased. So our general crimes literally had to set up tables to deal with the daily magistrates. But just, I have to call up the GTA manager president to see if he could transfer our T1 lines on a Friday night so that Saturday we could be functional for the magistrates.

You know, those are all the, the costs that aren't captured when we talk about renting. You know, we don't have a home, the AG's office does not have a home right now. We were kicked out 20 years ago from the judiciary building because they wanted their home. Right, exactly. And they have their, their property.

Senator Eulogio Shawn Gumataotao: Right. And, and they, and they have expanded too. So I think at this point, the, the, based on the amount of money that, that we're, there's an appropriation. I think that might make some sense. Thank you AG Moylan. Let me just move on. Recognizing that Section 7 of the, AG'S FY 25 budget provides "notwithstanding any other provision of law the Office of the Attorney General shall advise and represent the CLTC without charge in non-litigation and land registration matters during Fiscal Year 2025, provided that it is requested in writing with the resolution adopt, adopted by the CLTC", what information is available Attorney General describing the different agencies which are supported by the office of the Attorney General in FY 2025 through an arrangement, maybe similar to that of the CLTC? It could be GPD, the Post Guam, Fire. I think of it from more from my side we've talked about this before, but for the record, any way we can help our agencies.

Douglas Moylan, Attorney General of Guam, OAG: So the first question is, do you have an attorney that you can provide to that particular duty or function required by the legislature? The second issue that came up was when the governor again sued us in judiciary, the Supreme Court of Guam, and came out with a decision that says that there could be potentially a conflict when we go in and try to protect the taxpayers, that if we're advising or, or filing a government corruption case for that matter, enforcing the criminal code against public officials.

If they're the same attorneys involved in that, then you have to separate that function. The 96 that we calculated, I think half of them are to represent tomorrow Land Trust Commission to represent every department and agency within the government of Guam as required by the code. So we've been put into a difficult situation, especially when you don't have enough lawyers.

So, and you saw it with what the, the legal community did. They wanted more money because when you have less lawyers available, the price is going to go up. Just like with meth, right? More availability, the price is going to go down. So in this case, the lawyers, there's not enough lawyers. The price has, has now probably matched what you would get in the States to a certain extent.

I'm not talking about the corporate world, this is just the government type of, of pricing. But when you don't have the attorneys, you can't provide the service, number one and to try to get them over here requires the entire government working together, like making sure they get paid when they get off that plane, making sure they get the

reimbursements and then especially with, with you making sure we have a budget to hire them.

Senator Eulogio Shawn Gumataotao: Right.

Douglas Moylan, Attorney General of Guam, OAG: By the way, the 96 attorneys that we have here, we're nowhere close to the budget required. You probably need to double that amount that we have currently 'cause we only have 40, and right now we're only paying for 40. Actually with the, the additional that we have, we could probably get up to 55. I think maybe 50 lawyers are expensive, just like doctors. Each lawyer with all the benefits added, it's probably at close to $200,000.

Senator Eulogio Shawn Gumataotao: And I'm not going to argue that because I think also policy is expensive too when we go down there and ensuring that we're always looking out for our people. But I, I totally appreciate the your candor this afternoon. I only have a couple more questions. AG Moylan, with regard to the, or with respect to the six criminal Injuries, compensation Commission applications. That were denied between January 1st, 2024 and December 31st, 2024. What information can be shared publicly on whether any of the applications may be eligible for judicial review pursuant to HGCA Section 161.45, and in the event any of the cases end of qualifying for some type of an award, how would this impact the criminal injuries compensation fund, which has a balance as of March 31st, 2025 of $1.2 million?

Douglas Moylan, Attorney General of Guam, OAG: Okay, so

Mr. Tom Paulino, Fiscal Officer, OAG: [Inaudible] Sorry, I don't know if we can adequately answer that because that is handled by the commission. For the denials it really depends on, on whether it allow, if the application was part of the law that allows reimbursement. If it's not part of that, then we would have to deny it or if they're unable to, to provide all of the support for what they're asking for. So it would be hard for us to look at the six without the details and to say whether they could be further adjudicated.

Senator Eulogio Shawn Gumataotao: Right.

Douglas Moylan, Attorney General of Guam, OAG: But Senator, we, we will work with your office. Mr. Fred Shahir is our attorney that's assigned to the CCIC, CCIC, and as, as Tom pointed out, it's, it's like a ORAC, it's a, it's a part of our office,

but that's not my direct operations and it would be former Judge Barrett Anderson that would probably be appropriate for that question, but I'll have it looked into with your office.

Senator Eulogio Shawn Gumataotao: Oh, thank you so much but, you know, we just had DOC in here, but I'll go ahead and ask this question 8 US Code Section 1227 provides the basis for which non-citizens may be deported. Including conviction of two or more crimes involving moral turpitude, aggravated felony failure to register as a sex offender conviction involving a controlled substance and conviction of a crime related to the act of or attempting to purchase, sell, offer for sale, or exchange any weapon, part or accessory, which is a firearm destructive device. Now, you know, I think that we've had these talks and we've heard it across the community for years, while acknowledging the impact non-citizen criminals continue to have on public safety and the limited amount of resources of DOC and other law enforcement agencies. What information is available summarizing the experiences of our AG prosecutors with respect to their consideration of the views of crime victims prior to concluding a deportation plea agreement with a non-US national defendant and maybe you can also answer, do we have any immigration detainers? That need to maybe be acted on as at the soonest.

Douglas Moylan, Attorney General of Guam, OAG: Very complicated issue, but to try to condense it. You've got the federal government that through their own federal statutes and the COFA with the, especially with the FSM, but this also applies to non any non US citizen, they can issue a detainer based upon the parameters that you've indicated.

And it's very fluid with them. Like how many family violence cases will get you deported? 'cause it's not just one, sometimes, you know, they have a, a formula that they use once the detainer is issued ICE, literally, if that person is free, like we're seeing in the states, can grab them, put them on a plane and have a notice in the immigration service that homeland Security that they can't come back into the United States period.

Not just Guam, but nowhere in the us. So, that is what the feds do. But when we arrest them and prosecute them and then they make the federal detainer list. And then what normally happens is they send a detainer notice over to DOC and then the, what traditionally is they serve their time at the Department of Corrections, and then they're released and then ICE grabs them.

What I've done in this administration is I've worked with the defense attorneys to basically offer them, if you want your guy out, now we're willing to do it. We lock the, the prison sentence in a, a, whatever you have remaining, and we will let them out with the judge's approval, the stipulations and then ICE grabs them and they literally call up ICE and say, this guy's coming out right now.

Just grab 'em. And that's how the, the orders are drafted. You have that category of non-ice detainer group, like the person that just get, gets picked up for, whatever might not be non-ice. Those ones we've had I think one or two where they say, I just want to go back home. But we make them plead to the full maximums, we make it consecutive on the sentences. So literally, and the pedophilia may not be a, a good one, but we've had agreements where you have three life sentences waiting. You, if you come back into the United States, obviously on a pedophilia one that would be ice deportable, but like on the non-ice deportable, like a, an assault or something, I've had the defense attorneys coming up and saying, well he just wants to go home.

Can we get an agreement with the AG's office? And what we normally do, you'll plead guilty to this consecutive, the terms not concurrent. So they're all added up on the, on of years they're facing. And then we have them taken off of Guam and then we have a bench warrant that's waiting for in the system, the federal system.

So anyone, any attempt to try to come back into any US jurisdiction, it'll, it'll flash. We'll be notified. We take 'em back before the judge and you go back into prison and serve the sentence that you agreed to. So that, that would be for the non-ice detainer group. But the, again, the detainer group, we're just speeding it up 'cause we're saving money, we're freeing up beds.

I think it was a, at least $121 a day, if not $200 a day per inmate. That's how much the people of Guam pay. Now your question on the victims, we do notify the victims, but unless there's a compelling reason we get them out of here, because especially when you look at a property crime, these guys historically never pay anything.

You know, it's usually the CICC that ends up paying for the damages that these criminals are doing. But the safety is priceless, that ability to take someone out. And by the way, a lot of these people that are non-US citizens, they have records dating back to when they were a minor and they're just criminals, period.

And usually it's the entire family that has criminal records. So taking one person off of Guam, you usually have a amplified effect of having less crime victims because

these repeat offenders, they normally just go back out and commit another crime and hurt somebody else and we're lucky if we even catch them.

And, and that's why when you see the daily reports from GPD we literally, in our general crimes and magistrates get 10 police reports, especially these, these, these burglars, these people that are stealing things because once they catch that person, they're finding out they're related to all these other police reports and those are the ones they caught. There's probably another 10 that they haven't identified.

Senator Eulogio Shawn Gumataotao: Alright, thank you so much for that Mr. Chair. I have only have one more question and this has to do AG Moylan with the office of the Chief Medical Examiner. I know that they've asked for $822,999 for their budget for FY25 Chapter 5 of the law.

But also, they also have sent a request as well and somewhere around the $300, and I think it's $301,000 additional for a death investigator clerk and some contractual. Is there any thought that you can provide, at least in terms of, in supporting the extra money to the new CME?

Douglas Moylan, Attorney General of Guam, OAG: Absolutely. First of all, with Dr. Sue, having agreed to serve our community was a win for all of the people of Guam. When Dr. Nine's situation caused him to leave early without a certified medical examiner, these the forensic examiner, it's very unlikely that we'll win a lot of these cases where you are reliant upon the forensic evidence murders, especially right homicides.

So the commission, the post-mortem commission not only had a win for all that we, that Dr. Sue was willing to serve this community, but his budget that you just mentioned, there they are in order to do the proper forensic investigations he needs, especially those investigators, those death investigators that, that he spent a lot of time trying to, and even Dr. Nine for that matter, was trying to help us with, they need the money.

I think they were talking about refrigeration equipment. Up at the, the hospital that was maybe $300,000 of, of the, the full figure that he needed. I would strongly encourage you Senator, Dr. Sue has given the figures that they already are not working with and need desperately so, and you've got burnout factor going on up there with Johanna.

She's doing more things than, than she should be asked to do in order to perform a service that the people of Guam need in order to protect our community and then all those other services, when there's suspicious deaths that Dr. Sue is asked to perform the autopsies on, you know, so I would a hundred percent, support the funding that they are requesting. And I think it just made the, the media recently about the refrigeration equipment that…

Senator Eulogio Shawn Gumataotao: Right. And, and I, again, I, I see that, and I think that there's and there's need and if, if it can support 'em, hoping that our friends of public health can throw down a little bit too 'cause I know they also rely heavily on some of those services. So with that said, thank you, Mr. Chair for the time. And thank you attorney General Moylan and thank you to your team for being here today with us. Thank you.

Chairman Christopher M. Duenas: *Si yu'us ma'åse*, Senator Gumataotao, Senator Sabrina Salas Matanane are recognized.

Senator Sabrina Salas Matanane: Thank you, Mr. Chair. I just have a couple of follow up questions to, some of the questions posed by my colleagues and I'll, I'll start with the child support enforcement. Mr. Ilagan, you mentioned there there's $6 million in the, or $5.3 million left in the child support trust fund. Is that correct? And it,a majority of that has been sitting in there for past two years.

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: Decades.

Senator Sabrina Salas Matanane: Decades? Decades.

Douglas Moylan, Attorney General of Guam, OAG: Yes.

Senator Sabrina Salas Matanane: Okay. And you started off with 60 employees when you first came in, and you're now down to 41 this year. I'm just curious how much this $5.3, what does that breakdown to in terms of children, in terms of families, parents that are owed this money?

Raymond Ilagan, Deputy Director, Division of Child Support, OAG:: That's hard to say because some, some accounts that's hard to say because some, some accounts are as low as like $2 other accounts are as high as $18,000. I think we just distributed a check for $18,000 about two weeks ago so it varies. I can't say how many cases it involved. What we're doing now is we're going through different types

of categories and we're trying to analyze and locate the individuals in those cases so it's on a case by case basis that we have to do it. We just don't, our system doesn't identify it just like that, which cases, have overages or UDC money in it so we just have to go individually.

Douglas Moylan, Attorney General of Guam, OAG: And Senator for some background on this, I was the attorney general in 2003. The figure was at least $6 million back then for the undistributed funds. The good thing that Ray and our team have done this, this term of the AG's office, is we got a way to take that money and either get it to the people, the kids, or it goes to the government for the government's purposes in order to help.

So this, the, the account is always increasing because when child support cases occur, they don't notify the AG's office on what happens to them. Like if they move to the states. A lot of those people, they just, they lost touch with the AG's office and the numbers and contact information that we had we couldn't find them.

And that's why the effort that Ray's talking about, he's bringing down significantly now after that law having been passed. And it's our team effort. You know, we, we could bring it down anyways, but we had a two-prong approach. Bring it down and get rid of that money, get it out of these dormant accounts with only the banks earning interest on it and get it back to the government if we can't find the parent.

And we did have a part of that law that talked about the judge could order it to the child. I think that was Senator Taitague [inaudible]…

Senator Sabrina Salas Matanane: And speaking of Senator Taitague, I did want to follow up on these letters that she has been writing regarding the DOA delinquency payments. How much exactly is owed here?

Mr. Tom Paulino, Fiscal Officer, OAG: So, as of this morning,$197,000 was owed to 53 vendors.

Senator Sabrina Salas Matanane: And how long have, your, has your office been waiting?

Mr. Tom Paulino, Fiscal Officer, OAG: It's about three months in some cases.

Senator Sabrina Salas Matanane: My next question, is the office of the Attorney general leveraging, many federal grants or technical assistance programs to build capacity or improve case management systems?

Douglas Moylan, Attorney General of Guam, OAG: Yes, we are. Again, another, accomplishment of the team that you see here today was that we got e-prosecutor online. When I left the AG's office it was [inaudible], that was the system. I think that I, I may have been one of the first ones to implement justwear 20 years ago when I came back in. It still hadn't been upgraded. They weren't even supporting it anymore when the Just Wear, but they were using it for whatever it was worth.

We are now e-prosecutor, active software, our notifications on the criminal victims' response unit where there's, when there's a court hearing, the victims are electronically notified. You know, these are the things that the technology that we brought to bear on protecting our community, enforcing our laws under [inaudible] the general crimes division primarily, but technol, grant wise, it's a struggle right now because I've got money for like, the victims what is it? The, the family, stop violence against women grants, things like that. I've got DUI money which is the alcohol related DUI type crimes.

I don't have lawyers. I can't take that one prosecutor and say, you're just going to handle the family violence cases under this federal grant because a judge is waiting in their court without another attorney to, to come and protect other types of cases. So we're struggling. We're, we're getting there right now.

You know, it's the first time I think we've, we're even hitting 20 prosecutors. When I came into that office, there were only eight prosecutors. When I left 20 years ago, we had 13 and we were okay. We didn't have a crime problem 20 years ago that we have now. The meth has just destroyed this community, but we are now in a position that.

When I bring the prosecutors, we're training, we're winning our trials and I'll tell you this right now, we are winning our criminal trials. When the juries are presented, the evidence, I've got a competent prosecutor, I've got a jury that's just waiting for the evidence. And we've got good investigators and our support team that we're winning, the jury is seeing guilt beyond a reasonable doubt.

That is our track record right now and i'm, it's because of these people and all the, the money and support that you're giving us as a legislature that we're able to protect

the community. And it's not about winning, protecting the community. When you take that criminal off the street, there's a crime victim that's not being created. And then there's catharsis that occurs from somebody that was victimized knowing that they're no longer among us.

Senator Sabrina Salas Matanane: This is really kind of my last question, Attorney General. While, while this may not directly pertain to your budget, it really is hard to ignore the frequent headlines, highlighting some of the ongoing tensions between your office as well as the, and the administration. Can you share your perspective on the current relationship with the governor and whether you see any opportunity for constructive collaboration?

Douglas Moylan, Attorney General of Guam, OAG: The constructive collaboration opportunity occurred with the Dignity Project. The Dignity Project was not Doug Moylan project. It was a commission, a council of I think, nine members that voted to take money that was given to us by private companies in order to help our, our opioid addicted. This should have been consistent with the chief executives desire to help our community because everybody agrees that those homeless encampments.

Not only are they sources and bastions of criminality, but they're people that need help and are suffering. So you, you had an opportunity. It was on the eve of implementation and the governor, for no reason at all, attacked it viciously, and she brought her own administration down in doing it. Hence that procurement law, no contract on Guam that doesn't have the governor's signature, procurement is enforceable.

All those certifying officers that paid on all those contracts are now in violation of the criminal law. You could be sued under the taxpayer government spending law Title 5G CA, because you paid money that didn't have the governor's signature. That is how hellbent this governor is on destroying this community.

Is there an opportunity she can call me right now. I'll go up there, I'll talk to her about resolving these things, but I will not sell out the people on that hospital. That's the problem. The problem with the hospital. What happens if the Trump administration calls back the $104 million after GPA builds all that infrastructure out to the monolith where there's no hospital out there.

That means that all of us are going to have to pay $104 million and I've sent it around and I think I sent it to all the senators. Look at Massachusetts, what happened in Massachusetts, the same ARP money. They didn't even go to the lawsuit. They just, as we give up, we now owe you federal government $1 billion.

Look at the settlement documents of how much a mere their people of Massachusetts have to pay because of the misspending of the a RP money. It's blatant on how the governor did not follow the law when, how she went with GHURA and there's not even a document. Lee Miller's here, I was there when they sent the, the FOIA Act request.

Show us a document of this agreement that's in the news. Show us that you didn't violate the, the open government law when you conducted those meetings without notifying the public about what you were doing there. This is the type of problems we're having. And I'll just say one more thing. Look at the public auditor.

I wasn't here six years ago. I came two years ago, two and a half years ago, I took this office. He has been complaining about this governor for the first term of her office with audit reports that I inherited, that I had to find lawyers in order to do the government corruption investigations that ended up most recently with that civil defense.

But there are dozens of other ones that are unprosecuted cases that the attorney General is responsible for. I don't like to fight with the governor. The governor can do so much good if it's a good governor. If we have a governor that's not looking out for our people. This is what you're getting.

Should I just give up? Should I just give in? You know, the last AG was accused of that, about he should have looked at something, not looked at, something. That's not the, the type of leadership, that's not the type of election I ran to get into this office. So, and I'm not trying to put my myself above anybody, but just to say.

I'm here to support the leaders that are people elected. That's it. And if the leaders aren't following what I think that is supposed to be what they're doing, then I, I can't support that person, but I will talk towards a constructive resolution on anything that we can, we can work out. Thank you.

Senator Sabrina Salas Matanane: Thank you, attorney General and, and thank you to your staff for being here today.

Chairman Christopher M. Duenas: Si yu'us ma'åse, Senator Matanane. Well, I think we covered most everything, but I wanted to interact with you on this General Moylan congratulations on your onboarding and the opening statement of, I believe nine attorneys. So this budget, will it support your continuing efforts to bolster your need for attorneys?

Douglas Moylan, Attorney General of Guam, OAG: Thank you very much, Senator, Mr. Vice Speaker. So, no, I'm sorry.

Chairman Christopher M. Duenas: Yeah, I'm sorry. Yeah. So this budget, not much year. Will this, yeah. Will this budget continue to bolster that effort to get your, the compliment that you want to bring on of attorneys, aside from the nine that you've been able to onboard?

Douglas Moylan, Attorney General of Guam, OAG: It will, but what I'm most worried about is that the, just because we have, and because I suffered one budget year my last, my first term when I didn't, when I had lapses, it was taken away from us, the lapses that we're showing right now, as I said, at least $200,000 an attorney. We're, we're trying to get as high as we can.

55 is really the more realistic number that I think that I can, I can reach at some point. But again, we're only at 40, the last month has been very positive. I think we had five attorneys, we onboarded something like that but to, to allow us the budget in order to hire these people. We're not even talking about clerks, investigators, that when you bring on an attorney, there's usually a paralegal associated clerk, let alone the, the office space General crimes is packed right now with the attorneys and, and the staff there. So, yeah, we, we need the cushion because we can't just hire them nilly willy, we've recruiting them and the recruiting takes 30 days. Our offers go out with 30 days letters.

Chairman Christopher M. Duenas: Yeah, so I think with the, with the request and like you said, with the organic growth, then that, I mean, we're not going to penalize you for any lapses, as I said, we're going to get thank you as close to that request as possible, but definitely recognizes that regardless of whether you're tracking that you're going to have that, that capability to continue that effort going forward to me, I think that's one of the most powerful things. You know, the, the tool that you need really is to get into court and be able to prosecute cases as well as be able to provide the additional services that you provide in the community in terms of being the Chief legal Officer. So, thank you.

Douglas Moylan, Attorney General of Guam, OAG: Thank you.

Chairman Christopher M. Duenas: I really don't have any other questions.

Senator Telo T. Taitague: Mr. Mr. Chair, if I may.

Chairman Christopher M. Duenas: Sure. Absolutely.

Senator Telo T. Taitague: Just one, one thing else that is important, you know, as far as the attorneys are concerned, yes, it's definitely in need, but, you know, I want to make sure that we get the child support services the personnel that's needed for that, and the increase that you're requesting, the $2.8 million increase from last year's budget one point, one of that is for child support personnel. And that's something I think Mr. Chair, that really needs to be considered. It's a deficient deficiency in the OPA report, you know, that it's not fully staffed and of course it's, you know, an area that we want to make sure we fund. So I ask that committee consider that one very much so, thank you.

Chairman Christopher M. Duenas: Sure. Yeah, I'm sure the budget analyst analysts are, are aware. I think that where, that's where, when I say we'll get as close as we can, I, I think what we'll do is we'll see the tracking 'cause I just want to make sure that it's understood from your, and I know Tom knows this, that really, you can use your budget, you know what I mean?

You, you and, and we line item authorization like I said, we'll get what we can get on that. The thing is, is when you are tracking these lapses, you can reprogram that money. So we're going to do an analysis based on that as we get as close as we can to when we're going to adopt the levels, prior to going into debate. But it's certainly well, well taken and well understood in terms of the need. And so we'll, we'll do that in the final analysis going forward. But I really encourage you to use even now as much as your budget as you can you know, if you're tracking in that area and you know, if you're going to have a tough time, you know, with attorneys a little bit, maybe onboard as much as those folks as you can by you know, transferring over. So you can assume that going forward general.

Douglas Moylan, Attorney General of Guam, OAG: As we get closer to the end of the fiscal year, it becomes more viable. But I've already been informed that the child support is $356 over budget right now at the current expenses. So I'm actually looking at pulling people out of there 'cause I will not run in the red on it. So we're

trying to figure this out. But if I, if I have a different, and I'm sorry Ray, if I have a difference between a bringing in a prosecutor and having the money to pay that prosecutor and then looking at child support, I need my prosecutors 'cause there's too much crime going on out there and, and the catch release re-offend reports, the monthly ones, it's, we're over 200 people a month are being violated.

And that's just the ones that probation office can actually identify and, and prosecute. Plus it's over a dozen new crimes that those people are being tracked to be involved in every 30 days. So thank you Senator. We will try and as we get closer, if I still haven't hired the prosecutors obviously the money will be shifted 'cause it is one lump budget. I recognize that. Thank you.

Chairman Christopher M. Duenas: I appreciate that general. And so yeah, I, I mean, once, once you onboard their fixed costs, you know, and then, and then when we go forward with regard to that you know, we're, we're going to have to take care of your need for attorneys.

You need to do that. You need to do what you gotta do. So, looks a little bit like a shell game, but I can tell you once you get people on board, that's an obligation of the government. So we'll work closely with you on this. Like I said I'll work with the analysts. I know probably starting early July, we'll already be refining the budgets down to when we get closer to realizing what we're going to adopt as revenues.

And we'll be in communication with you general. So with that, I want to thank you and your team for being here today each and every one of you for what you do. , protecting the people of Guam general. I like your statement there. Basically, one of the. One of the greatest things we give the community out of your office and the support that you provide with prosecution and, and, and law and order is, is, is for particular victims.

You know, understanding that, the day every day you take somebody off the street that's, you know, violated our people is another day that certain segment of our community can be relieved because they were the victims of that perpetration. But also everybody else to say, you know, we're one, one step closer to making sure that our community is, is safe.

And as , my colleague said, we had DOC here earlier today you're doing your job 'cause they're full, but, you know and we'll continue to work together and, and

hopefully someday we get to the point to where that's not the case. That with other efforts that you've put forward to try to heal our community.

Douglas Moylan, Attorney General of Guam, OAG: Right, the deterrence.

Chairman Christopher M. Duenas: Yeah, we can, you know, we can get to where we're at a better place, but for now we gotta get the bad guys off the street. So we appreciate everything that you guys do.

Douglas Moylan, Attorney General of Guam, OAG: Thank you, Mr. Chairman.

Chairman Christopher M. Duenas: Absolutely. So with that, this will conclude this afternoon's budget hearing on Bill 44 38 COR relative to the office of the Attorney General of Guam, OAG.

The committee will continue to accept written testimony on the bill within seven days calendar days of today, which may be addressed to myself, Senator Christopher M. Duenas as chairman of the committee, and mailed to 163 West Chalan Santo Papa, 96910. You may also send your testimonies to my email at senator.duenas@guamlegislature.gov.

This afternoon's budget hearing is now adjourned and the time now is 15:21PM. We appreciate everyone for being here today. God bless you, and this hearing is adjourned.

The Budget Hearing was adjourned 3:21 P.M.

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Wednesday, June 18, 2025, at 9:00 A.M.

Department of Revenue and Taxation

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on June 18, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Wed, Jun 11, 2025 at 3:17 PM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 11, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on June 18, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Wednesday, June 18, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am

- Department of Revenue and Taxation (DRT)

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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Posted on: 06/11/2025 03:18 PM

Posted by: Camarin Breton

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THE GUAM LEGISLATURE

Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on June 18, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Sun, Jun 15, 2025 at 9:39 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 15, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on June 18, 2025

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Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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June 15, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

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SECOND NOTICE - FY26 Budget Hearing on June 18, 2025

PUBLIC HEARING

Posted on: 06/15/2025 09:44 AM

Posted by: Camarin Breton

Public Hearing Date: 06/18/2025 09:00 AM

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June 15, 2025

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Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on June 18, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Wednesday, June 18, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** (http://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%2044-38%20(COR).pdf) - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am

- **Department of Revenue and Taxation (DRT)**

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov (mailto:senator.duenas@guamlegislature.gov) or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (**@guamlegislaturemedia (https://www.youtube.com/@GuamLegislatureMedia)**).

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BUDGET HEARING AGENDA

Wednesday, June 18, 2025 – Guam Congress Building

9:00 A.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Department of Revenue and Taxation (DRT)

I Mina'trentai Ocho na Liheslaturan Guahån
Office of Senator Christopher M. Duenas x Office of Finance & Budget
Chairman, Committee on Finance and Government Operations

Date: June 18, 2025 **Time: 9:00 a.m.**

Bill No. 44-38 (COR) - Committee on Rules
by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam
AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.
-- Relative to Department of Revenue and Taxation (DRT)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Mike/ Espiritu	Revenue and Tax	[redacted]	ike/.espiritu@revtax.guam.gov			✓	
2	Marie Lizama	4					✓	
3	Michelle Santos	4		michele.santos@revtax.guam.gov			✓	
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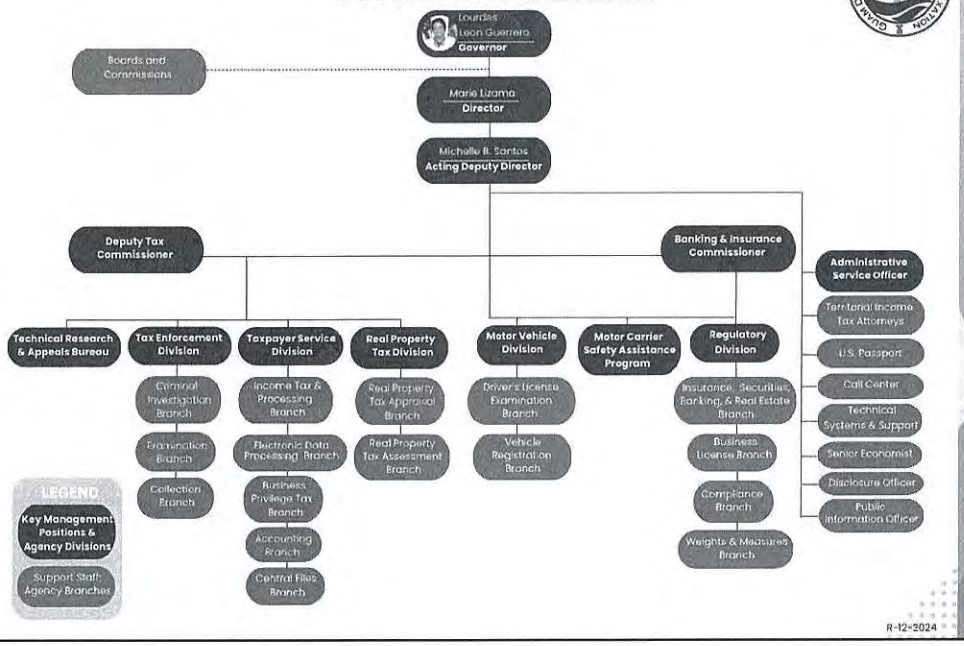
Department of Revenue and Taxation
FY2026 Budget Hearing
June 06, 2025

Marie P. Lizama, Director
Michelle B. Santos, Acting Deputy Director

DEPARTMENT OF REVENUE AND TAXATION
ORGANIZATIONAL CHART



FY2025: What Have We Done?

- Filled vacant positions and reduced the number of Limited Term Appointments (LTAs)
- Tobacco stamps ordered and received
- Conducted inspections that have resulted in fines/fees, temporary seizure of products, or closure of establishments
  - Alcohol
  - Bed & Breakfasts (B&Bs) - Eight investigations resulting in two notices of violation and $5,000 in fines
- Started an internship agreement with UOG's College of Business and Public Administration, specifically those in Accounting
- Issued and continue to issue Income Tax refunds on an average of six weeks from date filed

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FY2026 - Still More to Do

- Business Privilege Tax Branch
  - Complete second phase of Tobacco Stamps
  - Alcohol and Use Tax
  - Continue to meet with Customs to further close gaps in reporting and timely reconciliation
- Motor Vehicle Division
  - New system for the Driver's License Branch
  - Electronic titling for the Vehicle Registration Branch
- Continue to right-size staffing and address critical vacancies and needs
  - Taxpayer Advocate - As with that of the IRS, this independent entity will assist taxpayers in resolving issues they cannot solve on their own; includes recommending changes to prevent future issues
  - Compliance and Audit Officer - Ensure outside regulatory and legal requirements as well as internal policies are met

4

FY2026 - Still More to Do

- Increase Compliance inspections
- Conduct IRS Revenue Agent training; implement more cross-utilization
- Carry out educational awareness campaigns
- Revamp and streamline websites
- Continue with digitization/automation efforts across all branches
- Collaborate with inter-agency partners and regional counterparts; leverage organizational memberships
- Focus on employees' mental health and well-being

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GUAM DEPARTMENT OF REVENUE AND TAXATION

SI YU'US MA'ASE

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Christopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Wednesday, June 18, 2025** at **9:00 AM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Thursday, June 12, 2025** (5-Day Notice), and again on **Monday, June 16, 2025** (48-Hour Notice).

SENATORS PRESENT
Senator Christopher M. Dueñas, Chairman
Vice Speaker V. Anthony Ada
Senator Sabrina Salas Matanane
Senator Eulogio Shawn Gumataotao
Senator Telo T. Taitague
Senator Therese M. Terlaje
Senator Chris Barnett
Senator Sabina Flores Perez

ORAL TESTIMONY:
Marie Lizama, Director, DRT
Michelle Santos, Acting Deputy Director, DRT
Mikel Espiritu, Management Analyst III, DRT

WRITTEN TESTIMONY:
Department of Revenue and Taxation Presentation

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **[9:04 a.m.]**

[Questions and Discussion] **[***Begins at 00:18:00 and ends at 02:57:00*]

The Budget Hearing was called to order at 9:04 a.m.

Chairman Christopher M. Duenas: Good morning to everyone and welcome to your Congress building today. The Committee on Finance and Government Operations is now called to order at 09:04, and this is on June 18th, 2025. First notice of this public hearing was disseminated to all senators and media outlets on June 11th, 2025 with its second notice disseminated on June 15th, 2025. The hearing notices were also made available on the Guam Legislature's website. Our legislative

calendar and the government of Guam's public notice portal. The committee will now hear bill number 44-38(COR) Introduced by the **COMMITTEE ON RULES BY REQUEST OF *I MAGA'HÅGAN GUÅHAN*, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS** relative to the Department of Revenue and Taxation.

Joining me for this hearing this morning to my right of course, is the Vice Chair of this committee and our vice speaker Senator Tony Ada. Thank you for joining us. Thank you. Also, Senator Therese Terlaje and Senator Telo Taitague, who is also a co-chair of Department of Revenue and Taxation, along with myself those testifying on bill number 44-38 (COR) relative to the Department of Revenue and Taxation.

Please take a seat at the table, which they have. Good morning, Ms. Marie. Just to let you know, prior to reading some of our housekeeping items the format that I've been going by is to go with the Director or whoever's rep the head of the department, our agency, and then I will allow you to introduce your panel and whether or not they will be testifying in, you know, in the opening or whether they will be here in support of any questions that any senators or members of the body, I may choose to ask. So after I do this housekeeping, we'll get started with you, Ms. Marie, and thank you for being here this morning.

Before we begin, I'd like to remind everyone in attendance of the *I Liheslåturan Guåhan* General Rules of Conduct, individuals testifying shall be first recognized by the chairperson before speaking, and shall state their full name for record keeping purposes. Questions and testimony shall be confined to the substance and nature of the bill on the agenda. Personal inferences to the character or motive of any senator or individual testifying are not permitted. The chairperson of the committee may order removal from the hearing of any member of *I Liheslåturan Guåhan* or the public audience who fails to observe property decorum pursuant to the 38th Guam legislature Standing Rules, immediate removal from the public hearing room is

possible if the rules are not adhered to at this time, as is traditional within our legislature, and particularly with the 38th legislature's Rules, again, is a swearing in whenever we do, but hearings, which involve finance or budgetary matters. So, I'd like to ask the panel to please rise and be sworn in by our sergeant in arms.

Edward Pocaigue, Sergeant at Arms: Please raise your right hand under penalty of perjury. Do you affirm that any and all information you provide today, whether it be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth? Mr. Chair, you may proceed.

Chairman Christopher M. Duenas: Thank you Sarge and Director Marie Lizama once again, thank you for being here today. And so now we will turn the floor over to you and to make your presentation for Department of Revenue and Taxation to you. *Si Yu'os Ma'ase!*

Marie Lizama, Director, DRT: Bueñas yan Hafa Adai Mr. Chair, Vice Speaker Ada, Senator Terlaje and Senator Taitague And I just wanna, we prepared short slides. I are a few slides. I wanna make sure that's gonna be okay. My name is Marie Lizama. I am the Director of the Department of Revenue and Taxation. And to my right I have the Banking and Insurance Commissioner, as well as the Acting Deputy Director Michelle Santos. To my left, I do have Mikel Espiritu. Mikel was instrumental in working on the budget data that has been presented to you. As you can see, our request is the same as that of fiscal year 2025. While it is actually our desire to request for higher amount, we are cognizant of the looming federal cuts and its impact or their impact to the Government of Guam's overall budget. Despite challenges and sometimes having limited resources, our agency employees continue to work hard to uphold our mission statement and effectively serve the people of Guam. So I will turn to the slides first. Next slide please. As you will see, we've updated our organizational chart and again, we wanna remind everyone that we have over 20 different branches under certain divisions.

Next slide. So, what have we done in fiscal year 2025? The at last year's budget hearing, it was brought up that we had way too many limited term appointment employees. And so what we've done in this past year is we've reduced that number and I'm happy to see that, that actual LTAs is at 16 or about 10% of our workforce.

And that we have some retirees that have returned. We have the mix SAP or the Motor Carrier Safety Assistance program, which has some unclassified employees, and then we have a couple of special project coordinators. But overall, the LTA count has been reduced and we've also filled some vacant positions. I'm happy to say that part of the efforts to reduce, or the outcome of the reduction of limited term appointments has been in the form of their rating and going through the process of the interview process and being hired for classified positions, we have finally ordered and received tobacco stamps that's what we consider part of phase one of that, of the complying with that act and I'll get to phase two in just a second. We've conducted inspections that are, have resulted in fines and fees, temporary seizure of products and some closures. And those are alcohol related and bed and breakfast, or b and b related, as you can see on the b and b side. We conducted eight investigations thus far, which resulted in $5,000 in fines collected. We started, and I believe this was also a discussion that was at last year's it might have been Senator Paris. We started an internship agreement with UOGs, college of Business and Public Administration, specifically in the accounting area. So, as you're aware, we continue to struggle with recruitment and retention, and we're hoping that this will mirror kind of start the ball rolling with regard to the, that effort. And then finally, you know, we continue to issue tax returns or tax refunds within six weeks, an average of six weeks from filing date. So, we continue with those efforts.

Next slide please. So, we still have a lot to do, particularly in the business privilege tax branch. You know, we actually, that branch has been the subject of many draft legislation, and with that said, you know, it's a branch where historically you know, over you know, it's been high with regard to, again, the problem of recruiting and retaining. It's at this time, as I mentioned in another hearing, there are only two full-time employees there, but we, and currently supplemented by two additional employees from other branches. So, we continue to struggle in that area which has typically had a high turnover rate. And we are trying to address that. So, we, we did, as part of the BPT efforts, though, we completed the second part, or we need to continue with the second phase of tobacco stamps. And that's where we had given the wholesalers the opportunity or time to order their equipment, their applicators, if you will. And so we are entering that stage now. I believe one of the wholesalers has already has already received their applicator. We know that there's an issue with alcohol and that is something that we need to concentrate on. I know that the public

auditor has expressed concerns about that, and we need to ensure that we put something in place that will at least provide some kind of reassurance, some kind of reassurance, you know, on, on at his level.

The same thing with Use tax. We do have an issue or we do, we would like to clean up the use tax area. And again, you know, we will do that once we get the branch additional employees. And we did start a discussion with customs and we hope to resume discussions with customs on how to enhance the current process. With regard to the you know, the arrivals or the shipments. Motor Vehicle division, We know that driver's license has been and continues to be. A work in progress. It is difficult. The employees try their best. They're mentally, you know, tapped out. And some of that is perhaps you know, it's things that, you know, we can't control. A few months ago we did have a power outage that affected our aging system, and then a few days later, there was an expired certificate on the vendor site. And so we had to try to accommodate the overflow, and we opened several Saturdays later to be able to accommodate that, that overflow. And so we recognize that we need to probably, we need to resume, or I'm sorry, commence efforts to procure a new system and you know, just go from there.

You know, it is, and I've said this before in other jurisdictions across the nation, DMVs unfortunately have, you know, their reputation precede them. And so it's no different here. However, you know, I, we are going to do what we can to improve upon that process so that we don't run into the same long lines that wrap around the building and so forth. And we're fortunate it hasn't wrapped around the building just yet, but there have been long lines we will admit that. With regard to the vehicle registration area, we will, we want to explore electronic titling and there are things such as mobile driver's licenses, although I think that's kind of later on down the line, we want to make sure that we address the issues that are before us.

So, continuing on with what we wanna do, we wanna continue to right size the staffing and address critical vacancies. We do need a taxpayer advocate. I mentioned this last year and unfortunately we have not been able to fulfill this just yet. So, like the IR or as with the IRS, the taxpayer advocate, it's an independent entity that actually resolve issues of, with taxpayers issues that they can't resolve on their own.

And so we are moving or we would like to move toward that. In addition, we need a compliance and audit officer basically it's just someone who can ensure that any outside regulatory and legal requirements are met and that our internal policies support that.

Next slide. So continuing on, we do we do want to continue with the compliance inspections. We, last year we conducted, or we had someone from, a couple of people from the IRS come and do revenue officer training and this year we wanna focus on the revenue agent training. We want to be able to implement or carry out more cross utilization of our employees. We started we had a few educational awareness campaigns, and we wanna be able to continue that. We've commenced the cleanup of our, and streamlining of our websites, and there's still more to do. We ideally would like something that's just easy to read, easy to follow, and we'll provide information such that the taxpayers or customers will know what they need to bring or do. We wanna of course, move with digitizing or move toward automating some of the processes that we use at our agencies. We wanna continue to collaborate with our interagency partners. So, we've collaborated with some, as I mentioned, customs. You know, we recently worked with the Department of Administration to help carry out their transformation from his traditional check and envelope payments to that of the micro, micro checks. And we want to also work with our regional counterparts. Most recently we've been visited by the CNMI with regard to the driver's license real ID requirements. And we've also been approached by Pohnpei with regard to our weights and measures. You know, the possibility of our having weights and measures staff train them in similar procedures. And finally, you know, we want to, well, I'm sorry I take that back. We, I wanna leverage we to continue to leverage our organizational memberships, and that would include the American Association of Motor Vehicle Administrators or AMVA.

And finally, but not least, we wanna focus on our employees mental health and wellbeing. Working at the department of revenue and taxation. It, no one's ever been known to make lots of money working there. So, if you're still there after all these years, it's, you love the work, you believe in the work, and you do that despite not being paid on a level as you would another agency that doesn't even require the technical expertise. So, you know, with that. What I would like to talk about is I respectfully ask that a provision for DRT to use any unended FY2025 funds be

included in the budget law. And in closing, while our agency's roles typically not to draft legislation, we are always affected by legislation that concerns us in crafting future legislation.

We ask that you meet with us to determine feasibility first and in addition to any fiscal impact it may bring. And with that thank you very much for your attention and for our opportunity to present or to talk about our budget.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase,* Ms. Marie and I thank you for your presentation and many of the items I know will be addressed by my co-chair as well. And I'll be going to my vice speaker and vice chair first. But the main thing I wanted to recognize is yes we thank you for recognizing the current tracking of revenue in the government and what will be available for agencies. Once again, a number of agencies have come before us requesting in addition to what the ceiling has been set by the governor the governor's, the tracking for the governor, right, or the governor's request right now has not equalized in terms of the 44 million in addition to this current fiscal year's budget. So many agencies much like yourself are facing a status quo budget with the exception of the inclusion of the mandatory increases, which is of course predominantly right now the healthcare needs. And then what do you call that the also needs for retirement. A little bit of good news it looks like from retirement. It looks like the actuarial is gonna come down by about 1%. So that should, we're gonna have a number for that soon in terms of how that'll affect the overall budget. But yeah. So I'm thankful you are currently, I believe tracking somewhere around 800,000 and probably gonna close out the year, as we discussed in the pre-budget meeting at about 600,000 in lapses. And I'm certain that's due to your recruitment and retention issues. So, I think that you know, is appropriate for this status quo budget, at least for this fiscal year.

The other thing I'd like to mention is that you know, the carryover revenue, I know that's gonna be a persistent request and you know, we can look at it a couple different ways. But traditionally, I just want to let agencies know, traditionally it not, it's not really additional revenue. The ceiling is set for the current, the next fiscal year that you incur. You know, it really is gonna be up to cash management from the administration's position. I just don't want you to think of it as if there is that provision that it's actual cash in additional revenue. The truth is that normally what

happens is if that carryover revenue comes in, that's what gets used first. And then as the fiscal team goes throughout the fiscal year, you know, imposes their reserve and gets towards the end of the fiscal year they'll release if, depending on the need, and they'll release based on how the budget is tracking. So, I know it's a nice thing a lot of times for agencies, but I just want to be clear that the reality is, most of the time it does not equate to additional revenue. It might equate to some additional appropriation authority, but, you know, I wouldn't bank on it as additional revenue to the agency. I usually caution most agencies of that, but we'll see what happens in the markup process of the budget and what happens on the floor. But certainly, so I just wanted to kind of address the revenue side. I just wanted to kind of address the I just have one question, particularly the persistent, discussion of recruitment and retention when it comes to in particular the BPT section. Have you done a study or like, how are your exit interviews going with your employees in terms of or are they laterally transferring out into either other agencies or within the department? Just 'cause of the stress level of that and see how we can work with you to manage that better. But like I said, it's not a budgetary issue. Clearly you have the ability to hire, but can you give us some more insight maybe on internally how the agency department has been you know, trying to figure that out and what are some of the surveys with the employees that are going out, especially if they're not going somewhere else, you know what I mean? If they're not going the federal government or if they're not taking a job somewhere else, but maybe they're going to the government somewhere else and the like kind of, some information based on that.

Marie Lizama, Director, DRT: So, with regard to BPT in particular, you know, we did have someone who actually left to go to the private sector. The, there is unfortunately, I think we had one death we had one death. It is certainly a very stressful area. And you know, the people that are there they try, but you know, it's also the area that is affected by, you know, any change in legislation. It's usually that area. And so I think personally, I think that the people that have left oh, and in addition to that, some of them have actually become classified employees. They were LTAs and then they become classified employees in other branches. But the fact that the branch is the one that is most involved or is typically involved in any legislation, it means that the employees there constantly have to pivot. You know, you have you, when you finally learn what the law is, and then something else gets changed, you know, it's something that can certainly add to the stress and the

pressure, you know, that is there. With that said, you know, I think the other thing is the salary level. For whatever reason, the salary level in that particular branch isn't enough for someone.

It's not enticing enough for someone to come in and kind of do. It's, we have had packets for vacancies. We've had people actually turn down you know, the interview times and so forth. So, we are hoping that we can make some change some internal changes that will perhaps maybe have others want to at least try it out. It is just typically known as a branch that is harder to work at as opposed to, you know, any other branch at the agency. And Michelle and Mikel are here to basically provide any answers to some of the questions you may have. But if Michelle would I don't know if either of them would have any additional comments to make with regard to that.

Chairman Christopher M. Dueñas: Yeah, I'd certainly like to hear it. I mean, this, you know, let's be honest with ourselves. This is the mother's milk, right? Of along with other tax collections you have but let's be clear too. I mean, it, other taxes are pretty basic. I mean, when you have income tax it's a formula. You know, that those employers know, they know what they have to remit. Now, of course, with BPT, I understand you have exemptions, and so it can become complicated. You have also situations where you have, you know, times where businesses will float particularly in, you know, economic times that are that, that are, you know evolving right. Float between, you know, how well the business is doing and whether they're completely exempt and then going into exemptions. And I understand there's some complexity there, but it just doesn't seem to me to be that much of a science. And so one thing that you just mentioned, if there really is a need. And the salary levels, you know, you know, you have that tool, that above step recruitment tool to be able to bring people in order to deal with that salary. Variance desk audits, things like that. But yeah. Ms. Santos maybe can, if you can help us understand a little bit more and some insight. And Mr. Mikel, if you'd like to as well, please identify yourself for the record before giving testimony.

Michelle Santos, Acting Deputy Director, DRT: Michelle Santos, I'm the banking and insurance commissioner. I'm also the acting Deputy director you know, with business Privilege tax. We've also had some significant retirements people that, you

know, were with us a long time and when they left it, it left a big gap. But this branch in it, you know, we assist the taxpayer with a lot of them have to come down to file online 'cause they don't have a computer at home. So we assist them in this way. We also this branch also assists with bonding. They have to go out to the wholesalers and you know, watch the transfer of the cigarettes from the bonded warehouse to their regular warehouse. We keep track of that. So this branch in particular takes care of that. So it adds to the stress of, first of all, not having enough people on board and then having to, do that as well. We do get the other branches to assist and, you know, the other tax branches to come and help with taxpayer service. So, we work together, but it's still, I don't know, you know, DOA does the rating of these applicants, right? And then we interview them, but a lot of 'em don't. They apply for the job, but they don't take the position when they're selected. So there's not much we can do about that. But, you know, those to me are some of the problems we've had with with BPT.

Chairman Christopher M. Dueñas: Thank you. Okay. So, one thing I hear there is the issue with regard to, you have retirements, so you're having difficulty replacing. My understanding is you are doing some contract work with prior employees that, that are, that will accept to come back on a contractual basis. Is that true?

Michelle Santos, Acting Deputy Director, DRT:
Yes. Yes.

Chairman Christopher M. Dueñas: Okay. The other thing,

Michelle Santos, Acting Deputy Director, DRT: but there's none in this branch?

Chairman Christopher M. Dueñas: Not in that branch

Michelle Santos, Acting Deputy Director, DRT: currently, no.

Chairman Christopher M. Dueñas: Okay. Is so they don't want to, or you haven't made the offer?

Michelle Santos, Acting Deputy Director, DRT: Were, well, when the last few retirements they didn't want to.

Chairman Christopher M. Dueñas: Okay.

Michelle Santos, Acting Deputy Director, DRT: They were tired and they, you know, they've had well over 30 years service, so they just wanted to see stay home, be with their family and not yeah,

Chairman Christopher M. Dueñas: totally understand that. Yeah.

Michelle Santos, Acting Deputy Director, DRT: If they would come back, you know, we would consider it. Okay. Simply because there isn't that pool of people to choose from. And if they wanna come back, that would be great for us. We don't need to train them, you know, they could train others, you know? But yes, we would take 'em back.

Chairman Christopher M. Dueñas: Yeah. The other thing I hear here, and I think there's two other things. The other thing I hear is because we are on the cusp of the tobacco tax stamp implementation, and I have spoken with one company that's prepared and ready to go, so your presentation is correct Ms. Marie, that should take a big burden off of the bonded warehousing. Once that stamp is implemented you, you should have that, that should become automatic now that they have to apply this stamp and you're issuing, right. As opposed to having to work with wholesalers and the like, and go and open the barn and let the boxes out and whatever else. And so that, that should be something that should alleviate Mikel you got any any observations?

Mikel Espiritu, Management Analyst III, DRT: Yes. Hi, this, I'm, my name is Mikel Espiritu, the management analyst III for the department. And for the regarding BPT there's currently only two classified employees. For the area it is the supervisor is has been on a continuous open recruitment but due to the recruitment difficulties is, has been difficult to fill that position.

Chairman Christopher M. Dueñas: Okay. Thank you. So yeah, you know, Marie I wouldn't, I would right now along with your driver's license division, I would mark this as your top issue right now. And I don't, you know, like I said, my last thing I want to mention is, you know, our government is really famous for going to trainings and we're really famous for, you know, funding travel and going abroad and getting training.

You know, I the elephant in the room, which is not an elephant in the room, you know, the Governor veto the visible tax and that's fine. We'll continue to talk, but, you know, Marie, one thing I understand about, you know, talking to the agency and getting the information, but the other thing the legislature does a lot of times too is they put a very long implementation time in so that they can work. So, the agency can work through these things. I know the states that we identified that, and especially Hawaii as well as a couple other states that are still on a business privileged tax tax scheme. I mean, it seems to me like we could easily do some training with them. It doesn't seem like it would be. You know, rocket science, many businesses keep sending me in their photos. Now I can forward them to you. That they just went ahead and did it already. Their POS system was up to date and everything else. It was a field that already existed. They activated it. And, but you know, I'm not here to debate that. I'm just, I want to mention to you that I understand, you know, that the yeah, many of our other colleagues, they like to do this too. So I guess I get to do it. But you know, the thing is that many other places do this, and it's not rocket science, like I said, and we give time from limitation. So, but we'll see where it goes from here. But I just want to, you know, say that when we identify a problem within an agency, that and a critical area such as this seems to me that the emphasis is really gonna have to be put on that whether or not there's a visible BPT or not. The bottom line is that division is so critical and like I said you know, it seems to me like if there's more attractive offerings such as training, additional training and, you know, up and above step recruitment you know, it seems to me like that can be a solution to unlocking the key to that. You know, that, that mystery. Okay. So aside from that I appreciate the work that you're doing. Yes, go ahead, Marie.

Marie Lizama, Director, DRT: Oh, sorry. I just wanted to, you know, indicate that with regard to the implementation of bills that have become law sometimes it involves third party, so it'd be a vendor, and sometimes the vendor, it is difficult for

the vendor to keep to the timeline that has been set and then you mentioned training. Our training, and particularly with the revenue officer training we carried last year, we brought them out here. Right, everybody wants to go off island for training, but we actually brought the revenue officers or the people who are conducting the revenue officer training here.

We expect that the same will happen with the revenue agent training, although that may suffer some kind of setback due to the fact that the IRS has recently you know, released thousands of employees. So we are hoping that we can get that, you know, done. I can tell you I'm probably the director that maybe has traveled once since I've joined the agency, and not that I joined because of travel, you know, but agency-wide, our agencies don't go in fact the trips that have occurred are under the American Association of Motor Vehicle Administrators. Our membership in titles or is such that they give us like two trips a year, fully paid for, you know, one or two attendees, depending upon what the conference is about. And the only other ones really that, that travel, I mean, of course there's the insurance and banking area, and then there's the Motor Carrier Safety Assistance Program which is completely funded by the feds.

Chairman Christopher M. Dueñas: So, you know, Marie I'm glad you brought that point up 'cause I, maybe we, what we'll start doing now is we'll announce that DRT is the model of how to bring people to Guam to train. 'Cause I tell you, there's other agencies right now their travel is one, one and a half million, 2 million a year. So, I'm gonna start making sure that I announce that Department of Revenue and Taxation really is the model for how to ensure that your entire division can receive training and you don't need to travel. You can bring you know, those individuals here to be able to to do that. I'm sure it won't be in every case, but I think we need to make an example of your success because I..

Michelle Santos, Acting Deputy Director, DRT: It is successful. If I might add we also invite the islands. We invited CNMI they attended the revenue officer training that went on for like two weeks. So two or three weeks. And so that was very successful. But we do invite the islands if if we can help in any way. We say yes, and we set up a program, they come, But with IRS, you know, that's a little bit more rigid. But they did come, it was very successful.

Chairman Christopher M. Dueñas: That is great news and something great to, to report today. One thing, Marie, also with implementation, I know that, you know, and what's required, right? In terms of vendors and third party, here's another thing.

This is the magic process the budget. We have miscellaneous provisions in any law that's been enacted. And if that could be actually part of your testimony on an annual basis, when you come in and writing us letters saying, we cannot comply with this because we're having difficulty with third party vendor. You don't have to you, you would still be in compliance to the law when you demonstrated that. And we can simply extend those timelines within the budget. All kinds of things happen in the miscellaneous provisions. In fact, sometimes we even change authorities with departments and authorities in terms of whether or not they can spend their money or whether or not their board has to. So, there's a lot of nice things that happen in the budget process too. Now, of course, it will just be for that year, but it can happen again in the subsequent year as well. So, there's a lot of things the legislature can do with you that that a policy that's enacted is, doesn't have to be rigid. That's exactly why, you know, we go in and introduce these bills all the time, or allow the budget process to include language that makes, brings flexibility to the policies that we pass in this body. 'cause we're a very understanding people as well. That's why I'm trying to hammer down on this, because like I said, as far as I'm concerned between this and the driver's license division and license registration.

I love the fact that you're looking at that automation for title that is really smart. Everything you've done your team has done up there, Marie, with regard to automation, that has been wonderful. That is another you know, hallmark of Department of revenue taxation. From my perspective as a taxpayer, as a small business owner talking to others, I'm telling you the ability to file BPT the driver's license when it can be renewed online. Everybody is just so ecstatic about that. And I can see even by driving by your traffic and the like has gone down and just the physical track traffic of people coming in and out. I've really seen a, you know, a lot of success. So, let's continue to you know, accentuate that and I congratulate You and your team for that. So, with that, at this time, I'll go to my co-chair or we share duties with Revenue and Taxation. Senator Taitague, will you recognize before I do that, real quick, I'd like to also thank Senator Sabrina Salas- Matanane, Senator

Gumataotao and Senator Barnett for joining us this morning. Please proceed. Senator Taitague.

Senator Telo T. Taitague: Okay. Thank you Mr. Chair. Good morning to my colleagues and good morning everyone from Rev and Tax who are here appreciate you, you being here this morning. I'm sorry, Marie I didn't get the gentleman who's sitting to you...

Marie Lizama, Director, DRT: His name is Mikel Espiritu..

Senator Telo T. Taitague: Espiritu.. And what does, what do you do, Sir? And just state your name for the record..

Mikel Espiritu, Management Analyst III, DRT: *Håfa Ådai* Senator. Mikel Espiritu, assigned up as a management analyst III. I help with the budget and with the administration side. I was formerly detailed in the acting capacity as the administrative services officer. And right now we're currently in recruitment for that position.

Senator Telo T. Taitague: Okay. Thank you so much for that. Yeah. We always like to know who the new faces are and get to know who you, who to talk to when we have to call Rev and Tax if we need anything. So, you know, I greatly appreciate you coming here with the same budget requesting status quo, but it makes me wonder when everyone else is coming in front of us saying that they have organic growth increase in their insurance, you know, that they have to take into consideration as well as not only insurance, but retirement. Have you taken that into consideration and how are you gonna cover those areas of organic growth?

Marie Lizama, Director, DRT: Well, actually if you take a look at the budget, right? There are quite a few of vacant but funded positions or positions that are currently, there's a recruitment and progress or process. But you know, the reality is while we would love for all of those to be instantaneously filled, we also know, and the OFB has also pointed out that, hey you need to kind of address that, ensure that you know, is completed before you actually ask, you know, for more. So..

Senator Telo T. Taitague: how much is that, Maria? Can you tell me that if you're not gonna fund those areas and you're putting them out of the mix, how much money is that you're saving to cover the organic growth? Marie? Yes, Marie. Sorry, Marie.

Marie Lizama, Director, DRT: I'm sorry, I did not calculate that. I do have the I will probably have to get back to you on that. I have the list, but I didn't calculate, I didn't calculate the figures for all of that.

Senator Telo T. Taitague: So this will be based on FY25, the current year that we're in right now. And that an FY26, you are gonna no longer request for those particular positions. And and that's why there's gonna be a savings and that's the number that I'm going to need to know.

Marie Lizama, Director, DRT: Okay. I will calculate that and get..

Senator Telo T. Taitague: And then it'll explain to us where that savings is coming and if because it, you know, having coming here in front of us with the same budget, you know, we've gotta come up. Well, we just have to figure how you got there. Okay. The other question I had is you know, when you're looking at the special funds, we noticed that in that area you've increased it a bit in special funds in order to offset some other areas. And I'm looking at tax collections, enhance enhancement funds, and there is an increase of about 38,000. And then the one for better Public Service Fund, there's an increase about 24,133. Now, currently we're looking at FY 24, there has been real, no, you know, change it, it's tracking on that fund, on the better public service fund. It's tracking, well, in fact, I think it was like 14,000 over, over its estimated projected revenues. However, the tax collection enhancement fund you know, currently it's, there's a shortage in that particular fund. So in FY24 I know that there was no issue, but FY25 we're already tracking in the better in the tax collection enhancement fund a shortage. So, there might be a short fall in that. So I ask that you keep an eye on that because if it doesn't come through, you know, you're gonna have to find a way to subsidize that funding. Okay. And you did get your full allotment from both the tax collection enhancement fund and better service along with banking and insurance. All those three special funds all came in to par. Okay. I also noticed that you have three attorneys three, that's awfully nice to have that many attorneys and one agency. And it makes me question, is it really that much and

looking at your explanation as to what each attorney does, I think that there, there could be some change. I also noticed that these two attorneys received a raise of 7,972 for one and another one at 7,536 increase in salary for two particular attorneys. Can you tell me what this raise what justification for this raise?

Marie Lizama, Director, DRT: I believe that was in line with the attorney pay plan. So, and,

Senator Telo T. Taitague: but the other attorney did not. Okay. So one attorney was in the line of the pay plan and two were not.

Marie Lizama, Director, DRT: Yeah. Well, and let me just verify, you know, with Mikel, but yes, that would've been the main reason for that.

Senator Telo T. Taitague: That happened in 2024, though the payment pay plan was 24, not 25, I mean 26 because you're requesting in your budget that there will be an increase for these two particular attorneys. Each over $7,000 each. And I'm trying to figure out why all of a sudden now, because this pay plan happened..

Marie Lizama, Director, DRT: then that would likely ma'am be tied to their salary increments.

Senator Telo T. Taitague: I'm sorry..

Marie Lizama, Director, DRT: that, that would likely be tied then to their salary increments.

Senator Telo T. Taitague: Would you have any issues with only two attorneys being able to cover, Rev and Tax. I mean, in the past you've never even had one. Yeah. Right. And then you have the Attorney General's office assisting you, and now you have three. So, would Ren tax be okay with only two attorneys instead of three?

Marie Lizama, Director, DRT: Of course. I'm going to be selfish and say I prefer to have all three.

Senator Telo T. Taitague: And, but would it still be able to function?

Marie Lizama, Director, DRT: It would be difficult. But again going back to, you know, your recognition that, you know, they do different functions. I just wanna kind of repeat that. You know, we have the principal income tax attorney who handles a lot of our HR and procurement issues. We have one who is involved with the consumer division and actually works with our regulatory administrator on many of those issues. And then we have a litigator and as you know, we get sued all the time. You know, it's just the nature of the agency..

Senator Telo T. Taitague: And the income tax attorney. Is it, is this individual a certified regular, you know, classified as a true income tax attorney because I've never…

Marie Lizama, Director, DRT: So, she does none. None of them have a tax LLM.

Senator Telo T. Taitague: None of them are tax attorneys, none of them.

Marie Lizama, Director, DRT: And it is difficult to find an attorney with a tax LLM who would like to come out of private practice and work in the public sector. So, you know, with that said, you know, we, we recognize that we are lucky and we are certainly grateful that the late Senator Klitzkie formed you know, formed the office and that we were finally able to fill that office. There's certainly no shortage of work. It helps greatly that we have the attorneys at our fingertips. You know, wherein before when we would have to call the Attorney General's office, you know, it was really based on whether or not the attorney was available.

Senator Telo T. Taitague: Okay.

Marie Lizama, Director, DRT: So, you know, it's okay to some, it may seem like a luxury for us just because of the type of work and all the issues that come our way. It certainly has been very beneficial to us.

Senator Telo T. Taitague: Yes it's definitely, you hit it on the nail when you said luxury. It is a luxury at this point. The contractual service I noticed is $1.35 million

in FY24. However, there is it's gone under to under $500,000 for FY26. How is you, how are you attributing this to this contract service part contractor?

Marie Lizama, Director, DRT: Okay. You know, of course. So based on the ceiling. And, you know, just the budget constraints in general, what we've done is we've had to kind of shift some of that amount elsewhere within the budget. But with that said, as we continue through the fiscal year, then what typically happens is there are modifications that are made and amounts moved. So, it really was just to show or to, for us to not exceed the cap.

Senator Telo T. Taitague: That being said if it's substantially lower from contractual services, what is this, what is the update on the Verdos contract that you have now?

Marie Lizama, Director, DRT: So, the Vidritos, which is s the driver's license, the vidritos, the driver's license vendor. What we are, what we have right now, we've, we have one of the employees working on a bid. We mentioned earlier that we would like we currently don't have a contract and we are trying to, we are trying to you know, put it out properly have it out for bid, and then. Proceed with that.

Senator Telo T. Taitague: So, so that, that's my concern too, because, you know, looking the fall, the downfall from the contract service from 1.35 to 500,000, below 500,000. Now currently you still have that situation with this contract that's needed to be put in place. Correct. So there, there's gonna come a time you're gonna come out over here and ask for some funding for a new contract.

Marie Lizama, Director, DRT: So actually we have been as part of the AM VA membership, we have other jurisdictions that are part of that group. And within that group there is one jurisdiction, it's the state of Arizona that has offered their new system coding to us for free. But as we work on the process, what has arisen is, while we may get the coding for free, we will still need to address the issue of maintenance. So we, it's not a hundred percent guarantee that we are gonna go in that direction, but we are taking steps to ensure that we enter into some kind of some kind of arrangement so that we can effectively transition over to what possibly could be an agreement between the state of Arizona and the government of Guam.

Senator Telo T. Taitague: Right. And one of the biggest issues that happens when you're procuring for a contract is the hours of working hours because the difference between the US mainland and here, and we're finding out these notices that are coming out from Rev and Tax that things are shut down because they can't get ahold of the vendor because the time, you know, is at a different time. That's what I was told. And when things are shutting down, you know, we talk about trying to ease up the long lines, well that just adds more to the lines the next day and makes it very difficult for people who have already have appointments. So, I appreciate you working in that area and on letting know sooner than later with regards to the cost of that because that is coming down the pipeline. So it's something that you need to make sure that you bring to the tension of the oversight chair of appropriations, this concern that's gonna be needed. And one of the most important things that I think that's really needed, especially by this body, is testimony. Testimony that comes in at a time that we need because to review information and data in order to move legislation forward. This is something that seems to be always late. You know, with Rev and tax, I mean, you do show up, but you show up with no written testimony or the data that's required or the questions that are need to be answered during a public hearing. So, I appreciate Marie, if you you know, you're on top of that. There's somebody in the agency, you've got three attorneys, you know, maybe one of them can help write testimony on legislation. This is law legislation that, that we can actually get sound advice so that we know how to move forward. Also, data and reports. Many times you come to the public hearing and we ask for information and data, and unless we keep following up with RevTax asking for it, we don't get it. And it shouldn't be us. If we ask that we need this data information right away, then it should be given to us within at least three working days, you know, because we have to move forward. So I ask that, that testimonies come into, we had a public hearing last week, we're still waiting on your testimony. We wanna go into these market meetings that we have with testimony that failed to meet meet it on the day of public hearing. So that's one of the biggest concerns. And I think a lot of times too, we're finding out that testimony is needed by commissions, boards and at Rev Tax. Currently right now, there are no quorum for the alcohol beverage board, Real Estate Commission, board Banking and Insurance Board. There is no quorum, in fact, in the banking and in, I mean, the Real Estate Commission, everyone is, there's no one sitting on that board. No one..

Michelle Santos, Acting Deputy Director, DRT: You are correct senator in that,

Senator Telo T. Taitague: Yeah, All these boards are empty. And it's been this way for a while. Some of them has been since 2023.

Michelle Santos, Acting Deputy Director, DRT: No, the Banking and Insurance Board.

Senator Telo T. Taitague: No, I'm talking about Real Estate Commission.

Michelle Santos, Acting Deputy Director, DRT: No, it just, I think it in 2025 they all expired and we've asked the Governor's office to reappoint them.

Senator Telo T. Taitague: Actually, I have a letter from you 'cause I've asked for that that information. And trying to push Revenue and Tax as the oversight chair in these areas, you know, to get these boards and commissions in place, because a lot of legislation is being stalled because we can't get a board there to give us their testimony or laws that we've implemented that these commission board members cannot act on or even provide the rules and regulations in order to, you know, give out license to individuals or to sanction anybody. So, it's like no host bar right now at Rev and Tax. It's very disappointing because this has been happening for, since the beginning of this term. So, I appreciate that you push hard on this and find it because there, there is, I think there is legislation that if the Governor does not appoint, that the speaker of the legislature may have the authority to put individuals in these boards and commissions. So, appreciate you looking into that, Marie, Okay.

Marie Lizama, Director, DRT: Senator, if I may, with regard to late submissions or, you know, lack of testimony or whatever, and I get, I apologize if I'm wrong, but I feel that coming here and testifying verbally is just that, it's a testimony now whether you expect that to be in writing or not. Perhaps, you know, again, I apologize if I've confused the two with regard to any data that may have been asked in the course of the discussion. You know, that certainly we certainly need time to go back and ensure that the data that we give to you is complete and it is accurate. And in many times, the people that are doing one project or one or trying to answer one

inquiry are the same people that are trying to answer whether it's the o opiates of, you know, follow up on, on recommendations for audits that were conducted perhaps 10 years ago. It's, we have a lot of different deadlines. And the other part to my apology is I was made to understand that there, we can submit testimony X number of days. I was made to understand it was 10 days after testimony after the hearing. And so if I've gotten that wrong, I will certainly correct that.

Senator Telo T. Taitague: Appreciate that. And for the record, sometimes it's only five days, you know, it's not just always 10, it depends on the committee chair. Secondly, we give you a notice, an invitation to testify five days before a public hearing. Five days before one. So, it's not that we don't notify you, we do notify you. So..

Marie Lizama, Director, DRT: I'm not saying that..

Senator Telo T. Taitague: It gives you enough time to get the information and data to come in front of us without anything in writing. Makes it difficult for us because especially knowing that you didn't provide any written testimony that you're here to answer any questions, but yet when we ask the questions, you know, I'm not gonna linger on this anymore. We can go back and forth, but when we do ask the questions, we're met with one thing, oh, I'll get back to you. You know, it makes it difficult for everybody, especially when there's more questions that need to be asked because of a question that was asked.

Marie Lizama, Director, DRT: And perhaps if I may suggest just so that it helps us. If you would, in that invitation, perhaps give us a little bit of insight as to what exactly what in particular you would like to ask for because sometimes we come here, we feel that we're prepared, and then it turns out that there's a question that we certainly weren't prepared for.

Senator Telo T. Taitague: Okay. So, I appreciate that. You're right. And the fiscal note that's provided by BBMR. A lot of times we get comments on there because they lacked information or the agency or department didn't provide any information. We are able to determine whether there's a fiscal impact, and that is by your own

administrator, you know, asking you the questions. And it, you know, it fails on that part. So I'm not just talking that you're doing it to us, but it also goes on BBMR too.

Marie Lizama, Director, DRT: Yes. And while you know, that can, you can also argue that many times we are not able to ascertain. The fiscal impact because it doesn't include, you know? It really is not data that, that we track, but your comments are noted and thank you so much for that, and we would do that.

Senator Telo T. Taitague: I appreciate you working on it. The last question I have, yeah.

Chairman Christopher M. Dueñas: Senator, please wrap up. We are using the today.

Senator Telo T. Taitague: Yeah. Last question today,

Chairman Christopher M. Dueñas: and I'll for follow up..

Senator Telo T. Taitague: last question. Sorry that kind of took longer. Sorry. Just the last question. I just noticed a huge difference on the rental, you know, in FY 25 at 1.3989 so 1.1 million and then now it's only at 478.93. Can you just explain that? And that's my last question, Mr. Chair. Thank you.

Chairman Christopher M. Dueñas: Okay.

Marie Lizama, Director, DRT: Yes, Mikel and I had a discussion on that and really part of the amount. And I told him it should have actually been fixed because rent is fixed, but part of that amount was actually reflected or is actually reflected in the contractual dollar amount.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase*, Senator.

Senator Telo T. Taitague: Thank you, Mr. Chair.

Chairman Christopher M. Dueñas: Before I go to the Vice Chair and the Vice Speaker, one thing I've been doing with all the agencies as they come in, and I guess I had some urgent questions earlier, but I wanted to make sure for the record. You know, as you know, as the agency director when you came in and others that have been with the department for a while, it really is in the fiscal years of 22 starting and then 23 and certainly 24, where there was significant increases in agency budgets. And that's because this legislature has been conservative and adopting conservative budgets. And so budgets have continued to commensurately come up with the appropriation levels. So just for the record, for our listening audience, the authorized actually the expenditures and encumbrances in fiscal year 2024 totaled 15,100,196. Your authorized level currently for fiscal year 2025 is 17,735,489 and also when we look at the variance between the 2026 request versus 2024, because you are a status quo budget, much like I told DOC yesterday, your net increase that is status quo from 2024 is $2,635,293. This also is, and I'll continue to do this during these budget hearings, the reason why the tracking no longer has that very large disparity. You know, as you know, I believe in 2022, somewhere around. 70 million, then 23 inched up to around 90, 24 was like over a hundred million. And this is why we're, you know, mandating that we appropriate with audited revenues as well, because it's just really all over the place, right? So, we've been very good in terms of recognizing the needs for the agencies. And so, you know, the reality is that is you probably have close to the same amount. In fact, you can do it right here. Yeah. You had with your $15 million budget basically in 2024 your total FTEs were 190. You actually are tracking below now at 184, and you have a lot of budgeted vacancies still within the department. And then fiscal 2026, you are you're looking to be at 190 again. And so, you know, we feel as though we continue to have you know, very flexible budgets, but we'll deal with that when totality, when we come to the debate on the floor. But that's one of the reasons why when a lot of times like, why aren't you asking for more? We have really come up in large percentage within the last three fiscal years. And so we're trying to make sure we hold a line and make sure that our taxpayers get their value as well. I'd like to also say hello to Senator Perez who's joined us, Mr. Vice Speaker. I'm being recognized at this time.

Senator V. Anthony Ada: Thank you Mr. Chairman, and to Director Lizama, deputy director Santos and Mr. Espiritu. Thank you for being here and for your presentation. I just have a, perhaps just a couple of questions and you did written on

your slide presentation did say that on, in 2025, which you've done, is the tobacco stamps ordered and received, and then I see in 2026 perhaps it might be the second phase complete.

The second phase, and this perhaps is the implementation.

Marie Lizama, Director, DRT: It's actually the wholesalers getting their equipment ready, because when we told the wholesalers that the stamps were, had already been ordered and received, you know, they needed their own equipment to be able to apply the stamps before they could purchase it from the, from us.

Senator V. Anthony Ada: Yeah. 'cause I believe this law was in place for several years now.

Marie Lizama, Director, DRT: It's a long time coming. Yeah.

Senator V. Anthony Ada: Yeah. So, and so when do we hope to get the wholesalers online and in line with the implementation?

Marie Lizama, Director, DRT: And I could be wrong, but I believe it's in, in somewhere around the start of the next fiscal year,..

Senator V. Anthony Ada: So, around September, October. They should be to start. Yeah. We should start seeing the tobacco stamps on, on the cigarettes. That's great to hear. The other issue the new driver's license systems for, I guess the, we have problems with the real id. Is that still. Still in.

Marie Lizama, Director, DRT: So with the real id, you know, the issue that, and unfortunately the outage occurred, you know, right. Several days before the deadline for real id, there was a, we found that there was a misconception out in the public people who had valid passports, US passports or foreign issued passports with you know, were under the impression that they had to get the real id. And so despite our directing them to the TSA.gov website, which listed alternate forms of acceptable IDs, there was still that insistence to get the real id. So, of course, you know, we were faced with that. The issue that we do have right now with the real IDs, and this

has actually been it's a couple years ongoing, and that is TSA here, if any of you have the real ID or TSA when they scan the real IDs, it doesn't show.

Senator V. Anthony Ada: Right?

Marie Lizama, Director, DRT: Right. And so the vendor has been working on that. We continue to follow up. It certainly is frustrating. What they needed to have done was uploaded specimens of the credentials to TSA, but from what I understand, they're pretty much at the tail end of that. I did call TSA and I asked, I said, will that be a problem come May seven? You know, this was before the implementation date. And they said no. They said that if something doesn't scan, the person will just simply go through a secondary screening of sorts, which is a physical inspection of the card. So, there are still some things out there. We've heard that others and it's probably those that got their credentials a few years ago. There are others who have no issues with the ID scanning, you know, we're dealing with a vendor that at one point in time it was valid. It's called valid. And so they, they were absorbed by a company called Veritos or Verridos. And so, you know, it's something, some of the tickets, if you will, you know, with regard to issues that need to be addressed, have carried over and because there were transitional challenges, you know, it's, we have to keep at it with them to ensure that those issues are top of mind. And that they become addressed.

Senator V. Anthony Ada: So then when a new system for the driver's license branch comes into play, will the current real IDs that have already been issued be recognized by the new system? And would they have any issues? Yes. Moving forward.

Marie Lizama, Director, DRT: So what I failed to include in my earlier testimony is that we are likely going to need an agreement that will enable us to kind of, transition over to any whether it's the Arizona Max or any other vendor. You know, we will likely need that transition and therefore ensure that everything is migrated over.

Senator V. Anthony Ada: Okay. Yeah. And because of your status quo budget, do you foresee perhaps in the future opening up a second location for driver's license issuance?

Marie Lizama, Director, DRT: So, I know people have asked about that. We did have it at one point in time. I be, and I believe what happened was right before COVID, the secondary location the lease had been up for renewal. And we had issues with that. We had a lot of complaints being that the air conditioning wasn't turned on until the stores were open at 10, you know, or what have you. But that what we wanted to do or we had hoped to do, has now been affected by, you know, the we were working with the office of infrastructure, office of infrastructure. And we had gotten, we had been granted monies to procure like mobile service, if you will, something that we could take to the mayor's offices and so forth. You know, unfortunately we received word that has been scrapped. So now we have to kind of re, you know, organize our thoughts, you know, and so forth. At one point in time, we did ask, although that may be mood now, by the way, thanks to Speaker Blas bill with regard to military. The idea was perhaps since there was a pass an ID office up north, right outside Anderson and pass an ID office down south, that perhaps we can enter into an MOU with JRM and we could have a presence there and it would effectively serve the military communities in those areas as well as the northern and southern populations.

So, but you know, that kind of didn't go anywhere. We are hoping instead now to try to reach out to the mayoral offices and see if perhaps, you know, because we've always been trying to push the online renewals and so forth. Perhaps if we work with them to much like what happens at business privilege tax when people come in, they don't have computers, and for them to kind of work our, help them navigate through our my id.guam.gov website, that, that will help to alleviate some of the congestion at our office in *Barrigada.*

Senator V. Anthony Ada: Okay. That's great to hear. Then also on the, you started an internship agreement with UOG. Have you done the same with GCC as well?

Marie Lizama, Director, DRT: No, we haven't yet.

Senator V. Anthony Ada: It's probably something to look into so that, I guess, you know, the more applicants that are able to you know, come out and join DRT, I think it's a beneficial..

Marie Lizama, Director, DRT: You're right, and I think that's probably just a discussion that we will have, you know, with the tax enforcement division and taxpayer service division. But I think part of the reason why we didn't consider GCC at first is the requirements for the positions, you know, that we wanted to you know, we wanted to try to recruit, require four year degree, so Yeah.

Senator V. Anthony Ada: I see. But as interns, right. I think it's something. You know, perhaps someone that's just looking at maybe a two year degree would change their mind and go for a four year degree based on what they learned and the experience they have in the revenue collection area. And I think it very beneficial to RevTax because, you know, that's where the entire government revenues comes in through Rev and tax. So..

Marie Lizama, Director, DRT: Yes.

Senator V. Anthony Ada: And then do you have any federal funds currently that haven't been expended or..

Marie Lizama, Director, DRT: So the only area that deals with federal funds is the Motor Carrier Safety Assistance Program. So they're the only ones in the agency that have federal funds.

Senator V. Anthony Ada: Do they have any funds that have been un expended or unobligated or..

Marie Lizama, Director, DRT: so last year, or earlier this year, what transpired was we were coming up on having to close out the FY 2022. And so unfortunately we did have to de-obligate some of those funds, but that was because we had put in a request when we beat GSA's deadline, we put in the request for cubicles and I believe some vans. And unfortunately the request when we finally got the when we finally got word back from GSA, they said that there was an issue with the vendor.

Vendor had changed, or the bidder rather the bidder had changed something which negated the whole process. So, we're hoping not to do that for this year. We do have some funds. I'm happy to say that we've been able to procure some large items, including some vans. And so, I have to commend that group, Tim Lujan and that group, Katrina Hodges you know, their budget at one point in time or their federal funds were about 300,000. It is now up to $800,000. So, with that, we have plans or they, there are plans to ensure that the you know, that the bay that they have is set up properly and that they continue to do outreach and perhaps even expand some of the services that, that other similar or their counterparts in the US are able to do or have been doing.

Senator V. Anthony Ada: Yeah, I hope so. Because, you know, I just returned from DC and talking with our federal partners out there and you know, what they don't want to see is federal funds being returned. And I think it's important that again, that we continue to move forward and find out what is it that's hampering the process of actually expending these federal funds.

Marie Lizama, Director, DRT: Yeah.

Senator V. Anthony Ada: One thing they did say is that. You return the funds, it goes back to treasury and somebody else is gonna get it. So what we need to do is, all the federal funds that we do continue to receive is we need to ensure that we properly enum it and expend it so that, you know, the next time and the next grant cycle, things like that, we'll be able to receive the same or at least more and not see a reduction in what is given to us, right.

Marie Lizama, Director, DRT: Noted. We have no intention of returning anything. Yeah. Our biggest hurdle right now is procurement. Yeah.

Senator V. Anthony Ada: Thank you for that. And we just hope to continue that and keep moving and forward. The last thing I just wanna touch on here is the issuance of and continue to issue income tax refunds and, you know, that's court mandated and I'm glad that we're still keeping on that and that the payout is coming right along. So thank you for the hard work that you and your team up at Department of Venue Revenue and Taxation continue to do to ensure our compliance with the

court order and that we continue to move forward with that. So with that being said, Mr. Chairman thank you for this opportunity to be here for the budget presentation for Department of Revenue and Taxation. Thank you to all of you.

Chairman Christopher M. Dueñas: Thank you Vice speaker and vice chair of the committee. You know, Marie, one thing that the vice speaker was speaking to, and I've been mentioning this to DOA because we continue to talk about this, qualifications and, you know, the applications and the, them managing a lot of the applications for the overall government of Guam. You know, the one thing about GCC, if they have the Work keys program and this is something that really accelerates and tests. And this is why, if you can communicate with them, yes, you might have a four year degree, but with that work keys, it really you know, tests the acumen of the student and where their strengths are and it actually you know, benchmarks workplace workforce readiness. And so the thing is sometimes we need to spark the interest of our applicants as well by letting them know, Hey, you know, you scored this on the work keys. You know, we you're going through your two year degree. Rev and tax, you know, is hiring for a lot of these positions and this is one of the prerequisites in terms of qualifying. You know, we can start directing our people to those areas. That is the signature program. You know, Marian or team and others have put in several years ago, they take it to the high schools actually. And you know, the high school kids do a lot of that work he testing so that they can have you know, idea of for their future. So, I encourage you, even though it's a two year program to really work with GCC 'cause you could probably attract more applicants that way.

Marie Lizama, Director, DRT: Will do. And in fact, on a related note, we've actually participated in some educational outreach campaigns. We've done you know, the Guam Chamber of Commerce and on the high school level, we've actually gone and participated in a couple of their career day events. So, we would like to continue that into the next fiscal year. And you know, again, it's just really just trying to find the resources, the human resources to be able to carry that out. But it has always been our intent to educate the public about what we do and, you know, including ways for them to be able to you know, to be able to take care of their tax liabilities or their reporting.

Chairman Christopher M. Dueñas: Yeah. Great. Thanks Marie. This time I recognize as the order of arrival. Senator Terlaje, you are recognizes this time.

Senator Therese M. Terlaje: *Si Yu'os Ma'ase,* Mr. Chair. Thank you director and deputy director and Mikel and to all of the employees at Rev and Tax. Thanks for all their work. And I know they've got, like you say, sometimes the long lines. They've got the mad rushes and all the deadlines that we have for taxes and everything. So they are dealing, they are customer service. They are the front lines of those things and I'm sure heavily strained at times. So I really appreciate their work. So you said that, well, this budget request is status quo. You mentioned because you were cognizant of looming federal cuts, but it doesn't look like your federal cuts might affect your budget directly too much. Is that correct?

Marie Lizama, Director, DRT: Yeah, we meant over to the overall government of Guam budget. I know. Okay.

Senator Therese M. Terlaje: So, but you clarified very little federal, well, only one program receiving federal funds. Alright. And then but you do have a operational cost decreased by 625,000, is that correct? And but the employee costs went up by 533,000?

Marie Lizama, Director, DRT: Yes. That was to account for you know, the increments and you know, the I think at one point in time or in another area, it was the cost as the chair mentioned the cost of the government's share of the increase in insurance premiums.

Senator Therese M. Terlaje: Right. So that's all personnel, right?

Marie Lizama, Director, DRT: Yes, but the..

Senator Therese M. Terlaje: It's mostly person, but then on the operation side, you had a decrease 625,000.

Marie Lizama, Director, DRT: So, we were trying to keep, and Mikel can chime in if I'm incorrect about this, but we were still trying to, we were faced with the

challenge of trying to keep within the cap. So we had to show a shift from one area to another. So.

Senator Therese M. Terlaje: Are we decreasing any of our enforcement services or capabilities in that decrease?

Marie Lizama, Director, DRT: No.

Senator Therese M. Terlaje: Alright. The reason I'm asking is because when we were having discussions on the BPT, and I remember years ago, maybe when I first became a senator, that was 2018 when they were going, we were doing those big budget changes because of the tax the taxes in federal taxes changes. We received reports from DRT after pushing quite a bit as to how much in taxes they might collect that were like formerly deemed uncollected or not collectible, and that they were going to go out on a, you know, really a pursuit of those. Do we have anything like that we might look forward to FY26 increased revenues based on increased collection of taxes over the normal.

Marie Lizama, Director, DRT: So, yes, I did have a discussion with the collection supervisor and recognizing that you know, the funds going into the government of Guam may be affected by what's happening nationally. We are, we have we've already commenced the process to reach out to those you know, and I believe they're called annual notices. So, we've already done that and there will be efforts to step up collecting.

Senator Therese M. Terlaje: Alright. Are you able to give us an estimate that if those are fruitful, what we might..

Marie Lizama, Director, DRT: We can certainly give that to you. You know, once, once those have actually started start to come in.

Senator Therese M. Terlaje: Okay. And are you able with this budget to continue your audit and inspections that you think are necessary for the government of Guam?

Marie Lizama, Director, DRT: Yes, I think we've done okay so far. You know, ideally if we are if we have the full staff, then we would like to concentrate on other areas perhaps that we have not been able to, you know, have not been able to conduct inspections on. But I'm confident that the team is able to continue. In fact, we've just, we have some other inspections coming up as well.

Senator Therese M. Terlaje: Okay. Because they, that was something else. They said that during that BPT discussion recently is some of the businesses said if we had just more enforcement, we would be collecting more from those who are not reporting or those who are under reporting and we would yield more revenue. But you're saying that that work is done by the business privilege tax branch, or is that done by the compliance branch or..

Marie Lizama, Director, DRT: For the inspections? It's compliance. Okay.

Senator Therese M. Terlaje: And compliance is staffed?

Marie Lizama, Director, DRT: Compliance is staffed, yes.

Senator Therese M. Terlaje: Alright. Yeah. So would you anticipate more or kind of the same level of that type of work? Yeah we prefer, or we will do more.

Marie Lizama, Director, DRT: We just recently added another person to the compliance branch. So once we get her fully trained, then we expect that there will be more inspections to be done.

Senator Therese M. Terlaje: Okay, great. Because we have potential through rev tax to increase our revenue when we need it right now. And including the use tax, as you said, the alcohol and now the tobacco do you anticipate increased tobacco tax collections because of the stamps?

Marie Lizama, Director, DRT: So, I believe that was the intent of the bill. Right. Which became law. And you know, of course we, when it comes to reporting taxes, we rely Right. Everybody itself reporting. So, I believe that the tax stamps will help. To what extent I'm not very clear on, you know, especially since, you know, just like

with income tax, right? You report. You self-report, I can't go and tell you that what you're, or that what you're reporting is wrong or incomplete or what have you. So we will continue with our educational campaigns so that people are aware of what they must report and also that they're in compliance with you know, just having to report to us.

Senator Therese M. Terlaje: Right. So I think the other ideal from that law was supposed to be that your inspections at stores would be very simple. You'd go in, you'd look if they have stamps, are not, and if not, then they have not come through the regular process. They have not reported to you, and the enforcement would be easier is that are ..

Michelle Santos, Acting Deputy Director, DRT: Their inspections also include minors selling to minors, other things? But yes you're correct. It should minimize inspections.

Senator Therese M. Terlaje: Alright. And you said you did invest eight investigations on bed and breakfast, two notices of violations, fines, and $5,000 sounds so small. Probably not. That's probably the statutory mandate. Do you think that's too small? It should be looked at based on what you saw?

Marie Lizama, Director, DRT: Well, you know, I think with regard to those types of in inspections, I think, you know, because the fines aren't. If I'm not mistaken on a, they're not as high perhaps, or as strict, if you will. Sorry, I'm just drawing a blank here. That, you know, it's, I think it's sufficient, you know, for what, you know, the inspection has uncovered. But, you know, with that said, overall at the agency overall our agent agency wide, I think it's time. And we've started discussions on that. We've actually want to, or we are going to enter into discussions soon to kind of revamp the fees, any of the fees that we have at our agency. What those will be I couldn't tell you right now, but it's certainly a discussion that we have said we would like to start.

Senator Therese M. Terlaje: Alright, thank you. And the, you, your average is six weeks for tax re refunds. This is a great improvement from years ago, so I'm very grateful. But is this your goal, six weeks or was it 30 days?

Marie Lizama, Director, DRT: It, yeah, we ideally, you know, we'd like for it to be faster. It typically is faster. You know, like, or I should say we go through these. At the beginning of the year, right when people are first able to file, then of course there's this mad rush. There's usually a huge amount of people who are filing their returns, and then it starts to taper down. And so by the time the extension date of October 15 hits we're not paying out as much and therefore or not processing as much, and therefore it is, it becomes faster or the time becomes shorter. So, we just like to play it safe and say six weeks. I think the injunction says six months from filing. And which actually would be the April 15th deadline, but we just wanna be conservative with our..

Senator Therese M. Terlaje: Do you find that you have prepared or, you know, processed your part and then it waits at DOA for the payments?

Marie Lizama, Director, DRT: Yeah, so part of the process is we do, we used to run the paper checks and then the checks would go over to DOA for signature and preparation for mailing. And then now we've migrated over to the micro type checks. Those checks were with the perforated sides. And so. And it's still, you know, it still goes down to DOA for the appropriate signature. I couldn't tell you how long their process takes to complete that end of it. But we usually try to manage expectations and say, give it about 15 working days, because you also have to remember that there are thousands of checks that are going out, and that in part of that process includes the US Postal System. So depending upon their workload, it could also be you know, there could also be time given there or taken there.

Senator Therese M. Terlaje: Alright. Rev and tax does procurement through GSA and personnel through DOA, correct? Correct.

Marie Lizama, Director, DRT: Yes.

Senator Therese M. Terlaje: But you said one of the lawyers is the principal work is for HR and procurement. Yeah. And then one is for regulatory, it helps in regulatory administration.

Marie Lizama, Director, DRT: Yeah. Yeah.

Senator Therese M. Terlaje: I am just curious about that because not every agency has that a lawyer for their HR and procurement that's going through DOA who has the lawyers for all of that.

Marie Lizama, Director, DRT: So, I should clarify, it's only recently, you know, we absent an ASO. You know, I did ask one of the attorneys to kind of help guide the team with regard to the procurement any outstanding procurement projects, you know, and so forth, or requests. And so that is what she's doing right now. A lot of us are pulling, I mean, look at Michelle's banking and insurance commissioner, but she's also our acting deputy director. You know, there are times where we are just doing things outside our normal course of work. So, I just think it's been, I think it's been helpful to have her actually assist.

Senator Therese M. Terlaje: I'm sure it's helpful. I'm just what about the re because what we're looking for at rev taxes maybe we're going to get with three attorneys, increased collections. Right? Or you said they, you are sued all the time and that's what your litigators spending time with. But what about the reverse the enforcement?

Marie Lizama, Director, DRT: So with regard to that where they assist, you know, we've actually discovered some issues with some of the internal forms that we have, or even the external forms that we have. So, for example, the wording on a form was such that it left the door open for perhaps; Someone to be able to skirt his or her tax liability. So, we've, we work or they've worked on that, the forms we've worked on revamping policies and that's policies for the nearly 20 branches or areas that, that we have we're nowhere near finished, but we just feel that in doing that and cleaning all that up, that it will provide better clarity for the staff. There wouldn't be this, oh, so and so told me something, and then I came the next day and I spoke to someone else in the branch and told me another thing. So, we feel that it would help standardize you know, how we conduct business.

Senator Therese M. Terlaje: I'm sure those are all good practices and improvements, but you're looking to hire, you said a compliance and audit officer to ensure outside regulatory and legal requirements and internal policies are met. Meanwhile, you have three lawyers. But what I really wanna see is like you said

about the staff, if they've been working there for years, and if you're able to get them trained to fill these other positions, that they are able to move and move up in this, and that this is the work that they've dedicated their lives to doing. Can they be trained to fill these upward positions or are they already able to do that because. Yeah. My experience with these agencies is that they have become experts, right, from practicing over the years, and then new people come in or even the lawyers are not as expert as these employees are necessarily in that very specialized work, and they have to catch up. So, I just like to see these employees rewarded if they can, to be filling these positions that come up..

Marie Lizama, Director, DRT: *Si Yu'os Ma'ase*

Senator Therese M. Terlaje: and otherwise thank you for all the online changes. I appreciate all of those. Those are very helpful for I think a lot of people. And we're even able to check statuses so we don't have to keep calling, questioning. A lot of those things are very helpful and so thank you and keep it up. Thank you, Mr. Chair.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase,* Senator. Senator Sabrina Salas-Matanane, You recognized.

Senator Sabrina Salas-Matanane: *Hafa Adai!* Thank you, Mr. Chairman. I just have a few questions. What type of qualifications or training does an employee need to work at the Department of Revenue and Taxation, particularly in critical areas like tax processing, collections compliance, and on average, how long does it take to get someone fully trained and productive? And the reason why I ask this is because if we're exploring right sizing the government, one of the potential strategies could be reassigning employees from less work intensive agencies to departments like DRT, where there's a high demand for manpower.

Marie Lizama, Director, DRT: Yeah, I, and I guess, I guess we, we would be hopeful that they would actually wanna come over because, you know, we, our agency isn't exactly known for being a place to coast or, you know, to kind of chill. Right. So, with regard to certain I'm sorry, with regard to certain positions, I mean, you know, you do have the more technical ones, right? You have the ones in exam, you have the revenue agents. Revenue agents must have an accounting degree. You

know, they must have knowledge of income tax. And so that is where we actually have some problems or with re with regard to recruitment and retention. With regard to the others, we do have some customer service you know, positions that are designated for the agency and those really I couldn't speak for how they're rated because that lies at the DOA level. But basically you have a high school diploma or equivalent, I would assume. And then just some work experience, you know, and I do have to add, by the way I apologize for going off on a tangent here, but we do take advantage of the Department of Labor's work experience program, and I believe there's something else called. CWAP. Yes, CWAP. And what it is it exposes people who do not have job experience you know, to the working world, right? And you kind of get 'em trained on soft skills and so forth. And so, I would venture to guess back to your question that it's really just they're looking at some work experience, not, doesn't necessarily have to be in the area which they're applying. It is helpful though to have that. So for example, if you had, I don't know bookkeeping experience or training, then we likely would want you in the collection area, you know, and so forth. If you worked at a collection agency, you know, and so forth. Some of the other branches, it's more like, it's again, just some years of work experience and high school diploma or equivalent, yeah..

Senator Sabrina Salas-Matanane: Thank you. You're welcome. You mentioned earlier about some federal grant funding through the office of infrastructure policy development, and I think you were referring to bead grant money that you were hoping to get from that particular agency. How much was that funding? And again, what was it going to be used for?

Marie Lizama, Director, DRT: I think it was $250,000 and it was going to be used to help us be able to have a mobile type of processing center. So, it was something that we could put in a car and kind of go to the mayor's office and hook up, you know, and so forth. But you know, unfortunately that's gone.

Senator Sabrina Salas-Matanane: Okay. And so then I didn't particularly see it outlined in your budget regarding modernization plans the implementation of new technology for tax processing business registration and online services. What are the budgetary needs or what are the plans to modernize your systems?

Marie Lizama, Director, DRT: Well, for example, in the securities area, we were hoping to be able to have payments made online for that. You know, there are some branches that still rely, believe it or not, on field receipts. We wanna move away from that. We want to be able to move away from having to print, you know, all these forms. We would like ideally to have the forms filled, prefilled online, and then just when they come in, for example, driver's license, if we could do a pre-registration on the, or the have the application pre-filled, we would like that to come in. And then we'd have a separate line really just for those that have done that, kind of like the airlines. You know, sheer VIP line, you know, and so forth. So we want to also be able to, it's, we've typically been an agency that has relied a lot on paper. You know, we have a lot of files, boxes and so forth, and we wanna be able to kind of scan you know, scan a lot of that into you know, into the system. So that should there, god forbid, be some kind of natural disaster that, you know, we are protected with or that information is protected. So, it's some of the, it's just an overall general effort to digitize and to try to automate. And in some cases the, it's a matter of checking to see whether or not any contract with current vendors includes that scope of work or the additional project that we'd like to do. So that's just our general comment with regard to automation.

Senator Sabrina Salas-Matanane: Okay. But you're not sure in the contracts that you do have in place whether or not it's included in the scope of work.

Marie Lizama, Director, DRT: So sometimes there are things you know, for example is there a way that we can put I'll give you an example. The eight year driver's license, or the eight year option for driver's license, right. That actually I. Has not yet been implemented because the vendor says that is not part of the contract or at, we don't have a contract right now, but absent a contract we can't. So, we can't even get that to be implemented. We are working that into the contract that we are drafting. You know, at this time. There are other we currently have a different vendor that we would need, for example, if you needed an a modification to the BPT form or the GRT form than in most cases when we ask if there is a change or there, you know, if it is possible, 'cause we prefer not to try to get into additional cost. If it is at all possible, then they would let us know whether or not such a change is permitted under the current contract. So, we really wouldn't know unless we actually check with the vendors, the respective vendors.

Senator Sabrina Salas-Matanane: Okay. There was something else I saw in the budget here this Budget Digest regarding office space rental. And the current level is 1.1 million, but then it drops to 478. Can you kind of explain that?

Marie Lizama, Director, DRT: Yeah, that's, I mentioned earlier that in order to keep to the cap or actually it shouldn't have been reallocated that way, but some of that drop is actually reflected in the contractual area and we've since had a discussion with Okay. With that, it's should not have been. Yeah.

Senator Sabrina Salas-Matanane: I wanted to ask about the issuance of cannabis licenses and the cannabis control board. Have, has there been any licenses? Can you give us an update on this program?

Marie Lizama, Director, DRT: Okay. I didn't come with the cannabis information, but I will tell you this, that the the choke point really has been on the utility side. So, while people or company I'm sorry, responsible official licenses if you will or certifications have been issued, we've come to that point where. Some of them are waiting, depending upon what their end result or their end desire is, whether they're going to be a cultivator, whether they're going to be, you know, just retail, you know, selling retail and so forth. Some of the, or the choke point really has been in the area of utilities. So, for example, waterworks is not able to sign off on the plans unless, you know..

Senator Sabrina Salas-Matanane: Sure,

Marie Lizama, Director, DRT: yeah. They're absolutely positive that it's not going to become a problem. And yet on the other side, the applicant is like, well, I would, I won't know if there's a problem unless you come in and you sign off or you check, you know, you check on that. So that's the major hurdle that we face right now with regard to cannabis.

Senator Sabrina Salas-Matanane: Okay. And if we were able to resolve these choke points, do you see this as a means to generate revenue?

Marie Lizama, Director, DRT: Absolutely. Yep. And you know, I know that our brothers and sisters, you know, to the north, the CNMI, I believe that their industry has been pretty successful. At least. That's the last that I've heard. You know, of course ours is different in that we want to proceed carefully just to ensure that, you know, regulations are met and we comply with with the law.

Senator Sabrina Salas-Matanane: Okay. Thank you so much. And I just, for the public that are watching, just because you're requesting a status quo budget, how can you assure the public we that we're not gonna see a status quo services? And when I say that, people who are waiting hours in line, you know, just to get their driver's license renewed.

Marie Lizama, Director, DRT: Rest assured ma'am, we are working on that. Thank you.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase* Senator Matanane. Senator Barnett, you're recognized.

Senator Chris Barnett: *Si Yu'os Ma'ase* Mr. Chairman to the people of Guam watching. And thank you director Lizama also deputy Santos and Mr. Mikel Good morning Mr. Mikel How you doing over there?

Mikel Espiritu, Management Analyst III, DRT: Good morning, Senator.

Senator Chris Barnett: Alright. Thank you for joining us. Ma'am, I just, like I said, some questions for you. Thank you for the presentation and your testimony. But let's start with are you able to share maybe in a little more detail efforts the agency has made to recruit and attract qualified individuals in the examination? Branch, which I know you know, has experienced a high rate of turnover since 2021. And there was a audit released from the office of the public auditor that reported there were only eight examiners to enforce the tax laws for the entirety of the island. And then, I guess, part two of that, if you could also share what strategies are in place to address ongoing staffing shortages in critical agency areas such as the BPT branch examination branch driver's license, and the technical research and appeals bureau.

Marie Lizama, Director, DRT: So let me answer the second of your question first. We've been working closely with DOA with regard to certification packets for those vacancies. I'm happy to say that within the last certainly it's improved over the last year versus when I first came into the agency. So we do see certification packets from DOA and we work with the person at DOA with regard to that. Some of the challenges that we've come across is, you know, there's actually not. There are perhaps maybe just a few names on such packets, so doesn't have this, the usual, you know, five or what have you. We also run into people not wanting to even show up or they just do a no show on interviews and or people actually being chosen for the job and then turning the job down. So, some of those things, you know, we can't control. We simply just try again. We ask DOA to simply put, you know, put it out again. You know, and so we hope that it will attract perhaps people who maybe didn't see it the first time. And so we are doing that and then, I'm sorry, you talked about, oh, with regard to the examination team it is certainly difficult also in that area because as I mentioned earlier, in addition to having an accounting degree, then you also have to have a knowledge of tax, right? So, what we found is we've lost some people to other areas, including DOA, where you get, you know, you don't have to have a knowledge of tax and you actually get paid more. You know, you get paid more for doing less. So that is something we continue to struggle with, but we do hope that this a newly formed agreement with the University of Guam will result in potential, you know, applicants.

Senator Chris Barnett: That's always frustrating to hear when agencies lose personnel that they need to other agencies. And then you find that they're performing very similar duties, but the other agency is paying more. So, with that being said, have you assessed, and it kind of sounds like the assessment is gonna point to that. Yes, you need to adjust current stake pay scales and make sure they're competitive enough to retract and retrain retain qualified staff, particularly for like the technical positions like revenue agents and tax auditors. So is this something you need to have a conversation with Ed Birn over at DOA?

Yeah, and it actually, the discussion has already started with the tax enforcement division administrator who did point that out that that's something that we likely will need to, you know, we need to start, but, you know, as with everything else, or it's

competing with a whole bunch of other things that have deadlines, you know, and so forth, but with that said, we are certainly gonna make time to try to address that.

Senator Chris Barnett: How does the agency justify the current legal oversight that has resulted in delays or halted payments to critical service providers? Such as the Omentum impacting the row property tax and the ritos impacting driver's license. It's my understanding, just based on concern, shared with me from employees that these vendors are going through government claims for non payment. So what's the plan to resolve these issues and reduce the burden on the agencies already short-staffed divisions and the public?

Marie Lizama, Director, DRT: So with regard to some of the vendors, you know, what we had discovered was, you know, instead and let's face it, right, people have said historically that a contract or in lieu of a contract purchase orders are simply done. And what we wanted to do was we wanted to ensure that we were following the procurement process properly. So in looking at some of those requests, we found that we needed to go out and do and execute a proper contract, you know, actually put it out properly forbid and so forth. So, you know, it's unfortunate, but Omentum was one of those it, it was affected by that. And then also the same thing with Veritps both vendors have been advised that, or to go through the government claim process, right? So that, I know that in one, the one vendor's case for driver's license Veritos, they actually did that I And we said, failing the existence of a current contract, you need to still do that for any of the months that you continue to provide service, you know, for us. So, they are aware of that they continue to work with us. As I mentioned, the procurement team is working on an agreement right now to be able to carry us and hopefully bridge bridge it such that there is no gap in service. And then the other thing is we are doing the same for the real property or Omentum.

Senator Chris Barnett: Can I ask, because it sounds like, just based on your testimony, that you leaned heavily on the attorneys and the agency. So why wasn't this caught at the initiation of these en engagements with these vendors?

Marie Lizama, Director, DRT: Actually that's why it happened was because the attorneys turned around and said. No, we need to, we can't just do this as a po Again, you need to protect every dollar before any dollar is spent of the government's money

you need to ensure that you follow the proper steps. Now, some may disagree, you know, with that, you know, especially when you're given a purchase order when the previous fiscal year's purchase order is now $150,000 more than that, you know, is cause for concern, right? I mean, so we it was actually at the insistence or the advice of the attorneys that we go through the proper way or the proper process.

Senator Chris Barnett: Are you able to share what's being done to open up the appeals officer position in TRAB and what's the significance of this position and what role does it play?

Marie Lizama, Director, DRT: So Technical Research and Appeals bureau, we for informally call it TRAB. So we do have the administrator there and she does have someone who assists her. You know, with any of the work that is there. TRAB is I've always kind of likened it 'cause I come from the outside, right. I've always kind of likened it to the Supreme Court, if you will, of DRT. So, when people file their returns. If there is cause for it to be looked at to have a secondary look, you know, perhaps reviewed that return right is sent over to the examination branch. If the examination branch renders a decision that is not accepted by the taxpayer and the taxpayer wants to appeal, then it goes to TRAB. So, and then TRAB will make the decision. And while we do need to bring another person perhaps on board at trab, the more immediate need would be more so for examination. That is my viewpoint because again, not many of the cases are turned over to TRAB.

Michelle Santos, Acting Deputy Director, DRT: If I may please, Senator, please. The expertise needed at TRAB would probably come from audit and that's why, or examination branch, and that's probably why you know, we're not stealing from audit to put people in TRAB. And Jennifer, who's the administrator for TRAB, she does pretty well by herself and her assistant. But yes, there is a need to fill it. But because TRAB I mean, exam is also understaffed. She's able to handle the workload right now.

Senator Chris Barnett: I just wanted to echo some of the concerns shared with me from the staff relative to the vacancy of this position and staff's telling me there's a huge possibility of reduced transparency and lack of internal accountability where decisions are inconsistent. And unvetted, Madam Director, you made the

comparison to, it's like the Supreme Court of the agency. So, I would just offer that in the Supreme Court. You know, if you don't like the decision, you appeal it. They're, they definitely have personnel in place that, that mediate that process. So, I'm not sure if it's it's another one of these positions that you have a hard time filling based on the qualifications, is it, or the lack of interest in applicants?

Marie Lizama, Director, DRT: Yes. But, you know, going back to the earlier part of my presentation, I indicated our desire to get a taxpayer advocate. So I think by having one locally, then that's where the taxpayer is able to perhaps resolve some issues that may not be understood, you know, and so forth. And again it's supposed to be an independent entity, so I think that should help.

Senator Chris Barnett: Thank you. I know there's there are also some grumblings from the staff about the presentation of a status quo budget. I know one of my colleagues remarked here that, you know, they hope they're not gonna get status quo services. But you know, this whole conversation with the looming federal cuts and the finance committee's desire to and other colleagues have also expressed a desire to cut cut cut to right size. I just worry that, you know, coming in here in the status quo budget, I'm not sure if you're doing it 'cause you don't want to step on anybody in the committees toes. But what I'm seeing in the hearings that I've attended is that these agencies are not coming in here and saying status quo, and everyone's gonna be happy. They're coming in here with reduced or status quo budgets. And my estimation, it's the services to the public that are being impacted. So, for example, you're coming in here with a status quo budget, and we're not sure that's gonna lead to improved services with the public. You know, especially because we're now entertaining a lot of legislation where we're exempting the you know, our hardworking men and women in the armed forces. Now, they don't have to go to DMV and wait line for hours. The foreigners, now we're gonna do a reciprocity with them potentially. So who's going to DMV to line up? It's our local people. And so when I see the status quo budget, those are the things that, that I am concerned about is, you know, you've with all due respect it sounds like you're not entertaining the satellite office. Right. And so I just wonder how is this budget going to translate to, you know, shorter wait times at DMV more improved services for the public. Because at the end of the day, I think that's the important thing that, that we're here

for is to ensure that you've got enough money to do what you gotta do to improve, not hold status quo.

Marie Lizama, Director, DRT: Yeah.

Senator Chris Barnett: Not decrease. I mean, you're not decreasing staff, but I'm of the opinion that very obviously from what you're telling us, like you need more funds to hire more people to do better things for the public.

Marie Lizama, Director, DRT: So, just to, you know, I wanted to just point out that we do have, within the budget, right, the vacant funded positions or perhaps recruitment and progress. And so those are what we are trying to concentrate, you know, on right now. Because of course, that is tied to the ability to better serve the pub, the public. You know, with regard to a status quo budget, I would, we would love to have more funds, you know, if necessary, but I mean, not if necessary, but we absolutely wouldn't turn down additional money. With that said, though, you know, we typically have come before. You know, even the previous, you know, bodies and we've actually had to work with what is handed down in the end. So I guess you could say while I'm pretty sure that there is perhaps disappointment that we didn't go, you know, for hire, we had to take all different things into perspective, including having to work with a cap. So, we are gonna do our best. I think we've been able to provide the services and, you know, try to keep to our mission, you know, and so forth. With regard to driver's licenses we feel that the speakers the speaker's bill, which is now law with regard to the the non-resident military personnel and their dependents that will help to reduce the congestion at our office in *Barrigada*, we feel that continuing with an educational campaign to get people to renew online or perhaps you know, not wait until the day before your birthday, you know, or your birthday to, to renew that we can be able to kind of manage that crowd, if you will so ..

Senator Chris Barnett: I know you spoke very briefly on the satellite office. Right. And I thought that was a great idea. Many people in the public enjoyed that. And I it was right over at Organic Shopping Center, right?

Marie Lizama, Director, DRT: Correct. Correct. Right.

Senator Chris Barnett: So what's the cost of that? If we were to, you know, increase your budget to allow you to open the satellite office? I mean, first of all, do you think it's necessary and then what would the cost be?

Marie Lizama, Director, DRT: I'll let Michelle handle that since I wasn't around when that satellite was there.

Michelle Santos, Acting Deputy Director, DRT: One of the reasons we closed the satellite offices was we open at 8 and the mall doesn't open until 10 11, so they don't turn on the air conditioner until the mall opens. They turn off the escalator and the elevator. And of course we have handicap and old people wanting to get a driver's license or id, and we've had some of them fall because they've had to climb the stairs, things like that.

Senator Chris Barnett: Right.

Michelle Santos, Acting Deputy Director, DRT: And then it's just the building itself we get smells from the beauty shop that, you know, make people sick. I remember when Payless closed and again, yeah. They had a backhoe in there and the fumes from backhoe were coming up to our main branch. So we just felt it was time to close that. But the portable driver's license, mobile units that we wanted to buy with this infrastructure money are such that they, you can pull 'em out of a van or a pickup, they fold out Right. And you can have two stations you know, with the camera to take your picture, the signature pad, and the computer. 'cause we'd have to hook up to so,..

Senator Chris Barnett: so that's gonna be the satellite office.

Michelle Santos, Acting Deputy Director, DRT: Well that was one of the thoughts with that infrastructure money, but you know..

Senator Chris Barnett: right

Michelle Santos, Acting Deputy Director, DRT: Now it's on hold 'cause we lost that money.

Senator Chris Barnett: Yeah.

Michelle Santos, Acting Deputy Director, DRT: But as far as looking for another yeah.

Senator Chris Barnett: 'cause it kind of sounds like the issues you were having weren't necessarily with the concept or the idea of a satellite.

Michelle Santos, Acting Deputy Director, DRT: No. It was..

Senator Chris Barnett: DRT DMV office. It was just specific to the vendor.

Michelle Santos, Acting Deputy Director, DRT: Yeah.

Senator Chris Barnett: Right. I see. So is there anything, if you put out a bid and you say, Hey, you gotta run the air con all the time, you gotta have a working escalator, then what would that estimated cost be?

Michelle Santos, Acting Deputy Director, DRT: I don't know what it costs us to keep that satellite office at again, shopping center, but, okay. You know, when we moved to online and mail in applications for driver's licenses that, that has been working like a good processor and if the application is in order, she can process up to 70 licenses a day and then she mails it out the next day. So that works. If everything is complete meaning to say your eye examination is there, you know, you sign the form, you provide the right information.

Senator Chris Barnett: Error free.

Michelle Santos, Acting Deputy Director, DRT: Error free. Exactly. So, you know, those are the kind of things that move things along and you know, 80 cards we process is less 80 people at the line. You know, and then it, you know, it depends too on being a driver's license examiner is very it's hard work. You get people

snapping at you all the time. I mean, there's a lot of pressure, but and they don't get a break. And if somebody doesn't come in, the workload gets harder. So, you know, they don't get a break. They don't get a break at all from eight to five, just their lunch, you know, they don't take their breaks. And we have people complaining all the time 'cause they're outside at four in the morning, right? Yeah. We get a lot. Nobody tells them to come at four in the morning, but they do.

Senator Chris Barnett: Right.

Michelle Santos, Acting Deputy Director, DRT: Yeah. So, you know, it's a catch 22 situation. I don't we're, you know, working our hardest to figure out how to make this work. We thought the satellite or mobile driver's license, it works in the States. You know, we thought that would yeah.

Senator Chris Barnett: That's unfortunate that was cut by what President Trump.

Michelle Santos, Acting Deputy Director, DRT: Yeah.

Senator Chris Barnett: So of those..

Michelle Santos, Acting Deputy Director, DRT: anyway..

Marie Lizama, Director, DRT: And then back to what I said earlier, you know, perhaps if we can solicit help from the mayors, maybe what they can do, kind of like when we did the all Rise program, I know for a fact that one of the mayors, Mayor Hoffman, thank you very much, you know, he encouraged his constituents to come to his office and he helped them navigate through the application process. You know, so if we could solicit their help, that's certainly another thing that we can look at doing. You know, just for those who don't have access to computers, that is, they can come in, they can go and they can renew or replace.

Michelle Santos, Acting Deputy Director, DRT: I just wanna say too, that a lot of our customers they're old and they're maybe don't have a computer at home, so it's hard for them, and that's why they come in. You know, they wanna do it the old fashioned way. They wanna pay, they wanna hold that driver's license in their hand

when they leave. So it be it's, you know, it's a hindrance to the process, but. That's the way they are sometimes, so that we have to take that into account.

Senator Chris Barnett: Yeah. And those are the people that I'm asking these questions for, you know, the right. So, we had a family friend whose auntie was in line all day and it's so bad that sometimes that you have to go and do a snack run. Like, oh, go give Auntie Water. Oh, go drop her snacks. 'cause she'd been waiting in line for so long. But that's a service that the agency offers. So, I don't think that we should not penalize or, I'm trying to be careful my words 'cause I know they work very hard. I know a bunch of the people in driver's license examination. But if we're gonna offer that service, especially to our elderly who don't want to go online, who, you know, they don't trust the internet, they want to come in, then we have to ensure that, you know, if we're delivering it in the best way for the public. And it just doesn't sound like the status quo budget. You know, I appreciate how creative you're getting in talking about involving the Mayors and pushing the online renewal more. But I think the fact remains that as a legislature, if we're going to decide as a policy that we want to cut all these costs, I think we have to ensure that the people of Guam don't pay the price for that. And that's just my concern with all due respect. But, you know, generally ma'am, I did want to share with you that and speaking with employees there is, satisfaction that there's been a lot of things that have been stabilized at DRT since you've assumed directorship. So, I did want to handle that. And Mr. Mikel, thank you for joining us. I almost wanna ask you a question since they made you come up here. You good? Okay. Thank you, sir. Thank you, Mr. Chair, for the opportunity to speak and *Si Yu'os Ma'ase* to the hardworking employees of the Department of Revenue and Taxation. Thank you.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase* Senator Barnett and Senator Gumataotao, you recognized.

Senator Eulogio Shawn Gumataotao: Thank you Mr. Chair. And thank you Mau and your team for being with us this morning. And I just have a few questions and I know it's probably stuck to this idea of the status quo budget, but lemme just ask if your FY26 budget request is based on an employer retirement contribution rate, going back to your employee retirement and medical benefits, if it's based on that 34.8%, what information is available at this point confirming whether the

contribution rate will further increase? And if this were to occur prior to the new fiscal year, how exactly will DRT absorb the additional cost?

Marie Lizama, Director, DRT: You're right, we don't know whether or what, you know, whether or not, or how much of an increase we may be looking at with regard to that particular, that particular you know, item you know, with regard to what may happen in the event of an increase, that's just simply something we're gonna have to, we're gonna have to go back and reshift and Mikel can chime in here if he knows. I do know that when we had the budget earlier this year when we were handed the initial draft, we were told later that he needed to find a way to include the increase in the increase in the government share of the insurance premium. And of course, you know, we weren't very, weren't happy with that because we said, you know, that was typically something that was accounted for or perhaps addressed outside of the agency. But this was a little bit different. And so that is just, you know, something we're gonna have to we hope we don't come into, I think the ch Mr. Chair indicated that there may be a little bit of positive news there. And so, you're right. I mean, you know, that's just something that we hope we don't have to address.

Senator Eulogio Shawn Gumataotao: Alright. Thank you so much, Marie. Let's talk a little bit about the, I guess call it office leases or the like, but when we think about your facility needs what specific efforts have been made by the agency during this current fiscal year to secure a new location, knowing that it was reported in late 2023 during the previous year, that you're the former head of the agency had mentioned that DRT was entering its last year on the lease for the old facility that you're in today, which has some issues. And I think it's well reported on some of the different issues there, but when we think about your maybe a new location, is there anything you can share with us today?

Marie Lizama, Director, DRT: That is part one of the projects or the, that the procurement team is working on right now is to go ahead and you know, put something out forbid the challenge. And we've been told by people in, you know, outside of the agency and in particular those familiar with the real estate have indicated that what we are looking for is going to be a challenge. So we're looking for 55,000 square feet to house our agency, and I believe it's 200 parking slots. So there isn't the, you know, we've been told flat out that there like be isn't anything

that's available out there, so we may have to regroup. And but I'm sorry that alternative thinking is going to be taken into consideration as we do the, as we put the bid together. So, you know, whether we have to maybe have different, or be housed differently from motor vehicle division. But ideally we'd like everybody to be together.

Michelle Santos, Acting Deputy Director, DRT: Yeah, that's fair. That's, we listen to our employees and that's the one thing they stress is that they would like to stay together. In the past we've been broken up and put in different buildings and that doesn't work. And it's also a hassle for the taxpayer. 'cause if you get, need to get clearance, you have to go to different locations. Right. Right. Now you're just housed under one. So even with our little satellite office of vehicle registration being away from us I feel the difference. They're not included. Marie and I rarely get there, you know, those kind of things. So they feel left out and rightfully so. But the employees wanna stay together. They want, they feel their, the department runs better if we're all under one building.

Senator Eulogio Shawn Gumataotao: Alright. Thank you for sharing. Thank you. And yes, get out and see your people more I would tell you that today with the appropriation of $4.7 million in FY 2025 for credit card fees, which promotes this cashless and arguably timely and efficient settlement of government obligations, what has been your experience at DRT in coordination with a treasurer of Guam with respect to the collection of taxes and other government fees, recognizing this cashless form of payment, which I guess it's probably safe to say that it has improved revenue collections overall since 2020.

Marie Lizama, Director, DRT: I think, first of all, when you use a credit card, I mean, it has been, you know, the late Bertha Duenas did, you know, say she actually wasn't a proponent of waiving those credit card convenience fees, although we did tell her we preferred that credit cards be used because if someone pays us by check, you're likely we're gonna run into the risk of it. Not having sufficient funds. So I think it's great. I think we came to some kind or it was good that there was some kind of compromise in that it would only apply to individual transactions or an individual's transaction as opposed to that of a business. So, we feel that being able to do a credit card particularly if you're dealing with a website, then it saves the

taxpayer or the customer the hassle of having to physically come into our office or into the treasure of Guam, you know, locations. You know, with that said, there is, and I will be very candid with you. There is we've discovered an issue in that some transactions there, the system is not able to distinguish between an individual's transaction and a company's transaction. So therefore, but we are aware of the situation and we are working closely with the treasurer of Guam to to kind of correct that or rectify that situation.

Senator Eulogio Shawn Gumataotao: Alright. Thank you Marie. Let's talk about use taxes for just a minute. An OPA report back 10 years ago number 1501 outlined recommendations to DRT and the Guam Customs and Quarantine Agency to implement work you guys working together to establish written exemption procedures, which should be incorporated in some kind of interagency cooperative agreement. If the OPA provided procedures, like a list of business license numbers expiring other relevant information conducting in independent reviews, providing an opinion to CQA on the treatment of certain goods in determining whether certain goods are taxed or exempted for use tax, and conducting periodic reviews of exemptions that are granting by clearing officers on the CQA side, what is the status of the use tax inter-agency cooperative agreement, and what recommendations, if any, does DRT have at this point? To strengthen existing processes that are outlined in the agreement, ensuring engagement and follow through with CQA on a regular basis?

Marie Lizama, Director, DRT: So the discussion that we had with CQA was such that we would share a working document in order to be able to track those individuals who with you know, who have ordered goods and so forth. And so we've implemented that process. It's not where we want it to be. And admittedly that's hails back to the shortage of staff at BPT, as Michelle mentioned, you know, the staff, in addition to what they currently do right now, they also carry out bonded warehouse inventory checks. And so, you know, that's something that we know needs to be done and you know, just needs to be addressed.

Senator Eulogio Shawn Gumataotao: Okay. So, and speaking of that, just a bit of a transition there was an OPA report 2302, back in February of 2023. This is again, relative to the assessments in collections of excise tax for alcoholic beverages and

tobacco products. They had a whole bunch of different findings in it and had put forward recommendations to you all. And at a time when this particular legislature is addressing BPT related measures, including discount for medicaid providers and the restoration of the 4% rate, what information can you share at this point that will help ensure that taxes owed to the government are in fact paid? Particularly considering and I'll just mention this, the special funds report for April 2025 showed the Healthy Futures Fund was tracking to collect below the adopted levels by around $897,000.

Marie Lizama, Director, DRT: With regard to Healthy Futures fund, I mean, we've been asked that question before, you know, for the reason for the downward trend, we are actually at a loss as to why that is trending downward. You know, one of the comments has been perhaps that more of the smokers are now vaping. You know, there, there have been arguments as to whether or not that is an accurate statement, but we, you know, we aren't sure why. You know, that is vaping, you know, right now we don't currently track vaping that is reported on the GRT form. It is not sectioned out. So we're not entirely sure if that shift can is is accurate and then with regard to, you know, the actual tax and reporting, we just need to, we need to have people assigned to ensure that anything that, you know, comes in is properly assessed and collected. So, again, it just helds back to, you know, we need help in that area, you know, and we're trying our best, I believe the interviews that we did just recently were for two people in that area, so we just need to make sure that they get trained.

Senator Eulogio Shawn Gumataotao: Okay, thank you Marie. And Mr. Chair, I wanna have one last question and it, when you look at your budget and there's a zero for equipment, when I think about investment years ago with the scanners, when people, we talked about paper-based for a lot of things at rev and tax and the scanning of not, of like past documents whether it be corporate or whether it be individual tax returns with a zero equipment cost. I know there's been a lot of gains on the electronic side and I'm a big fan, so I think it's it's great. I heard earlier though I wasn't here as I was tracking it on YouTube about we're trying to make improvements when we can. Are those systems still in play? Are you looking at perhaps some modernization at some point? It's 2025, I figured at some point some of the computers from years ago may start to go down servers and the like. So if I just wanted to end with that

and I know it's zero now, but I hope there's a game plan down the road for maybe some modernization of some of these assets.

Marie Lizama, Director, DRT: So what we have as part of our procurement requests that are currently in the system, the GSA system there are computers you know, up. So there's definitely equipment there that we are simply waiting on to have action taken rather. And so, we do have some of those things already, hopefully coming soon.

Senator Eulogio Shawn Gumataotao: Alright. Thank you so much Marie. Thank you for your team for being here. Mr. Chair, thank you that's all the questions that I have. Thank you again for your service.

Chairman Christopher M. Dueñas: Si Yu'os Ma'ase Senator Gumataotao, Senator Perez recognized.

Senator Sabina Flores Perez: Thank you Mr. Chair. Good morning, Director Lizama, Acting Deputy Santos and Mikel. Thank you for being here. Yeah, so I just wanna follow up. With the budget that we passed for 2025 and in the budget there was amendments that were added for reporting requirements on the use of lapses. I don't see anything on our messages and communications. Has DRT complied with that part of the budget law to identify how many lapses and expenditures within 30 days of those lapses.

Marie Lizama, Director, DRT: I know that we had given an initial report to then Speaker Terlaje with regard to how the unexpended funds, and the truth is, we did not, because we were trying to set up the revenue agent training, which has since been delayed by first of all trying to identify the instructors that were able to, that would be able to come in. And as well as you know, what's happened recently, we have not expended any of that for training. So, we did not give a follow up. A follow up on, on that.

Senator Sabina Flores Perez: So, was there any expenditures of the lapses?

Marie Lizama, Director, DRT: So there we were told that there's a certain amount, but the problem that we found was that, and Michelle can attest to this, you know, the figure that we had differed from this, what the system showed, you know, so, the figure we were given by DOA differed from BBMR and was not as, was showing as either zero or in the negative on the system side. And so Mikel knows that I've kind of bugged him about that every time. But he says the way the system was set up, he's not, he was not able to get beyond a certain point in order to properly you know, request usage of the funds.

Senator Sabina Flores Perez: So how much did D-O-A state how much you had? And then BBMR said basically you had nothing, right? So how much did DOA give you?

Marie Lizama, Director, DRT: So if I'm not mistaken, months ago, we were given 2.2 million, but and Mikel can chime in here. He says that's, you know, not what was showing in the system.

Senator Sabina Flores Perez: Okay. Mikel, if you can add to that. So in the system, we're talking about the old ass 400. Are we talking about the new GFMIS system?

Mikel Espiritu, Management Analyst III, DRT: Yes. *Håfa Ådai* Senator for our prior year we com and our current system and budgeting we completely moved through the new DOA system, which is in many ways like more efficient, especially for our, like, recently we moved to our payroll and it's getting more efficient with the time and the processing.

Senator Sabina Flores Perez: The extended funds?

Mikel Espiritu, Management Analyst III, DRT: The extended funds? Yes. Yes. So, the discrepancy is with only the prior year accounts. So that's FY 24 and below. So most of our funding right now, it's the available funds are from the FY 25 local and special funds. But for the FY24, yes, we're getting different numbers 'cause there's the FMIS side and then the data warehouse side where it's not in integrating. And it's not showing the proper available funds for when we expend when we transfer the expenditures to DOA for the processing of the payments us. And just

recently so they do have the correct available funds, but for the accounting it's not able to be processed. So, while recently we were able to request for an override for like, the big contracts for using FY 24 funds. So it is it is there are funds available and it, well, we're not able to process it as we normally would.

Senator Sabina Flores Perez: Okay. So I guess the question is have you investigated where this $2.2 million went?

Mikel Espiritu, Management Analyst III, DRT: It's still there, but it has been gradually being expended override Yes. With the override request.

Senator Sabina Flores Perez: So has BBR given you the guarantee that you are gonna get that 2 million that

Mikel Espiritu, Management Analyst III, DRT: Oh…

Senator Sabina Flores Perez: Was, hasn't been reconciled.

Marie Lizama, Director, DRT: Our ex our understanding is yes, but we, that figure was given to us quite a while ago, so we know that that figure is definitely not the current one.

Senator Sabina Flores Perez: But if it hasn't been expended by DRT, who's spending that money?

Marie Lizama, Director, DRT: Oh no. I'm sorry. What I meant was the balance would've been affected. So we found out later that we were going to ex, in order for the expend expense to occur, there had to be some kind of override. And so there was an override you know, in certain cases. And so what I guess what I'm just trying to say is that the balance is not in the millions.

Senator Sabina Flores Perez: So, okay, can you explain override the process of override?

Marie Lizama, Director, DRT: So apparently as Mikel mentioned, there was disconnect between the new system and the data warehouse. And so what we found out was that we needed to just kind of give a snapshot of what it was we were trying to expend and give it over to DOA ..

Michelle Santos, Acting Deputy Director, DRT: Who is it?

Marie Lizama, Director, DRT: Yeah, DOA accounting office. And then they would be able to override, I don't know what their actual process, you know, would be, but it was a function that was at their side.

Senator Sabina Flores Perez: Okay. This is concerning. It seems like you need some accounting experts on your team to, to review what exactly is happening because $2 million is a lot of money.

Marie Lizama, Director, DRT: I believe Mikel has a running, you know, what we've resorted to is a kind of an accounting, if you will, on our side. You know, but it's also a matter of reconciling with DOA accounting.

Senator Sabina Flores Perez: Okay. Yeah, please look into that. The other thing I've noticed in your budgets last term, I mean last budget and this budget you allocated zero over time. But when we look at the budgets that are today, it's actually registering at a last budget cycle. It's registering an amount. Both this upcoming budget cycle and last budget cycle. So the question, there's several questions regarding that. Where did you find the money to pay for the overtime and who is getting the overtime? And how do you determine who, where overtime is needed? You know, this is a an entity that closes at, you know, roughly at five. So where is this overtime going to?

Marie Lizama, Director, DRT: Okay. So with regard to the, where the overtime money comes from, part of it was the unended funds, correct. Mikel. Okay. I stand corrected. He said that it was pulled from salaries and benefits you know, for as part of the budget with regard to who.

Senator Sabina Flores Perez: Can you..

Marie Lizama, Director, DRT: I'm sorry..

Senator Sabina Flores Perez: Can you clarify that because it's coming from the budget, so where exact, is it coming from the vacant funded positions or where is it coming from?

Mikel Espiritu, Management Analyst III, DRT: Yes. So for the, when we fund the overtime, we would send a request for budget modification. And most, like, depending on the area that needs, say the taxpayer services or income tax for the deadlines we'll request if there's showing projected shortfall for the taxpayer Services division. So, we could fund the need for the overtime.

Senator Sabina Flores Perez: So in the budget it outlines exactly where you're gonna f get the, what you're gonna fund, right. And how much you're gonna fund. So, are you getting the, so you're getting from the taxpayers division, you're getting this money to pay overtime from the taxpayer's division, but it's outside of what you've already all, what we appropriated if, is that correct or can you explain that further?

Mikel Espiritu, Management Analyst III, DRT: Yes that's correct. Like we, we historically have been funding for the overtime in line with the budget requests. And it is more on the, we'll send a request for the overtime when the need arises.

Senator Sabina Flores Perez: It doesn't make sense to me because in your budget there's no zero overtime. So where is the money that we appropriated coming from to pay for overtime?

Marie Lizama, Director, DRT: So I, I think what Mikel is trying to say is he simply just moves, you know, requests to move it from one area to another. And ma'am if I may say as he,

Senator Sabina Flores Perez: Okay, so if you're moving it from one area, let's say there's a warm body there. How can you get money from that position? So that's why

I'm asking, are you getting it from funded, vacant positions? Is that what's happening?

Marie Lizama, Director, DRT: Yes. Right. Yes,

Michelle Santos, Acting Deputy Director, DRT: Senator, I think, I believe that's what he's doing. He looks for where there's unex where there's money, he takes it and he covers the overtime. Every year we use overtime to process tax returns and to get you know, to, to within the six weeks or within the four weeks of processing time. We, we don't have enough staff to do this from eight to five. So we work a couple of hours each day, and then on Saturdays they work from, I believe seven or eight to four. So, that's the overtime and it's usually EDP, which is electronic. Data processing and income tax and some other staff that has been trained to process tax returns, they also contribute. So that's how we take care of the overtime, even though it's not budgeted.

Marie Lizama, Director, DRT: It also includes, ma'am, the weekly testing of the what is it? Heavy equipment, driver's license.

Michelle Santos, Acting Deputy Director, DRT: They test on Saturdays, almost every Saturdays for bus drivers and truck drivers. But I believe that's paid by the entity, the, like the company requesting the testing, they'll pay the overtime of the examiners, so that's covered,..

Marie Lizama, Director, DRT: But it would also include any extra Saturdays based on the issue during the week.

Senator Sabina Flores Perez: Yeah. So, this also hampers your ability to hire than positions because you're using money from vacant funded positions.

Marie Lizama, Director, DRT: I think Mikel works in close concert with BBMR to ensure that's that's not the case. Again the case really is in attracting people or having them apply for the actual positions.

Senator Sabina Flores Perez: Yeah Yeah I see that there's a problem here because if you're using funding that's supposed to be for positions. Unless it's in the budget right now, it's zero, zero overtime.

Michelle Santos, Acting Deputy Director, DRT: Senator, if you look at if you look at the listings from DOA for those positions you'll find that there are not, there's one or two people applying. So I don't think our overtime is hampering our ability to hire.

Senator Sabina Flores Perez: Okay. So in looking over your staffing pattern this is during an oversight that I had in your, in DRT's hayday, there were 52 staff, or actually 55 was its hayday in 2013..

Marie Lizama, Director, DRT: In a particular area, ma'am, in the tax enforcement division, yep.

Senator Sabina Flores Perez: In 2023 it's down to 36.

Marie Lizama, Director, DRT: Yeah.

Senator Sabina Flores Perez: What is it currently now today, and what is your goal to address this short fall or short staffing?

Marie Lizama, Director, DRT: Okay. I'm gonna have Mikel calculate that, but our goal again is really to ensure that we work on the recruitment for, particularly for exam, you know, and as well as some of the branches in the taxpayer services division. So, as I mentioned, you know, we took your advice from. Actually, I don't know if you were here, but we took your advice from last year and we did enter into an agreement with the University of Guam's CVPA particularly in the accounting area to try to get some kind of internship going. You know, the fact of the matter is it's been difficult to recruit, particularly for exam, when the requirement that is needed is both a four year college degree in accounting plus tax expertise. And so we are trying to get, you know, we are trying to do it such that there would be more interest in the position via stuff like that, via the internships, you know, and so forth. It certainly is not, you know, attributed to our lack of trying. It's it's really just

difficult. We lost people who retired. We had one who went active duty. We actually had one who went to accounting, tried to come back and then said it's okay because she's getting paid more at DOA. So, we continue to struggle with things like that and we're just hoping that we can you know, try to at least address that in perhaps an alternate form, and that's really to get people to become familiar with, you know, the work that's being done there.

Senator Sabina Flores Perez: I appreciate that. Thank you so much for following up on the recommendations. And then, you know, again, you know, I do wanna encourage you to work out the successional planning. Like my colleagues have stated, you know, a lot of the workers there are, have become experts and it's really maybe boosting through training that we can they can get promotions, right? That's one way to assure their, the positions are filled through promotional promotions and training tied together.

Marie Lizama, Director, DRT: Yes, ma'am. That is the plan. It's the plan is to offer higher level positions so that people can move up and then the former or the entry positions that they were formerly holding would hopefully be filled by new applicants.

Senator Sabina Flores Perez: Okay. Thank you. And also with GCC I do concur with my colleagues on that one too as well. As far as following up with potentially a program that can segue into you know, the degrees and just to also point out one of the lack of the challenges that you guys are facing is the the pay grade. So, DOA for the, a similar position gets paid $7,000 more. Unfortunately. So yeah, the above step.

Marie Lizama, Director, DRT: Yes, for doing less stressful work. Yeah.

Senator Sabina Flores Perez: So, the above step is really called for..

Marie Lizama, Director, DRT: No, no criticism to DOA. They've been trying to do their best to help us. And I'm sorry, Senator, let's go back to that number. You're asking about the number of positions. So 1, 2, 3. We actually have six that are open recruitment and pro progress right now, particularly on the examination side.

Senator Sabina Flores Perez: Okay.

Marie Lizama, Director, DRT: We do have some that are vacant but not funded. And we're just kind of keeping that as a placeholder. Hopefully we'll be able to you know, to increase the number as we promote people.

Senator Sabina Flores Perez: Okay. Thank you. Okay. The other questions I have regarding again, the lease, it wasn't clear to me, and when I look at the budget can you explain why the reduction or why that, how that reduction occurred? I mean, are you still going to be at the facility in the coming year?

Marie Lizama, Director, DRT: Well, we expect that, you know, realistically we will, likely we'll still be there as we work, try to work out something that'll go out bid you know, the reduction actually, or the the balance, the reduced amount part of that or the, I should say what was previous the previous amount was included under contractual. And so I've had a discussion with Mikel already about how that should be a fixed amount and therefore any movement between accounts should not have been done that way and therefore, you know, lead to confusion.

Senator Sabina Flores Perez: Okay. And so the rent is still, what's the rent then? Is it gonna be the 1 million? Same as last year. Okay. And so that means there, there's a reduction in contractual services. So where was that reduction?

Mikel Espiritu, Management Analyst III, DRT: Can I go back to that question regarding the funding for the rent? Like, for the general fund, we'll, we fund, just based on the budget ceilings, we only put around like eight months for six to eight months for the under the 233 rental and then the, for the remaining months I shifted it towards the special fund, but it's currently under contracts. But looking back, I if we were gonna allot it, I'm gonna, we're gonna request to actually create a, yeah create a new object, class 233 for under the. Where there's funds on, under the tax collection enhancement fund and the better public service fund to create, but currently right now, the remaining months for the rent, which is still the same amount per month is under the contract section under the 96 a section.

Senator Sabina Flores Perez: Okay. And so it's paid by special fund?

Mikel Espiritu, Management Analyst III, DRT: The remaining, yes..

Senator Sabina Flores Perez: The remaining. Okay. So you didn't, you're not reducing any contractual services?

Mikel Espiritu, Management Analyst III, DRT: No.

Senator Sabina Flores Perez: How has that happened?

Mikel Espiritu, Management Analyst III, DRT: Just I didn't when we were preparing the budget, I should have put it under 233, but I was looking through the prior budgets and for the special fund tax collection and better public. There historically hasn't been object class for the 233 rental which we'll request for to make it more specific for the rent.

Senator Sabina Flores Perez: Yeah. It doesn't add up though to me. It's not, if you're taking from the contractual side that means there's a reduction in service. Your con, your reduction in contract. But maybe we could talk about this outside of this yeah, to me it's not balanced. Okay. Procurement training, ethics training what is the status of that with your personnel?

Mikel Espiritu, Management Analyst III, DRT: For our ethics training in communication with the Guam Ethics Commission we provide them the like a the status of the mandatory ethics compliance. We provide them the reports of which is how many employees and it is tracking good, but there are some who still need to take the ethics..

Marie Lizama, Director, DRT: Because we've had some new hires and so, but I do know that we've had a fairly high percentage of those who've taken that mandatory training. With regard to procurement there are a few of us in the admin site. We mostly have procurement. We've taken module one. I think Michelle's probably the only one that has taken all four modules. And we hope to be able to take the other modules, at least for those of us that hold. Module one or have gone

through module mod? Module one. We hope to be able to do that. We're, right now, we're really under the it's out of our control because it depends on when these classes are offered and most times they're already filled, so we hope to, yeah, they fill up fast and, you know, of course that is of importance.

Senator Sabina Flores Perez: Yeah, that's important, especially considering the challenges for procurement that DRT's faced. The other thing is public law 37-60 in regards to abandoned vehicles. Part of Dr. T's role was to place information regarding vehicles that have been removed. What is the status of that?

Marie Lizama, Director, DRT: So we have been we've had I would say maybe twice monthly meetings. We've had it over at GP D'S training room, and so it, it would involve, it's, it involves GPD department of Land Management, EPA, DRT, and DPW and the last meeting I missed the last meeting. However, I understand that there is one on July three. What we were working on during those meetings was just a clear indication, you know, a clearer indication of who needs to do what. We ultimately knew that the, some of us had to work on this side with certain things like, for example, DRT needed to work on a form at the suggestion of GPD to be patterned much like their transfer of property form. And so we've been working on that. We actually requested for an amendment you know, to the law to be introduced. And that's because our staff was concerned about there being language in there where wherein we would appraise or kind of sell off. Right. Was that, yeah. And so those drafts the edits have been made. I just saw the draft the other day and we are going to share that at the next meeting.

In the meantime, we did talk about once a peace officer has identified an abandoned vehicle, we talked about the process of how they would inform us, and then we would actually upload that information on the website as cited. Yeah. As stated in the law. So, it's there, we're working on it, ma'am. There is, there has been, we feel there's been some progress with regard to it and that I think the biggest hurdle really was the identification of land for staging.

Senator Sabina Flores Perez: So, okay. Appreciate that update. Yeah. I'm looking forward to, it's a limitation. Surely are. We are. It's has not been forgotten. Right.

Thank you. And then who's charged with addressing or FOIA's and RFIs and updating SOPs in DRT?

Marie Lizama, Director, DRT: So, the updating of SOPs I had asked legal to take a look at that. Of course, that would be in concert or in coordination with the branch adminis division administrators. And so we have made progress in some areas, but likely, I mean, there is definitely more work to be done with regard to FOIAs. We have someone who is not in a, she's not the official. At one point in time, we did have a position called the Disclosure Officer. But what we've done right now is we have given that responsibility to over, to the examination supervisor. And so she acts as the, she's, she receives the Sunshine Act requests, or FOIA requests, and she is the one that coordinates with the respective or yeah, the respective branch or su branch supervisor.

Senator Sabina Flores Perez: And then it's sent so the exam branch is challenged, personnel challenged why isn't it at the director's office? So why isn't the FOIA handled at the director's office?

Marie Lizama, Director, DRT: Well, typically what happens is we're both included in that, but she is the one that coordinates the gathering of documents that are being requested.

Senator Sabina Flores Perez: Okay. And I'm getting a constituent request or a concern that it took, it's taking about six months or more to get a license plate for new vehicles. Are you aware of that?

Marie Lizama, Director, DRT: So, at one point in time, we had, we were affected by the supply chain issue. And of course that has improved. And what we found was we had, we made the mistake of waiting for that supply to come in. And what we should have done, and we are now doing, is before the supply gets depleted, we put out a request for a new order, so to speak. So, to my understanding there is no there is no critical issue as compared to when we had the supply chain one, but I know that maybe an order ago or so the delay really was at the vendor side.

Senator Sabina Flores Perez: Okay. So, I just wanna go over the budget too again, and looking at 2025 versus 2026, though, there's some increases and decreases as you go down the list in the supplemental budget before you And so I guess the numbers aren't much for the tax enforcement Real property isn't that much or what is the change due to? The increase due to, for tax enforcement, real property taxpayer services, regulatory. So the only one that decreased executive direction, but for everything else it increased. So, but not by much. So what is those increases? What are they due to?

Marie Lizama, Director, DRT: It's mainly due to the increase in the government share of the insurance premiums.

Senator Sabina Flores Perez: Okay. And not by increase in paid positions?

Marie Lizama, Director, DRT: No. Okay. I would love to give them all the raise..

Senator Sabina Flores Perez: Or to add more people to the team as the, 'cause we've talked about the shortage, so it's really a status quo staff pattern, basically. Okay. One more thing regards to your unclassified. You have 27, I guess why the high number of unclassified?

Marie Lizama, Director, DRT: So I believe that we have a total of 16 LTAs, right? They're all counted in that group. We have a total of four special projects coordinators included in that mix also is the motor carrier assistance program staff. So that's basically what makes up that list of, and then we have about three retirees that were rehired.

Senator Sabina Flores Perez: And then the lawyers too.

Marie Lizama, Director, DRT: Only one of the lawyers is unclassified.

Senator Sabina Flores Perez: Okay.

Marie Lizama, Director, DRT: The other two are classified. Interesting.

Senator Sabina Flores Perez: Alright. And the budget, it says they're both, they're all three unclassified.

Marie Lizama, Director, DRT: That's, no, that needs to be corrected. One is the principal income tax attorney. She, her position's actually unclassified.

Senator Sabina Flores Perez: Okay. And do any of them have tax background?

Marie Lizama, Director, DRT: No, ma'am. Okay. Like I said it's difficult to even find an attorney with a tax LLM an attorney that would be willing to come out of private practice to go into government or public sector. And that's why we've, those positions were, they were largely vacant this whole time.

Senator Sabina Flores Perez: Okay. So thank you Director for your responses and for your participation today and Acting Director as well as Mikel. Appreciate it. And for all the work that you guys are doing. *Si Yu'os Ma'ase!*

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase,* Senator Paris. And so we are close to one minute before lunch, so I am not gonna be the one to stand in between you and going out and having a great lunch.

I wanted to mention one thing before I read my closing is that, many agencies while we appreciate seeing the bright, shiny faces of the employees and the, like, we can see how busy you are because there's nobody behind you except the three of you today. So we wanna congratulate all your employees up there for the hard work they're doing, keeping the operation running, and of course with the work that you're putting forward and with a very acceptable presentation that you've brought forward. Director?

Marie Lizama, Director, DRT: Thank you, sir. They do work hard. Absolutely. I wish I could do more for them, but you know, they continue to plug along and I believe that's because the vast majority of them love what they do and they love the agency.

Chairman Christopher M. Dueñas: That's my experience every time I go up there. And that's experience that I get from family and friends who remark as well. Very professional organization. Thank you very much.

Marie Lizama, Director, DRT: Thank you. So, with that, this will conclude this morning's budget hearing on Bill 44-38 (COR) relative to the Department of Revenue and Taxation. The committee will continue to accept written testimony on the bill within seven calendar days from today, which may be addressed to myself, Senator Christopher M. Duenas as chairman of the committee, or mailed to 163 West Chalan Santo Papa Hagatna 96910. You may also send your testimonies to my email at senator.duenas@guamlegislature.gov. This morning's budget hearing is now adjourned and the time is 12:00.

This Budget Hearing was adjourned at 12:00.

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Thursday, June 19, 2025, at 9:00 A.M.

Department of Administration (DOA)

Office of Finance and Budget <ofb@guamlegislature.gov>

RESCIND & REPLACE - FIRST NOTICE - FY26 Budget Hearing on June 19, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Thu, Jun 12, 2025 at 9:02 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 12, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **FIRST NOTICE - FY26 Budget Hearing on June 19, 2025**

The Committee on Finance and Government Operations will conduct a budget hearing on **Thursday, June 19, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
- **Department of Administration (DOA)**

2:00 pm
- **Department of Public Works (DPW)**

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

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June 12, 2025

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PUBLIC HEARING

Posted on: 06/12/2025 09:00 AM

Posted by: Camarin Breton

Public Hearing Date: 06/19/2025 09:00 AM

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FOR IMMEDIATE RELEASE
June 12, 2025

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THE GUAM LEGISLATURE

Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on June 19, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Mon, Jun 16, 2025 at 8:58 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 16, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on June 19, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Thursday, June 19, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am

- **Department of Administration (DOA)**

2:00 pm

- **Department of Public Works (DPW)**

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
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Second Notice OFB Budget Hearing 6.19.25 (DOA & DPW).pdf
359K

FOR IMMEDIATE RELEASE
June 16, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **SECOND NOTICE - FY26 Budget Hearing on June 19, 2025**

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SECOND NOTICE - FY26 Budget Hearing on June 19, 2025

SECOND NOTICE - FY26 Budget Hearing on June 19, 2025

PUBLIC HEARING

Posted on: 06/16/2025 08:59 AM

Posted by: Camarin Breton

Public Hearing Date: 06/19/2025 09:00 AM

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

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Types of Notice: PUBLIC HEARING (/notices?type_id=7)

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June 16, 2025

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BUDGET HEARING AGENDA

Thursday, June 19, 2025 – Guam Congress Building

9:00 A.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Department of Administration (DOA)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 19, 2025 **Time: 9:00 a.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

-- Relative to Department of Administration (DOA)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Francis Flores	DOA	[redacted]	francis.flores@doa.guam.gov				
2	Andriana Quitugua	DOA		andriana.u.quitugua@gsadoa.guam.gov				
3	Edward Birn	DOA		edward.birn@doa.guam.gov				
4	[illegible]	4						
5								
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10								
11								
12								

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 19, 2025 **Time: 9:00 a.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

-- Relative to Department of Administration (DOA)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Mary Grace Edrosa	DOA	[redacted]	marygrace.edrosa@doa.gu.gov	✓			
2	Flo Salas	DOA		flora.salas@doa.gu.gov				
3	Lenora Cantero			lenora.cantero@doa.gu.gov				
4								
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10								
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DEPARTMENT OF ADMINISTRATION

DOA Budget Hearing

June 19, 2025

2025 Priorities

DEPARTMENT OF ADMINISTRATION

- Improve Financials Monitoring Tools with introduction of Budget Vs Actuals (General Fund Expenditures) Reporting for Line Agencies.

Adobe Acrobat Document

- Activate MICR Check capability for Income Tax Checks.
- The Re-Centralization of Procurement enhanced compliance, standardization, and purchasing effectiveness across departments.
- Modernization of Surplus Property and Inventory Management through the establishment of tracking systems, increased reuse across departments, expansion of surplus sales, and improved purchasing of supplies for the government store to maximize value and reduce waste.
- Implement Paperless Personal Action (GG1) and Payroll Process.
- Better utilization of GFMIS with focus on resolving issues flagged via User's Service Requests and implement process improvements.
- Multi-Year contracting for the Third-Party Administrators (TPA).
- Proper Medical Enrollment of Medicare Eligible and Non-Medicare eligible subscribers.

2025 Challenges

DEPARTMENT OF ADMINISTRATION

- As centralized procurement increases staff workload, allocating resources is critical to improve turnaround times.
- The achievement of a unified digital records management remains a key a challenge as we strive to improve accessibility, strengthen data security, and meet compliance requirements across departments.
- Data Cleanse and migration of Gov Guam's General Ledger Accounts involving over 4.9k Accounts.
- Management of Federal Grants with additional requirements, justification of expenditures and with restricted access to the various Fed Program portals.
- Continued efforts to support Line Agencies better manage payment, procurement and recruitment process.
- Timely and Accurate Reporting from Agencies regarding Insurance enrollment and terminations.
- Centralization of Insurance processing of Defined Contribution Retirees and Survivors.

Audit

DEPARTMENT OF ADMINISTRATION

- Completion of FY23 Audit was delayed by significant issues with the GDOE audit completion. GDOE financials are part of the General Fund. There were also challenges in reporting agencies to completing the federal compliance audit required by the federal government to be a part of the overall audit submission for federal agencies.

- Further delays are being experienced at GDOE resulting in further delays to the Government of Guam FY24 Audit. GG audit is not expected to be completed until the end of November 2025.

DEPARTMENT OF ADMINISTRATION
BUDGET FY'26

	FY'25 EXECUTIVE BUDGET REQ $	FY'25 BUDGET- 10,783,269 P.L. 37-125 $	FY'25 EXPENDITURES $	FY'26 EXECUTIVE BUDGET REQ $
SALARY	6,748,737	6,477,041	3,385,067.65	7,073,312
OVERTIME	0	0	45,580.46	0
BENEFITS	0	2,939,554	1,570,813.25	0
RETIREMENT	1,001,031			2,652,848
MEDICARE	67,350			111,242
MEDICAL/DENTAL	641,247			1,056,372
OTHER:				
SUPPLIES	8,000	8,000	11,141	12,972
EQUIPMENT	12,500	12,500		27,500
TOTAL	**8,478,865**	**9,437,095**	**5,012,602**	**10,934,246**
CONTRACTUAL-DO *	917,909	637,910	245,733	934,435
CONTRACTUAL-GSA			0	0
OFFICE SPACE	659,190	564,462	660,102	851,424
TOTAL	**1,577,099**	**1,202,372**	**905,835**	**1,785,859**
OTHER:				
POWER	84,000	60,000	28,138	141,000
WATER	8,802	8,802	2,659	10,800
TELEPHONE	95,000	75,000	35,920	87,000
TOTAL	**187,802**	**143,802**	**66,716**	**238,800**
	10,243,766	**10,783,269**	**5,985,154**	**12,958,905**

* excludes FMIS contract payments

	FY2025 Adopted Revenues for the Cumulative Period [2/]	FY2025 Actual Revenues for the Cumulative Period	Favorable (Unfavorable)
Income Taxes:			
Individual	$ 83,314,365	$ 89,908,052	6,593,687
Corporation	69,457,836	82,145,643	12,687,807
Withholding	198,665,426	218,551,804	19,886,378
Income Taxes	**351,437,627**	**390,605,499**	**39,167,872**
Business privilege taxes:			
Gross Receipts Taxes	254,071,874	270,069,561	15,997,687
Other Taxes:			
Use Tax	6,286,754	3,295,640	-2,991,114
Business Privilege Taxes	**260,358,628**	**273,365,201**	**13,006,573**
Licenses, Fees & Penalties	**1,773,015**	**1,962,015**	**189,000**
Use of Money & Property	**2,055,592**	**2,927,875**	**872,283**
Federal Sources:			
Section 30	76,402,101	76,402,101	0
Immigration fees	850,313	2,649,955	1,799,642
Recovery from Individuals	0	0	0
Child Support AFDC Local Share	0	23,929	23,929
Federal Sources	**77,252,414**	**79,075,985**	**1,823,571**
Department Charges:			
Agriculture	0	163	163
Police & Corrections	0	12,190	12,190
Public Works	0	56,550	56,550
Public Health	0	4,820	4,820
Commerce	0	0	0
Other charges	737,955	650,498	-87,457
Department Charges	**737,955**	**724,221**	**-13,734**
TOTAL GENERAL FUND REVENUES	**$ 693,615,231**	**$ 748,660,795**	**$ 55,045,564**

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Christopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Thursday, June 19, 2025** at **9:00 AM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Thursday, June 12, 2025** (5-Day Notice), and again on **Monday, June 16, 2025** (48-Hour Notice).

SENATORS PRESENT
Honorable Senator Christopher M. Dueñas, Chairman
Honorable Vice Speaker V. Anthony Ada
Honorable Senator Eulogio Shawn Gumataotao
Honorable Senator Telo T. Taitague
Honorable Senator Therese M. Terlaje
Honorable Senator Sabina Perez
Honorable Senator Chris Barnett

ORAL TESTIMONY:
Edward Birn, Director, Department of Administration
Andriana Quitugua, Acting Chief Procurement Officer, DOA
Theresa Rivers, Chief Financial Officer, DOA

WRITTEN TESTIMONY:
Theresa Rivers, Chief Financial Officer, DOA

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **09:06 AM**

[Questions and Discussion] **[***Begins at 00:15:30 and ends at 02:16:00*]

Chairman Christopher M. Dueñas: *Manana si yu'os put I todus hamyu* And welcome to your Guam Congress building. The Committee on Finance and Government Operations is now called to order at 09:06, and it is June 19th, 2025. First notice of this public hearing was disseminated to all senators and media outlets on June 12th, 2025 with its second notice disseminated on June 16th, 2025.

The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the Governor of Guam's public notice portal. The

committee will not now hear Bill No. 44-38 (COR), introduced by the Committee on Rules by the request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam, an act making appropriations for the operations of the executive branch of the government of Guam for fiscal year, ending September 30th, 2026, and making other appropriations and establishing miscellaneous and administrative provisions.

Today we are joined by the Department of Administration. Joining me for this budget hearing is Senator Shawn Gumataotao. Thank you, Senator. Senator Telo Taitague and Senator Chris Barnett. Thank you Senators. Those testifying on Bill No. 44-38 (COR) relative to the Department of Administration, DOA.

Please take a seat at the hearing table, and you've already done that. Before we begin, I'd like to remind everyone in attendance of *I Liheslaturan Guåhan*'s General Rules of Conduct Individuals testifying shall be first recognized by the chairperson before speaking, and shall state their full name for record keeping purposes.

Questions and testimony shall be confined to the substance and nature of the bill on the agenda. Personal inferences to the character motive of any senator or individual testifying are not permitted. The chairperson of the committee may order removal from the hearing of any member of *I Liheslaturan Guåhan* or the public audience who fails to observe property quorum.

Pursuant to the 38th Guam legislature, standing Rules, any violation of the General Rule of conduct will result in immediate removal from this public hearing room as is customary. As you know, when we ever do discussions about finances we swear in the members of the panel. So I'm gonna ask the members of the panel to please rise and be sworn in by the Sergeant in arms.

Edward S. Pocaigue, Jr., Sergeant at Arms, 38th Guam Legislature: Please raise your right hand under penalty of perjury. Do you affirm that any annual information you provide today, whether it be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth, Mr. Chair or Oath, you may proceed.

Chairman Christopher M. Dueñas: Thank you. And of course, this morning we have our Director Department Administration Mr. Edward Birn. Mr Birn my format that I've been following for budget hearings. Is to have the director or the executive

of the agency or department to introduce themselves, introduce the panel, and let us know. The senators know whether or not they'll be testifying or they're here in support of the department for any questions from the panel.

So you, it's your show basically as the director to provide the opening with your team, and then we'll go from there. So as the time, this time, I recognize you, director Birn, please proceed.

Edward Birn, Director, Department of Administration: Thank you, Mr. Chairman, senators, and thank you for the opportunity for us to actually showcase the activities of the Department of Administration which isn't always obvious to people because we work in the back office as it were.

We work in the background trying to make the wheels of government work With me on my right is Theresa Rivers CFO, who will be taking you through the slides that we brought this morning. And on my left is Andy Quitugua, who's the acting Chief Procurement Officer who will be here to answer any questions that you might have on procurement and the activities of GSA because GSA does other activities other than procurement. So if I may, I'll ask Ms. Rivers to open up by taking us through the slide deck and please allow me to make comments as we go through if I feel that it would be helpful to you and the panel to expand on any of the points.

Chairman Christopher M. Dueñas: Yeah, that sounds like a great plan director. Please proceed.

Theresa Rivers, Chief Financial Officer, DOA: So we wanted to first share with.

Chairman Christopher M. Dueñas: Please identify yourself for the record.

Theresa Rivers, Chief Financial Officer, DOA: Sorry, my name is Theresa Rivers. I'm the CFO. I've been with the department for almost two years now. So thank you for the opportunity to be here and share with you what we are doing to help manage it, the financials for the government.

So what we wanted to share this morning, first, to share with you some of the priorities we focus on in 2025 and some of the challenges that we faced. And also then provide you with our ask for the 2026 financial year. So, one of the first things

that we were focusing on this year as there was a lot of I guess discussions on the implementation of the new system is to look at improving the financials monitoring tools so we can work with the agencies to better manage the spending on the General fund. So one of the first key priority was improving the financial monitoring tools with the introduction of the budget versus actuals reporting for all line agencies for the general fund expenses. So we've initiated that report. We've started sending out the monthly updates to the agency directors and we've also asked for feedback from them on how we can I know if most of sometimes there may be costs that we haven't infected in or we haven't received, you know, the general entries from the various agencies or transactions, you know, are yet to be posted.

So we receive feedback and, you know, we ask for feedback. 'cause sometimes we are working through a new system and you know, and there are things that we're improving on that. So we've received some positive feedback and constructive feedback and we're improving the process as a result. So we have a sample of that report in one of the slides and hopefully we're able to expand on that later on.

So one of the positives there is we also help agencies to help us get their payments processed on time. So if they don't see expenses in their budget for the month. They can call us out and say, we've submitted these invoices, have you processed them? And it has been a challenging process, but we're working through that with information that we share.

The other priority that we were working on is to try and reduce the manual work that we do in processing of income tax checks, which is a huge undertaking in the beginning towards the end of the year and the beginning of the year as we are aware. So we worked collectively with the department of DRT the revenue team to, implement a micro encoded check capability for the income tax checks.

This means that our team, the manual movement of the checks from one department to another, including the stamping of the signatures no longer, we no longer need to do that. That is all done electronically in a secured manner. So that has helped our team reduce also the risks involved with the exchange and the manual exchange together with DRT support.

The other priority as again, they have been feedback on improvement on our procurement process. So one of the key focus Andy and her team worked on is the recentralization of the procurement enhanced. To enhance compliance, standardization and purchasing effectiveness across departments. And I'm sure she will expand on that later on.

One other priority as well is on the procurement side, is modernizing of surplus property and inventory management through the establishment of tracking systems. Increase reuse across departments, expansion of surplus sales, and improve purchasing of supplies for the government store to maximize value and reduce waste.

We also looked at implementing a paperless personal action approach as some of the agencies are already using that as well as our payroll process. We do have a number of agencies that have yet to, we're still working on migrating the remaining agencies to the new payroll process. We are working through feedback on how we can improve on the process, but it's been stabilized and we're targeting to make sure all of the agencies are in the new system, hopefully by the end of this quarter or next quarter.

Again, we've gotta work with agencies support on this. The other priority that we worked on is, you know, better utilizing of the new system. And listening to feedback from the users and taking that on board and raising service requests to resolve issues and then look at imp improving the process.

The last two key priorities focus on our, the self-insurance program. And this is focusing on the multi-year contracting for the third party administration. Also proper medical enrollment of Medicare eligible and non-Medicare eligible subscribers.

That's, those are some of the priorities. There are a lot but we try to focus on the key items that improve the services that we provide and better management of our financials. Some of the challenges that we are facing and continue to work to improve on is again, is that as we centralize the procurement process, this increases the staff workload in the procurement space.

And, you know, and allocating those resources should improve the turnaround time and we're working on to improve on that. One other challenge is the achievement of a unified digital records management remains a key challenge as we strive to

improve accessibility. Strengthen data security and meet compliance requirements across all departments.

Another challenge that we were working on resolving is, you know, a data cleanse and migration of the government of guam's general ledger accounts when we migrated to the new system. And this involved close to 5,000 accounts with large balances. Another challenge we're facing is the management of the federal grants for the government with the new additional requirements which involves robust, I guess, requests from the grantors to justify expenditures.

And this is also at the same time we've got restricted hours to access the various portals that we use to access these grants. Another challenge we are facing is, you know, continued efforts by the Department of Administration to work with line agencies to better manage the payments process end to end, what they can help us, help them with obviously the procurement process as well as the recruitment process.

Timely and accurate reporting from agencies regarding insurance enrollment and terminations. This is again in regards to the self-insurance program and obviously centralization of insurance processing. Of defined contribution retirees and survivors. So those are some of the challenges. Not all of them, but those are the key ones that stand out in 2025 that we're continuing to work on.

Understand that. We would also want to provide an update on the audit. The background on, I know we came a few months ago to provide a reason why the audit was delayed. So yes completion of the audit for 2023 was really majorly impacted by the GDOE audit completion. The GDOE financials are part of the general fund.

There were also challenges in reporting agencies to completing the federal compliance audit required by the federal government to be part of the overall audit submission for federal agencies. And further delays are being experienced at the moment at GDOE resulting in further delays of the government's 2024 audit.

So therefore, the audit for 2024 is not expected to be completed until the end of November, 2024. I will stop there, sir. Did you want to pass it over to my boss?

Edward Birn, Director, Department of Administration: If I could just expand on this issue of DOE being part of the general fund

Chairman Christopher M. Dueñas: Right.

Edward Birn, Director, Department of Administration: There are some five agencies which are self accounting, but part of the general fund, and it's kind of frustrating that we are dependent on all of those.

Four of them are, you know, a fairly small including the legislature that it doesn't really impact the general fund that much, whatever the result is. But do DOE clearly does. You know, there's millions of dollars going through. And so, it's almost impossible for us to forecast what the balance of the general fund will be without good information and good information is not flowing from DOE.

I know you you senators have had a number of discussions with DOE about how they're managed, and I don't really want to get too involved in that. I'm just concerned about the quality and the timeliness of the financial information that we need in order to complete our a our accounting for the general fund.

Chairman Christopher M. Dueñas: So I want to address that Mr. Edward Birn I had a conversation with the OPA over the weekend Speaker BJ Cruz, he's extremely exasperated. And angry actually at this perennial issue with DOE. We understand that that's the best they're gonna do is to get to November 2025, which is really, in my opinion, completely unacceptable.

There probably will be some proposals forthcoming perhaps even to include and I want to get your comment on this. Maybe reinstating DOA as a managing partner in terms of accounting. Can you comment on that?

Edward Birn, Director, Department of Administration: Yes, sir, I can, because he spoke to me about that personally too. And reluctant though we might be, you know, initially to take on additional task not knowing the quality of the information that we're going to be faced with in order to get to a result I agreed that we probably would have to assume this burden.

There are some apparent legal issues as to whether that can be quickly done or not quickly done, and I believe that I'm having a meeting with the Governor's legal counsel tomorrow about that issue.

Chairman Christopher M. Dueñas: So I want to also welcome the Vice Speaker and the Vice Chair of this committee Senator Tony Ada. Thank you for being here as well as Senator Therese Terlaje. So, yeah I just have to say that. And maybe Senator Ada, Vice Speaker Ada will expand through some of his commentary on his recent visit to Washington D.C. But yeah, there was a number of findings with their visit, and I don't, I'll leave that to him and the other senators.

And it's obvious that one of the major issues with DOE is their financial management. You know, this is one of the reasons you know, I'll just say this publicly 'cause I know that this has been out there in terms of are we helping or not helping, we are helping to include yourself director by, to include BBMR to include OFB.

The meetings that we've been having on financial matters have been very open and very frank in terms of their management of their cash and how that intersects with the reconciliation and the management of federal grants. I can tell you right now, just our oversight on the issue of the money they lost on the 27 million, I believe prompted their ability to at least recover that 9 million because of the icroscope that was put on that. So sometimes people need to understand within these large agencies expressly it's not a money problem, it's a money management problem. And so that'll be coming out as we go down the road. But thank you for putting on the record along with me coming from the OPA that something significant and serious has to happen in terms of the management, the fiscal management within Guam, Department of Education.

And that will affect everything from reporting with grants, probably getting a lot more success in terms of expenditure grants and also accountability in terms of how we continue to receive money going forward. But I'm glad you put that in your audit. So, Ed, that this basically means then we'll probably not be able to have a draft in June of at least a snapshot. Is that correct?

Edward Birn, Director, Department of Administration: That's correct. Yes sir.

Chairman Christopher M. Dueñas: Okay. So outside of DOE, you said the smaller entities to include us you, you don't believe what would really affect in a manner to which would be too far off to have predicted. So other than that I've been seeing the audits come out from the public auditor and the like.

So other than that, it's pretty clean in terms of compliance with all the other entities for the big audit.

Edward Birn, Director, Department of Administration: Yes. I mean, other than I think now two of the charter schools, all the government entities or entities that are associated with the government have had unmodified audit reports, and that's a record obviously we intend to maintain as firmly as we can.

We've not had an audit, a modified audit report, a qualified one in the central government for over, over 12 years, I believe. And you know, one, as you may well be aware there's a team including me, going to New York next week to get a bond rating from Moody's on our refunding of the BPT bonds that now become available for refunding so that we can get a more attractive interest rate out of it.

And one of the successes that we've certainly had with Moody's is, and they generally mention it in their reports when they finally produce their ratings report, is improve financial control. And in no way does the government want to losen or or have any loosening or deterioration. In the financial control because that is one of the things that they quoted as being an achievement and one of the factors that permitted them to to value our our debt at investment grade.

So anything that endangers that we obviously wanted to deal with.

Chairman Christopher M. Dueñas: Okay. Ed, I just think it's important at this point before I go to the table and of basically the budget presentation. You might have a couple more slides here, but I wanted to just get this on the record real quick too, because it's probably the highlight to me of the presentation.

And that is in terms of your preliminary on the expenditures of, and actuals how is that being realized and how is it tracking and how is it helping the agencies and you in terms of cash management?

Edward Birn, Director, Department of Administration: Well, we started issuing these new reports in January. And then we had some catch up to do so since March.

I think they've been fairly consistent. Would agree. Yeah. We are getting some comments back from agencies as the CFA mentioned. It's to my mind it's that dialogue, which we really didn't have before because we had no document with which to center a dialogue is really critical. And some of the, I unfortunately, I couldn't listen to every right the way through every agency that's sat in these chairs up to now.

But the issues of prior obligations certainly has come up several times, and we are trying to deal with that in a more consistent way. But also the way agencies expend their funds, right? Some of them tend to wait until the last minute, unsure of how much funds they're going to be able to spend.

And of course, that's not a a very efficient way of of spending funds because you're doing it in a rush. GSA probably is pressured because they're doing it in a rush. And accounting is also pressured because all a sudden we find, you know, double the amount or triple the amount of invoices being presented rather than have a more measured presentation of invoices.

So this kind of discussion we certainly want to encourage and bit by bit you know, we're getting that ability to talk to agency directors about that. We haven't got through them all yet, but we are working on that.

Chairman Christopher M. Dueñas: Chairman Christopher M. Dueñas: So, other than cash management, it's more of a smoothing out really. And that I've gotten some comments. I gotta strike while iron's hot on this Mr. Birn, that some of the function of their expenditure is the allotment management. And so I think that's one thing to keep an eye on too, 'cause allotment management and the restrictions. So they kind of have to know sometimes they're told they gotta get their invoices in by June or even earlier sometimes.

Other than that, it's gonna be difficult for considerations and they still have, you know, four and a half months left of the fiscal year. So that you know, if that's at the front end of the year, I can understand it. But towards the back end, some comments that have been getting is it's allotment control and also in terms of restrictions.

Edward Birn, Director, Department of Administration: We want agencies to have some confidence in their budgets. It's this tendency to be concerned that they're either going to overspend or underspend that causes this imbalance in the way they manage their budgets. And that's just practice in, in my experience, you know, over the years in, in, in different types of businesses.

You've got to understand and be confident that the figures that you're budgeting with are good numbers. And then you can start to. More more efficiently deal with the obligations that, you need to put in place to manage your department. And you can't do that all in the last two months.That doesn't work.

Chairman Christopher M. Dueñas: Okay. Are you gonna continue with the presentation? Well, we just have one more slide.

Edward Birn, Director, Department of Administration: I think that we want to show you.

Chairman Christopher M. Dueñas: Okay.

Edward Birn, Director, Department of Administration: Which is the comparison of the budget with last year and this year and our expenditure to date. And what I've done if I could draw your attention to it for the fiscal 25 executive budget request and the fiscal 26 executive budget request, I pulled out some of the fringes.

'cause I know you've been discussing this in previous in previous hearings. So you can see not only the change in salaries, but also the increase in the different elements that make up the fringe benefits. And as you can see the, I guess the biggest change, there's obviously the change in volume because we're asking for more more positions to complete our task.

So there's a volume change in here, but there's also a quality change. In the retirement in the retirement fund and the medical health insurance contribution increase. So I thought that might be helpful to you. 'cause I don't believe you've probably seen it this way before. No. But there was some creative stuff done also within OFB, so I'm gonna draw the attention to the spreadsheet before I go to the panel, you know, go to our panel members, our senators.

But yes, this is nice that it's done in this detail. So I guess while we're on it, I'll just ask you, so other than the additional warm bodies, were those budgeted vacancies that you already had or are these new are you now implementing more budgeted vacancies?

Edward Birn, Director, Department of Administration: We're we had some personnel disruptions in the agency, but we've got fully staffed at a high level now.

So now we are trying to fill those really needed vacancies. Accounting is busy trying to fill some vacancies or Accountant I's and Accounted II's. And HR is filling some vacancies that PS I's and PS II's. GSA I think you have eight buyers now, five buyers, but how many vacancies.

Andriana Quitugua, Acting Chief Procurement Officer, DOA: Adriana Qutugua acting CPO. We have two vacancies right now. One for a Buyer Supervisor II, and one for a Buyer I. This is from our budgeted for this FY budgeted.

Chairman Christopher M. Dueñas: Okay, so, I don't know that I see it broken out here. I think this will be probably the question other than personnel is the benefits, do you have a grand total for benefits inclusive of your retirement as well as insurance, health insurance?

Edward Birn, Director, Department of Administration: Yeah I'm sorry. Are you asking It'sit's just, it's those three items, the total of those three items, it's the benefits. Okay. So it would be 3.7 million. Okay. Okay. So, for senators, please direct your attention to the 20, the summary by division 2026. It may look like sticker shock from the fiscal year 2024, 10 0.3 million to authorized level at 19,824,392 in 2025, and the request of 19,463,357.

The reason for that is if you go back to your left. You'll see that in the for the 2024 the special funds were not were not included. And so when you're looking at that number, you have to, when you're actually looking for the agency request, in terms of operations, you needed look under subtotal operations, that is the variance of $2 million.

Actually, I'm sorry, the variance is going to be the 349058. And so that's for actually their budget. The, of course, their budget includes special funds, but now in the 25

authorization level and the 26 request, you can see that all of the special funds are enumerated there. Of course, one of the big ticket items is the 7 million 101 on the GFMIS contract in 2025, and that now turns into 3,876,575 in 2026.

So, Mr. Burn, I guess other than the audit, other than one of the key questions yesterday with Rev tax was they were yes, pointing out as well the success of the conversion in terms of how you're preparing the check. Right. And you enumerated that in your opening. The question was whether or not, now that it's become more efficient.

The six week distribution record. The pace that they're on right now is if it could be earlier, is that because of Department of Administration in terms of their distribution and their in processes or is it based on your getting it out essentially as the information comes to you?

Edward Birn, Director, Department of Administration: Yes. Senator, basically we are, we're getting it out now within three to four days. That's your turnaround actually getting the information at DOA you know, we still have to print out all those checks because there's only like 15 to 20% that of taxpayers who consent to be paid electronically. But we, when we it takes about less than a day to print them out and then we physically have to take them to the main postal facility to get them in the mail.

So, but we rely on CO of having the information from Revenue and Tax and I know they're working really hard at it 'cause they've got out the majority of the refunds already, which is no commendable.

Chairman Christopher M. Dueñas: Yeah. So once again, if some of our public is watching and they didn't catch yesterday, 'cause I know this is a high public interest they mentioned that of course on the front end of those who are filing.

You normally get the heaviest load of people who are expecting refunds, right? And so they usually have a log jam in processing in the beginning, but their comment now is that they're into those, that timeframe where it start, the volume starts to go down. So they're anticipating it even getting closer in date to the one month, 30 day turnaround.

But for the record, DOA is telling us that their turnaround time is three to four days once they receive the information of the processed tax refund.

Edward Birn, Director, Department of Administration: Yes, sir. And I believe that we've actually been able to issue over a hundred million in tax refunds, in respect of 2024 tax returns.

Chairman Christopher M. Dueñas: I guess my other question Mr. Birn on the request, as you know, you've been dealing with BBMR and myself, in fact, representing BBMR from time to time that we're gonna be tight this year. And we, looking at most agencies at a status quo budget, one, one thing I noticed that jumps out is part of your request in terms of your increase.

How does that level out with the, you know, the change in the contractual obligation on GFMIS when it's basically almost $3 million less? It seems to correlate.

Chairman Christopher M. Dueñas: Yes. Thank you for pointing that out. The GFMIS contract. That was a basically envisage as a five year contract with the heavy payments in the early years because that was when the bulk of the work was to be done by the vendor to establish the system.

So as we get through the contract, there is a decrease in the payments that we need to make until we get to the point where there is only a maintenance payment to keep the system going. Having said that we are looking really seriously at the parts of the system that aren't on, that are, that still are on the old database, basically which affect us.

And those two parts are the information that we get from public health and they're already looking at upgrading their system. So, we're not going to involve ourselves with that unless they need our help, so long as we get the information into our system in a time and efficient way. But the revenue part of the system is still on the AS400, and we seriously think that it will be a complete benefit to both DRT and DOA and the government finances.

If we were to upgrade that system too, we are looking at how to finance that. We have a proposal from the vendor and which we are looking at to determine how much of it we really need as to how much is being quoted. But we will be in due course

asking you to hear our proposals for operating those systems, which affects the DOA non-tax receipts and the DRT tax receipt systems.

Chairman Christopher M. Dueñas: So I've been made to understand you, you're still using the, that vendor. Right. And because you need to from time to time in order to maintain that system.

Edward Birn, Director, Department of Administration: We are using the old system to, for the revenue recording.

Chairman Christopher M. Dueñas: Correct.

Edward Birn, Director, Department of Administration: And we have to pull the information outta that and put it into the new system in order to prepare the financials.

Chairman Christopher M. Dueñas: And that was, that's, that was part of a plan parallel run.

Edward Birn, Director, Department of Administration: Yes. That was always part of the plan. We didn't we didn't try to deal with, because of the interface with DRT who are at the time that we were doing this, we're also concerned about the way that their system was being maintained.

But now they've reached some stability. We've reached some stability. Now we are looking at filling in that gap.

Chairman Christopher M. Dueñas: Yeah, that's what I've been made to understand, but I think their proposal is pretty in terms of the upgrades required and needed. I believe they're in line with what you're looking for, correct?

Edward Birn, Director, Department of Administration: Well, I had to go down to Revenue and Tax the other day to help my wife with something. And it was like looking back in the past, seeing people not using my, you know, a mouse and pressing the F buttons on the top. So if that's what really brought it to light.

Chairman Christopher M. Dueñas: That's what I understand as well, because the legacy really is still maintained by other operations then they and they seem to be Okay.

Well, it's part of the process and I'm glad because that did come to my attention as your oversight. And so I'm glad that it's being addressed. You know, and my team did meet with other, you know, with the vendor and basically got some information in terms of what's going on. So it's good to know that everybody's communicating and that's a big deal because this system is so critical to what we do.

I guess my final question is does, so does this fit within the ceiling in terms of the governor's request?

Edward Birn, Director, Department of Administration: No. It would be in addition to the contract because it wasn't contemplated at the very beginning.

Chairman Christopher M. Dueñas: No, but I mean, your actual proposal on the, on, in your budget request right now.

Edward Birn, Director, Department of Administration: Oh no, it's, that would probably wouldn't affect Fiscal 26.

Chairman Christopher M. Dueñas: Right.

Edward Birn, Director, Department of Administration: Although if it did, you know, at the tail end we would. We would want to come to you to discuss that.

Chairman Christopher M. Dueñas: So I've shifted back to your request right now. Is your request in line with the governor's ceiling.

Edward Birn, Director, Department of Administration: This request? Yes.

Chairman Christopher M. Dueñas: This request.

Edward Birn, Director, Department of Administration: Yes.

Chairman Christopher M. Dueñas: Okay. So, I'll go ahead and move on to our senators for their line of questioning as well. Andy, did you have anything that you wanted to make as part of the presentation? No. Theresa pretty much covered it.

Chairman Christopher M. Dueñas: Okay. I hear some good news over there. GSCA though, so keep up the good work and the buyers are happy and so keep doing what you're doing.

I think you're probably gonna get some legislation here soon though, that you'll be commenting on that, that might help you with what you're doing. So, but we'll, that's a later time anyways, Andy, thank you. And I'm sure that senators may have questions for you vice Speaker, Ada, and Vice Chair of the committee you are recognize.

Vice Speaker Anthony V. Ada, Member: Thank you, Mr. Chair. Good morning everyone. Mr. Birn, is there any, do you guys have any outstanding vendor payables?

Edward Birn, Director, Department of Administration: Thank you Vice Speaker. There will always be outstanding.

Vice Speaker Anthony V. Ada, Member: I understand that.

Edward Birn, Director, Department of Administration: So, I was commenting to, we had a meeting about this, about a couple of weeks ago and when I first took this position. The outstanding vendor panels were about 41 million. When we ran the report for this meeting, it was something over just over 4 million.

Vice Speaker Anthony V. Ada, Member: So we still have about 4 million in vendor payables.

Edward Birn, Director, Department of Administration: Yes. But can I please qualify that, that's what we know about.

We are aware that some agencies have not been submitting invoices. Some of that has come out in the hearings that you've been having. So as we've heard about it, we've been in contact with those agencies to submit their invoices.

Vice Speaker Anthony V. Ada, Member: Yeah. Okay. That's good to hear. As long as they start submitting it and we start getting these vendors paid.

Edward Birn, Director, Department of Administration: Right.

Vice Speaker Anthony V. Ada, Member: You know, I heard also earlier that you guys have five buyers on board now, and that only two vacancies, one for Buyer I and a Supervisor as well. Right. So, and I think that's where the backup is with a lot of, you know, I like the chairman has said I just returned from DC and a lot of federal funds that's being returned is because of the fact that they're not being expended.

And it seems like the holdup is the procurement and I guess going out to having these funds expended, I mean, are we, where are we at now and how quickly are we processing requests for. You know, purchase orders and things like that. And have we increased our productivity?

Edward Birn, Director, Department of Administration: And yes. And I'll ask Sandy to comment in a minute, if I may.

Sure. But gen generally, yes. We are aware, you know, that some of these some of these procurements are complex, right? The procurement for electric school buses, kind of didn't move forward because some of the specs were unclear and then one of the bidders went outta business and that, so that didn't help the whole thing.

That's just circumstance that we have to deal with. And that is one of the things that certainly would prevent the expenditure of the federal funds. Some of the, you know, is what I was talking about earlier is agencies wait until late in the year to present their requisitions.

And then GSA is faced with a lot of requisitions at the end of the year to process. And that's not an efficient way of operating. You know, the budget law asks agencies to submit their procurement plan at the beginning of the year. Not many of them. Do that. And those that don't necessarily adhere to that.

So we, it is another thing that we are going to operate on during the course of the remainder of this year and the critically the beginning of the next financial year. But certainly we are concerned about failed procurements. That, that, you know, it's a lot of effort and if it fails, basically we have to start again.

Vice Speaker Anthony V. Ada, Member: Yeah.

Andriana Quitugua, Acting Chief Procurement Officer, DOA: I'll go ahead and comment about this fiscal year alone, we did receive over 2000 requisitions, and that's just as of May. A hundred of those are for invitation for bids and for request for proposals. And so these are very complex services sometimes. And so a lot of it is what we're trying to do now at GSA is really own our specs and really ensure that what we're asking for is really A, what we need and it's compatible with the agency's services and what they service the public.

And so, yes, I think since I've been there, there has been some talk about the turnaround time. We are trying to improve that. A good turnaround time for an easy procurement. I try to do 15 to 30 days. But a lot of it is that I don't rubber stamp. Some of the procurement that comes in. I'm an auditor by trade, so I do really thoroughly review before I sign a purchase order.

And it's really just to ensure that we're compliant with not just the Guam procurement law, but also federal laws and the auditors don't come back and have findings on some of these procurements.

Vice Speaker Anthony V. Ada, Member: So I, and I understand that, I guess when the fiscal year opens up and they start submitting that you don't take submissions until October or November.

Andriana Quitugua, Acting Chief Procurement Officer, DOA: So during the time that the fiscal year closes, we do close the procurement realm. This fy we did open it in October, but prior to that, when an agency has like a critical need I do take it in and we do a manual process outside of the system to ensure that they get a purchase order. For those that are received in October, because that is our slower month.

The turnaround time was faster. It was about 10 days after we received a requisition. That has changed because of the volume that has come in since. And so a lot of times it's just us reaching out to the agencies and them also talking to us about their critical needs. And we work with them to process even when the system is closed for processing.

Vice Speaker Anthony V. Ada, Member: So does the agencies get an update status as to when. Once they're, is there like a tracking once they submit their procurement

or their purchase orders and such that you guys get back to them as to what the status is on that?

Andriana Quitugua, Acting Chief Procurement Officer, DOA: Yes. So a lot of times they do email us about statuses because a, they have funding that may be running out or there's a critical need and something might be broken and they need to attend to it now.

And so we do email back. We do answer our phones and let them know the status, but every time a purchase order is signed, we actually electronically send it. And so we send it to the vendor, we copy the agency's POC so that they have a copy.

Vice Speaker Anthony V. Ada, Member: I see. Okay. Thank you. You know, Mr. Birn, the other issue that was brought up to me in DC was that, I guess establishing of accounts.

So for example, this one, the agency administration for native Americans had mentioned that a grant was already given, I think in 2023 and draw down. It was a $300,000 grant. They already drawed 200,000 was drawn down and they still had a hundred thousand dollars remaining that is set to expire in September.

And they said that, I guess between DOA and BBMR about establishing an account for that additional a hundred thousand dollars. Do you know about that?

Edward Birn, Director, Department of Administration: No, I, we don't have a whole lot of grants from that particular agency. We'll certainly look at that. The establishment of account is the responsive, well, we are looking at the whole system because of some of the things that you mentioned, but the current process is that it's responsibility of the agency to whom the grant is awarded to set up the, or to initiate the paperwork for the account. It, when it comes to us, I think we take no more than I would say two days to, to establish an account. So we rely upon that, but we are looking at the order in which the steps are taken because I don't think it the current system does tend to slow things down until it gets to us.

And if we have a question because of something that happened, and that does happen from time to time, then we have to go back all the way to the beginning again. So we are looking at that we, we obviously don't want to have un unspent grants.

Vice Speaker Anthony V. Ada, Member: So do you guys have any federal grants to DOA?

Edward Birn, Director, Department of Administration: We don't have any operational federal grants, no.

Vice Speaker Anthony V. Ada, Member: No. Okay. That's good to hear. And that way you don't have to worry about not about returning any federal funds.

Edward Birn, Director, Department of Administration: Well, I would like some federal grants. In fact, I was thinking of applying for a technical grant, TAP grant for the new, for that extension of the system.

Vice Speaker Anthony V. Ada, Member: Well, you know, speaking of TAP grants we did meet with the Interior Office of Insular Affairs and, you know, perhaps you can reach out to them as well and see what TAP grants are available with them.

Edward Birn, Director, Department of Administration: I will be seeing them at the GFOA in meeting in Washington next week. So I certainly will.

Vice Speaker Anthony V. Ada, Member: Oh, that's great to hear. And I think also they'll be coming out this way again in July, so perhaps if they stopped by Mr. Hagen Deputy Principal, Deputy Secretary Hagen stopped by, please reach out to him.

He said anything that you know, he can help us with, he's willing to help. We just need to make sure that, you know, we apply for these things that are given to the island and expended. And, you know, what they don't want to see is the return of federal funds because it goes back to treasury and then it goes to somewhere else. And that's what they don't want.

Edward Birn, Director, Department of Administration: He told me that he would be at that meeting, so I certainly will talk to him.

Vice Speaker Anthony V. Ada, Member: Yeah, definitely. So thank you Mr. Birn for that. Thank you, Mr. Chairman. That's the only question I have at this time.

Chairman Christopher M. Dueñas: Thank you Vice Speaker and Vice Chair of the committee. And once again, thank you for leaving the delegation and thank you

for the delegation paving their own way. I think we cannot overstate that so that was a great service that you and the team provided to the people of Guam. Senator Gumataotao, you recognize.

Senator Eulogio Shawn Gumataotao, Member: Thank you, Mr. Chair. And thank you DOA for being here. And thank you Mr. Birn for leading the presentation today. A few questions if I could.

Lemme start with the office lease for DOA. Your budget includes a request for $851,424. It's a little bit more than last year for the benefit of the committee and members of the public who are following today's budget hearing. What's the reason for the increase in your annual rent or I guess your yeah, your annual rent increase? What's the reason?

Edward Birn, Director, Department of Administration: Two main reasons. The first one is obviously people we can't operate as efficiently as we need to without without people, and even fully staffing. As we discussed a little bit earlier for fiscal 25, we've proposed some new positions in fiscal 26 in order better to carry out our mandate because as all of you have pointed out, if something gets stuck wherever it gets stuck DOA has to pull it out.

So we, and that needs people no matter how good a system you have. And you know, like the Vice Speaker was asking about GSA and the progress, you can actually see it on the system where a. A which to which point a process is reached, it still needs people to take that information and communicate with the agencies.

It's no I don't think it's you know, a secret that agency turnover is an issue. DOA fortunately doesn't really have that issue, but the financial people in the agencies do we, there is a extreme amount of turnover in that area. And we end up with ASO's who are inexperienced, and that is a matter of concern to us.

We have ASO training, but it's only once a year. And we certainly need to do it more frequently, but it's really hard to keep up with that turnover. And so we need more people at DOA to offer that particular service.

Senator Eulogio Shawn Gumataotao, Member: So, and which is kind of the, let me just continue on that line then. On the subject of your facility needs, what specific

efforts have been made by your agency during this last fiscal year to secure maybe a new location or collate or co-locate with other agencies, which could accommodate some of your space requirements?As you say, as you're growing, I know it's, you're just not growing in contracting, but as you're growing

Edward Birn, Director, Department of Administration: Yes. Thank you. We have thought about that. We now have a property manager at DOA. Whose mandate is to look at all the properties that the government has and that they're basically all over the place.

DOA has been at the ITC building for a number of years and there is certainly the possibility that we might grow outta that. So there are some proposals to bulk rent government space. However, as you probably heard from public health who desperately need new space because they're scattered more than we are it's very hard to find the ideal amount of premises and DRT are having that issue too is that really, there aren't many available spaces at the moment that would accommodate all these agencies and co-locate them.

I do see, you know, we've had some federal federal or previously occupied by federal agencies opened up, but they're really small spaces and not really available for what you're asking.

Senator Eulogio Shawn Gumataotao, Member: Yeah. Perhaps maybe a school or two might be helpful too, so it's gotta throw it out there for the sake of conversation.

Let's talk a little bit about the the Health Actuarial Consulting contract. What information can you share with the public or what can be disclosed? Regarding the substantial increase for health actuarial contractual costs, which adjusted from 433,333 in FY 25 to 716,000 in FY 26. And for the record, are the increased costs absorbed in any way by taxpayers through a higher employer share for medical benefits?

Edward Birn, Director, Department of Administration: The, well, let me answer the first part first. The f the increase in the contract is because we're asking them to do more and more. The traditional contract was just to under the old model of of

insurance acquisition, was merely to measure the bids and report out on the conclusion we are asking them to do more things.

They're doing audits on, in fact, they've got an audit ongoing at the moment with the medical providers. We're asking them to look into whether we should subscribe to Medicare Part D in order to reduce our pharmacy costs because we, and that we have to do in January, 'cause that's when the actual medic Medicare subscribers do it.

It because the that would be a good way if it works of reducing our pharmacy costs we have to deal with the, how we deal with the $2,000 deductible. And that's one of the things they're looking into. And beyond that, you know, we are asking them to do more and more. They're giving all costs have gone up and they're giving a, I say professional, very, really pleased with Milliman's performance.

Senator Eulogio Shawn Gumataotao, Member: Okay. And I'm just hoping that we don't look at this self-insurance as like we're looking at a private company like we used to in the past. If we're the insurer, I'm hoping we just make it a little bit more simpler so that things are, you know, at least when it translates back to our employees that they're getting a better, I guess, better service versus, I know that we've been thinking about it so differently, but just kind of refocusing us on what it really is.

We're self-insuring. We're not doing anything else here. And can I ask you about your credit card, convenience fees. What portion of the payments that are received by the treasurer in fiscal 24 were made through credit cards? And to what extent is DOA consulted with our friends at the Guam Power Authority or the Guam Water Works Authority during this current fiscal year, recognizing that residential rate payers do not pay a convenience fee, presumably because the fee is built into each billing.

Theresa Rivers, Chief Financial Officer, DOA: Sorry, sir. Can you re repeat the first part of the question?

Senator Eulogio Shawn Gumataotao, Member: Okay. So when have you guys consulted with GPA, GWA recognize this is through your payments, through credit cards. There's a, can you help us with this idea of convenience fee?

Edward Birn, Director, Department of Administration: Okay. The I'll ask the CFO to deal with the statistical question you ask but the second part of the question is, you know, we actually receive some payments for GPA and GWA subscribers can pay their water bills at and their power bills at treasurer of Guam we receive a large number of credit card payments.

And when treasurer receives it, they now have two machines. One that charges the fee for those that have to pay the fee, which is businesses basically, and another machine that doesn't charge the fee which is for individuals in order to comply with the law that was passed last year.

The issue we've been having is with taxpayers who pay their taxes online, which is a DRT system, which we are trying to, we're working with DRT to resolve how we separate out into those two groups that we have been able to do. In order to make sure that the right people pay and the right, you know, and the right people don't pay.

But GPA and GWA absorb their fees. We have to live within the law, which says we can only absorb some fees, and we're working with that.

Senator Eulogio Shawn Gumataotao, Member: Did you wanna add, I'm sorry.

Theresa Rivers, Chief Financial Officer, DOA: So the work that we've done, with TOG Treasurer of Guam and her team have initially engaged with the various departments that are collecting and charging the services.

So, so far they have been able to receive so the portals or the terminals that are TOG utilize to receive payments for services that fall under the exempt fee. These have already been programmed to be as the director mentioned, to not charge the fee. So those, all of the terminals, wherever they are set up in different locations, those are already switched on to not charge the fee that was implemented I believe in March.

So the process all the charges that were charged for the personal pay is outside of what's charged at the DRT portal. Those are being reviewed and reimbursed. So as of May, about $150,000 worth of credit card fees charged to the payers, whether they paid their taxes or other services have been refunded.

So there are still more that we're working on, but it's a manual process. And I guess it's the engagement. Initially we needed to work with different vendors, the vendor for DRT and the vendor for the bank, because all of the credit card processes are done electronically, and it's when one system talking to another system.

So, and having to get the report to be able to identify which payers are, you know, personal payers and which payers are business payers. So, in some cases, the personal credit cards are used to pay business taxes per se. So it's a very complex process to be able to identify what's a personal pay and then request to do the reimbursement.

But once the terminals or the FPOS terminals at the TOG locations have been switched on, that does not require any further. It's just a refunding and giving the money, charging the right account to be reimbursed. But I hope I'm making sense.

Senator Eulogio Shawn Gumataotao, Member: No, you are. And and I appreciate the answer, I think for many people that, that use the, these terminals or going in to make these payments, more and more people versus a check are going down this road. And so hence trying to find ways to help them with the cost.

Edward Birn, Director, Department of Administration: Senator if I could also add, we've been talking to the bank about direct debits to accounts, which is generally cheaper.

The bank doesn't offer it for business customers at the moment. And we're a business customer, but they have assured us that they will in in, I think in the fall. So we obviously want to work with them because that would be cheaper for the customer and for us.

Senator Eulogio Shawn Gumataotao, Member: Okay. Got it. Just have a couple more questions.

Mr. Chair. Any outstanding payables to any of the public safety, emergency management agencies that you guys are foreseeing? I know that you mentioned to the vice speaker that you have about 4 million in outstanding payables, but any specifically to the public safety or emergency management agencies right now that you're aware of?

Edward Birn, Director, Department of Administration: Nothing's nothing that stands out that we know of.

Senator Eulogio Shawn Gumataotao, Member: Okay. I'm hoping they'll find one that has the website for the, our Homeland Security and Civil Defense. 'cause I mean, we're talking about, we're into the middle of the storm season, and no one has been able to access that website.

So I'm hoping that the team can go and say, nudge them and say, pay your stuff on time, or at least give us the bill.

Edward Birn, Director, Department of Administration: Yes, we will. And that's what we did with their access system.

Senator Eulogio Shawn Gumataotao, Member: Oh, I mean, that one was pretty big. Yes. But now they're public facing. Site, which all their information and the like is on there is not even being accessible.

Edward Birn, Director, Department of Administration: Yes, sir.

Senator Eulogio Shawn Gumataotao, Member: I mean, of a host of other things, obviously. Mr. Birn, I only have a couple questions as well, and I just wanted to ask about, you know, you mentioned earlier engagement of the agencies relative to you know, making sure they're getting their invoices to you. Do you guys at the cabinet meeting even talk about this stuff? 'cause it sounds like it's like it goes in their ears and then they're here saying, oh, I don't know. I have no clue. Or I did, but I'm still waiting for payment. Do you guys talk about that in the cabinet meetings?

Edward Birn, Director, Department of Administration: Yes, we do. Maybe as you suggest, I think in your question, we should do so more.

Senator Eulogio Shawn Gumataotao, Member: Yeah, I think so.

Edward Birn, Director, Department of Administration: You know, agency directors you know, to be fair are very busy and a problem isn't a problem until it becomes an emergency, then we hear about it. We certainly want both DOA and BBMR want to encourage agencies, like I was saying, not to treat these issues as urgent issues, but routine issues.

And, you know, and some, to be fair, there are some agency directors that perhaps a bit more experienced recognize that.

Senator Eulogio Shawn Gumataotao, Member: Yes, we do, and no, and I'll agree, but I'll say that you're just as busy as well, so, yeah. And it makes your staff even busier. Trying to process very late invoices and the like. I only have one more question, Mr. Birn. This is for, regarding the entirety of this FMIS system. I know that everyone loves that AS400, but it's gotta go at some point as early, any move to merge and get the data off so that you can move into the 2025 with modern data at what point, I know the judiciary stuck too. When do you guys just say thank you very much?

I know you say you wanna upgrade is, I mean, I get shocked that we even talk about upgrades when quite frankly we should be moving away from that and modernizing the rest of our data information systems.

Edward Birn, Director, Department of Administration: Yes, that is what I meant by our proposal was to move away from that. And I know public health is always trying, is trying to move away from that too.

People are comfortable with a system and maybe, you know, putting in a new system hasn't been the easiest task I've had over the last few years.

Senator Eulogio Shawn Gumataotao, Member: Oh, no. And I don't think, and we, I think we all appreciate that and we can understand, but I mean, this one singular legacy system continues to be for now 20, almost 20 years now becomes, it's become a problem just as we're trying to modernize and we're still kind of stuck.

I'm sure there's some practical uses today, but we've gotta start to move on and the amount of money that we're spending could be spent elsewhere. I am certain of it.

Edward Birn, Director, Department of Administration: Yes I absolutely, entirely agree with you. You know, the new FMIS system, I don't use the old system at all. Now, I only use the new system is, as you know, it's in the cloud.

You can access it anywhere. You don't need any hardware. That's the modern way of doing things. And I certainly would encourage all departments to move away.

However, staff are reluctant sometimes, but, you know, we train them, we cajole them, we get them actually even into, you know, into accounting to sit with us and move these things forward. So I share your concerns.

Senator Eulogio Shawn Gumataotao, Member: Thank you, Mr. Birn. Thank you DOA and thank you Mr. Chair for the time. I appreciate you.

Chairman Christopher M. Dueñas: You're welcome. Senator Gumataotao, Senator Telo Taitague.

Senator Telo Taitague: Good afternoon. Good morning to my colleagues. Thank you Mr. Chair and of course, good morning to everyone here from DOA. Thank you. You know, it was you mentioned earlier about $4 million of unpaid receipts or, you know, payables out. But of that $4 million that you mentioned, how many of there are 120 days over?

Edward Birn, Director, Department of Administration: I don't recall. I don't think it was much, but it was maybe a million.

Senator Telo Taitague: So there are. Vendors out there who have not got paid over 120 days, up to $1 million. Is there any reason why?

Edward Birn, Director, Department of Administration: Oh sure. There's a reason.

Senator Telo Taitague: Okay.

Edward Birn, Director, Department of Administration: You know, we have no reason not to pay an invoice.

Senator Telo Taitague: Okay.

Edward Birn, Director, Department of Administration: Let me be clear about that. If there's an invoice there you know, the cash is there. There's absolutely no reason if totally compliant that an invoice shouldn't be paid. Very often, well, not very often, but in, in these instances, they're not compliant. Either the agency gave us wrong information or the agency didn't have and we've had this even last week, didn't give us the right budget information or there were, you know, and so in some

cases there's a defect that by the vendor that needs to be fixed. So that amount is always rotating. It might be less now. Or it might be more now depending upon the particular invoices that we receive.

Senator Telo Taitague: So Mr. Birn, then the 120 days the counting of that by the vendor is even if there is a issue or some information they did not provide or any something that you said is needed, like all those excuses that you mentioned, right? Do you count that day from the time they, you know, you let them know that this is a problem and we need this additional information, or the application was filled out wrong or whatever the case may be. Do you start that timeline?

Edward Birn, Director, Department of Administration: The aging starts at the date of the invoice.

Senator Telo Taitague: The date of the invoice.

Edward Birn, Director, Department of Administration: And again, if we don't get it we can't put it into the system until we do get it.

Senator Telo Taitague: So it could be delayed on DOA side and that clock starts to tick if there is a delay there. It could be on DOA side too as well.

Edward Birn, Director, Department of Administration: It could be, yeah. There could be many reasons, but as I said in the beginning, we have no reason not to pay an invoice. It's, we have a reason to pay an invoice that we have to move on to the next one.

Senator Telo Taitague: Is there any of the 120 day invoices that need to be paid out are not being paid out because you don't have the funding?

Edward Birn, Director, Department of Administration: There are some invoices that get stuck because the agency, and again, I'm going to ask the CFO to address this because she had to deal with this last week or this week.

Senator Telo Taitague: Sure. If you can please. Yeah. Thank you.

Edward Birn, Director, Department of Administration: An example of what happens, right.

Senator Telo Taitague: Okay. Well, not I'm just asking a simple question. You know, of the 120 day vendors that are, you know, haven't been paid out in 120 days, is any of them standing still because there is no funding to pay them? Not because they haven't met their requirements, you know, but there's no money to pay them.

Theresa Rivers, Chief Financial Officer, DOA: The I don't have the exact details of if there is one out of the one, you know, in the 120 that the reason for delay is lack of payment.

Senator Telo Taitague: Lack of payment.

Theresa Rivers, Chief Financial Officer, DOA: Sorry, lack of budget funds to pay them. Yeah. The experience that we've, had is providing the incorrect, you know, getting the incorrect account details and the account to use did not have sufficient budget.

Senator Telo Taitague: Okay.

Theresa Rivers, Chief Financial Officer, DOA: Mainly because, yeah, money was sitting in a different account and there was incorrect information exchange between the party and the agency and our team. So it's trying to work through understanding what account to be used. And where the funding should come from.

Senator Telo Taitague: Right.

Theresa Rivers, Chief Financial Officer, DOA: So also including in that is the contract details. So if it's reliant on a contract, if this payment is based on an agreement in a contract, we also needed to make sure that the clauses in the contract are I clearly understood and are compliant with the rules. So I hear what you're saying, ma'am. Yes. There are cases that there are invoices that are unpaid due to lack of information or

Senator Telo Taitague: No, I'm saying lack of funding.

Theresa Rivers, Chief Financial Officer, DOA: Lack of funding, sorry. So there are cases that there are no funding available at all.

Senator Telo Taitague: Available. Right. Okay.

Theresa Rivers, Chief Financial Officer, DOA: And we've had to ask, help the agency look for funding or look at other ways where are the fund which accounts they can utilize. And that's…

Senator Telo Taitague: Could we get a data, a report on that? Could we get a report on how many of those that are out there? The people that are owed?

Theresa Rivers, Chief Financial Officer, DOA: Yes.

Senator Telo Taitague: Okay.

Theresa Rivers, Chief Financial Officer, DOA: We are actually working…

Senator Telo Taitague: because of lack of funding.

Edward Birn, Director, Department of Administration: It's lack of funding because generally a process lack failed procurement.

Senator Telo Taitague: So, oh no, I'm not talking about that. That's the reason Mr. Birn. I'm talking about what she just told us.

Edward Birn, Director, Department of Administration: Yes.

Senator Telo Taitague: That there are cases. So I'm just looking for that.

Edward Birn, Director, Department of Administration: Because the procurement didn't identify the funding.

Senator Telo Taitague: Yeah. But, and that's, I just asked her the question and she said there are cases

Edward Birn, Director, Department of Administration: Yes.

Senator Telo Taitague: That there are 120 days lapse and it's because there's no funding. It had nothing to do with the filling out the application. It's all in order. It's just that…

Edward Birn, Director, Department of Administration: But it does, Senator, that's what I'm trying to tell you.

Senator Telo Taitague: Well, okay. I'll get a report on that. Okay. And find out the explanation of these 120 day vendors who have not been paid yet and what the issues.

Edward Birn, Director, Department of Administration: We will be able to demonstrate that.

Senator Telo Taitague: Okay. That, yeah, it's $4 million up to $4 million. Speaking of your…

Edward Birn, Director, Department of Administration: No, sorry. That's the total outstanding invoice.

Senator Telo Taitague: Right. I understand.

Edward Birn, Director, Department of Administration: Not the 120 day invoices.

Senator Telo Taitague: No, I know it's 4 million.

Edward Birn, Director, Department of Administration: Yeah.

Senator Telo Taitague: Still, you know, we can follow through with that and find out what's happening with this, see if there's some kind of trend that's going on here regarding your contract, your office space that was mentioned earlier. It had gone up and you mentioned because you know, you need more employees or you need more space to do the responsibility jobs that the job that you do. But yet under power, it still stays the same from FY 25. So if you're getting more office space, then why aren't you've increased your power bill?

Edward Birn, Director, Department of Administration: The power bill is only the power bill for the building at Piti. The rent includes the rented ITC already includes power.

Senator Telo Taitague: I see. Okay. That explains it. So you're looking at increasing the rent. Increasing is at ITC at $851,424. Correct?

Edward Birn, Director, Department of Administration: Yes.

Senator Telo Taitague: Okay. The other question I've had the, you know, the where's my other questions? Okay. The system, the FMIS system, is everyone already hooked up to that?

Edward Birn, Director, Department of Administration: You don't need to be hooked up.

Senator Telo Taitague: Okay.

Edward Birn, Director, Department of Administration: It's in the, you just need a program, a website.

Senator Telo Taitague: Is everybody on, on, on it? And is it working well? And…

Edward Birn, Director, Department of Administration: it's working.

Senator Telo Taitague: It's working, but is it working well?

Edward Birn, Director, Department of Administration: Yes.

Senator Telo Taitague: Has there been any delays in processing of payroll or anything because of any issues with the system?

Edward Birn, Director, Department of Administration: No. Payroll is produced on time as the CFO said. We still got some agencies on the old system and we are pushing them as hard as we can to move to the new system.

Senator Telo Taitague: Okay. And the amount that of course, substantially have gone down from $7 million now to $3 million plus for the system. Next year, is it going to be the same thing, about 3 million? Are we expecting that for how many years moving forward?

Edward Birn, Director, Department of Administration: I think next year it goes down to over 2 million.

Senator Telo Taitague: Okay. So it go, it's a gradual decline?

Edward Birn, Director, Department of Administration: Yes.

Senator Telo Taitague: Okay. On this one. Okay. Recently you know, there was a decision made in the court regarding signatures for the governor. This has to do with, you know, procurement contracts. And this has to do also with purchase orders and based on Judge Iriarte findings that you know, based on Guam, GCA 2206, 22601, 22602 that anything is whatever nature quote, whenever nature is what she used for contracts. So thousands of contracts have gone into your office. Mr. Birns, do you plan on having the governor sign every single contract and procurement contract and purchase order moving forward?

Edward Birn, Director, Department of Administration: Senator, I hope you'll understand if I don't get too far into that, because it's still the subject of the, of a legal action.

Senator Telo Taitague: Yeah, but the order and decision came out already and it's public, you know, so it's not something you can't talk about. I'm just asking a simple question. Is DOA required now, moving forward, every contract and every procurement to be signed, and what happens to those contracts that have not been signed in the past or procurements? Can these individuals actually come and, you know, [inaudible] on their agreement because it wasn't signed properly based on the judge's findings?

Edward Birn, Director, Department of Administration: Respectfully, all that came out of the court so far was a preliminary injunction. The case is still ongoing and I am very reluctant to go into any detail on that, as I'm sure.

Senator Telo Taitague: Okay. No detail needed, just are you going to have every contract signed and procurement moving forward?

Edward Birn, Director, Department of Administration: I need to get legal advice on that as to whether it's necessary or not.

Senator Telo Taitague: Okay. That, thank you. So, you know, well I'll bring it up because, you know, it's also interfering in some other areas. It will have great effect in interfering in a lot of these agencies. So we're trying to get procurements through and contracts being needing to be signed. So, by the way does GovGuam have a contract for Bank of Guam for general banking services?

Edward Birn, Director, Department of Administration: No

Senator Telo Taitague: They don't. They don't have a contract?

Edward Birn, Director, Department of Administration: They don't have a contract.

Senator Telo Taitague: Okay. Do they have one for the credit card service contract?

Edward Birn, Director, Department of Administration: Yes, I believe they do.

Senator Telo Taitague: Okay. Can I get a copy of that too? Yeah, let you get a chance, if you can send it to me. Who signed that contract, by the way? The one for the credit card? Was it the governor that signed it?

Edward Birn, Director, Department of Administration: Well, if there's a contract, the governor will have signed it.

Senator Telo Taitague: Yeah. But isn't there a conflict in interest in that?

Edward Birn, Director, Department of Administration: Yes. Well in that case, I mean, in all those cases of conflict, the Lieutenant Governor signs.

Senator Telo Taitague: So he most likely signed it.

Edward Birn, Director, Department of Administration: Most likely.

Senator Telo Taitague: Okay. I'll get a copy of that. Of that contract. So other than that payroll has this not payroll, I already talked about that General pay plan adjustments. What is the status on that?

Edward Birn, Director, Department of Administration: In what respect?

Senator Telo Taitague: Well, in respect of, is it, you know, are you having any issues moving forward, adjusting these pay plans in a timely manner or any concerns? Just any concerns. But this was brought in the news in 2024 and sometimes agencies, you know, they still haven't corrected issues that they have and it's still lingering. So just checking if the Guam Pay Plan adjustments have been generally up to date.

Edward Birn, Director, Department of Administration: We're up, you know, generally…

Senator Telo Taitague: You're okay?

Edward Birn, Director, Department of Administration: We are up to date with the general pay plan. All those accumulated merit bonuses that we're accumulated from prior years. We've paid out all that we have occasionally, like we get one or two slipping through occasionally.

Senator Telo Taitague: Okay.

Edward Birn, Director, Department of Administration: But that's not significant.

Senator Telo Taitague: Okay. What about any lapses? Will you have any lapses for? Are you anticipating any lapses for FY 24? And what lapses did you have in FY 20, I mean FY 25. Have you anticipating any lapses in FY 25? And did you receive any lapses or have any lapses in FY 24?

Edward Birn, Director, Department of Administration: You know, that's generally a question for BBMR who monitor the lapses and not lapses. There was a surplus for Fiscal Year 24. We haven't been able to establish what exactly is yet because of GDOE as I mentioned before. But that indicates that. In areas there must be lapses, but that's a question which I would respectfully ask you to ask BBMR.

Senator Telo Taitague: Okay. So you don't know if you had any lapses for FY 24, is what you're saying for you?

Edward Birn, Director, Department of Administration: No.

Senator Telo Taitague: For your particular agency?

Edward Birn, Director, Department of Administration: You mean for DOA?

Senator Telo Taitague: Yes. Yes, sir. This is DOA.

Edward Birn, Director, Department of Administration: Well, we…

Senator Telo Taitague: Right. We're I'm in the right room. Right? Well, okay.

Edward Birn, Director, Department of Administration: We work for the whole government. So, we did have some underspends. We are not a, an agency that's allowed to carry forward our obligations. So they disappeared at the end of the, at the end of the year.

Senator Telo Taitague: Okay. Well, thank you so much for that. Okay. Thank you, Mr. Chair. Thank you for the opportunity.

Chairman Christopher M. Dueñas: Si yu'os ma'ase and I would also like to welcome Senator Perez. Senator Barnett. You're next.

Si yu'os ma'ase, Mr. Chairman, manamna si yu'os to the people of Guam watching and good morning Mr. Birn and Ms. Rivers and Ms. Quitugua, thank you for your presentation. Yeah, I just had some questions on the Guam Financial Management Information System. Ms. Rivers in your presentation, you said that one of the priorities for this, upcoming fiscal year is better utilization of the Guam Financial Management Information system with focus on resolving issues flagged via user service requests and implement process improvements. You also said that the agency has received some constructive feedback. I think the term is constructive criticism. And so if you could just elaborate on that information. It's only a sentence, so.

Theresa Rivers, Chief Financial Officer, DOA: That's fine.

Senator Chris Barnett: Thank you ma'am.

Theresa Rivers, Chief Financial Officer, DOA: Yes. So obviously the chief FMIS has obviously when we implemented it, that obviously created a lot of, and, you know, implementing a new system does come with challenges and working with the groups and the end users to understand those challenges.

We are also the end users as well ourselves. So as we utilize the system we identify certain shortfalls that helps us improve our management of our financials. So I guess some of the reoccurring queries that we get, that we raise service requests are is to do with availability or when we migrate financials or accounts from the old system to the new system.

We need to ensure the mappings are correct for example. Whatever the accounts that we're capturing appropriations in the old system, we need to make sure that the correct account is established in the new system to capture the same details. And it's a work in progress. We, I did mention in one of the slides that one of the biggest focus that we were working on is a data cleanse, cleaning the data that we moved from the AS400 to 365, which includes over 4,900 accounts.

And so the task in trying to ensure that the mapping is correctly done and it's correctly migrating the correct information and the correct information is then captured is one of the, in the accounting side. In terms of the other users some of the queries that we do receive is to do with navigating the system, understanding where the balances are recorded and access to the system itself, uploading you know, work requests through the system i.e. invoices. We have we've heard the feedback and we've started meetings with the different agencies, the large agencies in terms of improving the turnaround time, of processing payments. We have worked on providing, extend, extending access to upload invoices from the agency side and so in the when we implemented the system, that access wasn't available.

To the agencies with the concerns that they've flagged in a delay in getting the invoices. We've gone down that path of putting those trainings in place. So those are some of the issues that payroll also that came up a number of cases when we first implemented the delay in getting the deductions to the bank, to the banks, which impacted employees obviously their loans and stuff.

So we've worked to improve that in terms of making sure when the payroll is processed, the deductions are sent to the to the banks within the timeframe. We had some issues last year. We've improved and we've been able to remit the deductions at least prior to the due date before within the due date.

There are still some minor things we're working on to try and improve, but the biggest concern we had last year or last few months was to do with meeting timelines for deductions for employee deductions. We have improved. We haven't seen a lot of escalations or none so far, but if there are out there we will continue to work on. But those are the key concerns that we received.

Senator Chris Barnett: Thank you for that. Ms. Rivers, you know, some of the concerns I received aren't necessarily relative to line agency employees being able to navigate the new system. I know that Mr. Birn and his testimony, and this is just my estimation, kind of through the agency employees under the bus, but I know of agencies where you have very seasoned, very tenured, very experienced employees who are very knowledgeable about invoice submission and dealing with vendors.

And I hear back from these agencies and these are agencies that have been dealing with particular vendors for a long time, I hear back from them, oh, the vendor's going to cut the service because we can't get payment out of DOA. So how do you address those types of instances? Which it seems like we have $4 million worth of those types of things.

Theresa Rivers, Chief Financial Officer, DOA: So I guess as I sort of referenced earlier, we've heard the feedback, we've engaged with like the MCOG group, the Department of Health we have separate sessions now with their key staff sitting with our team to work through the extending the access to what we call the X flow, where they can directly upload the invoices themselves instead of sending the invoices to the inbox, which is, you know, we receive over a hundred invoices in one day from one agency if there's a mad rush, which is close to the end of the financial year.

So we're trying to work with the agencies. We've understand completely the concerns they have and hence the reason why we're doing our best to engage and work on grant granting access, but also pushing through solutions on some of the issues that they're raising and I know it's not perfect yet.

We will get there with the support of the agencies and I do myself closely working with the team. We do look at the outstanding and the aging invoices on a regular basis. So we'll do the, we're continuing to work, and that's the challenge and a priority over the next few years as we get used to the new system.

Edward Birn, Director, Department of Administration: We have no buses at DOA. The two biggest problems we had in implementing this new system was one, getting the information out of the old system. Not surprising because the old system was a kind of flat system, whereas this is a relationship system. So, the requirements that extract the information and make it fit into the new system absorbed a lot of the

effort from our vendor and so, and that took time. The second problem we have with the new system is agencies, or not people, or it was a it's not really their fault, but they've only experienced one system in the past. So they strive to do things in the way that was, they were forced to use under the old system. Whereas the new system actually allows them much more freedom to operate and is more of an accounting system and that just takes time for people to get used to it.

Senator Chris Barnett: Thank you for that. Mr. Birn, I know you're talking up the financial management Information system, but, you know, at the end of the day, still not able to pay the bills on time and this is just what I hear from the agencies and it is concerning because, and this particular agency which they asked me not to mention because they're worried that it's going to lead to further delays you know, we're talking about vendors that have to do with like public notices and things like that.

And so something as simple as sending out a public notice and you get a, you know, message back from whatever media entity, oh, sorry. Your credit's no good here. And it's, and you know, come to find out it's you know, whether it's the employees not understanding the system or the backup of invoices because we've had you here, in here before, and I remember there was a point in early last year where you had said you had over a thousand, I believe it was like 30,000 active invoices to deal with. So that's just my concern that I'm sharing with the employees from the employees.

Edward Birn, Director, Department of Administration: Please, can I put in contact, you know, $4 million worth of outstanding invoices is really small and that's just, you know, the weekly turnover of invoices, we're not going to pay every invoice. As soon as you get it, you accumulate invoices and pay a batch of invoices.

Senator Chris Barnett: So, we paid 7 million. And then now for this fiscal year it's $3.8. How much of the total cost which has been reported in the media, the total cost of this management system is $31 million. Is that correct?

Edward Birn, Director, Department of Administration: That's the contract value, yes.

Senator Chris Barnett: Is that inclusive of all the different upgrades that are required?

Edward Birn, Director, Department of Administration: We've had two change orders and two that have changed orders that were required afterwards because of new circumstances. None of all of that is less than a hundred thousand.

Senator Chris Barnett: So this amount that we're seeing in the budget is just chipping away at the $31 million?

Edward Birn, Director, Department of Administration: Yes.

Senator Chris Barnett: Total. Okay. So, you know, one of my colleagues in here was talking about the rush to, to migrate to the new system. Why can't you just unplug the old one and use the new one? What's still in that AS400?

Edward Birn, Director, Department of Administration: As I was explaining, Senator, the, there's two areas. What one is the revenue system that was not contemplated by the contract that we now wish to upgrade to the new system.

Senator Chris Barnett: How much would that upgrade be?

Edward Birn, Director, Department of Administration: We don't know yet. We are still trying to research that and the second one is the PH pro system, which uses the as, it's a public health system. We get information out of it. But it's up to public health to do that. And as we explained, we are working with agencies quickly to move them on the payroll side, which there are eight agencies you told me that still use the old payroll system because they feel comfortable with it. And we've been, you know, we've worked with them not to force 'em onto the new system until they feel comfortable.

Senator Chris Barnett: How is this new system procured?

Edward Birn, Director, Department of Administration: It was a competitive bid for this new system. Yes.

Senator Chris Barnett: You know, there was a quote in the media March of 2024. The quote raised, the first few months are rocky. I'm confident in a few months

everything will be very optimum and you'll be seeing a lot of performance times exceeded. That was Lieutenant Governor said that a year ago. Is that accurate today in 2025? Are we seeing performance times exceeded and because it kind of sounds like we still have a lot of issues with the system.

Edward Birn, Director, Department of Administration: Well, I would say yes, compared with the old system. We have exceeded performance times.

Senator Chris Barnett: I mean, when you compare that…

Edward Birn, Director, Department of Administration: It must have done…

Senator Chris Barnett: When you compare the new system to itself a year ago it also seems like you're making a little progress.

Edward Birn, Director, Department of Administration: It must have done because we reduced the payables by 90%. So we must have made some progress.

Senator Chris Barnett: You know, as we discussed some of the measures before the body of the, particularly the business privilege tax rollback. One of the talking points of proponents for this issue is the raises, right? They talk about raises specifically the raises given to the cabinet members.

And I know the media has reported on these $10,000 raises. In some cases, you've gotten a $10,000 raise. I know the chief of staff as also seen a significant increase and then also had his brother-in-law hired over at your department. But when the media asked for the metric for this, because you have classified employees, there's a metric that they measure against. I don't believe one was provided. So are you able to say what that metric is? Is it just willy-nilly? The governor likes you, you get 10 grand? If she doesn't, you get two grand, three grand.

Edward Birn, Director, Department of Administration: Well, are you asking about the cabinet members' salaries?

Senator Chris Barnett: Yes, sir.

Edward Birn, Director, Department of Administration: Yes. Well, just let me point out that's not a DOA budget item, so.

Senator Chris Barnett: You process those, it's

Edward Birn, Director, Department of Administration: Yes, of course, but it's not a DOA budget item. I just want to be absolutely clear. Right. The governor has the authority to set and she doesn't necessarily discuss with me to set the salaries of the cabinet members, and we get the authorization to pay those amounts and those are the amounts that we pay.

Senator Chris Barnett: Yeah and then you have the personnel services administrator and all your people sign off on it. And you're doing that just based on the governor's authority to increase these unclassified employees salaries.

Edward Birn, Director, Department of Administration: The governor's signature is on there. I feel comfortable.

Senator Chris Barnett: Okay. Good morning, Ms. Quitugua. How are you?

Andriana Quitugua, Acting Chief Procurement Officer, DOA: I'm okay.

Senator Chris Barnett: Okay. I really appreciate what you said about not rubber stamping the procurements. You know, I think a lot of times with the procurement law though, you know, people say it's got its issues. I find that they run into problems when they're trying to pari-pari the procurement system. So I greatly appreciate you stating for the record that you don't rubber stamp any procurements, but I wanted to ask, because it kind of begs the question when you say something like that on the record, are you ever like, pressured to push specific procurements through?

Andriana Quitugua, Acting Chief Procurement Officer, DOA: Oh, no. When I say I don't rubber stamp, it's sometimes when a requisition comes in, it doesn't, it's, doesn't mean it's always ready really for a purchase order.

Senator Chris Barnett: Right.

Andriana Quitugua, Acting Chief Procurement Officer, DOA: There are some documents that are missing that need to be in compliant with the Guam procurement law and the procurement regulations, or it's something very technical that GSA wasn't involved in the planning process. And so it's trying to understand whether this requisition is really going to get the agencies what they need really to perform their

function. So it's, I've never received any pressure to sign any purchase orders or contract anything. Not in compliance with Law.

Senator Chris Barnett: Was GSA involved in the procurement of the new financial management information system?

Andriana Quitugua, Acting Chief Procurement Officer, DOA: No. It was a request for proposal under the Department of Administration.

Senator Chris Barnett: Can you speak to just, you know, with your expertise in procurement a lot of the issues that we're seeing after the fact with the financial management information system, would these have flown if GSA had been involved in the procurement?

Andriana Quitugua, Acting Chief Procurement Officer, DOA: I don't think I can say yes or no because I know the person that was doing the administration of the procurement had all their four modules. So I don't want to say that if GSA was involved, it would've been different because we are both module trained for all four procurement modules.

Senator Chris Barnett: Thank you and I'm not trying to turn this into an oversight hearing on the financial management information system, which I would absolutely welcome. I mean, since the previous term, we're still, we've received concerns then we're receiving the same concerns now, but, you know, we're not really big on the oversight hearings in this new legislature. But I would just state that for the record that I think it warrants a deeper discussion, sir.

Edward Birn, Director, Department of Administration: But sir, it would be helpful if we have a concern to tell us, because we can address it.

Senator Chris Barnett: I am telling you.

Edward Birn, Director, Department of Administration: The agency you are talking about, whichever it is, I think is mistaken because we're not going, we're not, we are not we are not going to take revenge on anybody. If there's an issue, we want to address it.

Senator Chris Barnett: And I'm not accusing you of saying, you know, you're going to take revenge on people. But I think it's very commonplace in the government of Guam where employees feel and worry about retaliation or threats. And this is just for, you know, stating facts to senators or, you know, just anybody in general. I know you know better than that.

Edward Birn, Director, Department of Administration: Not from me.

Senator Chris Barnett: Okay. Thank you. Thank you, Mr. Chair.

Chairman Christopher M. Dueñas: Si yu'os ma'ase to address your comment on oversight. A lot of times oversight is a little bit overused. We did an informational briefing whereby we had a detailed presentation by Department of Administration on the current status of the FMIS. That is why in this current slide presentation from the panel, they updated us in terms of the current and still ongoing concerns. Oversights are usually used when you contemplate some sort of legislation where you would be changing maybe the structure of the organization or the, like I know some other senators feel as though it's a different purpose. But truth be told, informational briefings are really much more appropriate when you're trying to get updates on systems and information this time. Senator Terlaje, you are recognized.

Senator Therese Terlaje: Thank you. I want to start off with the, when the chair asked if you, your budget was within the governor's cap, you said it was, but the spreadsheet says that it's $888,000 above the governor's request. So how do you mean that it's within her cap?

Edward Birn, Director, Department of Administration: Could you tell me what you're looking at?

Senator Therese Terlaje: I'm looking at this spreadsheet. I don't know if it came from OFB, but on the variance FY 26 agency requests versus governor's requests. The total is $888,000.

Edward Birn, Director, Department of Administration: I've seen this for the first time this morning. I really don't know where the numbers come from.

Senator Therese Terlaje: Okay. Actually, now I'm thinking it's because these things on the bottom are all those pass through special lines that we put into the budget. Oh, for additional items audit.

Chairman Christopher M. Dueñas: Correct. I address that from the onset, and also the notes on the bottom in red will indicate where the 24 going.

Senator Therese Terlaje: Thank you, Mr. Chair.

Edward Birn, Director, Department of Administration: So if I could answer that, now that I'm looking at it the Governor's executive budget request is for the general fund and for certain special funds. And these are out as I think the chairman was saying, these are outside that limit.

Senator Therese Terlaje: All right. Well, it does show amounts that the governor had requested. Right. But still a variance. The self-insurance is this amount. Correct. What does that mean? What does this amount under self-insurance mean? $686. Who is that for? Well, it says division of accounts, self-insured. The first line.

Edward Birn, Director, Department of Administration: Oh I'm not, I don't know. I'd have to look at these numbers. Senator, to answer your question properly and I will do so.

Senator Therese Terlaje: Oh, all right. Well, can you just talk about the self-insurance contract? What are the changes then? What are the changes in costs?

Edward Birn, Director, Department of Administration: Yes. Again, with the you know, with the morning that we are in the middle of negotiations but we are in the middle of negotiations for a TPA to administer the self-insured contract for Fiscal Year 26. Those negotiations are ongoing. They, the, we haven't received the best and final offer yet from those bidders. We have received some information, which we are evaluating to determine what the expected claims are going to be. I think the last time you asked me our estimate, but this is not a refined number yet, so our estimate was something just under $200 million. I think the last number I saw out was like $190 million.

Edward Birn, Director, Department of Administration: That's for the government. Government share.

Senator Therese Terlaje: Government wide?

Edward Birn, Director, Department of Administration: No, that's the total cost. Government wide.

Senator Therese Terlaje: Alright, but government share?

Edward Birn, Director, Department of Administration: No, that's the total. Total cost.

Senator Therese Terlaje: Oh, total cost.

Edward Birn, Director, Department of Administration: Yeah.

Senator Therese Terlaje: What about for the third party administrators? You're entering, it says a multi-year contract.

Edward Birn, Director, Department of Administration: It isn't because legislation doesn't allow us to do that. We did ask for a bill to have a three-year contract and there are several reasons for that. Including the fact that we want to have a direct contract with a pharmacy benefit manager because as I mentioned pharmacy costs are a growing element of our medical costs. But no pharmacy benefit manager will do enter into a one year contract. So that's one of the reasons why we ask for a three year contract.

Senator Therese Terlaje: But that would have to be for the next fiscal year because your renegotiations must end soon, isn't that right?

Edward Birn, Director, Department of Administration: Yes. Yes. It won't affect fiscal 26.

Senator Therese Terlaje: Okay.

Edward Birn, Director, Department of Administration: No, it's too late.

Senator Therese Terlaje: Alright. I just was asking because it's on this list. And then alright. But the claims fund was reduced from $100,000 to $75,000 in FY 25 is the $75,000 enough? What have you seen under the claims?

Edward Birn, Director, Department of Administration: I think we'd sent out a report. I think it was like $45,000 year to date.

Senator Therese Terlaje: So it's more than enough at this point so far.

Edward Birn, Director, Department of Administration: Yes.

Senator Therese Terlaje: Are there, are you aware of outstanding claims that will exceed that amount?

Edward Birn, Director, Department of Administration: Not of government claims, no.

Senator Therese Terlaje: Okay and Andriana, Ms. Quitugua, can I ask you, the list says the recentralization of procurement is, what does that mean? Because we were supposed to have a centralized procurement system.

Andriana Quitugua, Acting Chief Procurement Officer, DOA: Yes. We always did have a centralized, when I say recentralization when I was, became the acting Chief Procurement Officer, because of the volume that was coming into the General services agency my predecessor had decentralized part of the procurement process, meaning that if there was a requisition that was under the small purchase threshold, agencies were able to conduct the procurement process such as the request for quote process, and then they would submit it into GSA and the chief procurement officer would review and sign the purchase order based on the assessment by the agencies.

And so when I came in the middle of the fiscal year, we continued that process because I didn't want to just change it to all the agencies. And, but I did find some compliance matters with that. And so once fiscal year 2025 was coming about, I had decentralized that process, so I took it back. And it's only the general services agency buyers that are properly trained to conduct procurement that can process these requisitions.

Senator Therese Terlaje: Right. Do you believe that causes more consistency in our procurement?

Andriana Quitugua, Acting Chief Procurement Officer, DOA: Yes. So it is, it will be more consistent. It is more consistent now. And so I don't blame the agencies for the way they were doing it when I did come in because sometimes the training is different. The module training does wonders, but sometimes when you're a properly trained buyer you're a procurement professional. There are factors that maybe the module training didn't really get to that you would get if you're a developed buyer and so.

Senator Therese Terlaje: Okay. And are they the ones who, the buyers are the ones who are creating the specs?

Andriana Quitugua, Acting Chief Procurement Officer, DOA: So the agencies create the specs in the beginning part of their market research. And when they submit it into the buyers, what the buyers do is they'll look at your specifications and ensure that it is open for competition, but also that it does meet your needs. So if there is a spec that might be lacking, they will contact the agency and have a conversation on what we can do to improve the specs so we get what they need.

Senator Therese Terlaje: All right. Because my interpretation, just my own, that it's the specs that really make us either be subject to challenge or not if we don't get that right at that stage. So I'm glad that you're closely overseeing that.

Edward Birn, Director, Department of Administration: Yes I would support that and it came up at that meeting we had with the Chamber of Commerce last week.

Senator Therese Terlaje: What?

Edward Birn, Director, Department of Administration: How the criticality of the specs.

Senator Therese Terlaje: Okay. Thank you. Mr. Birn, can you just complete, you were talking about the four separate agencies that you wait for or that you obtained data that has to be submitted into the FY 23 audit, GDOE, the legislature. What were the other two?

Edward Birn, Director, Department of Administration: The public defender and the judiciary.

Senator Therese Terlaje: Thank you. What exactly is the issue with GDOE? What is causing the delay because they have personnel there, and is it because of the federal funds and they're waiting for responses? What is it?

Edward Birn, Director, Department of Administration: Well, I can't give you a really definitive answer because I don't know yet. Because we haven't got a hold, we haven't got a hold of the figures. From what I hear from the auditors is it is principally. And I guess I, I would have to look at this myself to validate this, but it's principally not knowing whether an expenditure or revenue is a local expenditure or revenue or a federal expenditure or revenue. And that has something to do with the accounting system. And I'd love, you know, I'd really like to be able to answer you more clearly because that would be the path to resolving it, but I don't have the information yet.

Senator Therese Terlaje: Maybe they're trying to fit things under the federal, right. Like the salaries and the raises that they did before and now I, right.

Edward Birn, Director, Department of Administration: And you know, the background to all this, of course, is a an uncertainty in DC that right. They thought they were certain and they would get that money. Now things in their view have changed. Right. But as I say, I'm not sure whether that's real or not. Unreal at this moment.

Chairman Christopher M. Dueñas: Just real quick on this though, because this is important. I mean, it's a snapshot in time. It's the trial balance that they're not being able to reconcile and that's huge. I mean, you can't start unless you have a starting point. And this is what the auditors pointed out.

Edward Birn, Director, Department of Administration: Yes.

Chairman Christopher M. Dueñas: That is that you, they have a system, you know, that has their, you know, all of their information. It's getting to their trial balance. That's a reconciliation.

Edward Birn, Director, Department of Administration: From what I, under, again, it's not really clear to me. I. But yes, you're right. The trial balance is the gateway to the audit. But when you start to look in the content of those balances, that appears to be the issue. And I don't know what's in those balances.

Senator Therese Terlaje: Thank you, Mr. Birn. On your budget request, this, these are two minor items where you, it says vacancies, it says vacant, and then parentheses, it says vice, colon, and then a name parentheses. What does that mean?

Edward Birn, Director, Department of Administration: I'm not really keen on that, but it's been the practice for a long time. It means that somebody previous, that person previously occupied that position.

Senator Therese Terlaje: Okay. Alright. Thank you. Still vacant and you're trying to feel at least 17 more vacancies this fiscal year. Two in procurement.

Edward Birn, Director, Department of Administration: Two In procurement. I think seven in HR and three in accounting.

Senator Therese Terlaje: Yeah. Alright, so the procurement, you've explained what those increased personnel is going to do for us. The HR seven, that's a lot. So did we lose those people? And we need to, but those, these are vacancies to be filled or new positions you're adding on.

Edward Birn, Director, Department of Administration: No losing, you know, we didn't lose, we had two re three retirements and we had two people move to I think two, maybe one or two different agencies. Yes. And we had some ongoing vacancies because some of those vice can relate to prior years. You know, that some that may have been vacant for more than a year.

Senator Therese Terlaje: Alright. Is that, would you say the cause of delays in hiring that the agencies complain about?

Edward Birn, Director, Department of Administration: It certainly doesn't help if you don't have the people to do the work. The new system, you know, and I don't know if you had the opportunity to see this part of it, but the, it, the GG1 process, you can see exactly where each authorization is. And so what used to take like three

weeks and nobody knew where the piece of paper was now takes four days to go through the system. So now we have a whole lot of people that are in ready to be recruited and now, and so now we've recognized a bottleneck in the recruiting department and we're working to fix that.

Senator Therese Terlaje: Alright. That will be done soon.

Edward Birn, Director, Department of Administration: Well, yes, absolutely.

Senator Therese Terlaje: Alright.

Edward Birn, Director, Department of Administration: It's a, you know, with HR, it's heal thyself, right?

Senator Therese Terlaje: All right. There's another item in your budget that says bank fees $21,907, but it's under a functional area. What is that?

Edward Birn, Director, Department of Administration: Well, we, it perhaps shouldn't, oh, these bank fees. I'm looking at this sheet. Am I looking? It's not on that sheet.

Senator Therese Terlaje: It's not on that sheet, it's in your request. [inaudible] I got this from before today.

Edward Birn, Director, Department of Administration: Let's see. Oh, I'm sorry. On the, yeah, we have some minor bank fees that we have to pay. Some of them relate to bond accounts, and some of them relate to the administration of our operating accounts.

Senator Therese Terlaje: You mean like regular monthly bank fees that all your accounts have to pay?

Edward Birn, Director, Department of Administration: Yes, some of them are the bond the bond fees.

Senator Therese Terlaje: Oh, bond. Okay. Thank you. Under the health insurance contract, if I remember correctly, the allowed for the government of Guam to maybe overrule the TPA once in a while if necessary. Has that happened and how often?

Edward Birn, Director, Department of Administration: Seldom. It's not really overruling them because it's our policy, not theirs. What we undertaken to do with the TPAs is to adhere to their general policies. But from time to time emergencies occur and I can only think at the moment of three during this current year where we've said to them, you need to do something in a different way. Mostly it relates to really serious accidents or traumas and that sometimes that requires a medical flight, which you know, it's a matter of life or death.

Senator Therese Terlaje: So they've been denying those and you've been actually able to cover the medical flights?

Edward Birn, Director, Department of Administration: Well, it's not in their policy. Yeah. They pay 50%, but 50% it's of a very large number. Yes. So we've you know, we want to preserve life.

Senator Therese Terlaje: Right. Alright. Are there any other issues that have come up? For example, cancer medicine coverage?

Edward Birn, Director, Department of Administration: The perennial things that come up was, first of all, in at the end of last year, there was a pharmaceutical shortage nationally and that impacted us because some of the pharmacies didn't have the regular drugs that people were used to. And sometimes that meant that we had to in order to fulfill their prescriptions, the pharmacies use more expensive drugs that that shortage now has disappeared and we're back to a regular process. But that's a good example of what, of unexpected things that happen.

Senator Therese Terlaje: Okay. Thank you. You just talked briefly about considering you had considered bulk purchase of government of Guam office space did you ever consider lease to own? Because I heard that idea in another hearing. And what is the status of the central GA government of Guam building that, you know.

Edward Birn, Director, Department of Administration: With the Hesler Place building?

Senator Therese Terlaje: No, they were supposed to build a government of Guam office building down in Hagatna for several agencies.

Edward Birn, Director, Department of Administration: Okay, well, yes HRRAs long term mandate is to do that, but it hasn't been done. So we are faced with leasing space, at least for the unless we find another solution for the foreseeable future. Up to now, this has been done agency by agency, which isn't a very efficient way of doing it. Now we have the property services manager at DOA. We are looking at doing it in bigger chunks so that we don't spend a whole lot of time, or GSA doesn't spend a whole lot of time. Dealing with individual small leases and he started in December, so we are just starting down, you know, that track. In order to maximize, you know, if we can negotiate with landlords for bigger spaces, theoretically that should be cheaper rents.

Senator Therese Terlaje: Alright. You have, so this is a new position. Who is that?

Edward Birn, Director, Department of Administration: Pete Aguon.

Senator Therese Terlaje: Pardon?

Edward Birn, Director, Department of Administration: Pete Aguon. Pete. It's a new position he started in December.

Senator Therese Terlaje: Okay, great. Have they, is lease to own one of your considerations?

Edward Birn, Director, Department of Administration: Yes, it should be. I don't think we've looked at it, but it should be.

Senator Therese Terlaje: Alright. I just want to confirm one thing. In your role as in the financial review committee for GMH did they receive the money for the labor and delivery appropriation? Or are they having issues in getting that money or not?

Edward Birn, Director, Department of Administration: Well they haven't I don't actually remember because we've given them so much money over the last and, you know, that's fine. If they need the money, we should give it to them. I don't recall the individual slices, but I'll let you know.

Senator Therese Terlaje: All right. And then, I know that they have their own issues in using it getting bids, but I just want to make sure whether they're actually

not being denied that money. The last thing is just on the salary of cabinet members. That is not pursuant to a pay plan.

Edward Birn, Director, Department of Administration: No.

Senator Therese Terlaje: I thought there was a director's pay plan, no? I didn't look at it but.

Edward Birn, Director, Department of Administration: There is an executive pay plan

Senator Therese Terlaje: Yes.

Edward Birn, Director, Department of Administration: And the recipients the cabinet members are fitted into the appropriate slotting. But it's dependent on the governor.

Senator Therese Terlaje: To fit the person into a slot effectively on that plan.

Edward Birn, Director, Department of Administration: Yes.

Senator Therese Terlaje: I see. Okay. So when they say raises, it's really a movement into a different slot.

Edward Birn, Director, Department of Administration: It might be I don't think there were two at the last one. I don't think there were some people the, you know, not all cabinet members actually got an increase, but it was, so there were only a few movements to my recollection.

Senator Therese Terlaje: Alright. I just want to know if that pay plan is still effective or not.

Edward Birn, Director, Department of Administration: There's a, yes, there's an executive pay plan. It hasn't been reviewed like the others probably should be.

Senator Therese Terlaje: All right. Well, thank you. Thank you all for all your work and si yu'os ma'ase, Mr. Chair.

Chairman Christopher M. Dueñas: Thank you Senator Terlaje. Senator Perez. You're recognized.

Senator Sabina Perez: Thank you, Mr. Chair. Good morning to Director Birn, Theresa Rivers and Andriana. I just want to thank DOA for their hard work. I know you guys do a lot. So some questions in regards to the Guam Community Health Center. So that's something that wasn't in last budget, but is in this budget as a pass through. Can you explain what that's about?

Edward Birn, Director, Department of Administration: Yes and thank you for your kind words. We have an, there's a DOA employee in the health center. It's paid for the person, the, it's actually the position's currently vacant because the occupant left, but it's paid for by the health center, but is an accounting position. So that's why it's been treated as a pass through.

Senator Sabina Perez: So the health center, do they provide services to DPHSS? Is that what this is about?

Edward Birn, Director, Department of Administration: It's accounting for the health center.

Senator Sabina Perez: Okay.

Edward Birn, Director, Department of Administration: So they do things like the financial reporting to the board, the billing, the Medicare billing, that kind of activity.

Senator Sabina Perez: Okay. All right. And then let's see what else. Yeah, a lot of questions are asked in regards to the FMIS system. So to what extent does it relieve personnel responsibilities, if any?

Edward Birn, Director, Department of Administration: Can I ask Ms. Rivers to address that.

Senator Sabina Perez: Okay.

Edward Birn, Director, Department of Administration: Thank you.

Theresa Rivers, Chief Financial Officer, DOA: If you're I guess the question is, when do we see automation kicks in and reduces resourcing? Is that what you're trying to

Senator Sabina Perez: Yeah, so to some extent, can automation help with the workload of what

Theresa Rivers, Chief Financial Officer, DOA: Absolutely.

Senator Sabina Perez: And to what extent can that

Theresa Rivers, Chief Financial Officer, DOA: Yeah.

Yes. Basically that's the question.

Theresa Rivers, Chief Financial Officer, DOA: So the goal, I mean, when the system works as it should, and we can see that it's 99, 90% there we definitely should be able to see capacity released and we can redirect those resources to reviewing our procedures and other stuff. But right now, we're still working through getting used to the system and you know, supporting agencies resolve some of the challenges we're facing.

But yes, most definitely, once everything is in order, we should expect some capacity release. In terms of, you know, we don't, we could see a reduction in resources, but can be redirected to other key areas. Yes. Sorry.

Senator Sabina Perez: Okay.

Theresa Rivers, Chief Financial Officer, DOA: Wrong question. So, an answer to the question.

Senator Sabina Perez: No that's yeah. What I was going for, because I know some of the issues or concerns by some what I hear from constituents is that the objectivity perhaps of handling applicants.

And so with automation, do you see that as an improvement in the system?

Theresa Rivers, Chief Financial Officer, DOA: We can certainly, we've seen that already in, say, for example, the payroll process. It's been we see the paperless no

longer a huge factor the team. If our CPO was here, he could testify to that in terms of the reduction in the paper.

Therefore it reduces the amount of time that they need to gather the paper input. Everything is in the system. So, yes, we see the automation as an improved aspect to getting our work done. Yes.

Senator Sabina Perez: What about the ranking of applicants? Because that's some of the things we hear that certain applicants get a advantage because of the perhaps interventions that take place.

Theresa Rivers, Chief Financial Officer, DOA: I will actually defer that response to the director. The ranking of applicants isn't in the FMIS system at present, it was excluded.

Edward Birn, Director, Department of Administration: We are now, actually, it's one of the things that were changes we're looking at, is actually incorporating it more closely into the system. It's an old system to it.

I've been asking quite a lot of questions about it lately because I'm not sure it always, if you, I'm not sure it always gives the right result. For instance somebody who's high ranked. Doesn't get selected. That raises a question in my mind and we're looking at it.

Senator Sabina Perez: Absolutely. I hear that quite a bit and it's concerning.

And anything you can do to rectify that I appreciate that.

Edward Birn, Director, Department of Administration: Yes, we are.

Senator Sabina Perez: The other thing I see is the increase in contractual services. And I think a big part of it is the actuarial consultant. And can you explain why the increase such an increase in cost?

Edward Birn, Director, Department of Administration: Well, I think I did address this to some extent, but, you know, actuaries are expensive to begin with.

They're highly qualified people. So, you know, their cost went up as same as everybody else, but we are asking them to do additional tasks, like I mentioned the

feasibility of paying for medi card part D because that reduces the pharmacy cost, but include, but we have to deal with the deductible that each of the subscribers has to pay because it, you have to reach a deductible of 2000 before Medicare takes over and pays for the actual drugs. So that's a ki that's an actuarial thing that we're, we are, that we've asked them to look at. And also we mentioned the need to have a pharmacy benefit manager. You know, they have to validate the rebates that we get, they have, and we are asking them to audit some of the old contracts too.

Senator Sabina Perez: Okay. So basically it's an increased scope of work.

Edward Birn, Director, Department of Administration: Yes.

Senator Sabina Perez: Therefore increase in cost?

Edward Birn, Director, Department of Administration: Yes.

Senator Sabina Perez: Okay. The other thing, it's timing. So unfortunately the insurance contract happens after the budget and then we call upon the agencies to absorb the cost within their appropriated levels.

I know you were requesting for three year contracts which can also lower the cost. What about timing? Can anything be done with a timing?

Edward Birn, Director, Department of Administration: We're trying very hard to get the whole thing done by the end of July this year. We can't make something that's inherently complex, simple, but I'm very fortunate to have a negotiating team currently who are really working really hard and always turn up at the meetings.

So we are working hard to get the report to the Governor by the end of July, and we actually have a schedule that does that. At the moment. We are working hard to adhere to it.

Senator Sabina Perez: Okay. Another timing issue is the federal. Fiscal cycle versus the local fiscal cycle. And so it puts a bind on a lot of agencies when it comes to procurement.

How can we assist these agencies so that money, they're not put under this pressure and the risk of leaving money on the table is decreased. I know we had this

discussion before when there was an informational hearing with a public auditor, but what steps can DOA take or what recommendations that you can make to help these agencies?

Edward Birn, Director, Department of Administration: I'm going to ask if I may in a minute Ms. River, to talk about the grants part of the of the FMIS system. But that wouldn't work if we don't get people putting information into it. So, the first issue we sometimes have you know, for big grants like Medicaid, we don't always get the grant on day on October 1st.

Sometimes we get it October 16th or whatever. And so there's inherently a, you know, a federal delay in that. And there's little we can do about that except try to catch up for multi-year grants. There is absolutely no reason why agencies shouldn't continue to spend, you know, for the two year grants that we get, continue to spend those multi-year grants as we go through, as I indicated before, there's a tendency to be conservative and not spend until you get to, towards the end of the grant for fear of overcommitting. And that's just experience that agencies and DOA and BBMR have to get to make, you know, to manage those grants efficiently. So that doesn't happen because when it does, and it doesn't happen to everything, but when it does, then GSA gets a backlog of procurements or to do in a very short period of time.

We do try and accommodate agencies. There are some agencies that have asked us to keep procurement open beyond our normal period. And I think in almost every case we have, right? Yeah.

Senator Sabina Perez: Is it because the reliance on small purchases or can we basically direct them more towards IDIQs? I mean, is this something that would help?

Edward Birn, Director, Department of Administration: It's generally for the more complex, larger contracts that are the subject of these grants. I didn't mention, but perhaps should that we have now inventory and tender. So that should help for really small purchases because tender's available. Perhaps you'd like to talk about that.

Andriana Quitugua, Acting Chief Procurement Officer, DOA: So some of the things that we did this fiscal year is we did do a lot of indefinite quantity bits.

One of them, and I know it's been a concern, is our government store. And so I just signed a contract for office and janitorial supplies and a circular will be forthcoming to the agencies about what types of supplies are there at tender. So they won't need to go through a tedious procurement process and they can just purchase it directly from our tenda.

Senator Sabina Perez: Okay. That's great. Yeah, definitely moving the direction of bulk purchasing for shared needs. And let's see. I think those are my questions, so thank you. Thank you so much.

Edward Birn, Director, Department of Administration: Thank you Senator.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'åse,* just a question that came in before I close. Director Birn. Sorry, I pulled it up real quick here. It's re regarding government buildings. The question was Mr. Birn talk about new building government purchased Guam Behavioral Health and DPHSS say they're paying for the utilities.

For the new assisted living facility in Tamuning and new women's children homeless shelter in Anigua. Can you address that?

Edward Birn, Director, Department of Administration: Who's paying the utilities?

Chairman Christopher M. Dueñas: So, Guam Behavioral Health.

Edward Birn, Director, Department of Administration: Yes.

Chairman Christopher M. Dueñas: And DPHSS say they're paying for utilities for the new assisted living facility in Tamuning and the new women's and children homeless shelter in Anigua.

Edward Birn, Director, Department of Administration: Well, to, to my knowledge that the Anigua shelter, we are paying the utilities at the moment, but it's not open yet. So the utilities, it's not like there's a whole lot of utilities. For the the assisted well, by the assisted living, they mean the step down facility in Tamuning?

Chairman Christopher M. Dueñas: Yes.

Edward Birn, Director, Department of Administration: Yeah it's still being it's still under construction.

So the contractor is still paying the utilities for that. It's almost done. And when it is, the occupant will pay the utilities.

Chairman Christopher M. Dueñas: Okay. We'll do a follow up if there's any need for us to email you on this concern that came in, so I appreciate that.

Edward Birn, Director, Department of Administration: Sure.

Chairman Christopher M. Dueñas: Director and the team, I appreciate your presence here today and your presentation.

I'll put this on the record, Andy, they don't want you to leave, but I know you have a bright future no matter where you go, but thank you for the work that you've done. Like I said I've gotten such a great feedback in terms of GSA and the like. What I wanted to mention again perhaps Director Birn on our maybe before or on our next presentation by the public auditor for highlights we will go once again over, I think we need to get a benchmark on the FMIS and, you know, Director Birn I just think that you do continue to, and I remember this as a director of field questions you know, that are sent to senators and I get it, you know, but I really think maybe on the next schedule of this invite the directors if they want to come down and, you know, jump up on the table or jump step up to the table.

Excuse me, jump on the table. Maybe they will if they're upset but you know, maybe that's what we'll do is you can send out an invitation. We'll send out an invitation as well if they want to come down and discuss their specific issues. I do know that when I met with the financial division as well as HR they did mention that you know, it, it can be a little bit of both, but generally it's a communication issue in terms of them needing to reach out to DOA for additional technical assistance.

And if you want to address that real quick, but I think that might be the best format of the next informational.

Edward Birn, Director, Department of Administration: Certainly Senator, we might consider actually setting it up here so that we can demonstrate what it is since it's in the cloud, we could, we can do it anywhere.

Chairman Christopher M. Dueñas: I think that'd be a great presentation.

And like I said you know, we we'll have that as an open invitation. It's high public you know, it's of high public interest and it's been bantered about. So I, during this term, I want to stay on it. And, but like I said I think it's better when we have a constructive conversation where, you know, we're talking about how it's working and how it's going to get there.

I know that you've continued to improve the team, so I appreciate your efforts. So with that we will now conclude this morning's budget hearing on Bill No. 44-38 (COR). That is the bill relative to the budget and the Department Administration. The committee will continue to accept written testimony on the bill within seven calendar days from today, which can be addressed to myself, Senator Christopher M. Dueñas as chairman of the Committee and mail to 163 West Chalan Santo Papa, Hagatna 96910. You may also send your questions to my email at senator.duenas@guamlegislature.gov. This morning's budget hearing is now adjourned and the time is 11:23AM. We are in adjournment.

Edward Birn, Director, Department of Administration: Thank you, chairman.

The Budget Hearing was adjourned at 11:23 a.m.

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Thursday, June 19, 2025, at 2:00 P.M.

Department of Public Works (DPW)

Office of Finance and Budget <ofb@guamlegislature.gov>

RESCIND & REPLACE - FIRST NOTICE - FY26 Budget Hearing on June 19, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Thu, Jun 12, 2025 at 9:02 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 12, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **FIRST NOTICE - FY26 Budget Hearing on June 19, 2025**

The Committee on Finance and Government Operations will conduct a budget hearing on **Thursday, June 19, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am
- **Department of Administration (DOA)**

2:00 pm
- **Department of Public Works (DPW)**

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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Office of Finance and Budget (OFB)
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Website: www.ofbguam.org

2 attachments

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June 12, 2025

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FIRST NOTICE - FY26 Budget Hearing on June 19, 2025

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FIRST NOTICE - FY26 Budget Hearing on June 19, 2025

PUBLIC HEARING

Posted on: 06/12/2025 09:00 AM

Posted by: Camarin Breton

Public Hearing Date: 06/19/2025 09:00 AM

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s):
OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

Notice Topic(s): PUBLIC HEARING (/notices?topic_id=74)

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- **Department of Public Works (DPW)**

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THE GUAM LEGISLATURE

Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on June 19, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Mon, Jun 16, 2025 at 8:58 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 16, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on June 19, 2025

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9:00 am

- **Department of Administration (DOA)**

2:00 pm

- **Department of Public Works (DPW)**

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Website: www.ofbguam.org

2 attachments

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Second Notice OFB Budget Hearing 6.19.25 (DOA & DPW).pdf
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FOR IMMEDIATE RELEASE
June 16, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

Re: **SECOND NOTICE - FY26 Budget Hearing on June 19, 2025**

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SECOND NOTICE - FY26 Budget Hearing on June 19, 2025

SECOND NOTICE - FY26 Budget Hearing on June 19, 2025

PUBLIC HEARING

Posted on: 06/16/2025 08:59 AM

Posted by: Camarin Breton

Public Hearing Date: 06/19/2025 09:00 AM

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s): OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

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2:00 pm

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BUDGET HEARING AGENDA

Thursday, June 19, 2025 – Guam Congress Building

2:00 P.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Department of Public Works (DPW)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 19, 2025 **Time: 2:00 p.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

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-- Relative to Department of Public Works

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Linda T. Baker	DPW	[redacted]	linda.tbaker@dpw.guam.gov				
2	Erica Leon Guerrero	DPW	[redacted]					✓
3	Vincent P. Arriola	DPW				✓	✓	
4								
5								
6								
7								
8								
9								
10								
11								
12								

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 19, 2025 **Time: 2:00 p.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

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– Relative to Department of Public Works

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	[illegible]	DPW BUS 925	[redacted]					
2	Anthony C. Gumataotao Jr.	DPW Bus Op.						
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								

The Honorable
LOURDES A. LEON GUERRERO
Maga' Hâga · Governor

The Honorable
JOSHUA F. TENORIO
Sigundo Maga' Lâhi · Lieutenant Governor

public works
DIPATTAMENTON CHE'CHO' PUPBLEKO
VINCENT P. ARRIOLA
Director
LINDA J. IBANEZ
Deputy Director
ERNEST G. CANDOLETA, JR.
Deputy Director

June 19, 2025

The Honorable Christopher Duenas
Chairman, Committee on General Government
Operations and Appropriations
I Mina'trentai Ocho Na Liheslaturan Guåhan
Thirty-Eighth Guam Legislature

Re.: Department of Public Work's Fiscal Year 2026 Proposed Budget

Hafa Adai Senator Duenas and Members of the Committee,

On behalf of the dedicated men and women at the Department of Public Works, I am pleased to present our proposed Fiscal Year 2026 Budget. DPW's total budget request amounts to **$22.4 Million**, an increase of just under $500,000 from last fiscal year. As you probably know, DPW's budget comes from two major funding sources that are slated for legislative appropriations for our general operational costs. The funding sources are the Territorial Educational Facilities Fund (TEFF) and the Guam Highway Fund (GHF). As in previous fiscal years, DPW's operational costs related to the Bus Operations Division will be fully funded by the TEFF. With the enactment of Public Law 36-105, other Divisions to include Administrative Services, Highways, Capital Improvement Projects, Transportation Maintenance and Building Maintenance, will be funded by the General Fund and Guam Highway Fund.

DPW is prepared to work within our given budget levels. With the additional funding coming from federal grants and programs, DPW will continue to plan, coordinate, and implement a number of projects and activities that will benefit our island residents.

As I go through our budget presentation, I will be discussing important issues in employee hiring and retention. The labor field on Guam for technical personnel is very competitive….and these positions include Engineers, Planners, Electricians, Air-conditioning technicians, Plumbers, etc. Because of this, it is very difficult to hire individuals for these positions given our current salary structure.

Another issue I'll be discussing will be our current workload addressing abandoned vehicles, waste sites island-wide, and homeless encampments.

Please allow me now to present DPW's budget through the following presentation.

Again, on behalf of the fine women and men working at the Department of Public Works, I am very pleased to present our FY2026 budget for your review and approval. My staff and I would be most happy to discuss our proposal and to answer questions you may have.

Si Yu'os Ma'åse!

VINCENT P. ARRIOLA

cc: Honorable Maga'hågå • Governor Lourdes A. Leon Guerrero
Governor's Office, Chief of Staff (COS)
Governor's Office, Chief Financial Advisor (CFA)
Bureau of Budget and Management Research (BBMR)

public works
DIPATTAMENTON CHE'CHO' PUPBLEKO

DEPARTMENT OF PUBLIC WORKS

FY 2026 Legislative Budget Hearing

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
38TH GUAM LEGISLATURE

Senator Christopher M. Duenas
Chairperson, Committee on Finance &
General Government
Operations and Appropriations

DPW Director Vincent P. Arriola
DPW Deputy Director Linda J. Ibanez
DPW Deputy Director Ernest Candoleta Jr.

June 19, 2025

DPW OVERALL BUDGET REQUEST

	FY 2026	FY 2025	Variance
GHF	$10,274,822	$9,829,096	$445,726
General Fund	$4,244,999	$4,278,008	- $33,009
GEFF (Bus Ops)	$7,907,558	$7,874,549	$33,009
TOTAL	$22,427,379	$21,981,653	$445,726

SUMMARY BY OBJECT CLASS – GENERAL FUND, GUAM HIGHWAY FUND, GEFF

111	Regular salaries	$10,569,695
112	Overtime	$233,193
113	Benefits	$6,040,390
230	Contract services	$3,297,030
240	Supply / materials	$961,249
250	Equipment	$82,000

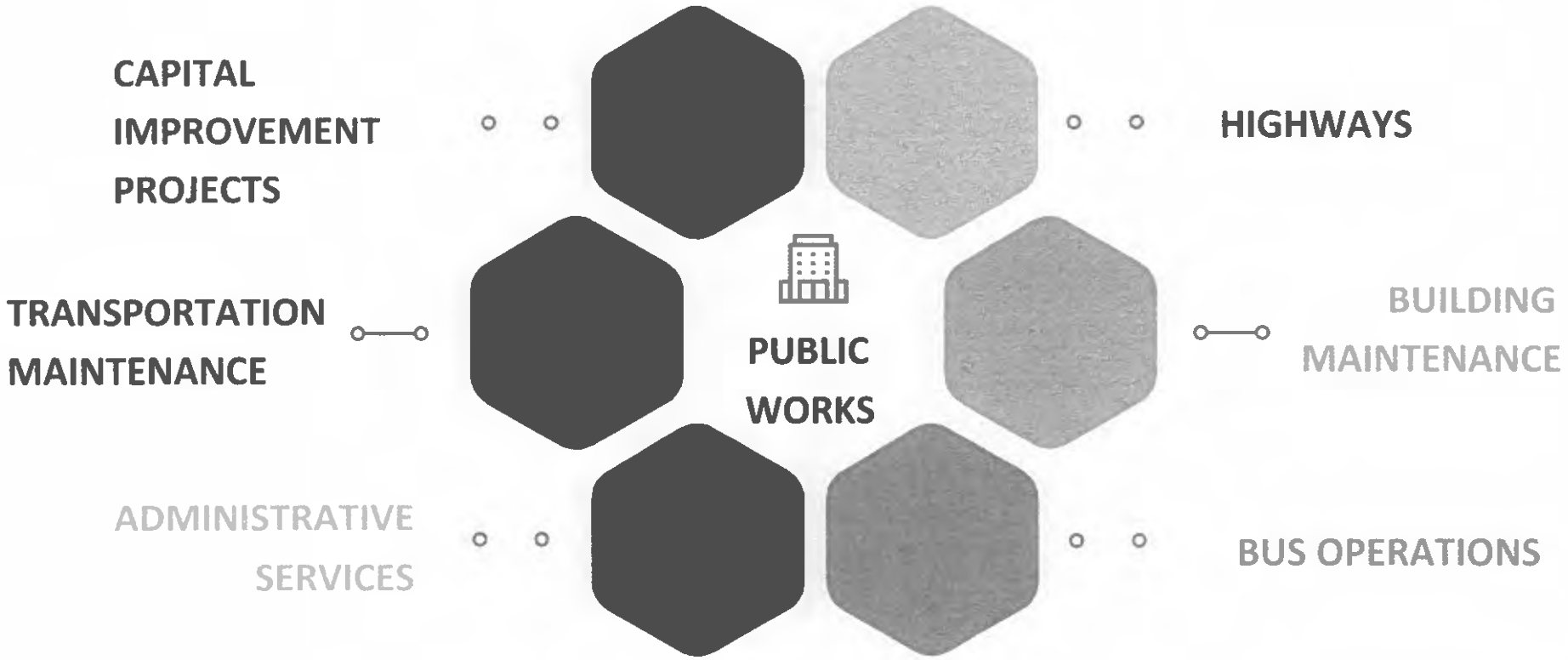
271	Drug testing	$880
361	Power	$497,716
362	Water / sewer	$265,726
363	Telephone	$69,500
450	Capital outlay	$410,000
	TOTAL	$22,427,379

DPW MANDATES

More specifically, DPW oversees and maintains:

- 166+ miles of primary roads and road shoulders
- 862+ miles of secondary roads, streets, and public easements
- 60+ bridges and culverts
- 88+ ponding basins
- 1,000+ storm drains
- 48 UIC dry well systems
- Traffic signs, safety signs, street signs
- Compliance with federal mandates for our Coral Pit in Dededo; and for ponding basins, outfalls, and rivers
- 107+ school buses transporting thousands of students
- Over 17,000 public streetlights
- All government-funded Capital Improvement Projects
- Maintenance of hundreds of government vehicles

DPW DIVISIONS



CAPITAL IMPROVEMENT PROJECTS DIVISION

This division provides professional and technical services for the government's infrastructure projects, and technical support to the island community at large.

CIP reviews and assesses building plans, performs construction estimates, and evaluates the conditions of current government buildings for renovations and/or expansion.

The procurement for all government funded construction protests is handled by CIP's, with the exception of autonomous agencies.

Total number of CIP projects: 47

Total cost of projects: $93,670,119.64

CAPITAL IMPROVEMENT PROJECTS DIVISION

Specific goals for Fiscal Year 2026

- Continue oversight on all construction projects ensuring compliance with the Guam Building Code.
- Aggressively prepare and process Invitations for Bid relative to capital improvement projects.
  - Expecting to begin procurement and construction for 47 projects.
    - (22 Registered) (25 Not Registered)
- Push for the review and assessment of current salary structure.

CAPITAL IMPROVEMENT PROJECTS

Hagåtña Swimming Pool, $7,981,500

Paseo Stadium in Hagåtña, $1,279,320

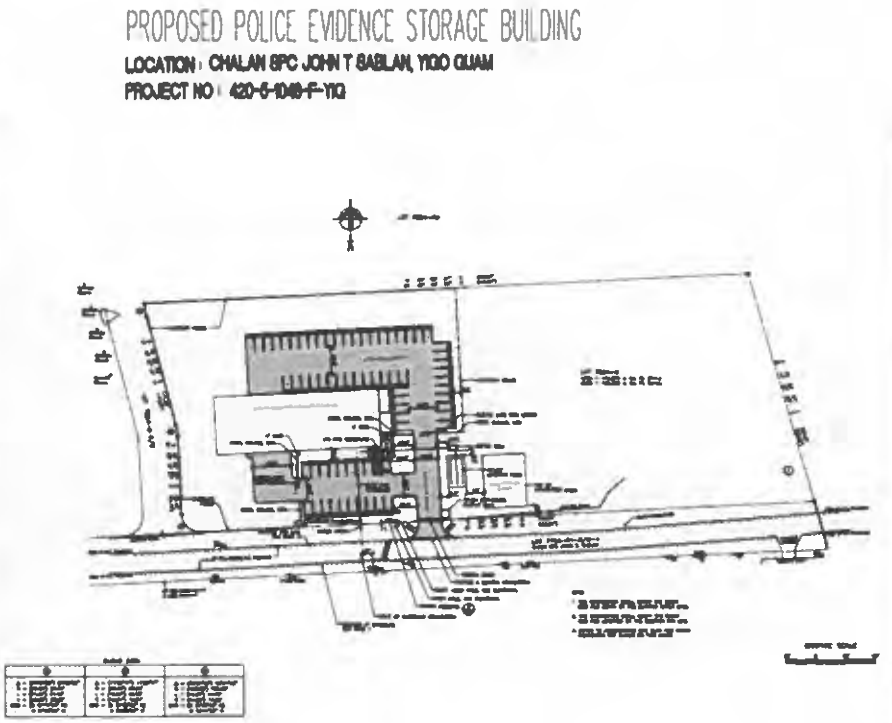
CAPITAL IMPROVEMENT PROJECTS

BIO LAB in Mangilao, $29,491,455

Public Health Bldg Assessment in Mangilao, $970,000

CAPITAL IMPROVEMENT PROJECTS

GPD Evidence Building in Yigo, $4,288,690



HIGHWAYS DIVISION

This division provides overall management and administration of the Guam Highways and Village Streets Paving Program, including planning, design, and construction of all roadways and capital improvement projects.

It also maintains and restores the Guam Highway System, which includes:

- All primary, secondary, and collective roads
- Village streets
- Steel and concrete bridges
- Flood control systems
- Ponding basins
- Guardrails
- Traffic directional signs
- Street name signs
- Speed limit signs
- Road shoulders
- Pothole repairs
- Quality control inspections for highway encroachment permits
- Dry well maintenance
- Water quality analysis

HIGHWAYS DIVISION

Specific goals for Fiscal Year 2026

- Ensure upgrading of roads and construction.
- Continue village street repairs and upgrade projects.
- Maintain roadways.
- Increase maintenance of ponding basins.
- Mitigate storm damage through flood control.
- Address soil erosion and landslides.
- Recruit staff to perform roadways construction and maintenance, maintain storm drains, and continue flood mitigation and erosion control efforts.
- Recruit staff to maintain bridges, culverts, and rivers.
- Recruit staff to construct and maintain streetlights and traffic lights, oversee encroachment, and perform construction inspections.

HIGHWAYS DIVISION

Culverts

Ponding Basins

HIGHWAYS DIVISION

Flood control (Pågo Bay pictured)

HIGHWAYS DIVISION

Road Striping and Guardrail Maintenance

GHF Village Streets Paving Program FY 2025

Source	Appropriation	Expenditures	Encumbered work orders	Balance
HMC bike lane / village streets road resurfacing	$1,500,000	$199,322.02	$965,205.40	$335,472.58
Road resurfacing / repairs	$2,000,000	$549,596.79	$134,396.34	$1,316,006.87
GHF	$4,044,575	$2,001,623.08	$130,754.95	$1,912,196.97
TOTAL:	$7,544,575	$2,750,541.89	$1,230,356.69	$3,563,676.42

Island-wide Safety Improvements (Striping and Marking) (IDIQ): Route 1, Route 11 to Route 6

Abandoned Vehicle and Tire Collection

Public Law 37-60, introduced by Sen. Sabina Perez and co-sponsors as Bill 104-37, streamlines the process of removing abandoned and/or junk vehicles.

The law allows for a vehicle to be removed by DPW if it has been parked for more than 24 hours on public or private property without the expressed consent of the landowner.

DPW has collected over 150 abandoned vehicles since the bill became law.

BUILDING MAINTENANCE DIVISION

This division provides maintenance services, repairs, construction services, and upkeep for public buildings and facilities government-wide.

Number of government facilities	**30**
Number of plumbing requests	**355**
Number of electrical services	**365**
Number of carpentry requests	**400**
Number of air-conditioner repairs	**112**
TOTAL REQUESTS	**1,262**

BUILDING MAINTENANCE DIVISION

Government House in Agana Heights

Senior Citizens Centers

Ricardo J. Bordallo Governor's Complex in Adelup

BUILDING MAINTENANCE DIVISION

Specific goals for Fiscal Year 2026

- Continue to recruit for personnel in the Electrical Shop and Paint Shop, and personnel in plumbing, carpentry, refrigeration and air conditioning, and maintenance and custodial services.
- Push for review and assessment of current salary levels.

BUS OPERATIONS DIVISION

This division provides and ensures safe transportation services for Guam's public and private school students to and from their respective schools throughout the school year and over the summer break.

Additionally, Bus Operations provides our students with safe busing services for school-related activities including field trips and sporting events.

The division also assists with emergency evacuations and other services as authorized by the Governor of Guam and/or the DPW Director.

BUS OPERATIONS DIVISION

Specific goals for Fiscal Year 2026

- Ensure school bus drivers maintain their annual recertification in first aid, CPR, and rodeo (obstacle and road test).
- Supervisors will continue to conduct physical and visual inspection of bus drivers to determine and confirm fit-for-duty status.
- Continue random drug testing periodically.
- Coordinate with the Department of Labor on seeking qualified applicants for the Bus Driver Boot Camp program.
- Conduct enhanced training on driver safety and the negative effects of driving under the influence.
- Re-bid for Electric School Buses

TRANSPORTATION MAINTENANCE DIVISION

This division oversees the maintenance and repair of all DPW vehicles, buses, heavy equipment, and operational equipment.

Transportation Maintenance also serves as the official motor pool custodian and fleet inventory manager for all Government of Guam line agency vehicles.

TRANSPORTATION MAINTENANCE DIVISION

Description	Pending number of repairs	Total cost of repairs
Light Auto Shop	28	$20,250
Heavy Equipment Shop	22	$100,000
Semi-Heavy Auto Shop	59	$120,000
TOTAL PENDING FOR REPAIRS	109	$240,250
TOTAL REPAIRS YTD	1108	$188,250

TRANSPORTATION MAINTENANCE DIVISION

TRANSPORTATION MAINTENANCE DIVISION

Specific goals for Fiscal Year 2026

- Ensure mechanics are trained and certified in Automotive Service Excellence.
- Enter into a partnership with the Guam Community College or with the Department of Labor's Apprenticeship Program.
- Increase the efficiency time for equipment repairs.
- Purchase of new diagnostic equipment.

ADMINISTRATIVE SERVICES DIVISION

This division provides administrative, financial and budget management, and personnel support to all programs under the purview of DPW, including:

REPORTS

- Annual procurement plan
- Annual FOIA report
- Annual Civil Service report

BUDGET

- Budget call
- Budget certification
- Budget Act
- Allotment schedule
- Staffing pattern

COMPLIANCE

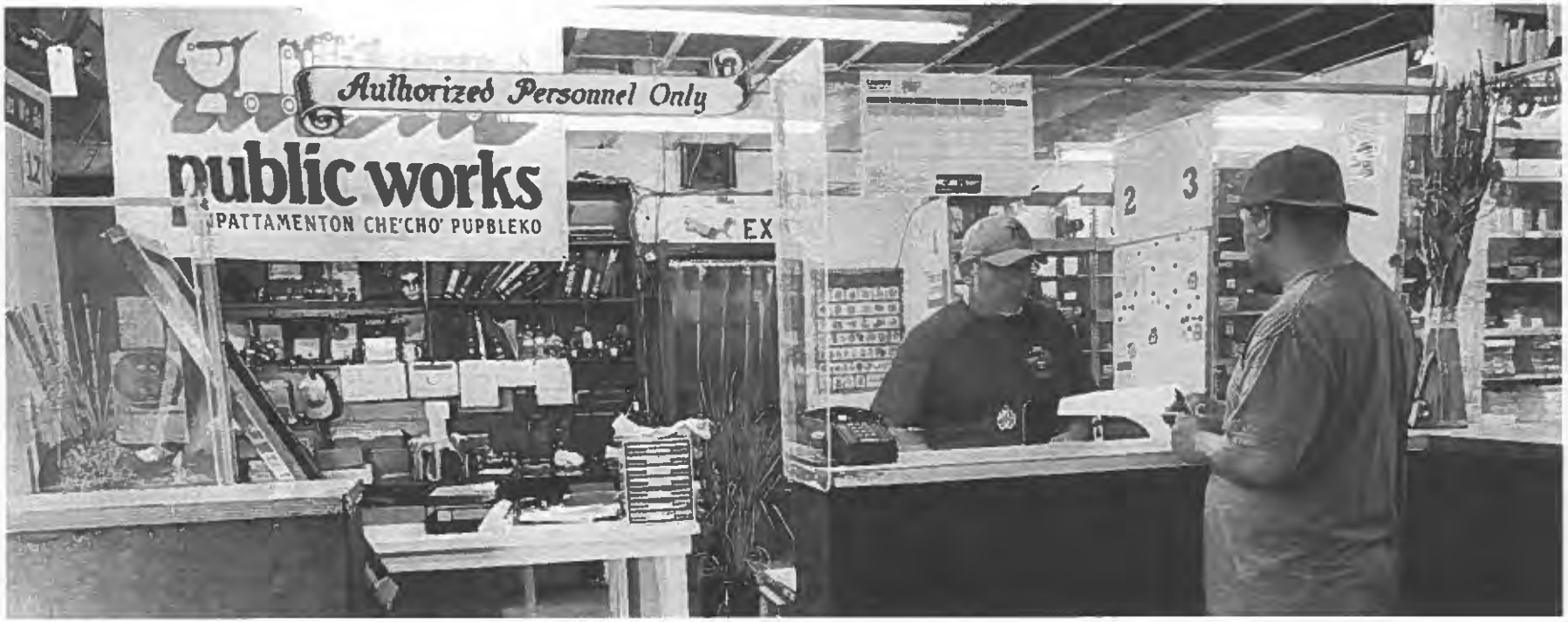
- Guam Ethics Commission (annual)
- Grant project status (semi-annual)
- Federal grants inventory listing
- Annual BSP Compact-Impact
- Citizen-Centric Report
- Financial quarterly reports
- Procurement training compliance

ADMINISTRATIVE SERVICES DIVISION

Safety and security in the DPW compound

ADMINISTRATIVE SERVICES DIVISION

Warehouse and inventory management



ADMINISTRATIVE SERVICES DIVISION

Specific goals for Fiscal Year 2026

- **Ensure Workforce Readiness:** Conduct quarterly training audits and coordinate credential renewal or recertification for all mission-critical personnel (procurement, finance, admin, maintenance, etc.)
- **Expand Procurement Training & Compliance:** Increase training on Guam Procurement Law, GSA processes, and federal grant procurement compliance.
- **Strengthen CIP Reporting Support:** Implement a streamlined process for project status reports, budget tracking, and compliance documentation for both local and federally funded project
- **Enhance Workplace Accountability:** Expand departmental drug testing in alignment with DPW's workplace safety policy and Governor's Executive Orders.

FY 2025 Staffing Pattern and Recruitment

Division	Staffing pattern (10/1/24) WARM BODIES	FY25 funded vacancies	FY25 Filled positions	FY26 proposed funded vacancies
Administrative Services	18	2	4	2
Building Maintenance	8	9	0	9
Bus Operations	102	17	9	18
Capital Improvement Projects	4	0	1	0
Highways	35	6	14	25
Transportation Maintenance	17	1	5	1
TOTAL	184	35	33	55

FY 2025 Recruitment Challenges

In Fiscal Year 2025, DPW faced challenges in recruiting for the following positions:

- School bus drivers
- Engineers I, II, and III (all disciplines)
- Construction inspectors
- Carpenters
- Refrigeration mechanics
- Automotive mechanics
- Heavy equipment mechanics
- Building inspectors
- Laborers
- Surveyors

FY 2025 Requisitions Submitted to GSA

Division	Total requisitions submitted	Total requisitions amounts	Total purchase orders issued
Administrative Services	21	$188,302	7
Building Maintenance	15	$43,261	13
Bus Operations	17	$125,030.11	17
Capital Improvement Projects	14	$356,913.48	8
Highways	44	$795,091.06	29
Transportation Maintenance	31	$366,139.25	18
TOTAL	142	$1,874,736.90	92

Federal Grants

Funding source	Description	Estimated cost	Status
US DOT RAISE grants 2024	Planning / design Route 10A reconstruction and complete street Phase I upgrade	$25,000,000	Awarded
US DOT RAISE grants 2024	Route 14B Phase II, reconstruction and widening of Ypao Road	$25,000,000	Not awarded
US DOT RAISE grants 2024	Route 10A Phase I, reconstruction and widening from GIAA to Route 16	$25,000,000	Not awarded

Federal Grants

Funding source	Description	Estimated cost	Status
US EPA DERA Clean Diesel Grant	Type C Diesel School Bus	$184,495	Awarded
US EPA Clean School Bus Program (electric school buses)	Zero-emission and clean school buses (25 each)	$9,800,000 ($9,300,000 for buses and $500,000 for charging infrastructure)	GSA bid protest

FY 2026 Federal Grants (Anticipated)

Federal Highway Administration

FHWA (100% federal): $17,577,000

- Route 10 safety improvements, Phase I and Phase II
- Islandwide pavement striping and marking
- Islandwide guardrail repairs
- Islandwide bridge preventive maintenance
- Hagåtña Memorial
- Islandwide accessibility accommodation and drainage improvements
- Route 14B (Ypao Road) reconstruction and widening, Phase II

Federal Grants

Route 14B

Federal Grants

Route 5

Federal Grants

Chalan San Antonio roundabout

OFFICE OF HIGHWAY SAFETY (OHS)

FY 2026 Federal Grants (Anticipated)

Office of Highway Safety (OHS)

Saving Lives on Guam's Roads

OHS is a Division of DPW that is 100% federally funded by the National Highway Traffic Safety Administration (NHTSA).

Mission: To prevent motor vehicle crashes, reduce fatalities and serious injuries - with a goal of ZERO roadway fatalities.

Approach: Data-driven and community informed strategies guided by the 4 "E's" in Traffic Safety - Enforcement, Education, Emergency Response, and Engineering.

Anticipated Funding for FY 2026: $3 Million

Provides Subgrant Funding To: GPD, Port and Airport Police, Judiciary, GFD, AG's Office, DRT, and NGOs.

OFFICE OF HIGHWAY SAFETY (OHS)

FY 2026 Strategic Initiatives

- Community-Centered Safety Planning: Safe Streets Community Council Model.
- Directed Policing & Joint Enforcement: Coordinated traffic safety operations among law enforcement partners.
- Regional Training: Host a Pacific-wide SFST, ARIDE, and DITEP training workshops.
- CPST Training: Host an island-wide CPST Certification and Instructors Certification Training.
- Digital Access to Data: Revitalize Guam's Traffic Records Coordinating Committee (TRCC) to launch a centralized crash data reporting system. The TRCC will comprise: GPD, GFD, Judiciary, DMV, OAG, FHWA, Port & Airport Police, Park Police, and DPHSS, to name a few.
- Heatstroke Prevention Tech Campaign: Promote rear-seat alert systems and best practices.
- Youth and Faith-Based Outreach in underserved communities.
- Vision Zero Campaign Launch: New Strategy for ZERO fatalities goal.

OFFICE OF HIGHWAY SAFETY (OHS)

What We Fund

Programs that Save Lives

- Alcohol and Drug Countermeasures
- Occupant Protection
- Police Traffic (Speeding)
- Traffic Records Information
- Pedestrian and Bicycle Safety
- Emergency Medical Services
- Planning and Administration
- Marketing and Media Campaigns
- Distracted Driving
- Heatstroke & Unattended Passengers

OFFICE OF HIGHWAY SAFETY (OHS)

FY2024 - FY2025 Program Highlights

Outreach and Education

Total Events: 50

- 19 Community Outreach Events (10 in 2024, 9 in 2025)
- 31 Child Passenger Safety Education Events (13 in 2024, 18 in 2025)
- 31 Car Seats Distributed (13 in 2024, 18 in 2025)
- 3 Public Participation Events for Pedestrian & Bicycle Safety (1 in 2024, 2 in 2025)
- 3 Planning Meetings

Enforcement

- # of Citations Issued: 1,709 (data from GPD, Port, and Airport Police)

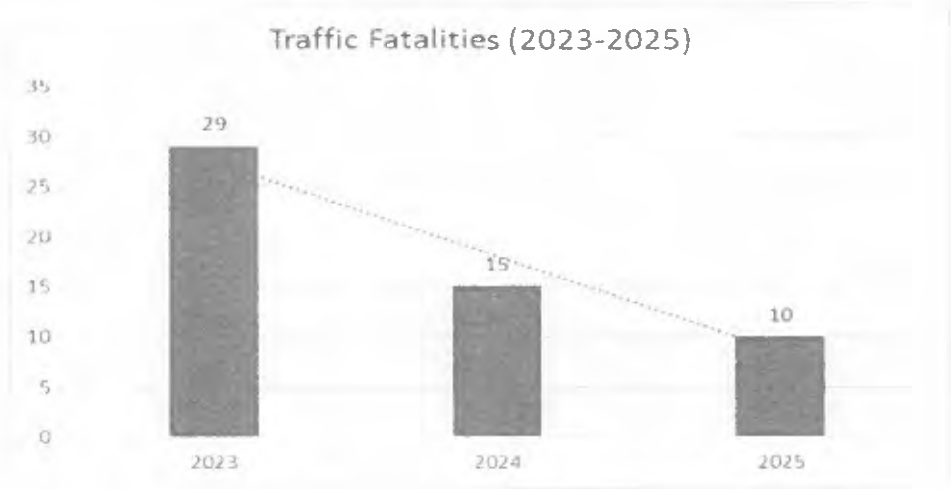
Training & Certification

- CPST's Certified (island-wide): 25
- Certified CPST Instructors (island-wide): 1

OFFICE OF HIGHWAY SAFETY (OHS)

FY2024 - FY2025 Program Impact Summary

CY	# Fatalities	Top Fatality Location(s)	Top Fatality Classification
2023	29	Tamuning/Asan	Auto/Ped
2024	15	Barrigada	Auto/Ped
2025	10	Barrigada Hgts/Harmon	Auto/Ped



OFFICE OF HIGHWAY SAFETY (OHS)

Driven by the People, For the People

- OHS programs are now guided by public feedback through town halls, surveys, and stakeholder workshops.
- Partnerships with Law Enforcement Agencies, Department of Education, Guam Contractors Association, Guam's Cycling Community, Mayors Council, and the Military.
- Activities include CPST training, teen driving presentations, school zone safety, DUI campaigns, etc.

Un Dangkulu na Si Yu'us Ma'ase!

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Christopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Thursday, June 19, 2025** at **2:00 PM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **Thursday, June 12, 2025** (5-Day Notice), and again on **Monday, June 16, 2025** (48-Hour Notice).

SENATORS PRESENT
Honorable Senator Christopher M. Dueñas, Chairman
Honorable Vice Speaker V. Anthony Ada, Vice Chairman
Honorable Senator Telo T. Taitague
Honorable Senator Eulogio Shawn Gumataotao
Honorable Senator Chris Barnett
Honorable Senator Therese Terlaje

ORAL TESTIMONY:
Vincent Arriola, Director, Department of Public Works
Linda Ibanez, Deputy Director, Department of Public Works

WRITTEN TESTIMONY:
Vincent Arriola, Director, Department of Public Works

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **2:01 PM.**

[Questions and Discussion] **[***Begins at 00:46:00 and ends at 02:16:00*]

Chairman Christopher M. Dueñas: *Buenas* and *Hafa Adai* welcome to your Guam Congress building this afternoon. *Buenas* and *Hafa Adai* once again, the Committee on Finance and Government Operations is now called to order. It is, 14:01 in the afternoon public notice of June 19th, 2025. First public notice of this hearing was disseminated to senators and media outlets on June 12th, 2025 with its second notice disseminated on June 16th, 2025.

The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's public notice portal. The committee will now hear Bill No. 44-38 (COR), introduced by the Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR

THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS, relative to the Department of Public Works, DPW.

Joining me for this public hearing today is this afternoon is our Vice Speaker and Vice Chair of our finance committee, Senator Tony Ada, and Senator Shawn Gumataotao. Thank you Senators for joining today, those testifying on Bill No. 44-38 (COR) relative to the Department of Public Works please take a seat and you've already done that.

Before we begin, I'd like to remind everyone in attendance of *I Liheslaturan Guahan's* General Rules of Conduct, individuals testifying shall first be recognized by the chairperson before speaking, and shall state their full name for record keeping purposes. Questions and testimony shall be confined to the substance and nature of the bill on the agenda.

Personal inferences to the character or motive of any senator or individual testifying are not permitted. The chairperson of the committee may order removal from the hearing of any member of *I Liheslaturan Guahan's* or the public audience who fails to observe proper decorum. Pursuant to the 38th Guam Legislatures standing rules, any violation of this general rule of conduct will result immediate removal from the public hearing room.

At this time, I'd like to ask the members of the, that panel that will be, testifying today and defending their budget, to please rise and be sworn in by the Sergeant at Arms, as is customary, for anything dealing with fiscal matters and Sergeant Arms will now swear you in.

Edward Pocaigue, Sergeant at Arms, Guam Legislature: Please raise your right hand under penalty of perjury. Do you affirm that any and all information you provide today, whether it be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth?

Vincent Arriola, Director, Department of Public Works: I do.

Linda Ibanez, Deputy Director, Department of Public Works: I do.

Edward Pocaigue, Sergeant at Arms, Guam Legislature: Mr. Chair under oath may proceed.

Chairman Christopher M. Dueñas: Thank you, Sgt. and so, Director Arriola, thank you once again, for being here with your team. So the way I've been doing our public hearings, for the budget is to recognize the director or whatever the executive of the agency or department is to make an opening statement and whenever you're, you'll be doing for your testimony in defending your budget, then introduce any additional panel members that you may have, and whether or not they'll be testifying or just here to provide supporting, information to yourself. So, I'll turn over the floor to you now, Director Arriola, please proceed.

Vincent Arriola, Director, Department of Public Works: Thank you very much, Mr. Chairman Dueñas. Senator Ada. Senator Gumataotao, it's good to be here. My name is Vince Arriola. I'm the, director at the Department of Public Works with me as the Deputy director, Linda Ibanez. I'll give my opening statement, then I'll probably leave and she'll take over.

Linda Ibanez, Deputy Director, Department of Public Works: No.

Vincent Arriola, Director, Department of Public Works: Okay. We're all good. Again. Thank you, very much. Senator Dueñas and members of this committee.

[PLEASE SEE THE ATTACHED TESTIMONY OF DIRECTOR ARRIOLA, DEPARTMENT OF PUBLIC WORKS]

Vincent Arriola, Director, Department of Public Works: If I may?

Chairman Christopher M. Dueñas: Please proceed Director Arriola.

Vincent Arriola, Director, Department of Public Works: Thank you very much, Mr. Chairman. Just from this table here, as you can see, our over overall budget request stands at $22.4 million a slight increase of a little over $400,000 from the previous, fiscal year. Nothing really major going on within this budget.

It’s status quo for the most part, but I'll be talking about, other specific issues within the budget. In terms of, our summary by object class, we've got salaries at about $16 million, including benefits, contractual services of, $3.2 million that includes funding for road paving, let's see, just the other contractual services that

we have for copying services I think there's a bike lane contract that we have to do also then of course we have the usual supplies and materials for our mechanics, for our bus operations, for our highway divisions equipment is kind of low at $82,000.

And then of course we have the usual utilities and some capital outlay at, at $410,000 total though is $22.4 million. As I've stated before, in previous budget hearings these are just some of the DPW mandates that were required to oversee and maintain we've got well over a thousand miles of roads, both primary and secondary roads we take care of bridges, ponding basins storm drains, injection wells, and of course, on our road systems, we take care of the traffic signals, safety signs we also have a coral pit in dead doe that we're responsible for we take care of school busing for all the school children out there, both public and private for the most part and as I'm sure you know, we take care of all the streetlights that are throughout the island also our CIP projects division handles all the capital improvement projects funded by the government, with the exception of any CIPs that run through the autonomous agencies and of course, we do the maintenance of hundreds of government vehicles. As I stated earlier we have our DPW divisions, CIP, transportation Maintenance, Highways, building Maintenance Bus Operations and administrative services. I'll start first with our Capital Improvement Projects Division.

This division provides professional and technical services for the government's infrastructure, projects, and technical support to the island community at large basically we do building plan review we do construction estimates. We do procurement for government funding construction projects and with the exception of autonomous agencies, if they've got a construction project typically they handled it on their own or they would seek exemption from DPW for the most part, we, we give them that exemption. Total today of CIP projects that we have ongoing, we have about 47 right now at a cost of $93.6 million.

We expect that to climb every year just depending on funding levels, not just from DPW, but also from the different agencies. And basically how it works is an agency either gets grant funding or FEMA funding or local funding, and they want to do a certain projects that's perhaps Guam Fire, you know, wants to build a substation or enhance one, a work order we'll come through and we'll take it from there from start to finish.

Some of the goals there that we want to do over the, next coming year, of course is continue oversight on construction projects. Following Guam building code and,

and other standards and regulations throughout the island we want to aggressively prepare and process invitations for bid.

We really got swamps, so to speak, like the last two years with all the ARP funding federal funding that came in and, and all the little small to medium to large project construction projects that we had. Most of them are off the ground already, so we've got a little bit of a break there, but we expect more to come this current fiscal year.

One of the things that we do want to push for also is the review and assessment of current salary structures, and I'll talk to you a little bit further on that as you can see in some of the pictures here we've got the Hagatna swimming pool at $7.9 million. As a matter of fact, the groundbreaking for the renovation and the refurbishment of the Agana swimming pool will be next Friday, a week from, I mean, yay.

It has taken a while, but this is a real, it's a real specialty project. You know, it's not just some, a standard building the mechanicals in involved, the filtration, the pps. Are really specialized. So this is a this is going to be a project that's really going to benefit long overdue.

We take that. But I, you know, as in all our projects, once we're done, it's going to be something to really be proud of we've also got a project to renovate the Paseo Stadium from Typhoon Malawa damage, some from just getting to improve the stadium. We broke ground for the Bio lab in Mangilao.

That's a federally funded project that's the latest picture that's about two or three days old. They're laying the foundation for that bio lab that's over by the university. That's a 16,000 square foot I think they call it DS two and DS three level bio Lab then of course we have the Public Health Building assessment in Mangilao, the old public health building the final report is due sometime in July. We just said earlier this week we had a pre-conference meeting based on their initial findings and the report was handed over to us. I haven't had a chance to look it over with staff, but we'll look it over. We'll talk to the contractor and , we'll see what the deliverables are to, to get that that building going.

The other, one of the other major , projects that we are we're carrying right now is the Guam Police Department Evidence Building in Yigo. I this is a $4.2 million

facility they've basically broken ground on this, and so we'll follow through with this this construction and, and see it through the end.

With regard to our highways division the, the Highways Division basically handles all the roads the maintenance of the roads potholes, of course bridges, culverts, storm drains, traffic signals and traffic signs they handle that through all the primary and second secondary and collective roads.

They're in the village streets we take care of floods, so basically anything happening out there , out in the roads in the villages in the main routes this highway division handles.

Some of the goals that, that they'd like to we'd like to accomplish during the next, the upcoming fiscal year continued upgrading of roads and construction, and we'll talk a little bit about that as we move on. I've got a presentation strictly on village streets paving maintain maintenance of the roadways, of course.

One of the things we've, we've kind of ramped up this past year, especially during the dry season, is the cleaning of our ponding basins Guam's got, it's somewhere in here. We got, I think, a little over 60 ponding basins throughout the island a lot of them are private owned. A lot of them are government owned.

So we've, we've kind of ramped up the work in terms of cleaning up and maintaining the ponding basins storm damage, of course, through flood control. I think we've, it's just our, it's the standard two or three areas that always seem to flood and two of those are, are long-term mitigation measures.

One of course is the Polaris Point traffic signal area. The other one is the Manel Channel over by the Barcinas family there in Malesso, and then the Pago Bay the bottom of Pago Bay. Of course, recruitment of staff is always an issue with us and we'll, I'll talk a little bit about that further.

So, again, as I mentioned in terms of the highway division we take care of the culverts. This is here is a pic on the left. This is a picture of the, the Barcinas , culvert in, in Malesso this is as we're cleaning it right now, and we always try to get it all cleaned up and everything, of course, before the rains come.

I'm happy to report as of today the culvert is clean and ready to accept as much water as we can. The issue here is we get we get debris from moving up from up in

the hills in the mountains, and it, it always tends to clog up and that's basically, bamboo weeds and, the like.

As I mentioned, we're, cleaning ponding basins as much as we can, depending on our workload we take care of flood control throughout the island thank God most of it is really down south, but still we, every once in a while we get some flooding up north come, I can't do this.

Okay. And then the last one, of course is we do road striping guardrail maintenance if you'll see, we just finished the road striping down in down south from ad loop to the port authority entrance and so we'll be continuing the striping from there to Alupang cove, and then from the mall all the way to the front gate of Anderson.

Its taken a while. We have a contractor that does that. Unfortunately we used to have three painting and striping contractors. We're down to one, so we're kind of at the mercy of that. But, you know, we're pushing them as hard as we can and they're very good. It's the Hawaiian Rock products they've been doing it for years and the quality of their work and their materials is excellent. I want to talk a little bit about the Village Streets Paving Program as you can see we, we start with the appropriations that we had. This is just this past year then of course we have the appropriation the expenditures, encumbered work orders, and the balance.

I just want to stress though, in terms of the balance of total balance of $3.5, that for the most part it is spoken for. It's the matter in which they, we do our accounting here in the government of Guam. Task orders are out. We're representing all the $3.5 we just finished Agat Village. We are in Umatac.

I believe we're in Umatac doing some paving there we're going to do most, if not all, the interior road of, of the village of Malesso then we're going to get, do Inalahan. I believe from the village to last where we left off, which is, I believe at the 76 gas stations. So that's going to be a, that's a long stretch.

A good part about it's only two lanes traffic isn’t like Dededo, so we should be able to complete that fairly fast and then we're basically working our way up north after, inalahan will be at telephone for some road projects there, Yona, and then the lake.

This is one while we didn't do this internally, this was done by the contractor this is the striping and marking on Dead Man's Curve. A lot of folks have been asking

Vince, what on earth is that? It's made to slow people down and they're called rumble strips they are two millimeter thick rumble strips, and anyone has driven there.

You'll feel the bumps and it's intended to make you slow down and that's not all we're going to do I've also got a presentation here from office of Highway Safety led by our very capable and able Erica Camacho here and so in line with this also the striping and the marking and the signage we're working with GPD to get additional patrols there along with perhaps the Port Authority and other, safety agencies, but one of the things I really want to focus on down there is the use of radar and just police presence because if anything slows them down, it's the police presence.

Okay one of the things that I did want to talk to you about that, that we handle with the highway images, the collection of abandoned vehicles and junk tires throughout the island as you know Public Law 37-60 gave the responsibility for the collection of abandoned vehicles to the Department of Public Works we handle that now, although some of the mayors are still assisting us in that one of the big issues here with this with the public law here, is it didn't give us direct funding from that. That typically comes from EPA we are in the process of working a MOU with them to make sure we get the funding because right now, as I understand it, the mayors still have a good portion of the funding. So as a matter of fact, as I think just today a draft MOU came to our desk from EPA so that we can get the funding and, and continue to pick up the cars despite that, we've been able to still pick up cars.

We've collected over 150 vehicles, and that's just on our, that's just on the easements as you probably know up north is the champion, so to speak, for abandoned vehicles it's funny, but it's not funny because you know, a big part of this and I'll just mention it right now, a big part of this really takes away from our, standard road maintenance.

You know when you see guardrails that are overgrown, the size of the roads that are overgrown potholes street repair, things of that nature a lot of it is because we're attending to this and you know, there's good reason and there's a bad reason to, to take care of this. When the, when they leave these vehicles, they become a hazard for other drivers, right?

And, and we want to remove them as much as possible because you never know someone veers off the road and slams into one of these abandoned cars, you know, that's, that could be catastrophic. So we try as much as possible to work with the mayors, work with ourselves, work with citizens. We get a lot of calls just from the general public saying, Hey, there's a vehicle here we'll wait for, I believe it's like 24 hours or something like that. There's a certain waiting period. We'll go out there and just pick it up. So unfortunately the clear, vast majority of these vehicles, the owners are either gone passed they've been in the jungle for 10, 15, 20 years, and then they're brought out and then just laid on the side of the road.

So it's really tough to catch them, but I think some of the things we want to do in consultation with this is, is gets stiffer penalties, if you will maybe higher fines I'm a firm believer in, and for stuff like this, this, to me, this is a crime against the community. I think if you, if you harm the community, you should pay the community back in terms of hard work community service something that just, that just really says , you're paying your debt back to society.

And I'm not talking, going to the mayor's office and riding a side by side for 15 days, I'm talking real hard work where you're sweating, you're getting you're sunburned and, and your hands are blistered. That this and that. That's what I'm talking about because the amount of work that we do to pick up these cars it's unbelievable.

And on top of that one of my biggest issues is we spend, I'm sure you've already had the budget hearings for our tourist agency, GVB and the airport and so on and so forth. We spend so much money to keep this island beautiful for our tourists, for our military , guests and for our residents.

And to see these, all over the island is it's really distressing. So I hope we can work together in terms of, of getting additional punishment or fines or so on and so forth for, to basically prevent these people from putting them out in the roadways. If I can, I'd like to talk a little bit about our building maintenance division.

This is one of our smallest divisions that we have and it even, it's even getting smaller and we'll, I'll talk a little bit about retaining our our professional people within building maintenance and these are qualified electricians, plumbers and air conditioning technicians we're losing them to private sector.

We're losing them to the autonomous agencies, who's of course there. Their salary levels are higher and you know, to put it bluntly DPW is basically at the bottom of the totem pole in terms of salary structure. So one of the things we will be looking at this year if those of you who remember me in the previous , budget hearings, we try to attract and retain.

We try to hire the last two or three years has been extremely difficult we're at that point where we just have to, we, I believe, we believe we have to look at the salary structure in order to entice the, the professionals here 'cause they're being swap swapped up by private sector our own government agencies, the military and so on and so forth.

So these are just some of the work , output that they do, they're very busy. I think right now there's a total of six of them that handle all these government buildings and all these requests for services. These are just some of the areas that they handle government now is Adelup.

A lot of the, the mayors of buildings, public health and so like I mentioned some of the specific goals we want to do for this coming year is to recruit personnel it's pretty sad when we call up DOA and we say, can we get your latest listing for plumbers or for electricians and so on and so forth and there's nothing, there's nothing in the hopper. So, you know, we really need to address that and, and like I said we'll be pushing for the review and assessment of salary levels. Basically we will first step is to request the Department of Administration to perform a study on the salary levels of these positions that we're identifying.

In terms of our bus operations divisions we've been able to handle the peak of the, of the student pickup especially now that we've got two schools that are still, that were on double session. Simon Sanchez and I believe Okkodo was on double session so, you know, we'll continue with that. It looks like at least on the Simon Sanchez side, that's at least good for another two years until we can cut the ribbon for the new Simon Sanchez High School, which we're in the middle of procurement right now.

But the bus operations will continue specific goals we are really trying to be as stringent as we can and strict with our bus drivers. As I'm sure you've read, we had, we've had a couple issues with some of our bus drivers it even got to the point where I called up one of the larger bus companies here in Guam, and I just said what do you folks do before your bus drivers get behind the wheel?

I mean, do you breathalyzer them or do you stick your nose in their mouth? Do you get close enough so you can smell them? Do you and a lot of it is there's nothing real specific, but just to watch their mannerisms talk with them before you give them their trip ticket and just see if there's anything amiss.

You watch them go and check their bus. We we're basically doing the same thing but we've asked our supervisors to be a lot more diligent so that when they're, they get behind the wheel, they're a hundred percent attentive. Of course, one of the things we want to do is continue random drug testing, and that's not just throughout the not just for bus drivers, but it'll be for the entire DPW compound.

And then lastly, we want to rebid our electric school bus program. We had a bid out for electric school buses a couple years ago. There was a protest and that somehow just died in, at either the AGs office or GSA and so we've got to go out there and, and we'll rebid it, the grant, the funding is still available.

As a matter of fact they just sent an the feds just sent us an email, I think we have a meeting scheduled with them online sometime next week to make sure that the, the funding is good. And we'll get the bid out for this another division that we have is our transportation maintenance.

Basically this is the , maintenance and mechanic shop that we we maintain and repair not just DPW vehicles and heavy equipment, but also the of the official motor pool or the government of Guam so they basically function as the manager for all the vehicles within the government of Guam.

This next table here just shows some of the repairs that they do. They have light auto, as I mentioned, heavy equipment small, heavy auto and these are just the some of the costs you see involved with our repairs sometimes if there's a very technical or high intensity repair, we'll usually farm that out depending on our workload.

It could be an electronic transmission issue we'll farm that out air conditioning, we usually farm that out. But most of the repairs is done in house we have bays throughout the DPW, GPD also shares a couple bays with us as well as Guam Fire Department. One of the things we're trying to do is to make sure that all our mechanics are trained and certified in the ASE certification program.

We're looking to enter in a part partnership with GCC to assist us and also Department of Labor Apprenticeship Program during the last three of now four years we had a lot of interns from Department of Labor that really worked out very well. As a matter of fact, I think we turned around and hired two.

Yeah, a couple of them after they finished their internship, they applied and we brought them on board. And then of course, we're looking to purchase new diagnostic equipment I believe this would be our last, is the, our Administrative Services division this includes the director's office human resources, procurement, and other areas within the DPW that handles all the administrative work for the agency.

It also includes security you'll see some of the pictures here, warehouse and inventory management this is a big issue for us to make sure that we have the right amount of, of parts and maintenance and supplies and, and so on and so forth to keep our agency running.

Some of the goals, again, is to make sure that we have , training and recertification for , personnel, especially when it comes , time for procurement procurement training CIP reporting and accountability again, we stress, the random drug testing that we plan to do. This our, we have a staffing pattern and recruitment there as you can see, we have a fairly high number of vacancies we've had , our replacement of individuals that have since retired or have transferred to other agencies, as I mentioned earlier, is difficult because the individuals the listings that we're getting are either there's inadequate lists or there's unqualified individuals and it's no different than I guess, others you know, we can interview 15 individuals for bus drivers, but out of that, we're probably going to hire five. It's just the normal course of of selection this is the, the recruitment challenges that I talked a little bit about earlier, school bus drivers, engineers, construction inspectors, carpenters, refrigeration mechanics, automotive mechanics, heavy equipment, mechanics, building inspectors laborers and surveyors. So the, some of these are fairly technical and we can't just take a laborer or a trade sale and slip them into this, into these positions.

Because a lot of these require education, a lot of them require training and so as I mentioned earlier, one of the things we'd really like to do is conduct a, excuse me, a survey and an assessment. Of what our, our salaries look like versus what's out there in the public and determine why we are either not competing or why for some unforeseen reason.

We're just not getting the personnel in terms of requisitions to GSA, we still fall under GSA and these are just some of the requisitions that we have outstanding submitted to GSA and then some of the total purchase issued. So really, if you look at it, throughout a given year, and this is just to date, right?

So throughout a given year, we're probably looking anywhere from 150 to 200 requisitions that we send down to GSA and I know there's we have a bill introduced to transfer authority for goods and services to DPW I look forward to the opportunity to , present support in line with that bill.

I know I usually don't discuss this in our previous budget hearings, but this time around, I feel I have to, because over the last couple years, especially this past year, we've done a lot with our federal grant divisions and so one of them our first one I want to talk about, of course, is our Federal Highway Division.

As you can see, these are federal grants and programs that we have on the drawing board the first one is we received a raise grant and that's been awarded, and this is going to, I think I may have mentioned it in a previous public hearing to refurbish, reconstruct all of Route 10 A and that goes from intersection of marine drive and airport road all the way just past the airport to about the airport sign.

That's phase one, we have a phase two that's, I think that's the third one down and then the, the second one here is phase two route 14 B, that's Ypao Road as you know, we re we completed phase one, which went from the SDA clinic down to the Hilton. That's all completed but we do have a phase two designs is all set ready to go with that.

So we've got a raise, grant in application in, and hopefully we receive that. If we don't get that, we might juggle some money just to, just to get that project going. I don't believe it's going to be at that amount of $25, I believe it's going to be much less maybe $14, $15 mil. But if we can juggle some federal funds around and get that off the ground, we will.

And then of course , this is actually, it should be route 10, a phase two reconstruction and widening from the airport to Route 16 and that'll be a five lane it'll take it five lanes and just a continuation from Marine Drive we also have a small federal grant for the purchase of a diesel school bus.

And then as I mentioned, we will rebid the electric school buses that fall under this this federal grant mind you, this grant also includes charging stations we have to sit down and rework our, the numbers with GPA because the numbers were really, they were quite cost prohibitive in terms of, of putting up charging stations.

And, you know, not to diss my brother agency at GPA, but we also want to make sure that the, power is, it's clean, it's it's reliable and it's not brown, if you will , because these charging stations, and it's, and it's affordable because you know, I, need to know what these things are going to cost us in terms of of additional electricity and we basically balance that out with our diesel build,

Anticipated projects for the this next year you'll see Route 10 safety improvements. I think I mentioned that earlier that's going to be a complete fill and pave from the tri-intersection all the way to the intersection of route 10 and the top of Pago Bay island wide pavement and striping and marking that's continuing.

As I mentioned , some guardrail repairs that task order should be handed out we're doing bridge maintenance for the Hagatna memorial, I believe this is for the, what is that? For the what? , the, it's a memorial right here at the roundabout. Yeah, for when they did the project there, they found burial sites.

And so that's that, that this memorial is to enter those those remains then we've got some ADA and drainage improvements and like I said route 14b, we'll try to get that started this year some of the pictures you'll see, this is the route 14b phase one that was recent, recently completed.

The San Antonio roundabout that was recently completed. I'm happy to, I'm happy to say I might I'll knock a wood, but I don't think we've had an accident since we completed this with all the signage and all the striping and everything. I might be wrong, but so far all the concrete around the rotunda looks still intact.

One of the things if I may I'd also like to talk about our Office of Highway Safety you hear a lot about them in terms of click it or ticket , child child seats bike safety the using of cell phones while driving and of course , DUI, anti DUI programs. While this is a small, it's a small grant and a small division within DPW.

They do a lot of outreach that I believe has a lot of impact. They're, they're in the schools, they're in the malls, they're in the shopping centers. They're out in the villages. They're in the senior centers. They're in the community centers. So they

do a lot of outreach just to as now I'll go through a lot of their policies, a lot of their procedures and a lot of their grant requirements.

So again, it's a division of DPW. They're a hundred percent federally funded we work very closely with GPD and GFD and a lot of the port police, both at airport at the Commercial Port, port Authority, Guam, and I believe Customs and Superior and to include the judiciary as well.

So again, their mission is to pre prevent motor vehicle crashes, reduce fatalities, serious injuries, and a goal of zero roadway for fatalities and a lot of that is education, education, education, and outreach a lot of that also is through the, the information that we have. It's a lot of it is data driven so that when we do stuff out there in the highway, such as what we're doing at Dead Man's Curve, a lot of that comes from this program as well, from qualified engineers who are experienced in this type these addressing these types of issues.

We're looking at $3 million funding for this coming year and like I said we work with these, the, these agencies here some of the initiatives I think some of these I mentioned also Safe Streets, community Council model traffic Safety Operations and you could just read for yourself, but there's a lot of campaigns that these individuals do, and a lot of them are, are within the staff, are issue specific so that they're well versed in it.

And there's, and I think one of the best things about this program is there's direct training these individuals go off on, in quite a bit to receive direct instruction. And when they come back, it's train the trainer kind of thing so I guess the payback, if you will from this program is you can't, you can't really measure it, you know. One of the ways they do measure it though is through traffic accidents, traffic fatalities, and we've seen a lot better results from over the last couple years. Of course, a lot of that has to do with with the road conditions as well so these are some of the programs that they fund alcohol and drug countermeasures, police traffic, speeding.

They're, we provide, GPD with all the radar equipment we provide GFD with the EMS, the jaws of life and things of that nature.

These are some of their program highlights that they've done throughout the year again they're out in the community and they're just they're very well versed. I'd like to say in the programs that we are required to to present out there in the community

and then these are just some of the program impact summaries the number of fatalities the different locations and some of the classifications.

As I mentioned, a lot of their what they do is guided by feedback through town halls, through surveys, stakeholders, again, going out in the community partnership with the law, other law enforcement agencies and of course training. Training is we're a big fan of training I believe there was once or twice at least in my capacity where we actually had the individuals from the US mainland come Guam and trained, I believe not just Guam, but also individuals from CNMI. So that works out as well. That's pretty much all I have members of the committee thank you very much. We're available for questions.

Chairman Christopher M. Dueñas: *Si yu'ous ma'ase* Director Arriola for that very comprehensive view of what's going on and what you plan to do going forward in 2026, as well as your budget request. Not really much to go over in terms of the variance but I would imagine that the current variance of the $500,000 would be within benefits is, that where it's at with the health insurance as well as retirement salaries and benefits. Okay you know, Director Arriola, I know this wasn't in the presentation, but it's come up quite a bit.

In some of the different hearings and some of the different conversations we've been having, particularly with the private sector, and it involves construction and permitting and one stop can you give us an update in terms of how one stop is operating and the biggest thing really that we're getting is the turnaround time in terms of permits.

Vincent Arriola, Director, Department of Public Works: Sure.

Chairman Christopher M. Dueñas: And when they submit and to final you know, being fully stamped and, and approved for going to construction. Can you, can you discuss that with us?

Vincent Arriola, Director, Department of Public Works: Sure, sure I would be happy to and you know, even when I, when I'm like you, I talk to the Chamber of Commerce. I talked to the Rotary Club. I talked to go contractors, and for the most part, you know, that we talk about the delays in getting the building permit, and the first thing they always say is, it's usually not you, Vince. It's always EPA agriculture and SHPO and that's really where it's at you know we do everything we can to move that project along.

Sometimes I when, when things escalate and get to our desk, we we look at the purpose the type of construction and whether approvals from certain agencies are really needed. But for the most part we know the struggles with EPA and because EPA basically handles the entire island inside and outside of the fence line.

So, you know that's a handful for them I think in terms of, of SHPO, we've been able to, to grasp the actual duties and responsibilities of SHPO to get it a little bit more streamlined, if not a lot more efficient to get their approvals out and of course, agriculture you know, we still have their issues with endangered species, the snails, so on and so forth.

But, you know, I can say this like within DPW, within DPW Central for plan check plan review, what we've tried to do and, and we work very closely with the permits administrator when large projects come in. And when I say large, it's usually the threshold is usually by square foot or the type, like a commercial building comes in , a commercial what's that? Apartment comes in, a condo comes in we try to get with the owner and do pre-review so that by the time it comes in for final, we're well aware of it we did this, we've actually been doing this for the last five years, and, it's worked pretty well and we mentioned to a lot of the developers, if you've got something big.

Come to the office, let's start talking about it. We want to know what you're going to need in terms of clearing and grading what the site is like so that everybody just lays everything out on the table. And I think the, the real key here, Senator, is to do a lot of pre-review of the of the application or even before the application gets in.

We did it for a lot of the larger ones we did it for a lot of our, our current projects. So you know, I think that's pretty much where we stand. We had the digitization of, of the building permits stuck in a, in a protest. I believe we have to go out for rebid for that.

And that was a real shame because we had seen the prototype of what we wanted to digitize the system and I believe I talked about that here, where every single party involved, the homeowner, the contractor all the different six or seven or eight agencies is, can see it online.

And so, you know where it's stuck on someone's desk, right? , unfortunately we had a protest on that. So that, again, has to go out for bid. So in the meantime you

know, what are we doing to make it more efficient, right? Is, you know, we're continuing to do training. We've, we've got a better tracking system, if you will.

It's not manual, it's computer based, but we basically created it on our own just to make sure that we have a tracking system to see where it gets stuck at but again, I think when it comes to larger projects I would really recommend and I have been recommending that these individuals come in and we, we start doing a pre-review of the, and do plan checking and site checking as well.

Chairman Christopher M. Dueñas: So two things. Maybe you're doing it already that I just want I come to mind is, you know if it were me and I was handling the one stop and getting the, you know, the complaints and the, like, I would, I would set up a schedule basically by every step that it goes through. How many days did it stay with that particular window with that particular regulatory you know so that at the end it's clear, you know, by the time this thing came in to the time it exited, you know, here were the choke points.

And so we can continue to try to address that. You know, Vince, the one thing, I don't know if you're able to do this within your division and the one stop, one thing that really just kind of jumps out is when you're talking about a single family dwelling, right?

Vincent Arriola, Director, Department of Public Works: Mm-hmm.

Chairman Christopher M. Dueñas: I mean, I know there's probably no jumping ahead, if you will, you know, but it seems like, you know, six months, nine months, a year for a single family dwelling in areas that really, are pretty much standard other people, you know it's a community and it's a lot that, you would know about unless it really had some deficiency of some sort. But I mean, all belts being equal that it's something that was designed, you know, and has a plan for and the plans going through. Is there any way to take something like that and kind of extricate it and see if that thing, you know, is not a first in, first out with regard to the entire gamut of the regulatory agencies?

Vincent Arriola, Director, Department of Public Works: You know, Senator, we've had, we've had permits come in for single family dwellings that are out in three weeks. A lot of it just depends on what's, where it's being built the condition of the site where it's being built. Does it need civil work, the topography, is it near

a wetland? Are there, you know, does it need a lot of clearing and bulldozing the , snails, things of that nature. Right? we also have issues with contractors.

That's one of the reasons why we really wanted to get this digitized so that a homeowner can go online and see, oh man DPW or EPA is still waiting for a contractor, drawing for this and that, right? And we get a lot of that and unfortunately, you know, if the contractor is stuck or they're busy with other things, the first thing they're going to do.

It's going to, oh, it stuck at DPW and that's why, that's where we get, oh yeah. Alright. So we've been there for over a year. But, you know, we can look back in the files and see where the holdup is. But a lot of the holdup Senator, and I tell, I've told a lot of the, the contractors, the Chamber of Commerce, you know, a lot of it is with your contractors and architects and or engineers.

You're spending $300 an hour for these individuals who are missing. They're, missing things within their plans that we are catching and it's not to point fingers, I'm just saying that's a reality of what's going on out there. So if, there's something that literally takes a year to get a permit for a single family home there's clearly reasons.

I don't believe it's a hundred percent government delays and if it is, it's got to be something fairly important and a lot of times you know, the individual will call and we'll go in there and, and look at it and, and try to speed things up. But if it's in, if it's information and additional drawings or revised drawings that we're waiting for, we're at the mercy of the, engineer, the contractor or the architect.

But by and large I've seen single family homes, they're out three, four weeks assuming everything is good with the property, with the plans they're all stamped it meets code and so on and forth, so forth. Yeah. That, but we'll, you know, we'll look in there. Like I said, we do have a tracking system we can look in there and see what's, what's, what's taking longer than normal, especially for single family homes.

Chairman Christopher M. Dueñas: Yeah, that's good to know, Vince. That's why I wanted to ask, because I mean, it's the kind of question I get all the time, and so it's really good to get this information out that by and large all else being equal and everything being, you know, accurate in terms of on the contractor side and in terms of the site preparation and the site itself, whether it's eligible the turnaround

time actually is the choke points, not DPW. Are you saying then, on the digitization of the, is it going to be a portal to where it basically can be accessed?

Vincent Arriola, Director, Department of Public Works: Oh, absolutely. Direct portal.

Chairman Christopher M. Dueñas: So this would be like, you know, my, it's my construction, right? I could just go almost like my tax refund. I can go in there and just pull it up and see exactly where everything is and why it's there.

Vincent Arriola, Director, Department of Public Works: Where its at, whose desk is it on, Right.

Chairman Christopher M. Dueñas: Man, that's going to be a big deal when you get that online.

Vincent Arriola, Director, Department of Public Works: Absolutely. If I may, one of the things I forgot to mention, especially when it comes to, to home construction or actually any type of construction, what we found, especially with regard to home construction, is that we found that a lot of home constructions from, let's call it like in the mid to southern Guam, right?

We're having a lot of issues with their , leaching field and septic tank because, you know, there's a certain, . What is it? There's a certain design for leaching fields in septic tank based on the square footage of the house, the number of occupants, so on and so forth, right? But what we're finding out is when they put the leaching field in, and we've got maybe three, if not four cases today that we're still trying to figure out is that when they put the leaching field, that according to code is fine and it meets all specs, right?

They put it in the ground within a couple months, it's not working because the soil conditions down there don't percolate. Not like they do up north or say in Barrigada or Tamuning, right? , you have a leaching field and a septic tank. It's going to work up north. That's where the coral's at. But let's say we have, I believe two in Yona, we had one in Talo'fo'fo that had to be re-dug up and everything, brand new home and everything you know, Talo'fo'fo, that's clay. It's not going to , permeate through the soil. It's just going to stay right there. So the, what we're, what we've really looked at our inspectors is when it goes to EPA is double check the numbers, because what's happening is it's just not working down south.

And it's a shame because these, you know, a new homeowner goes in with his or her family and when the month, the toilet starts backing up and that, and that just, you know, so we've, kind of put a red flag on that single family homes being, built down south double check the, the leaching field, if there is going to be a septic tank or leaching field attached to the house.

Chairman Christopher M. Dueñas: Yeah. I actually had dealt with that in my office a couple times.

Vincent Arriola, Director, Department of Public Works: Right.

Chairman Christopher M. Dueñas: Yeah. And I'm glad to hear that's what you've done. Because on the contractor side, you know, they're saying, Hey, you know as per the plan we built it and, and it's one of those things that came up where that's exactly what it's coming down to is that the soil, you know, it just doesn't doesn't work in, in those, in those setup.

Vincent Arriola, Director, Department of Public Works: Yeah. So in the end, we've basically asked that we've requested that they redo a design and go back and, and rebuild the project.

Chairman Christopher M. Dueñas: Yeah.

Vincent Arriola, Director, Department of Public Works: There's no way around it.

Chairman Christopher M. Dueñas: Sure. Yeah. Alright, Vince, thanks. I appreciate it 'cause these are just top of mind things that have been coming to the office and also in, like I said, same meetings you've been having.

So it's good to get this out to the public so those who are, you know, involved in these type of projects or thinking about moving forward that they, you know maybe they'll either view on our channel or, you know, get it through news media writeups and stuff. So that's why I wanted to go into that area.

Vincent Arriola, Director, Department of Public Works: Sure.

Chairman Christopher M. Dueñas: I appreciate it.

Vincent Arriola, Director, Department of Public Works: Of course.

Chairman Christopher M. Dueñas: As far as the budget you know, I don't have a lot of questions. I'm sure my, my colleagues may, so I'm going to go ahead and defer to them and then I'll finish up when it comes back to me. So vice speaker and vice chair of the committee, you're recognized.

Vice Speaker Tony Ada, Vice Chairman: Thank you Mr. Chair and Vince to your team. Thank you for being down here to, for your budget presentation. You know, overall, I think that when we first got into office and I went up to DPW see your operations and was listening to the concerns that you guys had up there and trying to find an area where we're going to put these abandoned vehicles and hopefully that the working group that we have together that would be able to come up with a final solution for this so that it doesn't have to stack up there in the compound.

Vincent Arriola, Director, Department of Public Works: Okay.

Vice Speaker Tony Ada, Vice Chairman: Be able to get it somewhere else, [inaudible], prepare it for a shipment off island.

Vincent Arriola, Director, Department of Public Works: Mm-hmm

Vice Speaker Tony Ada, Vice Chairman: Overall the, I've driven around the island many times and the improvements that's going on overall is really it's really noticeable at night when you drive down through Piti and Asan and Adelup you can, you know, the road just lights up with all the reflectors.

They've been doing a lot of striping, a lot of paving, a lot of patchwork going up into the Maite area. I think I saw the guys down here in Agana around the loop doing the white striping around the…

Vincent Arriola, Director, Department of Public Works: Crosswalk?

Vice Speaker Tony Ada, Vice Chairman: No, around the…

Vincent Arriola, Director, Department of Public Works: oh, the curb.

Vice Speaker Tony Ada, Vice Chairman: Yeah. Right. Yeah. So, you know, overall a lot of the good things have been going on, and I like how the, the project continues to move forward, like you said, you completed Agat, you're down now in Umatac, and you'll be working that way back up and eventually get to Chalan Pago to Mangilao, to take care of that whole FD area. The only in going around, I noticed that there were, the, probably the only thing that we didn't address were the bus stops. I noticed there were some bus stops that were hit by vehicles, so…

Vincent Arriola, Director, Department of Public Works: mm-hmm.

Vice Speaker Tony Ada, Vice Chairman: You know, they were taken down. And I think there was one in Agat and one in Malojloj.

Vincent Arriola, Director, Department of Public Works: Mm-hmm.

Vice Speaker Tony Ada, Vice Chairman: So, you know, I'm not sure what the bus stop replacements are looking at for this upcoming school year, and whether that was also projected within your budget.

Vincent Arriola, Director, Department of Public Works: Right. I apologize, I forgot to mention that. Bus shelters, that's always a big issue here yeah. This year we plan to build 30, depending again on our funding. We'll be, moving a lot of the funding around but 30 to 50 bus stops we have an in-house design for them and that's basically made out of, of treated wood cement board and Butler Roofing, the good part about that is it's termite proof, number one. Number two, it's movable and it's not, it's not you know, typhoon proof as is 90% of the other buildings here in Guam. But you know and in terms of costs, the last cost that we did when we did 25 or 30, it came right under about $2,000 just for the materials.

But we built that in-house so, you know, we're probably looking right now at a materials cost of maybe $2,500 tops per bus stop, bus shelter and so we're looking to, that'll be part of our, our to-do list this year.

Vice Speaker Tony Ada, Vice Chairman: Okay. And then also, a lot of the traffic signals have still not been replaced, is that project also coming around?

Vincent Arriola, Director, Department of Public Works: Yes.

Vice Speaker Tony Ada, Vice Chairman: In the near future?

Vincent Arriola, Director, Department of Public Works: Yes. That, that's a federally funded project.

Vice Speaker Tony Ada, Vice Chairman: Mm-hmm

Vincent Arriola, Director, Department of Public Works: It's taken a long time and that's just the way with federal funds. Right but we have an emergency grant from I think it's from FHWA. Right and that's going to replace all the traffic signals, traffic signals, traffic signal boxes, control centers throughout the island, and that because 90% were all damaged during the typhoon. Yeah. So that I believe that bid went out. We, so we had a bid go out. I have to see where we might still be in procurement with that bid. Yeah but I'm sure we'll get a contractor or two to bid on that and it's a, it's a pretty expensive bid. I think it's close to about two mil. Yeah. Yeah.

Vice Speaker Tony Ada, Vice Chairman: Okay and the other concerns were the you know how we have the road signs, right. And then vehicle hits it. You still have the stump there that are on sidewalks or walk paths.

Vincent Arriola, Director, Department of Public Works: Mm-hmm.

Vice Speaker Tony Ada, Vice Chairman: Are there any plans to at least put. Some type of pole up so that so they don't trip on.

Vincent Arriola, Director, Department of Public Works: We can, Yes. Thank you, Senator. We can do that certainly in the meantime.

Vice Speaker Tony Ada, Vice Chairman: Mm-hmm.

Vincent Arriola, Director, Department of Public Works: But again, ditto with the traffic signals a bid is out also for the replacement of, I think it's like 1,800 plus traffic signs throughout the island.

Vice Speaker Tony Ada, Vice Chairman: Wow.

Vincent Arriola, Director, Department of Public Works: That we lost during Mawar and I, we got a federal emergency grant to replace every single one of them. We have this thing, it's called a it's part of our FHWA , program. It's called an asset management system and that tells us where all our assets are throughout

the DPW so that includes all the traffic signals, every single traffic sign bus shelters, bridge, culverts, stormwater drains, things of that nature so we've got that identified. The procurement for the signs is out, and they should we will definitely have that out this coming fiscal year.

Vice Speaker Tony Ada, Vice Chairman: Okay. I think the, the biggest one is the abandoned buildings. Right. You know, like the, the Verona. What are the, what are the plans or how do we move forward with these sighting, these buildings and such?

Vincent Arriola, Director, Department of Public Works: Yeah. We just had a, island wide beautification task force meeting today, and I reported on the abandoned vehicles. I didn't report specifically on the Verona, but our inspector that, is personally handling, that just, mentioned to me, this morning that the current owner of that building is, has got it for sale, but he's been put on notice. It might be for sale, but you still have to maintain some sort of protection, safety, you know, and of course aesthetics. You can't just let it go to waste. But who, who's to say he's got a, buyer tomorrow?

Vice Speaker Tony Ada, Vice Chairman: Mm-hmm.

Vincent Arriola, Director, Department of Public Works: Or another five years from now? We're not, we're not going to let that slide. So he's been informed that if the government needs to come in and put a lien on it, so that we need to either board it up or we need to raise the entire building, we will do so, and we'll put a lien on it. 'cause the law provides for a program like that so that, that's a real big issue.

, down in Tumon. Everybody talks to me about that and so we're going to, we're going to have to really step it up and, push for that owner to either raise that building, get it sold to someone who's going to renovate it, or those seem to be the only two issues, right. We either take it down or go in there and renovate it.

Vice Speaker Tony Ada, Vice Chairman: Okay. And the other thing that I had on was the, your engineers one, two, and three, all fields doesn't your, the contract that you, the contractor you currently have, I think it's WSP.

Vincent Arriola, Director, Department of Public Works: Mm-hmm. Our PMT program Management Team.

Vice Speaker Tony Ada, Vice Chairman: Yeah. Don't they part of that contract? Doesn't it call for having them trained for engineers as well, so that DPW can start bringing them on board.

Vincent Arriola, Director, Department of Public Works: Right.

Vice Speaker Tony Ada, Vice Chairman: And where are we at with that?

Vincent Arriola, Director, Department of Public Works: Yeah. The actual agreement is for them to not just train, but to mentor and transition from a program management team to one that's that's guided strictly and operated by DPW I said, like I said, the problem is they can't train if we don't have individuals to train.

Vice Speaker Tony Ada, Vice Chairman: Right

Vincent Arriola, Director, Department of Public Works: And we've been able to, hire , a few project coordinators, a couple of planners, but when it comes to engineers, DPW is outta luck. We've been without a chief engineer for maybe two and a half years we just advertised again and no one's coming to the table.

Vice Speaker Tony Ada, Vice Chairman: What's the salary for the chief engineer?

Vincent Arriola, Director, Department of Public Works: It was $125k or $130k.

Vice Speaker Tony Ada, Vice Chairman: Wow.

Vincent Arriola, Director, Department of Public Works: You can't get 'em. Not even close.

Vice Speaker Tony Ada, Vice Chairman: Perhaps the problem right there.

Vincent Arriola, Director, Department of Public Works: Yeah. Yeah. I think beginning engineers are starting at that level.

Vice Speaker Tony Ada, Vice Chairman: Mm-hmm.

Vincent Arriola, Director, Department of Public Works: At about $130k or $140k, either, in the private sector or anybody working in the military.

Vice Speaker Tony Ada, Vice Chairman: Yeah, definitely. But overall, you know, everything with DPW that's been doing for our island is really you, you can see the difference, the improvements. You know, I just came back from the nation's capital and from California and our roadways are 20 times cleaner than their roadways. Our roadways are 50% smoother than theirs. So, you know. Yes. Do we have problems here? Absolutely. But you know, you guys have been addressing them and tackling the issues one by one. And I think that overall you guys have been doing a superb job up there. And I, you know, commend you and your team and the team up at DPW to continue to the hard work. It just goes to show that, you know, we work together, get these things absolutely the results it's showing throughout the island.

Vincent Arriola, Director, Department of Public Works: We really try Senator and a lot of it is, is moving funds around.

Vice Speaker Tony Ada, Vice Chairman: Mm-hmm.

Vincent Arriola, Director, Department of Public Works: And you know, prioritizing what we really want and what we really need and so, you know, it's, a balancing act for us and thank you.

Vice Speaker Tony Ada, Vice Chairman: Mr. Chair. That's all I have. Thank you guys for all the hard work you guys did.

Chairman Christopher M. Dueñas: Thank you. Vice speaker and vice chair of the committee Senator Gumataotao, you're next.

Senator Shawn Gumataotao: Thank you, Mr. Chair and thank you to Vince and to Linda for being with us and thank you for the DPW team. Again, for all of the hard work. I think sometimes we , I don't want to take it for granted. I live in southern Guam. I appreciate the, the Pago Bay Project. I have been fascinated by the work that's being done on the roads down, not only in Talo'fo'fo and Ypan, but also I'm looking forward to when you make that turn so I can go, maybe go down and visit again to all my friends.

But I know that it's not easy and so again kudos to you and your team for your commitment at least to the south for now thank you to the north for being patient at this point I only have a couple of, well, I have a kinda a handful of questions if I could. And let me go ahead and start with your, in the budget with your drug testing number.

What information could be shared with the committee regarding the substantial decrease for drug testing costs, which adjusted from $3,380 in FY 25 to $880 or $2,500 less in FY 26? And for the record, how does the reduction impact DPW ability to ensure that public safety, particularly the protection of students who are transported to and from our public and private schools through drug testing and other measures, can help prevent and detect the use of controlled substances by employees has as been alleged at DPW in the past?

Vincent Arriola, Director, Department of Public Works: Yeah, I think Senator earlier, if again, if you look at a budget, right? We, while we have the, the number is lower than what we had used before , what we plan there is, you know, when you, when it comes time for actually implementing the budget, right? And we already know we're short from the beginning. We look to transfer. Certain funds from different categories within our agency because I believe in the past, it's a, one lump sum budget amount and it's what I mentioned before. We move funds around to make things happen. It's certainly not to say that we're going to decrease the number or the amount of drug testing that we have.

Random drug testing is a high priority with us as is with any government agency. We want to make sure, to let the individuals that work with us know that you know, we're on top of them. Yeah. So in are we going to shortchange and reduce the number of drug, random drug tests? Absolutely not.

Senator Shawn Gumataotao: Yeah. Okay. Vincent, well then let me ask the question then, just to stay with that. Over the last two fiscal years, how many times have you guys randomly drug tested the employees at DPW?

Linda Ibanez, Deputy Director, Department of Public Works: Six months.

Vincent Arriola, Director, Department of Public Works: Every, go ahead.

Senator Shawn Gumataotao: Go ahead, Linda.

Linda Ibanez, Deputy Director, Department of Public Works: Every six months and then we have a post incident drug testing.

Senator Shawn Gumataotao: Yes.

Linda Ibanez, Deputy Director, Department of Public Works: So if we have an incident, they're automatically tested.

Senator Shawn Gumataotao: Yeah. The post incident ones I'm probably not as concerned about.

Linda Ibanez, Deputy Director, Department of Public Works: Yes. But it's every six months.

Senator Shawn Gumataotao: Okay.

Linda Ibanez, Deputy Director, Department of Public Works: For the last two years and of course when Typhoon Mawar, that's when we didn't provide it. But this year we are going back to every six months.

Senator Shawn Gumataotao: Okay. Thank you so much for that. Alright, moving on to your maintenance of government of Guam facilities, and as we looked at the Budget Digest for the building construction and facilities maintenance division, it shows a $55,969 increase from FY 25 and I'm certain that it has a lot to do with the people and the benefits, while the allotments for contractual services, supplies, materials, equipment, and utilities are pretty much the same as was in FY 25, can you share, I know you shared at least this last year, which is important, but what projects have been addressed or maybe you can talk about with these in terms of the total numbers over the last three fiscal years? Was that number about the same in terms of projects? I think it's like some, somewhere around just $1,263 for the last year or $1,260.

Vincent Arriola, Director, Department of Public Works: Is this for, you're talking specifically building maintenance?

Senator Shawn Gumataotao: Yeah. You're projects that your team does on the, on the annual.

Vincent Arriola, Director, Department of Public Works: Yeah, you know we're, we're short three, if not four right now. We don't have an air conditioning individual an electrician and like a certified plumber. So those are three high tech areas, but the individuals that are out there, they're like general workers to include the, with the exception of the, the supervisor. The supervisor knows, you know, all those right issues, so he can just go and, and guide them but when it comes time for maintenance means maintenance because of our short staff, we're basically on call every single day.

Senator Shawn Gumataotao: So I'm hoping that on your list you can add one project had two images, one of Government house and one of, I believe it was Adelup, but if you took to the left, there is a Office of Civil Defense Building, which has a whole host of issues.

I'm hoping that at some point and I laugh, but I'm also nervously laughing because as we are on storm season at this point, that building is probably not ready to be the, the primary EOCI think we are going to have to, I think you guys can attest, you may want to consider the alternate EOC for a storm at any time over the next six months.

Vincent Arriola, Director, Department of Public Works: Alright. I think I, correct me if I'm wrong, I believe we have a work order, for the Homeland Security office for renovation and refurbishment addressing all those issues that are, that have been and are currently up there. We just received a work order recently. Yeah.

Linda Ibanez, Deputy Director, Department of Public Works: Yeah. So we did several assessments on civil defense. Right that includes their plumbing, ac their elevator. So of course it's beyond our capacity so we did inform management that you would have to contract those service out and, you know, and at that point. Their funding issues. So now we have a new work request that will address all their deficiencies in that office.

Senator Shawn Gumataotao: Okay, that's what I was saying. You could add another image. Just go a little bit more to the left. I think we can find something there. Let me talk a little bit about the and I think I might have talked to Linda about this before recently but when we talk about restoration of damaged government property encroachments and, and this was very isolated 'cause I got a call in my office, but I'll just go ahead and ask it for the record.

But what information is available regarding either encroachment complaints including but not limited to shipping containers, used cars that are displayed for purchase and other objects that are placed partially on a public sidewalk or streets across the island. And what actions have been taken to address those violations of public safety, or are you involved in working with GPD?

Vincent Arriola, Director, Department of Public Works: Typically we'll send our inspectors out there, first of all to make sure it is encroaching on a public easement or a public right of way and once that's done, we make contact at the same time with the property owner and or owners to remove it. For the most part we've got pretty good cooperation from them.

Every once in a while we'll get an individual who says, no, this is my property even though it's definitely on the road especially wherever there's a sidewalk, say like in Sinajana, Sinajana is kind of notorious for that. Sorry, Sinajana, but it's, just one of those things, you know they leave abandoned vehicles right on the roadway.

But we worked very well with the Sinajana mayor in getting them out of there I'm trying to think of another issue where individual just would leave a, we don't usually get a container or anything like that we had one individual up in Mangilao, he had a junk vehicle in his garage and he just pushed it out to the roadway and left it think, but he didn't want us to move it 'cause he still wanted it for parts. We said, if you want it for parts to get it back in your garage, and by the next day he pulled it back into his garage.

Senator Shawn Gumataotao: Yeah. And, and I think that, I mean, as we start to maybe wave around that ticket book at some point, right? I understand people, you know, that are struggling and trying to take care of some of the things, but at some point when it becomes a hazard to all of our members of our society, especially the motoring public, that is a problem for all of us.

And but can I just kind of going back to the very beginning of this questioning was what actions have been taken by DPW to secure funds from individuals and or businesses that were found responsible for damaging or unsatisfactorily restoring government property, including, but not limited to any excavation on roadways required for telecommunications, infrastructures, guardrails, bus shelters, street signs, concrete mixed spills. And the case that we talked about was the underpass when there was a fatality right at that at that section right. Going off to Bello Road.

Vincent Arriola, Director, Department of Public Works: Okay, go ahead

Linda Ibanez, Deputy Director, Department of Public Works: So we are implementing a system where we're able to work with GPD on those traffic violations, so we used to have it, it's called an Oscar, and we worked with Federal Highway to identify potential accidents, right. And caused by car crash or, you know, excavation and whatsoever. So if the party is at fault we would go after their insurance and so that has been working for several years.

But of course, the software is expired, right? And we have to revamp and put it out in bid. But that was a system in place where we were able to make a claim against the insurer if they have insurance. So the insurance company would pay DPW or pay to replace that whatever they damage. If not, if they don't have insurance, then the government will make a claim against the owner. And so that was a practice that DPW was able to work on and unfortunately the system went down and we are implementing and working with GPD to bring it up again.

Senator Shawn Gumataotao: Alright, well, thank you, yes, Vince?

Vincent Arriola, Director, Department of Public Works: Yeah, for now. Senator, if I could also just to add that's one of the reasons why we brought Erica here.

The, the Office of Highway Safety also assists us with that because they work very closely with GPD so whenever there's a traffic accident, while we might not have that software we have a manual system in place so that they know about it instantly we establish a file for it and, and we get the, we get our, our, our records to, go after either the insurance company, the owner, or whoever it is that that damages , you know, our assets.

With regard to the, the road , excavation and repairing of, our roads we have inspectors that are out there 'cause most of the time when they when they seek a highway encroachment to cut into the roads for installation of a sewer line or cables or whatever, they need a highway encroachment.

And depending on what it is, we require them to post a bond. It could be cash, it could be a regular bond rather, or insurance. And at the end when everything's complete even the mayor signs off on it that it's complete our inspector signs off on it that it was done the right way 'cause we have a certain standard of compaction.

And also the, the material that's that's used for repairing the roadway then we'll sign off on it. So it's similar to like a, a final occupancy permit, so to speak, or a final , payment.

Senator Shawn Gumataotao: Okay. And I only have just just maybe one more question and you were talking about the electric school buses, I mean

Vincent Arriola, Director, Department of Public Works: mm-hmm.

Senator Shawn Gumataotao: When we think about its feasibility and the technology today, you have, a bus, you have to maintain it, the operations of it all I know it was grant funded, but is it really in 2025 is that something based on the current fleet? I mean, it's great to have a school bus that can put around with a battery, but is it really feasible? And then once you bring those buses here, will it end up in the bus morgue after a couple years because you're not able to keep it going?

Vincent Arriola, Director, Department of Public Works: Well, that's the, that's supposed to be the number one sale of electric vehicles is there's no fuel costs and the maintenance costs are supposed to be extremely minimal.

That being said, my bus people my bus super, both my superintendent and assistant superintendent, it's like, boss, it's a no go. Not, not for electric school buses so, you know, we have a meeting with the grantor, I believe it's sometime next week. It's a, it's going to be an online call, and we have to literally discuss it with them. You know, we get all this green and resilient and stuff like that. Right but at least, I mean from what I've seen, no

Senator Shawn Gumataotao: You mentioned earlier in your presentation that you were already having a hard time with the charging stations. And then just think about the, you're going to have to certify your guys or a one or two of them to maintain a electric school bus.

I'm sure we they have other things they could be doing with that time. And I only have one last question on that was the on the fleet when you think about the vehicles that are in there now, what's an average amount of time that the vehicles, whether it's a bus or truck or car from across, what's the average amount of time that they're inside the bay getting repaired? On average, just the average days, hours.

Vincent Arriola, Director, Department of Public Works: I can't say Senator for typical maintenance, it's typically a day for your standard maintenance, you know, checking the brakes oil changes, fluid top offs, things of that nature. Probably takes about a day. But something more intense could take a couple days.

It really just depends, like a full break job, depending also on parts you know, if we have the parts available probably takes at least two days on a bus.

Senator Shawn Gumataotao: Okay and I ask that because I think that the budget in supporting it, making sure that you have the resources and we have an understanding that it down, but it won't be down for long 'cause they're really kind of busting there, you know, what's to get the, the vehicles up and running in.

Vincent Arriola, Director, Department of Public Works: Yeah. One of our biggest issues, as I mentioned earlier, is procurement of, of, of the actual goods you know, we're at the mercy of GSA for procurement of goods and I've said this so many times when I, when we have an excavator $250,000 excavator down because of a high pressure hose and I can't get a purchase order for a purchase for a high pressure hose. I'm losing a lot of money and work. Right? But if we're able to buy it a lot faster you know it, we can get it back out in the field much, much sooner. And, you know, of course everybody says, well then why don't we just have why don't you just use open purchase orders?

When I use open purchase orders at, at how many outlets out there that money's stuck. It's encumbered. So I'm stuck. I'd rather use , open purchase orders at, general items, general goods and services, but for these unique special items that we have a lot because not everybody out here has a excavator. Not everybody has a side cutter. Not everybody has these specialized equipment and so it, it makes a difference when you have the part right there.

Senator Shawn Gumataotao: I totally get it. Thank you again, DPW, for all that you do. Mr. Chair, thank you again for allowing me to ask questions today.

Chairman Christopher M. Dueñas: *Si yu'ous Ma'ase*, Senator Shawn Gumataotao, Senator Barnett.

Senator Chris Barnett: *Si Yu'ous Ma'ase* Mr. Chair, Director Arriola, Deputy Ibanez, and hardworking staff from bus ops in the audience I was just kind of laughing 'cause I got a text when one of the senators was talking about how good

the roads were and the text was from a constituent, and they asked what roads are they driving on?

Because as you know, DPW has done a lot of hard work, but there's still so much more to do relative to the road repairs, striping lighting, all that kind of stuff. The concern I received traveling roads heading to GRMC-NCS, who could do high school the far left lane so freaking terrible.

I remembered it was smooth last year maybe the construction contractors, I know you just talked about this, kinda like the quality control of when they dig up the road and fix it back. It's, you know, way worse than it was at the beginning. So I just wanted to share those concerns from the constituents.

Vincent Arriola, Director, Department of Public Works: For every construction or every act if you will. That's done on government property, especially the roads. We have a certain standard for road repair we have inspectors that are out there that's number one actually. Number one is they can't do it unless they have a permit so once we have a permit, they're already on the board that we will go out there and inspect. We actually inspect the excavation, how far they're going and of course, all the way back up to full repair. So we are on site.

Senator Chris Barnett: Yeah, I know we had you in here was either earlier this year or last year talking about and I think it was you Deputy Ibanez the striping reflectors and leaving Yigo headed towards Dededo. When you get to Ysengsong. Have, has that been done already?

Vincent Arriola, Director, Department of Public Works: No, that should be done. We hope for the, hopefully it, should get done this year. Yeah. So we will have, we will go, we finished up…

Senator Chris Barnett: Only because I think you might have said that last year, right?

Vincent Arriola, Director, Department of Public Works: Yeah. Unfortunately, like I said, we've got one vendor and we're at the mercy of the event, and we're pushing hard and, they realize you know, what the work out, out output is. But, the next , road part of Marine Drive would be from, we're working our way up north. It would be from Adelup to Route 30, and then from the mall all the way to the, front gate of Anderson.

Senator Chris Barnett: And so I'm assuming that when you do the mall work your way backwards to Anderson, you'll cover that Ysengsong , area.

Vincent Arriola, Director, Department of Public Works: Ysengsong is already done, yeah.

Senator Chris Barnett: Oh, okay. I mean the, the on Marine Corps drive.

Vincent Arriola, Director, Department of Public Works: Oh, and yes, that'll be covered.

Senator Chris Barnett: Okay. And then in your proposal relative to streetlights, you said one of the specific goals for fiscal year 2026 is to recruit staff to construct and maintain streetlights traffic lights, oversee encroachment, perform construction inspections. But just relative to the street lights, is there a delay with installation of new street lights? Because I drive on a back road a lot. And if you've driven a back road at night, there's about a, I want to say a, a two mile stretch, completely pitch black, not a single street light. No striping, no reflectors.

And it, I mean we've had some accidents there and it's just, I, it's so many complaints about that. So what's the status with, with that specific stretch of road? And this is as you pass the old racetrack property headed south towards Adacao, Latte Heights. It's pretty much that whole stretch.

Vincent Arriola, Director, Department of Public Works: There's actually the whole Route 15 Yeah. Needs to get lit up I think one of the issues there is when GPA put their poles up, that's a, hundred foot easement. If you'll notice a lot of the power poles are way on the outside. They're at the edge of the easement. And there's a purpose for that, right?

So that when we come for road construction, the easement's already delineated, right? We go in there and we can expand the road and so when you have those power poles that are way on the outside, even if you put a light there, you're basically lighting up grass. So we need to work on that.

Senator Chris Barnett: You're right. I understand that if they're far from the road and you put a light, it might not shine on the road. But the issue is there aren't any lights.

Vincent Arriola, Director, Department of Public Works: Right.

Senator Chris Barnett: No matter how far. So what's the timeline on that?

Vincent Arriola, Director, Department of Public Works: I can look into that. Senator we do have the funding for additional streetlights , especially ever since.

Senator Chris Barnett: Is it a manpower issue?

Vincent Arriola, Director, Department of Public Works: No, no, no.

Senator Chris Barnett: What's the process of getting you guys or the contractor, whoever, out to the, for example, that stretch of road to light it up.

Vincent Arriola, Director, Department of Public Works: Yeah. No street lights are all done by GPA. Okay. Yeah. And, and they are done at, our direction along with the mayor. Mayor comes to us and says, Hey, I need a street light here, here or there, including routed roads. Yeah. So I will put that at the top of our totem pole here. And, and we'll, get route, route 15 taking a look at, and if the poles are there, we'll light 'em up. 'cause we do have the money for street lights. Okay. So a work order goes in from us. The GPA put up these street lights. They charge us for the installation, and then they bill us on, a monthly basis for streetlights.

Senator Chris Barnett: But it, usually starts with the mayor

Vincent Arriola, Director, Department of Public Works: For the most part.

Senator Chris Barnett: Okay.

Vincent Arriola, Director, Department of Public Works: For the most part.

Senator Chris Barnett: And then also had a question about the bus stops. I know you had said that the budget was going to cover a bunch of the new, bus stops. How many?

Vincent Arriola, Director, Department of Public Works: A lot of it is really going to depend on our budget, right? How much we have, how much we're able to pull and, and the cost of the materials. So, you know, it, it really wasn't too much.

The last one we did 25 I think that was the only, that was about less than $50,000 I think. For 25 of them

Senator Chris Barnett: Are you currently out of materials for bus stops now?

Vincent Arriola, Director, Department of Public Works: Right.

Linda Ibanez, Deputy Director, Department of Public Works: So we have a purchase order already it's awarded and executed. The problem we're having is the delivery time of those concrete boards.

So basically we have the plywood, we have everything. Our intent was to build this summer for the new school year. So we're just waiting for certain items.

Senator Chris Barnett: Okay.

Linda Ibanez, Deputy Director, Department of Public Works: But that was appropriated for $50,000. We just kept the current budget.

Senator Chris Barnett: I do want to thank you deputy Linda because you know, we've, we had a lot of concerns about bus stops or that they need a bus stop or bus stop needs repairing. They've always been very , accommodating with that. But I gotta ask specifically we had put in a request in Polenta Toves Road. Has that been addressed or is that something that we're waiting on?

Linda Ibanez, Deputy Director, Department of Public Works: It's on the list to replace a new bus shelter.

Senator Chris Barnett: And then is DPW also responsible for placing the barriers in front of the bus stops? 'cause I wanted to, again, just share the concern I received from another constituent across DRT and Barrigada Heights. And I think there might have been an accident here prior. It's one of the Latte stone bus stops.

Vincent Arriola, Director, Department of Public Works: Mm-hmm.

Senator Chris Barnett: But they were asking if DPW, if that's your area of responsibility, if you could place the cement barriers that we see at some of the other bus stops there.

Vincent Arriola, Director, Department of Public Works: Right, right. Most of those barriers are done by the , companies and or individuals or organizations that adopt, adopt the bus stop 'cause there's a, there's an Adopt the Bus stop program currently ongoing. And, and they do that as, as part of their adoption we've done some, but I can't remember doing any at least this year because we are, we are totally out of those Jersey barriers.

And those, they're costly. But you know, we've tried to do similar to building the bus stop we've tried to make, to build the Jersey barriers themselves we've tried to, we've looked at purchasing jersey barriers. They're at a minim of $5,000 to $8,000, depending on the size. So they get pretty pricey as well. But we're more than happy to take a look at bus shelters that are in need of that, depending on where they're at.

Senator Chris Barnett: So what happens if a bus shelter isn't adopted by a organization that's under us?

Vincent Arriola, Director, Department of Public Works: That falls under us.

Senator Chris Barnett: Okay. And because a bus stop is adopted by an organization, does that prevent DPW in any way, shape or form from providing those jersey barriers?

Linda Ibanez, Deputy Director, Department of Public Works: No.

Senator Chris Barnett: Okay.

Linda Ibanez, Deputy Director, Department of Public Works: No.

Senator Chris Barnett: Thank you and then I'd also while we're on the subject of busing, I've been getting concerns from some of the charter schools, and I did kind of confirm this with the counsel , director Ms. Vangie Cepeda relative to direct busing. Can you kind of explain what is, what is DPW's policy on direct busing to the charter schools?

Vincent Arriola, Director, Department of Public Works: Yeah. I, we, we don't, you know, we don't have the, . We don't have the manpower or the inventory of buses to do direct busing. And when they, I, when they say direct busing, we've had that request sent to us you know, you have a charter school, you have kids from six different villages.

They want six different buses to do that. We can't do that we just don't have the manpower and or the inventory to do it. So basically what we do is we pick up from the main transfer station down here in Agana and then we route them out to all those schools. That's the only way we can do that.

On top of that, we have double sessions up north with two of the schools. So you know, it's an issue that we'd like to address, but we just don't, you know, we flat out don't have the manpower and or the buses to do that. The other thing too is you know, if we were to do that by individual schools I'd venture to say you'd have a 60 passenger bus going around with 10 passengers. That's really inefficient you know, and I get it they believe they should be , catered to as well. No different than the other private schools we're just doing the best we can here.

Senator Chris Barnett: So could you explain then why I get reports of, for example, a certain charter school in Tiyan gets students who live in Yigo bus directly to the, the school's doorstep. And then you have students from the south let's say Malesso, Humatak, who are attending a charter school in Hagat. They get driven past that charter school in Hagat taken to the interchange over here and then bust backwards back to Hagat. And this is just what I've heard from the charter school, who gets the direct busing and then also the charter school who, who doesn't. So I don't understand that inconsistency.

Vincent Arriola, Director, Department of Public Works: That's a little far fetch because, you know, to be as efficient as you can based on our bus routes, we pick up multiple students from multiple schools and multiple, multiple villages. I don't believe Tiyan you mentioned, I don't believe Tiyan would have that amount of students or at least the Tiyan Charter School. I have to imagine that it would be Tiyan High School rather Tiyan High School.

Senator Chris Barnett: There's a couple and them right, one of the, so you have Guan Academy and then you have SIFA.

Vincent Arriola, Director, Department of Public Works: Yeah. It has to be a combination of them. We won't allow that. That would really mess up our schedule.

Senator Chris Barnett: I'm just sharing these concerns again, that they were shared with me from the council and

Vincent Arriola, Director, Department of Public Works: I understand

Senator Chris Barnett: And their concern with this, that inconsistency,

Vincent Arriola, Director, Department of Public Works: We don't have the manpower and or the inventory of buses to do it. We just simply don't.

Senator Chris Barnett: So what do we need to do in this, in this budget to make that. A reality because these, these charter schools, they're not private schools. They're public schools.

Vincent Arriola, Director, Department of Public Works: I think if you're looking at charter schools, I think the largest charter school is what, maybe 800. Okay and those 800 kids are from various parts of the island. If they're looking at individual busing we'd have to sit down with them and, and map out exactly what they're looking at, we can't go door to door for 10 individuals on a 60 passenger bus we probably could do that if depending if we downscale the bus or the van you know, that has to be studied and taken a look at if, if the charter schools are, are strongly requesting individual bus service.

Senator Chris Barnett: I don't think it's whether or not they're requesting individual bus service. We're just trying to ask is there a way that they can be accommodated and we can see a quality and how the different charter schools are treated and what's the dollar figure for that? And if you give us a dollar figure and commit to Yeah. I, I, you know, trying to figure out the direct , busing and avoiding the scenarios like I had explained you know, I'd, I'd be willing to support that.

Vincent Arriola, Director, Department of Public Works: Definitely. Yeah. We'd have to sit down with the charter schools and just. You know, for every charter school, where are your kids coming from? We map that out. Another charter school. Where are your kids coming from? What are you mapping out? We'd have to map that out.

Senator Chris Barnett: I just got another message from Career Tech, their students also passed the school in Hagat and get driven up here to Paseo and then the U-turn back to the campus at Hagat. So apparently it's a problem with a few of them. And I don't think anyone's saying, Hey, give them understand, give each

charter school their own bus, but there's gotta be some way logistically we can work it out. Yeah you know, matching up grade levels that sort of thing.

Vincent Arriola, Director, Department of Public Works: Yeah. That's kind of the first we've heard of it, what Linda's saying, but we've worked, I think the one that we really work closely with, and we're trying to address them is, you know, the one down in Agat there's actually two of them down there. So, you know, we'll continue to work with them we've got the whole summer hopefully to iron this out

Senator Chris Barnett: We have your commitment on the record that you're going to work with them.

Vincent Arriola, Director, Department of Public Works: I'm sorry? There's a commitment on the record that you're going to work with them. There's a commitment for us to work with everybody. Okay. You know, we, just, we want to service everyone as much as we can and you know, we've all been students ourselves, right?

Senator Chris Barnett: Sure.

Vincent Arriola, Director, Department of Public Works: There's nothing worse than driving around and takes you an hour and a half to get to school. You, we want to get them to school as soon as we as, as they can.

Senator Chris Barnett: Okay. So yeah, I'd be willing to meet with you, Linda, Vince and whichever schools are having issues with it to kind of hammer it out. And if, if it's a dollar figure, if, you know, we need to hire this many more bus drivers or whatever. Absolutely. Committed to work towards that.

Vincent Arriola, Director, Department of Public Works: Okay.

Senator Chris Barnett: Okay I know it was asked, but if you could just explain again, for the record, the $880 allotment for the drug testing.

Vincent Arriola, Director, Department of Public Works: Basically, that's just a, a budgeted amount.

Senator Chris Barnett: Okay.

Vincent Arriola, Director, Department of Public Works: Yeah. And you know, we do have, we have the ability to move funds within the budget depending on, on how much how many times we have a random drug test the, the cost, how many are, are in there. no different than if our, any of our utilities are short, we start moving money into there and we'll take care of it. But are there going to be random drug tests? Oh, yes.

Senator Chris Barnett: Okay. Thank you, Mr. Chair.

Chairman Christopher M. Dueñas: Thank you. Senator Barnett, Senator Taitague.

Senator Telo Taitague: Good afternoon, colleagues, and of course, good afternoon to DPW I always try to be your favorite fan when it comes to trying to find money for roads. And, you know, hopefully we can do that because I'm looking here at the spreadsheet from OFB. And I'm seeing here that the Highway Maintenance construction, no, this is at Village Streets and Road Resurfacing and Repair which is coming out of Guam Highway Fund is at $2 million requested compared to last year, who I was very disappointed in FY 25, actually it says $2 million for FY 25, but yet when we saw the, the budget, it was only like $500,000 when we were trying to push for it.

So I'm seeing $2 million in FY 25, is that correct? And it came from the Guam Highway Fund, right?

Vincent Arriola, Director, Department of Public Works: Yes.

Senator Telo Taitague: So how much money did you get from the General Fund when it comes to Village Road repairs?

Vincent Arriola, Director, Department of Public Works: None.

Senator Telo Taitague: No money whatsoever?

Vincent Arriola, Director, Department of Public Works: Yeah. Well, it was only that $2 million appropriation.

Senator Telo Taitague: Oh, which came from the Highway Fund?

Vincent Arriola, Director, Department of Public Works: From Highway Fund, yeah.

Senator Telo Taitague: But nothing from the general fund?

Vincent Arriola, Director, Department of Public Works: Yes I think 20,

Senator Telo Taitague: I believe there was $500 there. I mean, five, $500,000 from the general fund, if I'm not mistaken. Did you utilize that for labor?

Vincent Arriola, Director, Department of Public Works: For labor? Yes.

Senator Telo Taitague: Okay. You know I know that sometimes it's best to do it in-house when it comes to these road repairs, I was talked, you talked earlier about some of the equipment. So my question is how much equipment do you have, like pavers and graders et cetera, down the line to actually do the road repairs yourself instead of outsourcing it?

Vincent Arriola, Director, Department of Public Works: I think our equipment , inventory is, is at a good state right now, Senator, is that,

Senator Telo Taitague: What is that?

Vincent Arriola, Director, Department of Public Works: We're in a good state with, with heavy equipment right now for road repairs road construction in terms of excavators, rollers, backhoes, dump trucks, things like that. I think we're in a, we're in a good state right now because what we do in terms of village streets is, remember as I mentioned before, we go in, we help prep the road, but the private contractor actually comes in and does the actual paving. Yeah. We, we don't do the actual paving that's done by our…

Senator Telo Taitague: But you have the equipment to do paving?

Vincent Arriola, Director, Department of Public Works: No, no.

Senator Telo Taitague: Once upon a time you did. Right?

Vincent Arriola, Director, Department of Public Works: Yeah. That even that is a specialized position.

Senator Telo Taitague: But you've done it before. 'cause I remember in the Gill Baza Road that was paved through that whole road was DPW, it saved us quite like $300,000 to do it ourselves from DPW.

Vincent Arriola, Director, Department of Public Works: That might've been when DPW had 11,000 employees, but we're at about 200 right now. So no, we have, at least as far as I know at least in my term, and probably the eight years before that, we haven't beat DPW has not paved in, in quite a bit.

Senator Telo Taitague: Yeah, because they did that actually in 2000 , 11. Mm-hmm. They paved that road in 2011. So I don't know, was it that many people employed at DPW? I don't think so in order to do that. But, you know, it's something you need to look at because if you're trying to find funding or being able not, you know, find funding, but being able to fix these village streets to be able to fix a road that is a dirt road. The biggest issue too is when you have these housing areas where there's at least five houses in one, like back in we Ysengsong Road in that back road there, and it's all dirt. You get solid waste who refuses to drive in there to pick up their trash, and these people have to drag their bins all the way to the main road.

I mean, especially when there's five families back there, you would think you can assist with that. And I know you have requests, you know, to have roads built like that in those areas too. So, you know, it's not just having a nice road so that our tires don't break down or axles don't break or anything.

It's about ambulances being able to get back there when there's an emergency and, and picking up trash. Especially our Manamko, you know, can't be dragging their trash cans all the way, you know, from their house all the way to the main road because there's no money to pave the road.

Vincent Arriola, Director, Department of Public Works: Yeah. Senator, we can certainly put a full blown road paving program together to include, you know, asphalt laying machines and, and the like, right. We can go as far as, opening up a asphalt batch plant, but you know, you're talking millions of millions and even if we were to procure and operate asphalt , paving machines and, and things of that

nature we're still going to be at the mercy of the private, the one private contractor who mixes asphalt. So, you know, we could start there

Senator Telo Taitague: I hope so, because the, you know, it sounds good. Everyone talk about, oh, I like the striping. Oh, I like what you've done there. But, you know, it's, that's minimal compared to what the really real reality is out there on our roads, you know, and a lot of it has to do with safety.

You know, the 2009 Village Master plan what is the latest are you planning on . Updating that, and we know that it used to be a mile a million a mile to pave a road or to fix a road. What, what is the going cost now per mile and are you going to update the 2009 Village Master Plan?

Vincent Arriola, Director, Department of Public Works: Senator, in terms of the 2009 Village Master plan, we've done a huge chunk of that already. does it need updating at this time? Probably does, but we are, as I mentioned so many times, we are literally paying catch up playing catch up with all our projects road paving street paving maintenance so on and so forth.

So, you know, with the limited staff that we have, it's, it's, it's not an excuse. I'm just saying it's overwhelming out there. And, and I, you know, we thank you for your, for your passion 'cause you've always helped us with with the road paving. Right. And we get it it's just, there's a lot of roads out there, imagine.

Senator Telo Taitague: Well, that's why I'm very disappointed that every time you come in front of us, you know, you don't ask for that amount of funding to help pay for these, these village streets. You know, these roads that go into homes that, that can't even get an ambulance or even a, you know, trash truck to go and pick up their trash for them. And also, there's a DPW have you coordinated with Guam Transportation Plan of 2030 to ensure Village Streets addressed specifically and not just broadly referenced as well?

Vincent Arriola, Director, Department of Public Works: Senator, at that, the last budget hearing I mentioned that the previous two years we, we received $10 million specifically for Village Street Paving and at the last budget hearing, I was very hopeful. I said, I hope we get the same amount for Village Street Paving 'cause we spend it and for FY 25, we didn't get the $10 million probation.

Senator Telo Taitague: Right. Well, I did ask for, introduced to Bill this year to get $10 million to you.

Vincent Arriola, Director, Department of Public Works: I did ask for this year. Give us the 10 million. Give us 12 million.

Senator Telo Taitague: Exactly.

Vincent Arriola, Director, Department of Public Works: We'll spend it, it's, the roads are out there to be paved.

Senator Telo Taitague: Absolutely. We can certainly agree on that. We look more and more and more trafficked accidents and it's, based because what you can't see the lines, you can't, you know people are dodging potholes, you know, so that they're cars aren't. So you need to ask for that money and I was so disappointed to see that you did not request it.

Vincent Arriola, Director, Department of Public Works: We did, we did. Senator.

Senator Telo Taitague: Okay. Yeah. Do a supplemental, please send a supplemental into this budget, you know, for your budget and ask for that $10 million and because they, it, it's needed be the bus operations division receives about $7 million, well, in FY 25, $7.8 million and now requesting for $7.9. And this is from the, Guam education facilities fund, correct?

Vincent Arriola, Director, Department of Public Works: Territorial.

Senator Telo Taitague: Okay. The territory. Guam. Okay. Is it limited? I know it's limited to education, right? You know, it says education in, hence education. However, in FY 24 of April, there was only a slight you know, increase in, tracking in FY 24, which $63,318, just slightly.

Today, FY 24, I mean 25th of April, there's a negative of $2,042,018. I don't know if you're tracking this particular fund, but this is a very important division in your agency for the buses. So I'm seeing a shortage that's tracking. And then of course, I looked at last year because at the end of FY 24, there was actually just a slightly more like $98,000 in excess.

But like I said it, it's tracking differently, so you need to keep an eye on that and. Okay let us know right away because I, I'm not seeing that there I'm glad Senator Barnett brought up the barricades. I think I'm getting the same phone calls he is, especially the one in Barrigada Heights with putting those barricades at least, you know, in front of the bus stops. So I too, you know, like to share my concerns on that as well the last one I have, the last question I have is oh it talks about your…

oh wait, the buildings at DPW, the compound. Okay. Where you also house like if you pass the main office, you turn right and you go further down. You have Rev and Tax there, you have Guam, solid waste there. Those buildings, all those buildings in that area. Who owns those buildings? I mean, it's government of Guam, but who's it under?

Vincent Arriola, Director, Department of Public Works: That's under DPW, under DPW and Solid waste is way, way, way in the back they have their own building.

Senator Telo Taitague: Right. And then and who handles the maintenance of those buildings?

Vincent Arriola, Director, Department of Public Works: We handle maintenance.

Senator Telo Taitague: And is it in your budget bill to…

Vincent Arriola, Director, Department of Public Works: For maintenance? Yes there's a portion there where the Guam Regional or GRTA is, they handle their own maintenance within that they have a small portion of within,

Senator Telo Taitague: Within their own budget. Right. Okay. So you then you handle the maintenance of the one where you're housing rev and tax?

Vincent Arriola, Director, Department of Public Works: Yes.

Senator Telo Taitague: Where your housing? fire.

Vincent Arriola, Director, Department of Public Works: It's about, I'd say, like a thousand square feet at the most.

Senator Telo Taitague: Yeah. Okay. And then do you have engineers in your department, engineers? You do, right?

Vincent Arriola, Director, Department of Public Works: We have engineers, yes, ma'am.

Senator Telo Taitague: Okay. Do you also have surveyors, like when the Rights of Way department in, in DPW?

Vincent Arriola, Director, Department of Public Works: Not, not, not surveyors.

Senator Telo Taitague: Okay. But they're not surveys, but they, they do survey when, when it comes to encroachment and stuff like that, right?

Vincent Arriola, Director, Department of Public Works: They, they, they, do

Senator Telo Taitague: but they're not full fledged surveyors?

Vincent Arriola, Director, Department of Public Works: They're not full fledged surveyors.

Senator Telo Taitague: Yeah. Okay. 'cause that'd be nice to help DOC out, you know, they, they need some help over there at DOC with they're being charged from GHURA about seven grand, and I think DPW can assist them you know, when it comes to reviewing the property, I think it was $7,000, but could be a little bit more or less. You know, I've noticed in the staffing pattern too when did you get a second deputy director?

Vincent Arriola, Director, Department of Public Works: Maybe two years ago.

Senator Telo Taitague: Because it's showing You have two deputy directors.

Vincent Arriola, Director, Department of Public Works: Yes. Maybe two years ago. We, we brought on Mr. Canta you know, the workload was you know, with Simon Sanchez, with the bio lab, the workload was really it, was, it was getting really tough.

Senator Telo Taitague: But why would you bring him on as a deputy?

Vincent Arriola, Director, Department of Public Works: So he handles CIP, he handles transportation, maintenance, and yeah, 'cause that's, his expertise is in.

Senator Telo Taitague: Well this is a first time having two deputy directors in what, 20 years that DPW has been in place. So I dunno, not sure why, why he would follow under a category as a deputy director rather than just an employee. I'm just curious, why is that, is it the funding or is it…

Vincent Arriola, Director, Department of Public Works: It's a little bit of funding,

Senator Telo Taitague: Meaning whatever you, he wants to be paid. 'cause…

Vincent Arriola, Director, Department of Public Works: No, finding out that a lot of it is really executive direction. If I need something done you know, that I can't handle or Linda can't handle Ernie takes care of it. We've got different responsibilities within DPW over, although I oversee all of it.

Senator Telo Taitague: Okay. So Vince, like I asked you earlier, what is the , amount money needed for like one mile to repair one mile these days?

Vincent Arriola, Director, Department of Public Works: I don't have that number off the top of my head. I know that it's gone up substantially

Senator Telo Taitague: From 1 million to a guesstimate of?

Vincent Arriola, Director, Department of Public Works: And when they say one mile, I've always asked them to, quantify that. Is it one mile of one lane or is it one mile of a road? That's two lanes. So. Yeah. Even the folks that first gave us that 1 million a mile, they couldn't quantify that. So when we pave, it's, typically by the cubic yard of asphalt that's laid plus labor. So I can get you.

Senator Telo Taitague: Can you, and also do you charge these utility companies who come up and break up the road and put down utilities and then when you come back, you know, it's worse than what they left it.

Vincent Arriola, Director, Department of Public Works: You know, that's our nemesis, if you will. But I think just because the way the utilities are laid out and, you know, we're all talking about water works, right? , I don't see any way around it because all their, all their main sewer lines and water lines are under all of Guam's roads. So when you are road construction, the most we can do is say, Hey, we're doing road construction. If you need to put something in there, do it now. Like this road this road repair that we're doing with Route 10 coming up, we, they've already been, they've already been told you get in the ground now, which they are, they're, they're in front of Wendy's doing some sewer work to get in the ground now 'cause once we start paving you're not going to get in the road at all and you figure out how to.

Senator Telo Taitague: Okay. And if the if system, if they don't fix the road to what it was before, or even better, you know, do you have the ability to go after these agencies and, and request for the funding? If you're not going to fix it, then we'll fix it ourself. This is how much it's going to cost you. Do you have that ability to do that now?

Vincent Arriola, Director, Department of Public Works: The ability is I hold back on their encroachment permit for another project. It works.

Senator Telo Taitague: Does it? Okay.

Vincent Arriola, Director, Department of Public Works: It works.

Senator Telo Taitague: I hope so. And Linda did, did you hear any complaints about the charter schools too?

Vincent Arriola, Director, Department of Public Works: Yes

Senator Telo Taitague: Linda? Yeah. I'm asking you. Yeah. Oh, did I hear any complaints about, can say about the charter schools?

Linda Ibanez, Deputy Director, Department of Public Works: The issue with the charter schools, we only have one. Like the director said only the one sound at the south, but the other ones that the senator had mentioned.

Senator Telo Taitague: This is the first we heard of it. Oh, that's the first you've heard?

Linda Ibanez, Deputy Director, Department of Public Works: Yes.

Senator Telo Taitague: Yeah. Okay. Thank you Mr. Chair. Thank you, Senator.

Chairman Christopher M. Dueñas: Thank you Senator Taitague, Senator Terlaje.

Senator Therese Terlaje: Thank you all for your presentation and, and your work about your shortage of, or hardship and recruiting personnel. What is the solution? I mean, have you talked to DOA, are they going to change the description of the positions or are you able to change the salaries or what is the solution?

Vincent Arriola, Director, Department of Public Works: Yeah. At this point, senator, we are going to officially request them to do a salary there. There's a, what's it called?

Linda Ibanez, Deputy Director, Department of Public Works: Audit assessment.

Vincent Arriola, Director, Department of Public Works: Audit. A salary assessment desk. Got it. Salary study to see where we stand. In terms of not just gov, Guam, salaries for electricians, engineers, you know, for those technical positions that I mentioned and, and see where we stand, and , I don't even need the salary. We already know we're way behind, but that's the process that we gotta do.

Senator Therese Terlaje: Yes.

Vincent Arriola, Director, Department of Public Works: And then hopefully depending on, I'm not sure if the DOA , director has the authority to bp them up, or do we have to come back? If we have to come back to the legislature to get it that authorized, we'll certainly bring it back to this body.

Senator Therese Terlaje: Yeah. Alright. Please, you have to start it though.

Vincent Arriola, Director, Department of Public Works: Yes, yes ma'am.

Senator Therese Terlaje: All right. And then , same thing I was going to ask you about the chief engineer, but I, I remember kind of setting that by salary or

allowing some exception when it came to the chief engineer salary because it was so hard to recruit.

But I said, that's not working either, so we just need a solution. Please. As soon as you can't think of one. The digitized permit process, right? Oh yeah. We, I heard a while ago though that that bid had been protested and so it had been held up. But you're saying you're going to rebid it, but why has it taken so long to rebid it if it was, that seemed to have happened, maybe even over a year ago.

Vincent Arriola, Director, Department of Public Works: This is for what, specifically?

Senator Therese Terlaje: The digitized permit process.

Vincent Arriola, Director, Department of Public Works: There was, my understanding is there was a protest, it got referred down to GSA and I believe, I believe the AG's office because they handle protests and it just, it…

Senator Therese Terlaje: So you're not able to rebid it yet, or are you?

Vincent Arriola, Director, Department of Public Works: We received something from GSA about a month ago. Is that correct? And, and it basically said it's, it's null and void. You have to go out and rebid. So that's what we're going to do.

Senator Therese Terlaje: Okay. So that was only a month ago because I had heard maybe a year ago.

Vincent Arriola, Director, Department of Public Works: No, it, that this was the status if it was a year we would've gone out like that.

Senator Therese Terlaje: Okay. Well that's what I wanted to, or encourage it. What are we waiting for? We need to hurry [inaudible] Do you know what the problem was? What did they cite as the issue or what was the protest about?

Vincent Arriola, Director, Department of Public Works: I don't know specifically, but we'll have to look into that to make sure that, you know, we cover those bases when we put the bid out.

Senator Therese Terlaje: Alright. And when you talked about abandoned buildings like the Verona and you're, you've been going out and making citations, are you still doing that?

Vincent Arriola, Director, Department of Public Works: We're still doing that, yes ma'am.

Senator Therese Terlaje: So what is your protocol, for example, [inaudible] or other buildings here, what do you, what are, what is the status? What are they supposed to be doing? Have you been doing that for a while now?

Vincent Arriola, Director, Department of Public Works: Yeah, that specific building. Right. We were, we were able to, to get them up to boarded up in a much stronger manner because that they boarded, they literally boarded up and even fenced that building twice if I believe. And the homeless just broke right in.

So if you see the last time they've done it, which is like today, they haven't been able to get in. So they, it's structurally it's much better. But what we've been doing with the mayors, like right now we are in Agat and we are in Barrigada and the mayors have you know, 'cause it's their constituents and, and we get it.

So they've asked to, to get first chance at contacting the residents that we've identified so like in Agat, I think there were like 31 residents that we were ready to issue an NOV the mayor took the list, went out and talked to them. So he's been able to narrow that down to, I think 20. So 31-20.

He's got, he's got 11 that we're able to go and clean up their old house clean the weeds, board it up, so on and so forth. But there's still 20 within the village of Agat. So we're basically working with the mayor to make sure that those buildings get either boarded up, you know, we, and you know, it's, we just don't want 'em as, as eye source. That's number one. And also there's a safety hazard.

Senator Therese Terlaje: Yeah. So who boards them up?

Vincent Arriola, Director, Department of Public Works: The owner.

Senator Therese Terlaje: All right. And what if they don't respond?

Vincent Arriola, Director, Department of Public Works: If they don't respond, then we send them a letter that if we have to do it whatever funds that are and, and resources that are used to board up and to secure, secure your, private property there'll be a lien on it.

Senator Therese Terlaje: All right. And have you been able, have you ever done that?

Vincent Arriola, Director, Department of Public Works: I think we did it with two. Yeah, but it never went the, as far as a full, you know, filed, responded, filed a lien. Yeah.

Senator Therese Terlaje: And they responded?

Vincent Arriola, Director, Department of Public Works: They responded.

Senator Therese Terlaje: Okay. Thank you. Yeah so yes, I've noticed the dead man's curve. You were able to put stripes, all kinds of things.

Vincent Arriola, Director, Department of Public Works: Yes, ma'am.

Senator Therese Terlaje: There, and even create some little space in between the lanes that ongoing lanes.

Vincent Arriola, Director, Department of Public Works: Right. We narrow surprise. The lane for all practical purposes. Yeah.

Senator Therese Terlaje: And then, good to hear that the Maniglao building response is in, you have not reviewed it, you said? Are we able to get a copy of that?

Vincent Arriola, Director, Department of Public Works: Because it's prelim. The final report will be out July 25th.

Senator Therese Terlaje: But not the, what about the preliminary report?

Vincent Arriola, Director, Department of Public Works: You know, 'cause they're still working on it. It's a draft. I can't release it. Yeah. Because they're, we haven't even read it ourselves. We just got it like two days ago.

Senator Therese Terlaje: All right. And when you talked about your work with abandoned vehicles, are you the now exclusive abandoned vehicle remover?

Vincent Arriola, Director, Department of Public Works: Yes, ma'am.

Senator Therese Terlaje: No longer, No other contracts?

Vincent Arriola, Director, Department of Public Works: No. The law says it all falls with public works.

Senator Therese Terlaje: All right. And so are you doing, what they used to do is contract with somebody to remove those from Guam?

Vincent Arriola, Director, Department of Public Works: Correct. You know, there, the government does. We do not ship anything off island, whether it be white goods. Abandoned vehicles, tires. So we work with the, the private contractors. So, you know, whoever, if there's a lucrative business out there that has a source of another country or whatever that can accept certain abandoned vehicles in a certain condition you know, we…

Senator Therese Terlaje: So that's what's happening right now. Right. Alright. So we don't have a pile growing anywhere?

Vincent Arriola, Director, Department of Public Works: Well we do in the back of DPW because the big issue there, Senator is the lack of a staging site for removal broadband vehicles. Right. Okay. Most everything, as, as I understand it, belongs to CLTC, Chamorro Land Trust.

Senator Therese Terlaje: Mm-hmm. The field, you mentioned when you were talking about the buses, about field trips and sports, that the buses are being used for those, but I don't know, I, whenever I talk to teachers, they say buses are not available to them for field trips. Is that, is that really the, the case? that you've been making those available?

Vincent Arriola, Director, Department of Public Works: They're, 'cause they're 90, 99% of the time it's after school. So buses are available and we do charge after school.

Senator Therese Terlaje: After school.

Vincent Arriola, Director, Department of Public Works: Yeah. There are some that might be during school. What's that like for field trips? Yeah. That's in between the, let's call it the eight to two o'clock. So you know, we're able to accommodate them.

Senator Therese Terlaje: Okay. And then the storm drains are, have we, are we complete with the rules and regs? No, right.

Vincent Arriola, Director, Department of Public Works: No.

Senator Therese Terlaje: Those are still pending by DPW?

Vincent Arriola, Director, Department of Public Works: Yes. It's called I think the citation is MS four Municipal storm, storm sewer runoff water system. Mm-hmm. Four S's, something like that. Yeah, MS four. And so we are under permit from the USEPA and so even with that, we don't have the staff to actually take on board. It's one of those unfunded mandates that basically says all the rainwater that you catch here in Guam, by the time it enters the outfalls, the oceans, it should be at this certain clean level, that's humongous. That project is in the super millions, if you will, Talo'fo'fo Bay alone. Just to control that, that outfall is outrageous so one of the things we were thinking of doing and, and we're still in, in, we're still in talks with them, is because we don't have the immediate staff for that, is we do have our program management team on the Federal Highway, highway side.

We're looking at them to do it on the local side, but we would have to find local funds to pay them to help us administrate that. It's a huge project. This is not a simple thing like I said, we're taking rainwater that drops throughout the island, most especially Harmon Industrial Park.

The Tumon the high density areas and, and it goes into the storm water and then comes out in Agana Bay or [inaudible] Beach or some of the, some in Tumon that's a huge project

Senator Therese Terlaje: Speaking of Tumon. Are you doing any work at Matapang Beach?

Vincent Arriola, Director, Department of Public Works: No.

Senator Therese Terlaje: You don't plan to do any regarding the flooding there?

Vincent Arriola, Director, Department of Public Works: We, no. What I see on what's, what's on the radar with, with Tumon is the GVB and a lot of the members there from the Tumon Hotel and Restaurant Association, I believe are the, that consortium that they have there. They want to, you know, fix up Tumon and re-pave San Antonio, basically from the Hilton all the way up past the West End and then up back up to Marine Drive.

I said the fastest way to do that would be a, a simple mill and pave. Right. Do you have the money? No, I don't have the money so I know, they're looking at, at funding for that but one of the things I did mention to them is that would be a quick fix. You're going to have a nice, smooth road, but the, the underlying thing is the storm water drains, there are still, they're still subject to, to backup, to flooding.

And that's right around the main area. We all know where the main area is. Right? It's right, right at the, the lowest point of Tumon, which is the sand castle area. The Dusit's, the Hyatts so to speak in that, in that area. So that needs to be addressed, and that's the last I spoke with one of the engineers who had fairly decent knowledge of that issue is that is like in the multimillion dollars.

'cause the, they're talking of digging up the whole storm water system and putting in larger, more efficient storm water pipes there. And then on top of that, so the water drains, right? And it goes to the Fujita ponding basin. That's a useless ponding basin because that's already met with the ocean water.

So it never, it never permeates, it never sinks it, it never it just stays at that one level. So what do you do with that, that ponding basin? , there's some schools of thought is we've once that helped about maybe four years ago. That helped a little bit, but like I said, we already reached the tide and then there's all kinds of endangered species in there.

It's incredible. And once the endangered species on there, I can't get in. So there's some schools of thought is pumping it out pumping it up to marine drive, then

letting it come down here and exiting here that's still being looked at. It's a, but it's a big issue.

Senator Therese Terlaje: But on the Matapang beach, it's really a sanitary issue. This has been going on for years where the, you know, there's so many people that go there, paddlers, all kinds of sports school events, but the water, that pools is very unsanitary. And can you, is there any way DPW can just find a quick fix? Because apparently GVB has taken that off their list of things that they're responsible for. So no one, apparently DPR said they're, they have no plans for it. And so I'm asking you if we could, if you could take a look.

Vincent Arriola, Director, Department of Public Works: Sure.

Senator Therese Terlaje: To take care of that ponding that happens in the parking lot. It's that because they can't park. They have little kids walking through the grossest water and, and it's been going on for years. No one, they keep passing the buck. I'm sorry, but I'm going to ask you, you've been able to get these other things. Take a look at it, things done. Please take a look at that. If there is a temporary fix before we have a permanent fix, please do that.

Vincent Arriola, Director, Department of Public Works: Yeah. Okay

Senator Therese Terlaje: Thank you. I really think it's a safety issue.

Vincent Arriola, Director, Department of Public Works: Sure.

Senator Therese Terlaje: Thank you and then my colleague talked about this paving of the streets, I think so you talked about some of the projects that you, you're done and then you gave us a list of the ones you planning. Like for example, the south. I guess I just wanted to get a clear delineation of which ones are for FY 26 funds, which ones 25.

Right, and which ones you gave a list for the federal funds, such as the Route 10, the Ypao road, and the airport to Route 16. But are there any other, I think these are, are they for, well these say 2024 grants, so for the local funds for 2026, yeah. What should we expect? What you described the Hagat, Malesso, Inalahan or some are these for 25.

Vincent Arriola, Director, Department of Public Works: Umatac is one going down that Umatac Hill, for some reason, trucks and buses, everything, they just seem to gravitate toward that ditch there. So we're going to do some work there and then there's another road in, in Umatac, I believe, on the behind the bridge side that we're looking to, to pave the, that's a major flooded area.

Senator Therese Terlaje: Okay, so wait, these are in addition to the ones that you said the $3.5 million, the task orders are already out?

Vincent Arriola, Director, Department of Public Works: Right

Senator Therese Terlaje: So this is in addition to those. You have another list for FY 26, right? For the funds, the 2 million plus

Linda Ibanez, Deputy Director, Department of Public Works: Yeah. So we're going to submit in a supplemental budget to address all our rules.

Senator Therese Terlaje: Okay, you're going to show us just as at least so that I think the people, or at least if they know what to expect, they'll be done in 26 and then they know the others are not going to be done in 2026. And then we know also that don't expect it to be done unless we're able to appropriate some more money. Something like that.

Vincent Arriola, Director, Department of Public Works: Okay.

Senator Therese Terlaje: Just so it has to be very clear to me.

Vincent Arriola, Director, Department of Public Works: Okay.

Senator Therese Terlaje: What you're able to do with these amount of funds, which roads and even some mayors you know, we have a lot of new mayors. Can you make sure you've talked to all of them about

Vincent Arriola, Director, Department of Public Works: We do

Senator Therese Terlaje: About how they, you know, we are on prioritize which street roads which village streets will be worked on. Right. They, that's still the

process where they're going to designate the top three areas where they think need to be worked on. Okay. 'cause some of them still have some questions about that.

Vincent Arriola, Director, Department of Public Works: You know, a lot of it really depends on the size of the village, the condition of the roads. We really try it as much as possible to spread it out amongst, amongst all the mayors.

Senator Therese Terlaje: Okay I want to thank you because we passed a law last term for Mr. Duenas whose property had been used by, it's a ponding basin or something by DPW and you were able to take care of that in unit. Yes. So apparently I asked him the other day and he said that's been taken care of. So that was very quick. So I want to thank you for that quick. I know there are many others who have issues like this all across the island. You still have route four to take care of. You know making sure that the owners of these properties that the government's using is, are really taking care of and, and compensated, and that those who have easements that are actually not usable, that we find a way.

So I want to thank you as well for working with the mayor of Yona on the easement for the Balajadia Road. And , one of the constituents there asked me to drive through that road recently, and I did, and, and not even, it's, there's several issues there, but one of them is the embankment on the roads are so steep that, and there are no guard rails. So if you could just take another look at that.

Vincent Arriola, Director, Department of Public Works: Of course.

Senator Therese Terlaje: So it's a safety thing. I'm amazed at how they actually survived after the typhoon because the roads were blocked. They had to cross the valleys and get up to the other side and do all kinds of things. So I know these are remote kind of, and but I, we must have a lot.

And maybe if you have a list and you just talked to us about that one day, what's our long-term proposal to resolve some of these where they've dedicated easements to the government, but they're not really usable. So there were some errors done and we need to help.

Vincent Arriola, Director, Department of Public Works: That's a big issue. Yeah, big issue.

Senator Therese Terlaje: All right. Si yu'ous ma'ase for all your work, thank you.

Vincent Arriola, Director, Department of Public Works: Thank you, Senator.

Chairman Christopher M. Dueñas: Thank you, Director Arriola and Ms. Ibanez and your entire team. We appreciate everything. And so yeah, I've mentioned this during appropriations, you know, director, we gotta be clear, you could have 10 million in your account right now.

It's not going to matter if you don't have the identified projects and ready to roll out. And I just don't think you're staged for paving right now. I just don't think you have the ability to do it equipment wise and everything else. You have the ability to prep, but you need the contractor to come in to do the final act.

So we will be here, we're standing by and we will wait for your, for your listing and then we will move from there there's a lot of demand for resources right now, right? Right. So to park $10 or $20 million somewhere you know, only to find out that the hospital's going to be knocking on our door education right now. It's got serious issues with schools that you know, they've lost federal funding for. So we're ready when you're ready. Okay. You'll, you'll have it, but before that

Vincent Arriola, Director, Department of Public Works: We'll try to get to the top of the Christmas tree.

Chairman Christopher M. Dueñas: Right? But before that, as the appropriations chair, I'm not going to park $10 million somewhere that, but we got critical areas and other areas, right? We'll get it to you when the plan's ready to go.

Vincent Arriola, Director, Department of Public Works: Appreciate it

Chairman Christopher M. Dueñas: And I appreciate you and your team. Okay. Appreciate it. So with that, this will conclude this afternoon's budget hearing Bill No. 44-38 (COR) relative to the Department of Public Works. The committee will continue to accept written testimony on the bill within seven day calendar days.

From today, which may be addressed to myself, Senator Christopher M. Duenas as the chairman and committee on appropriations and or emailed or mailed to 163 West Chalan Santo Papa, in Hagatna 96910 and also you may email me at

senator.duenas@guamlegislature.gov. We are adjourned at 16:16. Si yu'ous ma'ase.

The Budget Hearing was adjourned at 4:16 P.M.

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Wednesday, June 25, 2025, at 9:00 A.M.

Mayor's Council of Guam

THE GUAM LEGISLATURE

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on June 25, 2025

Office of Finance and Budget <ofb@guamlegislature.gov> Wed, Jun 18, 2025 at 8:29 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 18, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on June 25, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Wednesday, June 25, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am

- **Mayors Council of Guam (MCOG)**

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
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First Notice OFB Budget Hearing 6.25.25 (MCOG).pdf
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Posted on: 06/18/2025 08:56 AM

Posted by: Camarin Breton

Public Hearing Date: 06/25/2025 09:00 AM

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Relative to **Bill No. 44-38 (COR)** (http://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%2044-38%20(COR).pdf) - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am

- **Mayors Council of Guam (MCOG)**

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. ***If you or anyone you know requires assistance or special accommodations to participate in the budget hearing, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov (mailto:senator.duenas@guamlegislature.gov) or by phone at (671) 989-9554.***

The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (**@guamlegislaturemedia (https://www.youtube.com/@GuamLegislatureMedia)**).

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Office of Finance and Budget <ofb@guamlegislature.gov>

SECOND NOTICE - FY26 Budget Hearing on June 25, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Mon, Jun 23, 2025 at 8:10 AM
To: phnotice@guamlegislature.gov

FOR IMMEDIATE RELEASE
June 23, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on June 25, 2025

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--
Si Yu'os Ma'åse,
Office of Finance and Budget (OFB)
The Office of Senator Christopher M. Duenas
I Mina'trentai Ocho na Liheslaturan Guåhan
Website: www.ofbguam.org

2 attachments

senator-duenas-headshot.jpg
70K

Second Notice OFB Budget Hearing 6.25.25 (MCOG).pdf
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FOR IMMEDIATE RELEASE
June 23, 2025

MEMORANDUM

To: **All Senators, Stakeholders, and Media**

From: **Senator Christopher M. Dueñas**
Chairman, Committee on Finance and Government Operations

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SECOND NOTICE - FY26 Budget Hearing on June 25, 2025

SECOND NOTICE - FY26 Budget Hearing on June 25, 2025

PUBLIC HEARING

Posted on: 06/23/2025 08:11 AM

Posted by: Camarin Breton

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June 23, 2025

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BUDGET HEARING AGENDA

Wednesday, June 25, 2025 – Guam Congress Building

9:00 A.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Mayor's Council of Guam (MCOG)

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 25, 2025 **Time: 9:00 a.m.**

Bill No. 44-38 (COR) - Committee on Rules

by request of I Maga'hågan Guåhan, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

-- Relative to Mayors Council of Guam (MCOG)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	JoyJoan Arceo	MCOG	671-472-6940		↓	↘	↘	
2	Beatrice Cruz	MCOG	671-472-6940	beatrice.cruz@mcogguam.gov			✓	
3	Tianna Sanchez	MCOG	" "				✓	
4	Royelle Carter	MCOG	" "				✓	
5	Rica Garrido	MCOG	" "				✓	
6	Ronald Hidalgo	MCOG					✓	
7	Dawn Perez	MCOG					✓	
8	Joann Charfauros	MCOG					✓	
9	Kaylene Duenas	MCOG					✓	
10	Raina Paraguison	MCOG					✓	
11	Nadya Michalec	MCOG					✓	
12	Tori Arceo	MCOG					✓	

MAYOR VALDEZTA — Inchausti

Mayor Chaguaceda — Inclan

Mayor Arroyo — Agarate Hechita

Doctor

V Mayor Iramain —

Las Golondrinas

Dale Alvarez — Santa Rita

Robert Hofmann — Sinajana

Wayne SN Santos — Chalan Pago-Ordot

MAYOR BADA — HUMATAC

YONA

MAJOR-TELEJE

MALESSO

MAYOR CHAMPACO

MAYOR BLAS — BARRIGADA

VICE MAYOR BAUTISTA

I Mina'trentai Ocho na Liheslaturan Guahån

Office of Senator Christopher M. Duenas x Office of Finance & Budget

Chairman, Committee on Finance and Government Operations

Date: June 25, 2025 **Time: 9:00 a.m.**

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-- Relative to Mayors Council of Guam (MCOG)

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	DORA PEREZ	MCOG/SANTA RITA		srsmo.aa@gmail.com			✓	
2	Anthony Charguelaf	MCOG/Inalahan		inalahanmayor@gmail.com	✓		✓	
3	Jaeline Charguelaf	"		"			✓	
4	Alethea Mero	"		"			✓	
5	Lucia Cruz	MCOG-Malesso'	828-8312	lucia.cruz@mcog.guam.gov				
6	Corina Mero	"	"	"				
7	Kayla Herrera	"	"	"				
8	Richard Arroyo	MCOG/Agana Heights			✓			
9	Hon. S.A. Leon Guerrero	DEDEDO VICE MAYOR	[redacted]		✓			
10	Franklin Changan	MCOG				✓	✓	
11	Dale Alvarez	MCOG			✓		✓	
12	Michael Pangelinan	MCOG	—				✓	

Nicolas Campos MCOG
JESSE PALOMO MCOG
CLARESSA BORJA MCOG
Rodney MCOG
~~Redacted~~ — OCAL
~~Redacted~~ — OCAL
JUNE H. ~~BUS~~
~~JESSIE R. PORCIUNCULA~~ Mangilao Vice Mayor
Edward Josso

Testimony for Budget Oversight Hearing for MCOG

Village of Dededo -Vice Mayor Ann S. San Agustin Leon Guerrero

Introduction

Hafa Adai, and Good Morning Chairman Committee on General Government Operations and Appropriations Chris Duenas.....and esteemed members of the Guam Legislature. My name is Ann S. San Agustin Leon Guerrero and I am honored to serve as the newly elected Vice Mayor of Dededo, the most populated village in Guam with a wide range of a Multicultural and Diverse community. I am here today at the request of our Village Mayor, the Honorable Peter John Benavente, who is currently off-island and unable to attend this budget oversight hearing. I am here before you to advocate for the budget request of the Mayors Council of Guam while emphasizing the unique needs of our village.

The Need for Increased Funding

Dededo is currently facing significant challenges that necessitate an increase in our budget allocation. The ongoing buildup of the new military base at Camp Blaz estimated population around 5,000+ in addition to Anderson Airforce Base in Yigo population of 8,000 where both military personnel have ventured out to reside off base, has resulted in a surge of traffic and a greater demand for infrastructure maintenance within our village. This influx of vehicles not only affects our roads but also places additional strain on our public services. It is projected that the island military population (Naval Base Guam, Camp Blaz and Anderson Airforce Base) will increase within 10-15 years between 35-45,000.

The main road surrounding Dededo is maintained by DPW. Dededo has the largest number of secondary roads on the island, and majority of these secondary roads have never been resurfacing since it was first paved. In addition, a large number of secondary roads that have not been paved. Dededo Mayors office 6 grounds maintenance staff also maintains the secondary road with bush cutting along the easement in addition to patching up the various pot holes and working with the DPW Coral Pit to resurface the

area that have not been paved, by patching up the holes with corals to minimize the bumpy road, not only for the residents but for emergency vehicles such as ambulance and fire trucks to assist them to their destination.

Dededo has large areas that the roads that are not paved and is at an incline that each time Dededo patches the roads with corals the rain would wash it off and makes it difficult to avoid the deep holes for the residents to pass through to and from home, in addition the fire truck and ambulance has a difficult time to get to the residents in a timely manner due to the road conditions that are especially not paved and driving slowly and carefully after they have picked up the patient on their way to the hospital.

Moreover, we are grappling with a growing number of abandoned vehicles and illegal dumping of trash and white goods. Recent reports indicate that there are approximately 2,000+ abandoned vehicles on this island, with a significant number located in Dededo. This issue has been exacerbated by the limitations of our current budget, which caps funding for abandoned vehicle disposal at $ 50,000 per village per fiscal year. Given our village's size and population, this cap is insufficient to address the growing problem effectively.

Environmental and Community Impact

The rise in illegal dumping is a direct consequence of increased waste disposal costs, in addition to the closure of the Dededo Transfer Station for the Northern area of Guam in 2015. Guam Solid Waste Authority is considering raising residential trash pickup from $ 30 to $ 35 per month, which could lead to more illegal dumping in our community. Many residents already face financial challenges, that already prevents them from applying for residential trash pickup at the present cost of $30 per month which has resulted in illegal dumping of household trash and other items that the residentials trash pickup handles, now with a proposal of a higher costs may discourage proper waste disposal, further burdening our village with consistent increase of illegal dumping resulted in unsightly trash.

Illegal dumping of abandoned vehicles can leak harmful fluids such oil, gasoline and battery acid into the soil leading into our Northern Water Aquifer.

With the increase in burned abandoned vehicles in Dededo it not only releases toxic fumes into the air but also poses a threat to residences living nearby, businesses, schools and the community as a whole especially when the fire spreads out to the surrounding area. When a fire breaks out in Dededo and the fire department job to stop the fire is hindered by abandoned vehicles blocking the entrance to where the fire is located, Dededo Mayors Office is called in to assist with a backhoe equipment to push aside the abandon vehicle, due to lack of funds to repair an old backhoe or purchase a new backhoe, Dededo staff will try to move the vehicle aside if its only one but when you have numerous abandon vehicle blocking the pathway, Dededo Mayors Office would reach out to DPW for assistance or other Government agency that has a backhoe in their Dededo location to assist the fire department so that the fire truck can move ahead to the fire location, this situation has occurred numerous times with the abandon vehicle obstructing the pathway in addition to causing the fire also.

White Goods such as refrigerators, freezers, and washing machines, also release harmful chemicals into our soil and water contamination, stove is also known as a breeding ground for pests, mostly rats which is a public health concern when it enters into a residence or business establishment such as a restaurant or retail store contamination the area such as food and living conditions. It would be great if could have businesses that market and sell vehicles, and white goods also be accountable for providing the means for assisting the consumer in disposing of items that they sell to the community.

In addition, what is more alarming is the possibility of FEMA being abolished and other Federal Grants being cut which would be more challenging for the villages most especially for Dededo the highest populated village on Guam.

Additionally, many of our parks are in dire need of maintenance, and the rising costs associated with inflation make it increasingly challenging to keep these spaces clean and safe for our residents. The lack of adequate funding

hampers our ability to provide essentials services and maintain the quality of life that our residents deserve.

Sustainability Initiatives

In light of these challenges, I propose that we consider transitioning to sustainable energy solutions, such as replacing outdated streetlights with solar -powered options. This initiative would not only enhance the safety and aesthetics of our community but also reduce long-term operational costs.

Equitable Distribution of Resources

While I fully support the equitable distribution of resources among the villages, it is crucial to recognize that Dededo's population and unique challenges require a tailored approach. Our village's size and growth necessitate a larger share of the budget to effectively service our constituents. I urge the legislature to consider these factors when deliberating on the budget allocations.

Conclusion

In conclusion, I respectively request that you consider the specific needs of Dededo as you review the budget request from the Mayors Council of Guam. By investing in our village, we can ensure that we continue to provide a safe, clean, and vibrant community for all residents. Thank you for your time and consideration.

Mayors' Council of Guam

Konsehelon Alkalde Guåhan

June 24, 2025

Honorable Christopher M. Dueñas
Senator and Chairperson
Committee on Finance and Government Operations
I Mina'Trentai Ocho' na Liheslaturan Guåhan

Joy Jean R. Arceo
Executive Director
Mayors' Council of Guam

FY 2026 Budget Testimony

***Håfa Adai* Chairman Dueñas, Vice Speaker Tony Ada, Members of the Committee, and Honorable Senators of the 38th Guam Legislature:**

Thank you for the opportunity to appear before you today to present the Fiscal Year 2026 budget request on behalf of the Mayors' Council of Guam. My name is Joy Jean Arceo, and I have the honor of serving as the Council's Executive Director. I offer this testimony with deep respect for the responsibilities you each carry, with full awareness of the fiscal challenges facing our government, and with a strong sense of responsibility to the people we serve across all 19 villages.

We are respectfully requesting an appropriation of **$20,956,877 for Fiscal Year 2026, an increase of $3.7 million from last year's appropriation.** I understand that any request for additional funding must be justified with clear purpose—and I believe this request meets that standard. This is not a wish list. It is a focused and necessary investment in the basic services, emergency response, and community support that our mayors are expected to provide every day.

The needs reflected in this budget are not the result of sudden expansion, but the product of years of additional responsibilities—many of them set by legislative mandates—and growing expectations from our communities. Whether it's responding to natural disasters, hosting emergency shelters, running youth and senior programs, maintaining community centers, or being the first line of contact for residents in need, our mayors are at the frontlines. And increasingly, they are expected to do more with less.

At the heart of this budget is our people—**the Mayors' Council of Guam's team of over 240 dedicated employees**. These individuals clean up after storms, operate senior centers, respond to urgent burial requests, and maintain gyms and facilities that serve as safe spaces for our youth and manåmko'. Our employees are the most visible presence of our government in our villages, often being the only point of contact residents have with public services.

While we've been cautious with hiring, the reality is that we are stretched thin. With each new mandate, the workload grows, and without adequate staffing in every village, we simply cannot deliver the level of service our communities expect and deserve.

This is especially true in villages that now operate new or expanded gymnasiums and public-use facilities. Villages like Barrigada, Mangilao, Malesso, Ordot/Chalan Pago, and Dededo have either opened or will soon open new gyms—and each of these will require the presence of trained personnel to ensure they are used safely and responsibly. These facilities are not just recreational—they are critical infrastructure for public health, emergency sheltering, and social wellness.

At the same time, our operational demands continue to rise. We are requesting funding to maintain the essential equipment, vehicles, and supplies that allow village operations to function day-to-day. This includes everything from fuel, hand tools, and safety gear to vehicle maintenance, janitorial services, and basic office supplies. Prices have gone up across the board, and we are feeling that in every purchase order.

Utilities are another major area of concern. As more facilities come online—gyms, community centers, and even new offices like in Inalåhan—we've seen utility costs climb dramatically. These aren't optional expenses. The facilities we manage are often designated emergency shelters and public safety hubs. Keeping them powered, accessible, and properly maintained isn't a luxury—it's a requirement.

In addition to maintaining current services, we are building internal capacity and improving transparency. This year's budget includes funding for procurement training and basic office skills training for village staff. We are preparing our teams to do more, and to do it responsibly. If granted greater autonomy in procurement or local contracting, we want to be ready to carry out those duties with full accountability from day one. Meanwhile, ongoing training ensures compliance with existing rules and procedures.

Currently, the MCOG central office has certified personnel handling every phase of the procurement process. However, to further improve efficiency and reduce human errors, we need ongoing training and new procurement software technology will streamline processes and enhance accountability and compliance.

We are also requesting investments in technology and capital outlay to bring long-term improvements to our operations. At present, the Mayors' Council lacks access to heavy equipment such as backhoes, dump trucks, and similar machinery—tools essential for road maintenance, green waste removal, and park restoration. As a result, village teams rely heavily on manual labor and limited light tools, which slows response times and increases physical strain on our employees.

This year's budget request includes funding for heavy equipment and trained operators, enabling our villages to respond more effectively to cleanups, disaster recovery, and daily maintenance needs. Additionally, we seek district vehicles for villages without operable transportation and a centralized data management system to improve how we track, coordinate, and report on village activities. These foundational tools will allow us to serve our communities better, respond faster, and maintain greater transparency in all we do.

Mr. Chairman, members of the committee—this request is measured, realistic, and directly tied to the functions and duties that we've been entrusted to carry out. It ensures we can retain qualified staff, keep essential facilities open and operating, and fulfill the responsibilities our communities have come to rely on us for. It also positions us to respond more effectively to emergencies, strengthen village resiliency, and meet compliance standards like the Open Government Law, which we take seriously.

Over the years, the Legislature has assigned the Mayors' Council increasing responsibilities—civic programs, youth initiatives, environmental cleanups, disaster coordination, and support for manåmko', among others. We have risen to the occasion every time, and we will continue to do so. But now, we need resources that match this commitment. Without adequate funding, even the best intentions can fall short. So today, I respectfully ask for your support. Not for something new or extravagant—but for what it takes to do the job well. With this investment, the Mayors' Council can continue to serve as the backbone of community services on our island—ensuring that every village is safe, supported, and resilient.

Si Yu'os Ma'åse' for your time, your partnership, and your continued trust. I am happy to answer any questions you may have.

Respectfully,

Joy Jean R. Arceo
Executive Director

Mayors' Council of Guam

Konsehelon Alkalde Guahan

June 24, 2025

The Honorable Christopher M. Duenas
Chairman
Committee on Finance and Government Operations
Tamuning, Guam 96913

Håfa Adai, Senator Duenas:

For too long, the Mayors' Council of Guam has operated under a budget that does not reflect the critical scope of its responsibilities or the real value it delivers to our community. A large portion of our total annual budget is dedicated to personnel. The men and women of our organization are the key components of our service to the people. After salaries and benefits; and utilities, little is left to divide among the villages. Contrary to street talk, the Mayors' Council of Guam has voted for the last several years to distribute operations funds as equitably as possible utilizing the Village Streets Inventory provided by the Department of Public Works.

Despite consistent underfunding, the mayors have made remarkable strides in fulfilling its mission—often doing more with less. However, this chronic budget shortfall is no longer sustainable. To continue providing essential services, improve outcomes, and meet growing demand, the Mayors' Council of Guam urgently needs an increase in funding.

CONTRACTUAL SERVICES

We are requesting an increase in the Contractual Services category to support expanded programmatic needs, ensure regulatory compliance and maintain operational efficiency. Specifically, the additional funds will be used for, but not limited to:

1. Maintenance Equipment Service and Repair

   The regular use of a bush cutter, riding mower, chain saw, pole pruner, leaf blower, mule, official vehicles and other maintenance equipment require periodic maintenance in order to optimize its performance. Indispensably, these resources will need repair services over time. Investing in preventive maintenance will extend the life of assets, reduces major breakdown and ensures regulatory compliance.

2. Heavy Equipment Rental and Maintenance Services

   Specialized equipment will always be necessary to address health, safety and environmental concerns in the village. From the typical dump truck and backhoe rental to bucket trucks and side mowers, district offices require these services to properly perform their duties.

3. Minor Renovation and Repair

   The increased use of village facilities dictates the minor repair of restrooms, pavilions, bus shelters and common area locations for safety reasons. Our existing budget does not reflect this reality and places the districts in precarious situations.

4. District Information Technology

   Certain training programs and services are best delivered by external providers. Contracting with certified trainers will ensure our team remains up-to-date with customer service standards and administrative best practices. The Office of Technology is not equipped to service the 19 district offices requiring networking and support.

These services are not permanent staff functions and are best fulfilled through short-term contracts. Contracting allows us to control costs, access specialized expertise and deliver high-quality outcomes without increasing long-term personnel costs.

SUPPLIES AND MATERIALS

We are also requesting an increase in the Supplies category to accommodate expanded projects and ensure sufficient resources are available to staff and residents. These include, but not limited to:

1. Maintenance Supplies

   Districts continue to require the daily maintenance supplies of cutting line, oil, spark plugs, chains, trash bags and so forth. The increased demand for these supplies is the result of additional tasks undertaken to fill the responsibilities of other government agencies.

2. Fuel

   Fuel prices fluctuate significantly because of inflation, supply chain constraints and global market volatility. Without fuel, we risk falling behind on routine maintenance, which leads to more frequent equipment failures, higher repair costs and ultimately, increased downtime.

3. Community Programs

   Community engagement is at the heart of our mission. The increased demand for improved services requires the adequate support of supplies to maintain its effectiveness.

The additional supply costs are driven by increased service volume and community participation. Ensuring availability of adequate supplies is essential for smooth operations and program execution; and staff productivity.

MISCELLANEOUS

We request an appropriation to the U.S. Department of Agriculture (USDA) to control the island-wide feral swine problem. This is not a case of program overlap, but of necessary intervention. The absence of a local service to control the overpopulation of feral swine in the villages demands our urgent attention. The USDA Feral Swine Program has proven effective in the many villages. However, a more extensive protrusion of their program will assist our local farmers and home owners from damaged crops and protect residents from disease and environmental complications.

CAPITAL OUTLAY

We are requesting an increase in Capital Outlay to support the procurement of critical computer software to modernize our operations and improve service efficiency. We currently do not have any software platforms to manage work flow. The improved communications between the nineteen districts and the Administrative Office are crucial for government efficiency and effectiveness, not to mention the high risk of cybersecurity vulnerabilities. Without modernization, we face compounding delays and continued operational disruptions. This sum is only a portion of what is completely necessary to improve the services Council-wide.

Every district needs new maintenance vehicles; however, we wish to request a gradual amount to provide those districts who are without properly operating vehicles.

Distinctly separate from our request for Heavy Equipment Rental, this additional sum for heavy equipment will provide an essential resource to the Mayors' Council one step at a time. Purchasing a back hoe with the proper service and maintenance package along with a certified operator will begin to set up the Council to be more efficient.

CONCLUSION

A budget is a statement of values.

We recognize the need for discipline, prioritization and thoughtful stewardship of limited resources. Our budget request reflects a focused effort to maintain essential services, protect core functions and minimize disruptions to the communities we serve.

While we have made every effort to identify efficiencies and reduce non-essential spending, certain investments, particularly in contractual services and supplies, remain vital to sustaining thriving communities and avoiding costlier consequences down the line.

We do not take this request lightly. It represents a strategic balance between restraint and responsibility. We are committed to transparency, accountability and delivering maximum value for every dollar entrusted to us.

If we believe in the work of the Mayors' Council of Guam, then we must fund it accordingly. The cost of continued underfunding is too high, in dollars, in human terms and in missed opportunities. It is time to correct the imbalance and give the Mayors' Council the resources it needs to succeed.

Sincerely,

JESSE L.G. ALIG
President and Mayor of Piti

MUNICIPALITY OF
BARRIGADA
OFFICE OF THE MAYOR & VICE MAYOR
124 LUAYAO LANE, BARRIGADA, GUAM 96913

JUNE U. BLAS
MAYOR

JESSIE P. BAUTISTA
VICE MAYOR

June 24, 2025

Honorable Christopher Duenas
Chairman, Legislative Committee on Finance
and Government Operations
38th Guam Legislature
Guam Congress Building
163 Chalan Santo Papa,
Hagatna, Guam 96910

Re: FY 2026 BUDGET REQUEST, MAYORS' COUNCIL OF GUAM

Dear Senator Duenas and Members of this Committee:

Buenas Yan Hafa Adai!

For the record, my name is June Blas, Mayor of the beautiful village of Barrigada. Thank you for the opportunity to present testimony on the proposed FY 2026 budget for the Mayors' Council of Guam. On behalf of Barrigada, Vice Mayor Jesse Bautista and I fully support the budget appropriation, which seeks your approval of $20,956,877.00

The approval of this proposed budget assures that our villages are fully equipped to lend the myriads of public services depended upon by our village and island residents.

Public Services Extended and Unfunded by Mayoral Budgets:
As village Mayors and Vice Mayors, we serve as frontliners serving Guam residents in all facets of public service. There are countless instances, where public services charged to other line agencies and departments are effectively provided by our mayoral staff and manpower teams. In such instances, these support services are carried out outside the parameters of our existing village budgets and resources. Nonetheless, as services are warranted by our community, so too, do our staff teams recognize their importance and lend assistance whenever needed.

Some examples of this include, but are not limited to:

- Department of Education facilities: events and services, grass-cutting and event preparation;
- Department of Public Works: routed roadway grass-cutting; trash collection along major highways;
- Department of Agriculture: pickup and disposal of animal carcasses along major highways; and
- Distribution of Food Assistance Services: distribution of subsidized food commodities to our most vulnerable residents, just to name a few

New Roadways with Unfunded Maintenance Service Needs:
In Barrigada, there have been countless new roadways installed, which lack associated maintenance funding and resources. As you may know, such services are normally addressed through the DPW Road Data base (Last updated in February 2009). Because the Guam Road Data base has not been updated, we continue to face unfunded needs in maintaining our village secondary and tertiary roadways.

New Personnel Hires Associated with New Gym and Sports Facilities:
Included in our MCOG's budget request, is the need for additional personnel hires, associated with new public gyms and other sports facilities. As you may know, Barrigada recently opened a new gym facility in January 2025. In order that we can sustain quality community services in these new facilities, it will be imperative that this body favorably approve our detailed, new personnel hire request.

In closing, we sincerely appreciate your attention and your utmost approval of the proposed FY2026 Budget request is greatly appreciate.

Respectfully,

JUNE U. BLAS
Mayor

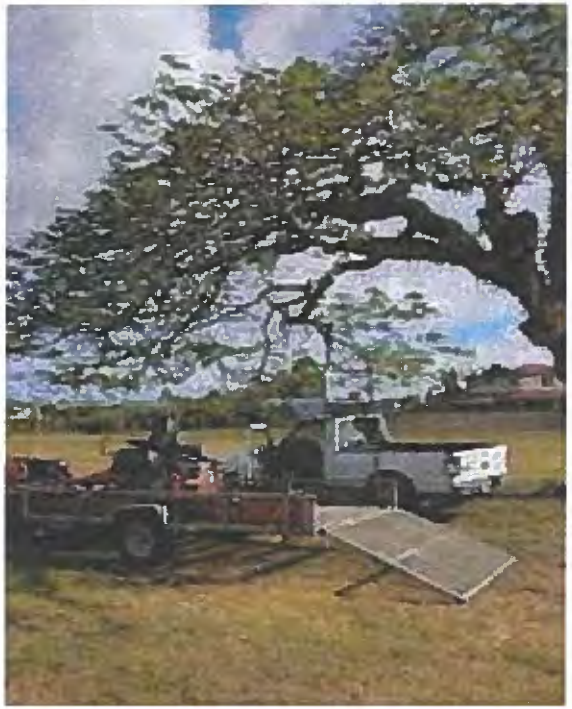
JESSIE P. BAUTISTA
Vice Mayor

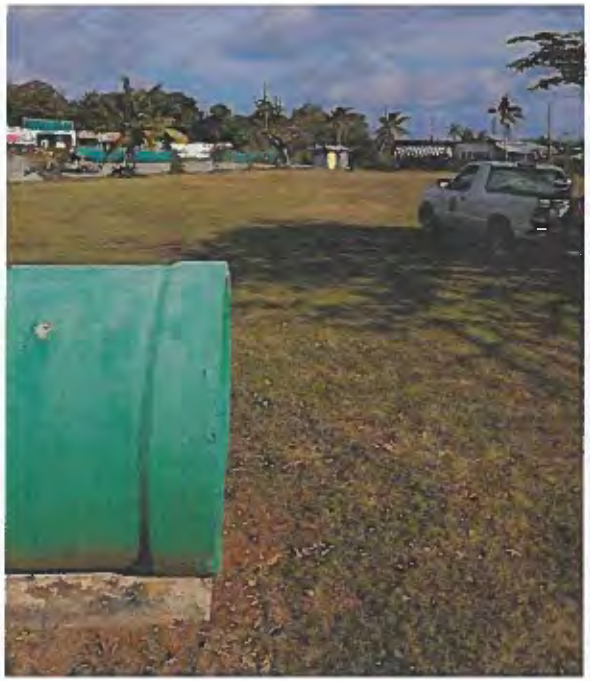
Cc: Honorable Senators of the 38th Guam Legislature
Mayors Council of Guam

MANGILAO MAYOR'S OFFICE

Escorts, Traffic Control, & Assist First Responders in an Emergancy

Sister Village Sister Squadron Program (36th Force Support Squadron) Village Beautification

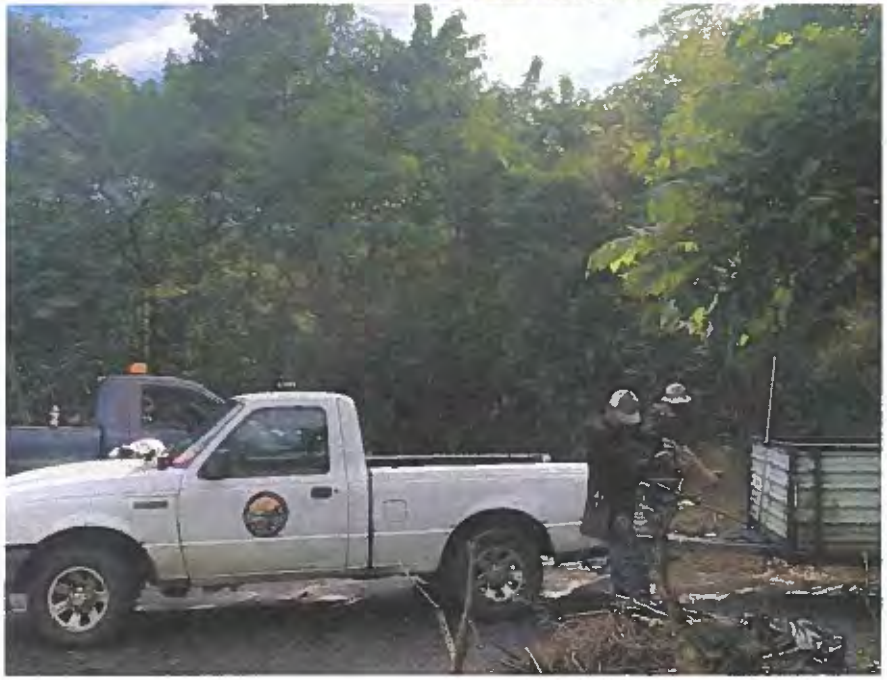




Feral Pigs & Dead Dog Disposal

Food Distribution Preparation

Gaffiti Removal & Beautification Clean Up



Holiday Events & Festivals

HU
GUAIYA
RAO

WELCOME TO THE
2022
MANGILAO
DONNE'
FESTIVAL

Welcome to the
MANGILAO DONNE' FESTIVAL
BIBA
MANGILAO

Road Repairs, Street Signs, & Walk Path Signs Installation

Robert R.D.C. Hofmann
Mayor

Municipality of Sinajana
Mayors' Council of Guam
Konsehelon Mahot Guåhan
P. O. Box 786 Hagåtña, Guam 96932
Phone 671-472-6707 | 671-477-3323
Fax 671-472-5084
sinajanamayorsoffice@gmail.com
www.sinajana.org

June 25, 2025

Testimony in Support
of the Mayors' Council of Guam
Fiscal Year 2026 Budget

Good morning, Chairman Duenas and esteemed members of the legislature,

I appear before you today to express strong support for the Mayors' Council of Guam Fiscal Year 2026 budget request. With over 20+ years of public service under my belt- The offices of the mayors and their dedicated staff ARE the frontline of governance in our communities. They serve as the vital link between the people and the larger government, ensuring that the voices of our villages are heard and that essential services reach every corner of Guam.

Mayors' offices manage a broad spectrum of municipal operations—from coordinating local public safety efforts and maintaining infrastructure to organizing community events and addressing everyday concerns that directly affect residents' quality of life. The staff working alongside the mayors are often the unsung heroes who handle administrative tasks, facilitate communication, and execute programs critical to the social and economic well-being of their villages.

You know what we do, you know what is asked of us and our team. Many of you are on our village chats… and you live in the village we are charged with taking of. The issues we face in the village we face together. Your home…your pride, all our family's well-being is front of mind.

Properly funding these municipal operations is not just a line item in a budget; it is an investment in the backbone of Guam's communities. When mayors' offices are well-resourced, they can respond swiftly and effectively to emergencies, maintain public spaces, and foster community engagement. This, in turn, promotes a safer, healthier, and more prosperous Guam.

Underfunding these essential services risks slowing down progress and diminishing the quality of life for residents. One of the criticisms of GovGuam is they know how to build but not to maintain and this is true because we can't plan and budget. We always must pick which battle to fight, which resource to send where and what to prioritize and what we just must hope and pray can wait. It hampers the ability of local leaders to address issues before they escalate and weakens the trust between citizens and their government. We don't like constantly being in "urgency" mode or worse "emergency mode.

For Fiscal Year 2026, I urge this body to fully support the Mayors' Council budget request. Equipping our office and our teams with the resources they need is not just a matter of governance, it's commitment to the people of Guam and the future of our island.

Since I have you here and you'll hear many more requests from every department and agency please allow me to just proffer up some suggestions to help us – Please allow the freedom of each mayor and grant them the flexibility to use their allocated budget (no matter the source) to allow for the hiring of additional personnel for that fiscal year. Like your Class 2 Restricted Employees here at the legislature and how your committee or office budget can be used to supplement it. Warm bodies, performing tasks and tackling the everyday to do lists is more efficient and easier. You can only buy so much small equipment, but we need that flexibility to have people operate it and use it.

Change High school diploma requirement for GovGuam Employment for these specific positions. Allow for anyone born before 2000 to work- as Community Maintenance Worker or Recreation Leader. They have enough real-world experience and are willing to do laborious work in the sun, in the trenches, at all hours. Let's capture and assist those in entry level jobs, nontechnical.

Reclassification of the Job Titles for MCOG- Community Maintenance Worker to Maintenance, Clerks to Administrative Specialist, Recreational Leader to Program Coordinator, and Administrative Assistant to Chief Administrative Officer or Chief of Staff this will allow them to compete and have titles that fit their current job duties. When competing in the real world after their service it accurately reflects what their job was at the local government level.

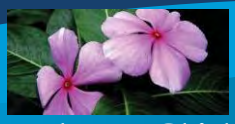
20M is 2% of a billion-dollar budget. 2% to handle and take care of 160,000 people. Let's invest more! *Si Yu'us Ma'ase!* and thank you for your consideration

Respectfully Submitted,

Robert RDC Hofmann
Mayor of Sinajana

Office of the Municipality of Chalan Pago-Ordot

Wayne S.N. Santos, Mayor
P.O. Box 786 Hagatna, Gu 96932
Tel: 671-472-8302/671-477-1333 | Fax: 671-477-7131



Village Flower: Chichirika

June 25, 2025

Hafa Adai Speaker Frank Blas Jr, Vice Speaker Anthony Ada and Oversight Chair Senator Chirs Duenas and Senators of the 38th Guam Legislature

My name is Wayne SN Santos and I am the Mayor of the District of Chalan Pago-Ordot

I am writing to ask your full support for the Mayor's Council of Guam 2026 Fiscal Budget, which outlines a thoughtful and much-needed investment in the maintenance, services, and overall well-being of our community.

This budget reflects a comprehensive vision that addresses both the visible and invisible needs of our village. With a growing demand for reliable services and inclusive programs, it is imperative that we approve a financial plan that prioritizes the health, dignity, and future of all residents—especially our youth, elderly, individuals with disabilities, and those most at risk.

By allocating funds for youth engagement initiatives, senior services, and accessibility programs, this budget reinforces our shared values of equity, opportunity, and care for every generation. These investments are essential to ensuring that no resident is left behind.

Additionally, the proposed efforts to address village beautification—including the removal of abandoned vehicles and the elimination of illegal dumping—are timely and necessary. These issues not only impact the appearance of our neighborhoods but also affect public safety, property values, and the overall pride we feel in our community.

The mayor's budget recognizes that maintenance and beautification are not cosmetic—they are foundational to fostering a vibrant, safe, and welcoming village environment. This is a direct investment in our collective quality of life.

For all these reasons, I strongly urge the member of the 38th Guam Legislature to pass the proposed budget in its entirety. It is a forward-looking plan that supports our residents, restores our environment, and revitalizes our community spirit.

Si Yuus Maase,

Wayne SN Santos

FRANCES S. LIZAMA
Mayor

OFFICE OF THE MAYOR AND VICE MAYOR

274 W. Gayinero Dr., Yigo, Guam 96929
(671) 653-YIGO (9446) / 9119 / 5248

PEDRO S. BLAS
Vice Mayor

(07/28/2025)

Testimony in Support of a Budget Increase for the Mayors' Council of Guam

Buenas yan hafa adai, Honorable Senators of the 38th Guam Legislature, I am Pedro Blas, the Vice Mayor of Yigo and I am here to provide this testimony in full support of our proposed budget increase for the Mayors' Council of Guam. As we all know, our village mayors' offices serve as the frontline of government service, directly engaging with our residents on a daily basis. Some days we are firefighters, some days we are police officers, some days we are Mr. Rubbishman, animal control, land management, the middle men for connecting our communities to government information and resources, and all the while, still expected to make sure the grass is cut and the road kills are picked up whether it is on secondary or routed roads. We work beyond 9:00 to 5:00, squeeze time in on weekends away from our families, to ensure that our villages thrive the way we each feel our people deserve. Based on the testimonies already provided, I am sure we can understand that the responsibilities placed upon us are vast and vital. Over the past few years, we've seen that these duties have only expanded, often without corresponding increases in resources. Myself and mayor Lizama, after only being in office for 6 months, see how much work needs to be done and how costly it is to do so. Many of us are operating with limited staff, outdated equipment, and insufficient funding to fully meet the needs of our communities, and making up for it out of our own pockets to ensure the prosperity of the villages, from purchasing gas for our vehicles and equipment, to buying water and ice every day to make sure our maintenance workers are hydrated while getting the job done, day in and out, rain or shine. We work together and share what we have with each other from village to village to allow each of our offices to succeed in providing for our people. Mayor Chargualaf said it himself in one of our Mayor's Council meetings, that we sell ourselves short with how much we request versus how much we actually do. This modest budget increase would significantly enhance our ability to deliver our services more effectively within our communities.

Before I end, I do want to acknowledge that I know that I am just a young man, and just a vice mayor of the village of the largest land mass. However, I know that what I was told prior to running for office was the same thing that all of us here were told when we all first made the decision to run for office, and that is that we cannot please everyone. But to me I ask, how can we succeed as a VILLAGE, as a COMMUNITY, as an ISLAND if we don't try to the best of our capacities to do just that? At the end of the day, I would like to believe that all of us are here today for the sole purpose of providing what is necessary and beyond for our people, whether they are pleased or not. Lao taimanu para ta na'setbe i taotao yanggen ti nahong i guinahan-måmi? Pues put fabot, konsidera este: Investing in the Mayors' Council is an investment in our people. I urge this Legislature to prioritize this request in recognition of the critical role our mayors' offices play in strengthening our island. Thank you for your time and for your commitment to serving the people of Guam. Si yu'os ma'åse.

Pedro S. Blas, Vice Mayor of Yigo

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Christopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam**, and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Wednesday, June 25, 2025** at **9:00 AM** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media broadcasting outlets on **Wednesday, June 18, 2025** (5-Day Notice), and again on **Monday, June 23, 2025** (48-Hour Notice).

SENATORS PRESENT

Honorable Senator Christopher M. Dueñas, Chairman
Honorable Senator Eulogio Shawn Gumataotao
Honorable Senator Sabrina Salas Matanane
Honorable Senator Therese M. Terlaje
Honorable Senator Telo T. Taitague

ORAL TESTIMONY:

Joy Jean Arceo, Executive Director, Mayors Council of Guam
Robert Hoffman, Mayor, Municipality of Sinajana
June U. Blas, Mayor, Municipality of Barrigada
Wayne San Nicolas, Mayor, Municipality of Chalan Pago-Ordot
Anthony P. Chargulaf, Mayor, Municipality of *Inalåhan*
Ann S. San Agustin Leon Guerrero, Vice Mayor, Municipality of Dededo
Richard B. Arroyo, Mayor, Municipality of Agana Heights
Frances S. Lizama, Mayor, Municipality of Yigo
Pedro Suzuki Blas, Vice Mayor, Municipality of Yigo
Royelle Mae S. Carter, Accountant II, Mayors Council of Guam

WRITTEN TESTIMONY:

Joy Jean Arceo, Executive Director, Mayors Council of Guam
Robert Hoffman, Mayor, Municipality of Sinajana
June U. Blas, Mayor, Municipality of Barrigada
Wayne San Nicolas, Mayor, Municipality of Chalan Pago-Ordot
Ann S. San Agustin Leon Guerrero, Vice Mayor, Municipality of Dededo
Richard B. Arroyo, Mayor, Municipality of Agana Heights
Pedro Suzuki Blas, Vice Mayor, Municipality of Yigo

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **[09:07 AM]**

[Questions and Discussion] **[***Begins at 00:00:45 and ends at 02:37:01*]

Chairman Christopher M. Dueñas: *Manana Si'Yu'os,* welcome to your Guam Congress building. The Committee on Finance and Government Operations is now called to order, and the time is 09:07 and this is June 25, 2025. First notice of this public hearing was disseminated to all senators and media outlets on June 18th 2025 with its second notice disseminated on June 23rd, 2025.

The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's public notice portal. The committee will now hear Bill 44-38 (COR) , introduced by the Committee on Rules by request of *I Maga'hågan Guåhan*, the governor of Guam, in accordance with the Organic Act of Guam, enact making appropriations for the operations of the executive branch of the Governor of Guam for fiscal year, ending September 30th, 2026, making other appropriations and establishing miscellaneous and administrative provisions.

Today this hearing will be held relative to the Mayors Council of Guam. Joining me for this budget hearing is Senator Gumataotao, Senator Sabrina Salas, Matanane, Senator Terlaje and Senator Telo Taitague. Okay. And of course we've got plenty of mayors and a couple of vice mayors, so we'll get to that in a moment. But little bit of housekeeping, those testifying on Bill 44-38 (COR) relative to the Mayors Council of Guam.

Please take a seat and you guys are here ready? And you'll be sworn in a moment. Before we begin, I'd like to remind everyone in attendance of *I Liheslatura Guahån*'s General Rules of Conduct, individuals testifying shall first be recognized by the chairperson before speaking and shall state their full name for the record keeping purposes.

Questions and testimony shall be confined to the substance and nature of the bill on the agenda. Personal inferences to the character, motive, or motive of any senator or individual testifying are not permitted. The chairperson of the committee may

order the removal from the hearing of any member of alleged in *I Liheslatura Guahån*'s or the public audience who fails to observe property decorum.

Pursuant to the 38th Guam Legislature's Standing Rules, any violation of the general rule of conduct will result in immediate removal from this public hearing room. I know that we have the executive director from the Mayors Councilof Guam, and then we have also the mayor Hoffman from Hanya who will be reading the President's testimony President Jesse, who's currently off island into the record.

And then can we have any other mayors who are planning to testify to also, maybe just please start making your way forward. If we don't have enough chairs here, and we're gonna go to a second panel. If you're gonna be testifying mayors please go and also rise with the panel. It is the custom of the Guam legislature that whenever we're talking about fiscal matters that individuals testifying be sworn in.

So anyone who was planning to testify at this time please rise and be rec sworn in by the Sergeant at arms. Thank you.

Edward S. Pocaigue, Jr., Sergeant at Arms, 38th Guam Legislature: Please raise your right hand under penalty of perjury. Do you affirm that any and all information you provide today, whether it be verbally, electronically, under in writing, be the truth, the whole truth, and nothing but the truth?

Panel members: Yes.

Edward S. Pocaigue, Jr., Sergeant at Arms, 38th Guam Legislature: Mr. Chair on oath, you may proceed.

Chairman Christopher M. Dueñas: Thank you, Sergeant Arms. And I think the president would be happy to know that actually we could conduct the Mayors council meeting this morning because we have quorum with that.

Ms. Joy Jean I know that you are the executive director. I'm gonna defer to you to open please. Mayors, I know we all know you, but for the purpose of record keeping please state your name and for the record and what village you're from before you testify so that we can do the committee report properly.

Ms. JoyJean The way I've been conducting my hearings is that the center point Executive director, or whatever managers are coming forward, I allow them to

open with a statement. And then defer to the panel in terms of the order that they'd like to go in, in terms of testifying. I know we have one mayor that wants to testify first after the opening statements due to a prior commitment.

So with that, Ms. JoyJean please proceed.

Joy Jean R. Arceo, Executive Director, Mayors Council of Guam: Thank you. Senator Duenas.

(PLEASE SEE ATTACH TESTIMONY OF JOY JEAN R. ARCEO, EXECUTIVE DIRECTOR, MAYORS COUNCIL OF GUAM)
Chairman Christopher M. Dueñas: *Si Yu'os Ma'åse* Joy Jean so I understand that the Mayor of Sinajana, Mayor Hoffman will be reading the President's testimony and then followed by your own mayor.

So please proceed. Mayor Hoffman.

Robert Hoffman, Mayor of Sinajana: Thank you. Good morning. My name's Robert Hoffman. I'm the Mayor for Sinajana. I'm the Vice President of the Mayors Council. I'm the acting president. Currently I'm going to be reading the testimony given provided to me by Mayor Jesse Alig who is the President of the Mayors Council.

(PLEASE SEE ATTACH TESTIMONY OF JESSE ALIG, MAYOR OF PITI, PRESIDENT, MAYORS COUNCIL OF GUAM)

Chairman Christopher M. Dueñas: *Si Yu'os Ma'åse*. Go ahead and proceed with yours. Mayor Hoffman.

Robert Hoffman, Mayor of Sinajana: Thank you.

(PLEASE SEE ATTACH TESTIMONY OF JESSE ALIG, MAYOR OF SINAJANA, VICE PRESIDENT, MAYORS COUNCIL OF GUAM)

Chairman Christopher M. Dueñas: *Si Yu'os Ma'åse.* So before I continue for the, with the rest of the panel, just 'cause it I think we need to add some perspective to the request. Especially since you mentioned the Governor's billion plus budget, the fiscal year total general fund expenditures and encumbrances in 2024 was 8,429,518 in fiscal year 2025.

The current authorized level for the Mayors Council of Guam is $17,230,007. This fiscal year request of general Fund, not including the special funds, is 20,956,877. The Governor's request for the Mayors Council of Guam is $9,624,109. The variance between what the mayors are asking and the Governor's request is $11,332,768.

This legislature in fiscal year 2025. Provided for a supplemental budget of $4.5 million, which was public law 37-135. I make this opening just to say that our pre-budget meeting, we discussed some of the challenges that the government has. Certainly there's merit to everything we discussed, even in the pre-budget meeting.

And so as we go through this process we'll have very frank discussions. Some of them may include what you discussed Mayor Hoffman, that you've, and we've told you this in your pre-budget hearing, you know, where you've assumed duties and responsibilities, some other agency must have fallen off and maybe isn't doing that job anymore, or maybe doing it on a sparse basis where you've had to fill in.

So there's gonna be quite possibly some creativity when we go to the the table and get our final numbers and we'll keep you, you know, abreast of that. Some of you also and the reason why I'm prefacing this, 'cause I wanna make sure the senators have the opportunity to ask the panels as the panel comes up.

Some of you have approached our office, some have drafted bills for appropriations because of the appropriation of federal funds. You know, that is quite disappointing to me as the chairman of finance. I don't know how that happened, but we're gonna have to continue to explore, you know, what those general fund capabilities are, to assume projects that were priorly funded by federal funds.

So I don't know the mechanics of that. I don't know how it happened, but certainly I don't know what the opportunities are, particularly if those were ARP but we're gonna have to see if there's a way to rectify that on some of these projects. There are some, these projects that actually are associated with the responsibilities of your step down facilities being responsible for post-disaster in terms of becoming tier two shelters and the like.

So perhaps GHURA or some other areas that we're gonna have to approach on that. Because I'm just gonna tell you in the projects that I've seen that unfortunately that have been removed from federal funding, I mean, these are in the millions, right? I

think my total request right now is close to 6 million in terms of defunded federal appropriations.

So, that's something that we're really gonna have to address because I'm sure, like I said, many of these came with duties and responsibilities when you listed what you were gonna do with those funds. And a lot of them, once again, like I said, are responsibilities that are not just your day-to-day operations, but are associated with the safety of our public during, pre, during and post disaster.

So with that, I know that we've had a request from Mayor June Blas to please be able to speak first and so I'm gonna accommodate that. Mayor Blas, would you please proceed?

June U. Blas, Mayor, Municipality of Barrigada: Thank you, honorable Senator.

(PLEASE SEE ATTACH TESTIMONY OF JUNE BLAS, MAYOR OF BARRIGADA)

Chairman Christopher M. Dueñas: Thank you Mayor June Blas. So at this time Joy Jean, how you wanna handle it.

Mayor Wayne, can you go ahead?

Wayne San Nicolas, Mayor, Municipality of Chalan Pago-Ordot: *Håfa Adai* Chairman Christopher Duenas and Honorable Senators of the 38th Guam legislature.

(PLEASE SEE ATTACH TESTIMONY OF WAYNE SN SANTOS, MAYOR OF CHALAN PAGO-ORDOT)

Joy Jean R. Arceo, Executive Director, Mayors Council of Guam: Mayor TC.

Anthony P. Chargualaf, Mayor, Municipality of *Inalåhan:* Good morning, Chairman Duenas and the committee members of this August Body. Good morning. Before I begin, I'd like to, you know, first of all, thank each and every one of you here, you've labeled us, recognize us in some way, shape, or form as being front liners and emergency responders. So for that, thank you because I believe that the mayors and all our staff, whether they're inside the council or our guys in the field, we definitely appreciate that level of recognition.

Si Yu'os Ma'åse, and we are rightfully so, front liners and first responders. I'll give you some examples. In COVID-19, we were out there helping out with traffic control and ensuring that everyone in the island was coming out for their vaccinations.*Inalåhan*we opened our office and we allowed for vaccinations to continue, not just for the people in the lawn, but all the neighboring villages.

Interestingly enough, we were, we got some folks from Yigo, Dededo all around the island, and we were happy to serve them. We also became a distribution point for hard copy homeworks that were given out by DOE handed off to our school, and we became that point of distribution. We also did grab and go for DOE, we allow for the meals to continue to go through these kids that were outta school and displaced because of COVID-19.

We also did food commodities. We would pick up the food and bring it within our villages and have a distribution for. All the people that we, that live within our respective villages, senior center, were operations was shut down. We, the mayors went out there and retrofitted clean, did whatever we needed to do in the event that were, that COVID-19 was cleared, that we were given the opportunity, the seniors were given the opportunity to come back in a free environment.

Also, adult daycare, typhoon Mawar or something that we can all reflect on that just happened recently. We assisted with SBA, FEMA and Red Cross. We went out, took our, took them around and did the assessments within our village in *Inalahan*. We opened up our office space and we allow for those processing of applicants to come and participate or at least give, relieve them of the services they needed by being, providing a close proximity.

Pretty much a convenience for everybody. Again, a situation where, not just in *Inalåhan, Talo'fo'fo;* neighboring villages showed up, but everybody from around the island, we also gave out hot lunches and hot dinner distribution for 800 of them, and they came from all different villages, but we used in*Inalåhan*as upon your distribution and a lot of mayors around the villages around the island did the same thing After Mawar, we opened up also the in*Inalåhan*Senior Center to be used for food stamp processing. If you recall, going around the mall and GPO, people were lined up outside and in *Inalåjan*, we set up canopy tables, chairs. We offered water, food and drinks to the people that were there. Everybody had a seat, no one stood up.

Again, these are the kind of things that we as mayors, collectively always wanna do, is give that ultimate best. We took the oath that we're here to serve and not to be served. Likewise with you, and I thank you as well for what you do. When we talk about what's important in today's world, whether it be health, safety, an education as far as safety, in terms of fire, I mean, Mayor Hoffman is going through a family that he has to help, that they're displaced because of big father that occurred there.

We also always get call outs for whether it be grass fire, house fire, whatever the case may be. We're very quick to respond and be, we're always willing to help. Like I said, with in mayor Hoffman's case, he's trying to assist a very displaced family because of that. When we talk about the police, aside from funeral escorts, we are the first responders to any traffic accident that occurs within our respective villages.

We're out there doing traffic control, ensuring that there's continuity in the flow of traffic. Because our people are out there while before the police get there. Again, even to include domestic fights, we get called out because some family is going through a domestic issue. We become the first responders trying to situate the problem and we're putting ourselves at harm's way before the police show up.

As far as the police is concerned you are very aware of the recent shooting situation that happened over at Windward Hills in *Talo'fo'fo'* Mayors office. We responded and we provided canopy tables, chairs, water cooler and ice for what is deemed their command post. Again, we do a lot of things that a lot of people don't know and we're not doing it for the credit, but we know it's right and it's gonna serve the greater community.

As far as education. Last week, Friday, I mean last week Monday, Mayor Franklin of *Malesso'* and myself, we went out and we caught the entire *Inalåhan* Middle School This past Monday, two days ago, the entire Southern Village Mayors showed up at Southern High and assisted with all their ground maintenance to include *Malesso, Talo'fo'fo', Humåtak, Hågat, Santa Rita, Yona, and Inalåhan*. We went out there in the force again. Where did all the materials and supplies come from? We basically from our office budget. The bottom line message I'm trying to say here is we wanna do more, but we need more. We're still fighting with issues like white goods, abandoned vehicles, electronics, green waste, the roadside trash pickup that we literally do each and every time.

I know one of the mayors talked about us doing the roadside grass cutting, ground maintenance. We do that very often, and I'm sure you've been to *Inalåhan*. You've seen that a lot. We've taken over painting of the guardrails, stop signs, installation. We are even in a position where we're lacking bus stops.

We want to build bus stops, but where do we get the money? Again, we wanna do more, but we need more. And we're really struggling at this point. We, as mayors also do some work for GPA in terms of going around the island, around one, I mean, going around our respective villages, like one in the morning, assessing all the streetlights, street lights, provide for a safe community.

If we don't have those street lights functioning, then guess what? Now it becomes a very scary village or dangerous village because all the unlighted areas, we become those people that report in street lights that are not working. Again, we wanna do so much more, but we need more. We have adopted parks simply because parks and rec is struggling.

So in, in *Inalåhan*'s case, we adopted taking over the*Inalåhan*swimming pool and surf site. *Humåtak* as well took over their park. Likewise of, and I'm sure a lot of other mayors are in, that are in position to take over simply because we understand that Parks and Recs may be underfunded, but what's more important is as stewards of our own community, we want to take full responsibility for whatever is in it.

I mean, it's like running your own home. You don't wanna only take care of the living room. You wanna take care of every part of that room. So in this case, we're taking full ownership and taking over and being great stewards of our community. Again, we wanna do more, but we need more. We want to expand our cultural programs.

Inalåhan we have a place called *Gef Pago'*. I don't have any kind of funds to reactivate and regenerate so that we can allow for that to thrive. Once again, and it's very important, we being locals here, being o tomorrows, we definitely want to see a thriving cultural program, but I, we don't have the means, the funding to get it going.

We talk about health, all the village mayors want to start executing a sports program, whether it be basketball, volleyball, whatever. But if we only had more funding, we would be able to help in ensure that our young kids growing up are

going to be participating in a healthy sports program. But again, we wanna do more, but we need more.

I know you heard one of the mayors talk about the stray dogs. That has become a perennial problem, yet it's become our daily problem and not so much that they're an eyesore. More so because they're become a danger to the community. I know Mayor Dale Alvarez from Santa Rita has mentioned that there are some vicious dogs that are out there.

Nobody wants to claim it, but when it bites somebody all of a sudden becomes our problem 'cause it's been out there the whole time. Yet there are people out there that are feeding these dogs and they are, even though they don't live in the area, they become rightful owners simply because they feed it.

Again, we wanna build traps. We don't have the money to do it. We wanna do more. We don't have enough. We talk about the Pharaoh swine. We've partnered up with USDA and we're trying everything we possibly could to keep these pharaoh swine out of people's property. I have an uncle, my name, his name is Uncle Benny Chargualaf, down in the lawn.

He went to his farm. He got stabbed with a toss of a wild pig into his ribs. That's an adult. We don't wanna know about that. When it's a child that's walking out in a public area, getting attacked by, by a pig, I mean in *Inalåhan*. We just build a new playground. We're putting fencing up, not so much to keep the kids out.

It's to keep any stray dog or any ferro swine out of and keeping the kids out of harm's way. Again, I wish I could make that playground or that footprint of that park bigger, but I don't have enough money. We wanna do more, but we need more. There are six new mayors, and I believe three new vice mayors.

These guys, I'm sure, went out with the campaign platform and wanted to execute what they said in their platform. However, coming into the office, they're all blown away and they don't, they now realize that everything they wanted to do, they couldn't possibly do because we don't have enough funds.

They wanna do more, but they need, we need more homelessness. Almost all the mayors, if not yeah, I'm sure all the mayors go around and look at who owed our homeless people. We go and try to give them aid. We try to give them to the right people to give them that assistance. But in the meantime, while all that's going on,

we're, we are literally becoming like their kitchen, the soup kitchen for the homeless people.

We're feeding these people again, I want to do more. We can build like small shelters within our community, but we don't have the funds. We wanna do more, but we need more drug use. A perennial problem all throughout the island. Some of these folks, all they need is to be transported up to wherever they're doing narcotics synonymous for drugs.

But again, in some instances, we're making hard choices because I need to save my fuel in order to get me to the next month. What some of these folks, all they need to do is get transported up to mental health. Again, we wanna do more, but we need more senators. We are even doing war memorials. And you know what?

This thing is very sensitive and sentimental, especially because a lot of our elders are no longer gonna be here soon. I mean, they're, we're looking at 81 years of this event, yet we're using money and many of this is coming out of pocket to recognize and honor and pay tribute to our *manåmkos*. Again, I want to do more, but I need more.

We all need more. The irony and the sad part about this, if you notice a lot of the mayors have opted to do to having festivals in *Inalåjan* never had a festival we had to do a festival like *Gådao* of festival to help generate an augment our shortage and funds. *Hagat* festival is such a success.

But all these festivals, I know Mayor Dale was talking about doing a festival. Mayor BJ Terlaje is planning to do a festival and it's not just to showcase their village, but it's to augment that, the shortage that they're going through right now, because they realize that what we have right now is just not gonna work.

And so here's some of the things I wanna bring to the light here, is that for a. I know for the last couple years we've been saved by ARPA funds. We've been saved by grants that we've received. We've been saved by the monies that have come from the Governor in terms of like a hundred thousand dollars.

Northern Marianas even came out and literally gave every district a thousand dollars each. A small community, I mean, basically a, an island is doing not as good as we are. Yet they have the willingness to help because they understand our

challenges. So let me just share some fun facts with you to kinda, especially to the new senators.

The University of Guam gets right around $40 million and they own, they serve 3000 students. Guam Community College gets roughly about $24 million and they only serve 2000 students. Department of Education received $250 million and they only served 23,000 students. The Mayors Council of Guam, collectively, after a supplement to request, 'cause we initially started at 12.3, a supplemental budget of 4.5 brought us at 16.8.

We, the Mayors Council of Guam services, 170,000 people. In other words, the entire population of Guam, and we're getting only 16.8. I mean, I don't think it takes anybody to figure that out. We are struggling. So let me just give you even a better perspective of that. 16.8 in *Inalåhan* receives $49,000 for its operational costs, excluding utilities, and excluding a personnel.

We get 49,000 out. The 49,000, 30,000 of that is literally earmarked and obligated for fuel costs alone, leaving me with $19,000. What does anybody expect? It takes more than 19,000 to even operate our own home annually. So what do you, where do you think 19,000 is? So again, we wanna do more, but we need more senators.

You've heard the words from my colleagues here about please support. I urge you, I recommend you at this point, I am begging you to please have a kind and compassionate heart and understand that we wanna help our people of Guam. We really want them to thrive. It is burdensome for many in terms of the financial impact we want and we wish that we cannot understand.

And I know that every government entity is gonna come in here and ask for more. I know that already, but I'm in a position to ask you this. Hold people accountable. Where's the return of investment? Every year I see other entities go up in terms of dollars, but the return of investment or their productivity is not to be shared.

I don't see it with us. We have done literally everything and anything under the sun. We have become the policemen. When we talk about safety. We have become the policemen and the firemen. When we talk about health. We've supported the adult daycare, public health, and everything else. We want to do healthy programs for the kids, but we don't have that money.

When we talk about education, I just told you, we've demonstrated over and over again last year when all the schools had to go to massive inspections, we went out and we helped literally every school that we could possibly help. I even went in, *Inalåhan* went as far as GW to help out, but we removed all their metal debris, all their wood, their vegetation and whatever.

We helped paint water blast. We did whatever we could and we wanna do more, but we need more. So please understand. That I, today has been a day I wanted to meet with all of you and sing. When I meet each and every one of you out there in the streets at events, I've kindly asked you to please consider and support the mayors because every problem, every constituent coming before you out in the street, it's probably bringing an issue to you that we, as the mayors are failing to do simply because we don't have enough.

But imagine if we're able to man, manage and mitigate all the expectation of our island people, then guess what? You are not gonna be having to worry about that. So I'm asking you help us, help the people. Help Guam. Thank you. *Si' Yu'os Ma'åse.*

Chairman Christopher M. Dueñas: *Si' Yu'os Ma'åse* Mayor Chargualaf.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: We'll go ahead and have Vice Mayor Ms. Ann

Ann S. San Agustin Leon Guerrero, Vice Mayor, Municipality of Dededo: *Håfa Adai,* and good morning. Chairman Duenas, Senator Matanane, Senator Gumataotao, and Senator Terlaje and esteemed members of the Guam legislature. My name is Ann S. San Agustin Leon Guerrero. I am honored to serve as a newly elected Vice Mayor of Dededo, the most populated village in Guam with a wide range of multicultural and diverse community.

(PLEASE SEE ATTACH TESTIMONY OF ANN S. SAN AGUSTIN LEON GUERRERO, VICE MAYOR OF DEDEDO)

Chairman Christopher M. Dueñas: *Si' Yu'os Ma'åse* Vice Mayor Leon Guerrero.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Thank you. Mayor Arroyo.

Richard B. Arroyo, Mayor, Municipality of Agana Heights: Thank you, Mr. Chair. Good morning. Senator Terlaje, Senator Gumataotao and Senator Matanane Well, I don't know where to start this. All I can say is that for the, before I open up, sorry. My name is Richard Arroyo. I'm the Mayor of Agana Heights. Our panel up here and everyone surrounding us.

Is the narrative is the same. We are all on the same page here. And although each village has a unique issue in their village because the population, how their landscape is, but we didn't come together before we got here and said, Hey, this is what we're gonna say. I'm just listening to everybody.

And it's the same issues that have been happening for years. So thank you for the opportunity to be here as one of your new mayors. I'm here with my fellow members of the Mayors Council to ask the support of this body for a fair budget that will allow us to continue functioning as a frontline service providers for the people of our respective villages.

I know we are all public servants here. We all do our best with the limited funds we all share as mayors, together with our staff. We serve the community 24 hours, seven days a week if necessary. Everything from public nuisance to public safety concerns and to everything you can imagine in between. Our staff are not getting younger and a few short years these individuals are gonna retire.

Take with them the skills and institutional knowledge, but as. Mayor Hoffman saying, I really echo what he says, that if we make this more of attractive and how we could tear the part with the grad graduate from the 2000 and how we could get them to come also in, in the budget. We can hire more of these individuals, the younger generation 'cause honestly, Senator and the senators, there's no line outside the Mayors office to come and bush cut. It's really hard to get staff to go, but the staff that are there. And I speak for I can speak for all the staff on in the end, but it's mostly, especially Agana Heights. They work hard. These guys have been in the village for ages and they just, they tell me the stories.

And I also wanna thank Mayor McDonald for sending the foundation before I became the new mayor, because coming in it's true. I finally see, and what Mayor Tony said was, it's true. I came in, we did a pledge to what we wanted to do, but to find out this is what we have to play with and play with as in what we need to do to keep the village running.

So I just wanted to, you know, bring little things like for example, as Joy Jean saying, we are advocates for GPD we understand the shortage of officers, so we play a role in the village for safety, for anything that comes our way that needs attention for GPD, they do respond right away and they're very active.

Our neighborhood watch and gang nights. And because you'd like to share, it's so active. Like someone can cough in the other village and they're gonna call the cops already. I mean, that's how active it is. So it's in, it's incredible. And everyone's doing the part and you know we wanna just let them, you guys know that we're trying to be creative.

We're trying to be creative to where when I took office as well this sit. Has this program called The Adult Day Center. And now Agana Heights is the first village to have this adult day center. And they're from the 18-year-old to the 59-year-old age group that have challenges. And these are the individuals that gray area where they don't have an area to go after they graduate from high school.

And they are in our center now with people who are, who have applied and now they're certified. So then it gets our staff also to make sure that place is set all the time because it's a pilot program and they're basically using our center to run this program. It's a really great program.

And if you folks ever wanna stop by and see what goes on there, it's it just touches my heart. And I just wanted let you guys know that. And also Mayor Hoffman or Mayor Tont and the staff was mentioning about USDA. You know, I wanna thank USDA. When I first got into office, my pledge was to, the village was about Pharaoh pigs.

A gentleman, Mr. Joey, born from USDA, reached out to me. Guess what? Within two months we caught over 400 pigs. Now we have about maybe one pig and the guy that's running around. So I just want you guys to know that also Senator Duenas you mentioned about the the tier two gymnasium possibly for shelter.

Well, again, that was picked as one of the tier two shelters for any emergency. And let's say, you know, something's gonna come up, you know, we're gonna house. They're going to, they're gonna redo the gym and we're gonna be taking care of Mongmong, Sinajana, Chalan Pago, I believe might, it might be for the Villages, but they're gonna be in that gymnasium Agana Heights, which is the epicenter for sports, which is where I want to go to how. Our software field. There is use, I

mean, 24/7, we have every single person probably around the island using the field. And I'm, you know, I'm so happy that they're there, but when they leave, they have trash. We have guys, our staff has to go there afterwards, clean it up and, you know, but that's what we do.

You know, it's a welcoming village very you know, it's what we want. It's what we love to do. So, you know, I use my own personal vehicle senators. It's an electric vehicle. I use it because I wanna save the gas for the staff that they have to use for their cars, and when they have to do the push cutting.

So, please Senators, Mr. Chair, please. We ask you to please help us with this budget and pass this budget with us. God bless you. Thank you so much.

Chairman Christopher M. Dueñas: We're gonna need God to bless us. *Si' Yu'os Ma'åse* Mayor.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: We'll go ahead, have Mayor Lizama. Thank you, mayor.

Frances S. Lizama, Mayor, Municipality of Yigo: Good morning, Mr. Chair. Senator Duenas. Senator Gumataotao, Senator Therese Terlaje. I am here and my concerns basically emulate everybody else's concern around the island with the mayors and vice mayors. We are basically, again, like Mayor Chargualaf said, we are the frontliners, the first responders. We do anything and everything under the sun and under the moon.

No matter what time it is, 24/7, we get calls middle of the night, early in the morning. We do what we can, but yet we only have so much to do.

Chairman Christopher M. Dueñas: Mayor, I apologize to do this.

Frances S. Lizama, Mayor, Municipality of Yigo: I'm sorry. My name is Francis Lima. Mayor Yigo.

Chairman Christopher M. Dueñas: Yes.

Frances S. Lizama, Mayor, Municipality of Yigo: My apologies.

Chairman Christopher M. Dueñas: Yeah, so what we're doing is we're swearing in the panel and you weren't here earlier when we asked you, we would testify 'cause so if the vice is going to testify as well.

Can we just do that real quick?

Frances S. Lizama, Mayor, Municipality of Yigo: Okay.

Chairman Christopher M. Dueñas: And any other any other mayor, vice mayor who showed up that before we started the hearing please rise at this time and we'll swear you in. Yeah.

Edward S. Pocaigue, Jr., Sergeant at Arms, 38th Guam Legislature: Under penalty of perjury, do you affirm that any and all information you provide today, whether there be verbally, electronically, underwriting be the truth, the whole truth, and nothing but the truth?

Frances S. Lizama, Mayor, Municipality of Yigo and Pedro Suzuki Blas, Mayor, Municipality of Dededo: Yes.

Chairman Christopher M. Dueñas: And once again, this is our protocol, the legislature, whenever we're dealing with financial matters, you're probably gonna talk about village issues, which is completely accurate but it pertains to the budget. And so that's our protocol. Please thank you for your understanding.

Frances S. Lizama, Mayor, Municipality of Yigo: Yes, my apologies.

Chairman Christopher M. Dueñas: Please continue. No, it's it okay.

Frances S. Lizama, Mayor, Municipality of Yigo: Yeah. So anyways, we do anything and everything under the sun and the moon because whatever situation that is out there, we try to do our best. But yet we're very limited. We have to be frugal. Right now, our gym is being looked at as being a tier three currently. We have issues with the gym.

We need to do repairs, but we don't have the funding. Whatever it's gonna cost. It's way out of our budget. So we have to do creative management with our funds. And again, we can only do so much, but yet we have to service the people no matter

what. We have jobs like for DOE, just Monday, we assisted UPI Elementary with their cleaning in preparation for their inspection tomorrow.

So, of course, assisting DOE that cuts into our budget. And so with that again, sets us back on what we can do. Although a lot of things is out of pocket for us more so with fuel. We try to do what we can with what we have. But again, we are very limited. I like to also talk on with my colleague from Dededo Vice Mayor Ann.

We are the second largest, but the first largest in landmass. Grass cutting. Can you imagine how much money we get for grass cutting with the amount of land mass that we have to cut by the time we get halfway, we have to go back to where we originated from because the number of employees that we have that does maintenance, doesn't cut it.

Seven maintenance for a village as large as ours, we are requesting if you can please give us additional maintenance. Seven bodies is not cutting it. For Yigo we also do everything and anything DPW's work, cutting off the grass along the routed roads. I mean, it's their responsibility, but we have to look at it as it's in our village.

We have maintain the streets. We want to build that] pride. We want to bring back that pride to our village, but it doesn't help when we have these agencies whose responsibilities we're taking on, and that cuts into our budget. If that's the case, then give us the money. Give us what is given to you, and we are doing your job.

I give every respect to all the agencies, but we also need the money. We are very limited with what we have. We can only do so much. But again, being creative, it cuts into our pockets. Not that we, we don't want it to come out of our pockets, but we try to do what we can. There's just so much, the list goes on and on.

It's endless, but we can only do so much. As far as heavy equipment, just to rent heavy equipment is costly. We can't afford to rent equipment all the time. Maybe owning the equipment, I even to purchase the equipment that in itself is going to take a whole lot of out, out of our budget. So, you know, the funding that we're asking for and I like Senator, I mean Mayor Chargualaf analysis, UOG and GCC, the amount of people they serve.

Again, like he said, we serve the entire island and yet we only get a smaller amount. I'm hoping that you find it in your heart to give us what we are asking and

maybe a little more. We have employees who are out there. Day and night working because of whatever situation comes up. I give a round of applause to those employees, to all the employees of the Mayors offices.

They are the backbone of these offices of our office. They're the ones who are out there doing the hard work. And it's a thankless job. It's a thankless job, but we're out there doing our best. Most, especially the staff. You know, nobody ever recognizes them. Nobody ever thanks them for their hard work.

It's a thankless job, like I said. But we know that they do their best and they're out there doing what we, what they can. And we are out there doing what we can to serve our people. So I'm in support of this bill, and I'm hoping that you as well can give us what we ask for. Thank you.

Chairman Christopher M. Dueñas: *Si' Yu'os Ma'åse* Mayor Lizama.

Pedro Suzuki Blas, Vice Mayor, Municipality of Yigo: *Buenas yan Håfa Adai* Senator Terlaje, Senator Duenas, Senator Gumataotao, and Senator Matanane, I'm gonna try to make this as short as I possibly can in consideration for the work that we still have to do once we leave this legislative hall this morning.

Chairman Christopher M. Dueñas: Please identify yourself please.

Pedro Suzuki Blas, Vice Mayor, Municipality of Yigo: *Hunggan*, I'm Pedro Blas, the Vice Mayor of Yigo, and I'm here to provide testimony and full support.

Of our proposed budget increase for the Mayors Council of Guam. As we all know, our village Mayors offices serve as the frontline of government service directly engaging with our residents on a daily basis. As iterated earlier, some days we're firefighters. Some days we're police officers. Some days we're Mr. Rubbish man. Some days we're animal control. Some days we're land management, the middlemen for connecting our communities to government information and resources and all the while still expected to cut the grass and pick up the road, kill on the roads, whether they're secondary or routed. We work beyond nine to five and squeeze in time on the weekends away from our families to ensure that our villages thrive the way that we each feel our people deserve.

And based on the testimonies already provided, I'm sure that we can understand that the responsibilities placed upon us are vast and vital. Over the past few years,

we've seen that these duties have only expanded often without corresponding increases in our resources. And myself and Mayor Lizama, after only being in office for six months, see how much work needs to be done and how costly it is to do it.

Many of us are operating with limited staff, outdated equipment, and insufficient funding to fully meet the needs of our communities and making up for it out of our own pockets to ensure the prosperity of our villages from purchasing gas for our vehicles and equipment to buying water and ice every day for the boys to make sure that you know they're out there hydrated while getting the job done, day in and day out, rain or shine. We work together and share what we have with each other from village to allow each of our offices to succeed in providing for our people. Mayor Chargualaf said it himself in one of our Mayors Council meetings, that we sell ourselves short with how much we request versus how much we actually go out there and do, right?

So this modest budget increase would significantly enhance our ability to deliver our services more effectively within our communities. And before I end, you know, I do wanna acknowledge that I know that I am just a young man and just the vice mayor of the village with the largest land mass, right?

But I believe what I was told when I decided to run for office, it's the same thing that all of you up there and all of us down here were told when we decided to take that step, right? And that was that we can't please everybody. But I always wanted to believe that. How can we expect our villages, our community, or our island to prosper if we don't try everything that we can to the best of our abilities to do just that?

Go out and try to help the people as much as we can, whether they're pleased or not. *Låo taimanu para ta na setbe I taotao yanggen ti nahong I guinaha noh*

So with that being said please consider this investing in the Mayor's. Investing in the Mayors Council is an investment in our people. And I urge this legislation to prioritize this request and recognition of their critical role. Our Mayors offices play in strengthening our island. Thank you for your time and allowing me to speak.

And for your commitment to serving the people of Guam, *Si' Yu'os Ma'åse*

Chairman Christopher M. Dueñas: *Si' Yu'os Ma'åse* Vice Mayor Blas. So, as we go to questions for the panel I, once again, I have to ask this to the acting president as well as the executive director. And the reason why I say this is 'cause we, the Governor obviously submitted a ceiling in terms of their executive request. And so when we look at this, we, you know, variance of 11,332,768, it looks like, and in our footnotes here, it looks like it doesn't even take into consideration the supplemental budget that you received and you're currently operating on.

So that's why your variance essentially is, you know, slightly over 3 million, but the overall variance is 11 million. Were there discussions that, with the Governor's office in terms of their consideration for the Mayors council budget?

Robert Hoffman, Mayor, Municipality of Sinajana: No, sir. They never ask us.

Chairman Christopher M. Dueñas: Okay. So, I mean, I, you know, Vice Mayor Blas I appreciate all of the presentation, but I also appreciate your discussion about your entrance into the foray of public service, you know. Well, I have a lot of years. The one thing that is always the toughest thing when we try to, I won't even say please, when we try to accommodate you for the service that you provide, right?

The bottom line is where the real tug of war happens is when we're appropriating and then, you know, we gotta get a budget passed, right? And we're given a ceiling to work with. And then we work within that ceiling and do what we can in terms of the distribution and how we're able to get there.

So I just want to use that as a benchmark for our efforts going forward. It's not lost on me in terms of the work you do. It really isn't. I know I've met with you many of you so many different times in terms of you know, discussing what you do in the village and we can see it. The one thing I'll be talking to the committee with and maybe my, the other senators have these thoughts as well, and I've said this for many years, that I think the real desperate situation when we look, 'cause I mean, look, we don't even have to look as far back as 2024.

You're operating with $9 million. I mean, this is over a hundred percent increase. And I'm not saying it wasn't justified in terms of where we are in 2025, but what I'm saying is that. Is that it has to be reflective of what you continue to say. And as you said you know, mayor Hoffman as well as the other mayors here Mayor

Arroyo, the theme here is that you've accumulated a lot of additional duties and responsibilities where others have fell off.

And I think that's really gonna be how we gotta manage this in terms of discussion internally. I know when I met with you on the pre-budget meeting and when I met with you on how to manage some Cap X coming up and how we get creative with the Mayors council, it's clear most mayors and Lan, I think, has just been doing it forever because you can't go to *Inalåhan* without it looking like a golf course on the roadside.

But the fact is everywhere many other jurisdictions, because of the duties and responsibilities of highways and public works on the routed roads, I mean, it's six feet tall sometimes before it get jumped onto. And most of you guys are the ones jumping out there doing that because you just can't take the pressure from the community telling you enough is enough.

You know, you need to get out there and do it because those are the roadways that they're traversing as well. So that's where some of the conversations will start as well as with parks. And so we'll continue to probably bring everybody together for another meeting, at least at the executive level to see where these mandates are and the mandates that you've accumulated you know, in terms of how we make some adjustments.

So I, that's, I just want to be straight with you in terms of what it's gonna take to make the accommodations. I promising is a bad idea in this arena, so I'm not gonna do that. But what I am gonna tell you is I'm gonna work my butt off to get to where you need to be. And that's gonna include very frank discussions.

You know, with it, because our community says the same thing a lot of times. You know, they know, because a lot of people, the first question when I, there's a problem or an issue in the village is go to the mayor. Go to the mayor, right? The Mayors the one stop. And so that's really what it comes down to.

It's go to the mayor and then the mayor is like, yeah, thanks for coming here. But guess what? You know, years and years ago that was done by so and so years and years ago. We, you know, we were just responsible for first line and first responder within the village but now we're in many public works as the vice said, you know, in terms of the different mandates of the government.

So that will be the frank discussion that I'll be having Mayor Chargualaf and then I'll go to the other senators.

Anthony P. Chargualaf, Mayor, Municipality of *Inalåhan*: Yeah. Senator, thank you for those comments. And I wanna say this, that. Rather than even considering lowering our budget even by a dollar, I'm asking that we take a look at, for example, DPW. So if DPW's budget is allotted $19 million to take care of roadside cutting around the island, then take that 19 million and give it to us so that we can divvy that up 1 million to each mayor so we can take care of our highway, secondary, and tertiary roads as well.

So please and I'm kind of hearing you and it doesn't sound optimistic when you're referencing the governor's allotment or ceiling for us, but I'm asking you in consideration of that, knowing that already I'm asking to please consider looking at DPW's budget and every other budget out there that we have literally undertaken as mayors so that we can fulfill what we need, what we are asking for.

And again, before you even remove even a dollar of that, please take into consideration other departments that, like all the mayors have alluded to, is that we've taken more than our responsibility and we are gladly doing it. And again, like I said, we wanna do more, but we need more. And in this case, look at other entities, you know, even like DOE, we've done a lot of cutting out there and we have gotten no dollar at all.

All the mayors around the island to include our staff, the Mayors Council, and everybody else were about solutions, not excuses, results, not reasons. And we wanna be able to be, ensure that we do have the solutions and we do have the results. Thank you.

Chairman Christopher M. Dueñas: *Si Yu'os ma'åse' ya meseha fino' CHamoru pat fino' enlis eyu' eleku nai åhe' ti hasso håfa pu chogui' I gubetnu este ha' salappe na'i håo åhe' ti taiguenåo hu fafaisen nai på'go para bei hu chek håfa siña mohon håfa I otru na agency håfa bidiådña på'go na ti ma chochogui I che'chu' niha mågahet håo CHule' ha' ombre I salappeña tatte yan un na'I I Mahot ya guiya chu'mo gui' I che'chu' pues hu agradesi para hågu ya manparehu ham ni yo-mu request sa' eyu un nisissita pa ta accomplish este sa' ti siña kumu I celing ya oba skoba ya håfa påo CHogui' I gubetnu* veto I budget *hekkua' låo eyu nai lekku' para nai bai hu CHogui' hamyu* and im trying to make the folks understand to this is what been happening its in in the *Militåt lekña*

mission creed? alright *esta på'go* mission creek *gaigi* I *mission på'go gi Mahot noh?*

Anthony P. Chargualaf, Mayor, Municipality of *Inalåhan*: Can I just say one more thing? Quite honestly, if you ask me, we've been long overdue for even a slight increase. Since I've been a mayor in 2021, I've always been an advocate that we're operating very short.

So even if we progressively move a million dollars each year, we already should be right around $30 million if you ask me. So what we've presented is a very conservative approach, is very realistic in terms of really just trying to do our due diligence in doing our, executing our jobs. So again, you know, again, the body.

Thank you all for being here. Thank you for hearing us because we come to you really at this point, not even urging or asking or requesting. We are literally begging at this point, really with a kind and compassionate heart to please approve our request. Thank you.

Chairman Christopher M. Dueñas: *Hu ekkuñgok håo Senator Gumataotao kunsigi.*

Senator Eulogio Shawn Gumataotao: Thank you, Mr. Chair. And let me just start by thanking publicly my village mayor Vicente Taitaguefrom the village of *Talo'fo'fo'* and to his people for all the work that they do to serve our community in *Talo'fo'fo'*. And I'm not gonna forget Ipan at this point, so people don't think I'm just thinking of the village proper.

I also want to thank every single one of the mayors that are in this room today. For your continued service to the people of Guam. And I just wanna one more thing to those that are watching outside I had a chance before this hearing started to say hello to all of all of them or many of them.

And I, I heard in this hearing public hearing room that people don't thank you, but I don't live in your village unless you're from *Talo'fo'fo'*. But let me go ahead and say thank you on behalf of well on my behalf, thank you so much for all the work that you do and in serving your residents.

And the testimony today I will say was very compelling. Let me just start with a couple things Mr. Chair and I'll enjoy. Thank you again for your continued service

to the people of Guam as well. Lemme just start with the benefits side. The Mayors Council of Guam's budget requests for employee benefits decreased from 5,120,995 and FY 2025 down around 82,000 less for FY 2026.

While the reduction in employee benefit costs in the new fiscal year is noteworthy, what factors led to this decrease? Recognizing that the Mayors Council of Guam is requesting funding to support 237 positions or 16 more positions in FY 26 compared to FY 25.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: I am gonna go ahead and yield to my accountant with the numbers here.

Senator Eulogio Shawn Gumataotao: What is your name first for the record?

Royelle Mae S. Carter, Accountant II, Mayors Council of Guam: My name is Royal Carter. I'm the accountant at Mayors Council of Guam.

Royelle Mae S. Carter, Accountant II, Mayors Council of Guam: Can you just repeat your question one more time?

Senator Eulogio Shawn Gumataotao: Sure. While the reduction in employee benefit costs in this new fiscal year is noteworthy, what factors led to this decrease?

Recognizing that the Mayors Council of Guam is requesting funding, funding to support 237 positions or 16 more positions in FY 26 compared to FY 25.

Royelle Mae S. Carter, Accountant II, Mayors Council of Guam: So on FY 25 requests, we requested a payout for the annual lump sum. This is when the new mayors came in. They had to terminate the employees, and they had to pay out the 320 for annual leave.

So with that decrease that is the difference with our request for this fiscal year or next fiscal year.

Senator Eulogio Shawn Gumataotao: Thank you. Your contracts Joy for FY 26 their $119,084 more than the 32,880 authorized budget in FY 25, which includes new expenses such as a $20,000. For a copier machine lease and 25,000 for internet service upgrades for the record.

And recognizing that these costs were not part of the Mayors Council of Guam's FY 25 budget, how are these contractual services covered in the current fiscal year? And will these services be available to district offices that are perhaps maybe the closest to your office and the Mayors Council of Guam including maybe to my premier, the Mayor of *Hagatna*, to maybe to Mayor Richie in Agana Heights, and perhaps to Mayor Paco in Mongmong-Toto-Maite.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Sure. So as far as, you brought up the internet services and how is that gonna service the villages? Is that correct Senator? Am I understanding that correctly?

Senator Eulogio Shawn Gumataotao: I'm talking about you have a copier.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: So it was covered. So as far as the.

Senator Eulogio Shawn Gumataotao: Because I think the internet doesn't extend that far Joy but at least the copier can.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Right. So as far as the contractual services that we've highlighted and the increase that we're asking for, that's mainly to cover internet services upgrades. We're at five. I guess five speed. We're looking at 25. As far as the copier leases, we're looking at leasing copier machines.

Today. The villages own their copier machines, which is very much outdated. And to get its service and maintenance, it's very costly for us at this point.

Senator Eulogio Shawn Gumataotao: Yeah. And based on all the experiences, I think in my short time even here there's gotta be a way to pull some of these. So it'll help bring some costs.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Correct.

Senator Eulogio Shawn Gumataotao: Down across all of the respective Mayors offices, I think they would of all benefit. I know that you're looking at old machines, but at times by pooling it might be a good idea.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: That's correct.

Senator Eulogio Shawn Gumataotao: Okay. Thank you so much. Now, the budget also for administration includes $65,000 for district-wide training for employees covering computer safety, forestry, and traffic control.

Our government agencies, including OTECH, the Guam Police Department, department of Agriculture, are they involved in these trainings at all? And what fees, if any, are they charging you for this type of support?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: So with the training that we're seeking, we're looking at GCC and absolutely we do get charged.

As far as GPD's there is no charge, but we're looking at basic office skills. We're looking at procurement. We are looking at ethics charges, the council for these trainings that we have to ensure that we uphold the certification. As far as we're looking at even forestry again, we do get trainings on behalf of the other agencies, but for the most part, they are charging MCOG.

Senator Eulogio Shawn Gumataotao: Yeah. Thank you so much for that. And I'm hoping that the other agencies are watching this particular budget hearing, and I'm hoping that at some time, at some point they could at least provide that service. Free seems to be a kind of a weird way to say it to you all because it's not free for you 'cause as soon as they train you guys go back out and you're doing the work that, quite frankly they're supposed to be doing in our respective villages. Let me move on to equipment. And this is probably gonna be a very I just, I'll just say it so I don't seem so snarky right now. Joy, your budget for your administration equipment includes 2000 for an executive chair and credenza.

The Mayors council's budget authorized $30,000 presumably for similar expenses. For the record. What portion of the $30,000 budget that was used in this current fiscal year to purchase executive desks, chairs, and credenzas are there, but also are there any other options that are available? For the Mayors Council to secure unused office furniture from other Government of Guam offices.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Yeah. Thank you, Senator. So, I can tell you from, I can tell you from my observation taking the directorship position, we refurbish furnitures even throughout the villages. So everything you see in MCOG today is nothing new. When I took the directorship position, I'm looking at desk for the mayors that have been made.

So there, it's not anything we went out to purchase. These have been made through a contractor, so it is time to bring up our, you know, our it's really for safety for our employees as well. You're looking at desks that are chipped, that are sharped at the edge edges. So throughout the villages and our MCOG offices, we refurbish furniture and we share amongst the villages as well.

Senator Eulogio Shawn Gumataotao: Alright, thank you Joy. Let's move on to your capital, outlay your budget. For the Mayors Council of Guam administration, their capital outlay includes $2.8 million for several new items, including $1.2 million for district vehicles, $600,000 for a village data management and Mayors Council of Guam software and $300,000 for heavy equipment specific to the district vehicles.

What portion of this particular expense is intended to cover the acquisition of any used US government vehicles similar to the sedans? And the pickup trucks, which were secured by GPD recently for agency operations.

Robert Hoffman, Mayor, Municipality of Sinajana: When we have to try to do those, it's through a bidding process and it requires credit card and a whole bunch of other paperwork that we can't actually do anymore.

Okay. So the system has actually changed in terms of trying to get what, even what's at GSA, we all go down there, we all drool at wow, $15,000 trucks. That'd be amazing. But they're like, no, you have to bid just like everybody else. You have to have a credit card. You have to pay within 24 hours. So it completely cuts us off.

Senator Eulogio Shawn Gumataotao: So that means don't go to the GSA anymore?

Robert Hoffman, Mayor, Municipality of Sinajana: Nope. No more. I wouldn't need, unless we personally pay for it out of some other fund or a grant allows it. There is no way we can get any vehicles down there.

Senator Eulogio Shawn Gumataotao: No. And that makes some sense. Mayor with respect to the procurement of heavy equipment in the new fiscal year, what information is available regarding any consultation that the Mayors Council of Guam has sought with Public Works in order to have the equipment available to other entities that may also need them and to hopefully spread costs among those agencies?

And I'll say it for the record, I think they should be doing it the other way around, but I think I'd ask the question.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: So I think with the mayors, when they do reach out to the other agencies for, to avail themselves with heavy equipment, the heavy equipment themselves, it's not available, whether it's down for maintenance I do know that the agencies out there are actually renting these heavy equipments as well.

So we're kind of competing with them when it comes to heavy equipment.

Senator Eulogio Shawn Gumataotao: So I guess to answer the question go ahead Mayor.

Robert Hoffman, Mayor, Municipality of Sinajana: Just to add to that, what normally the normal process is if the mayor does need it, they put in a request to the director's office, it's scheduled, and it's kind of like when it depends.

So right now, the side cutter, they gave us four days, I think each village, they said, we're gonna bring the side cutter mower to you for four days, tell us where we'll do it, and then they're off to the next village. So on some instances it is scheduled or they tell us, and sometimes we have to ask. And a lot of what I mentioned in my testimony is that we're always in this mode of urgency 'cause when we ask, it's already those bamboos that are already hitting cars on route four in a spring lane. Like we kind of need it now, not in a scheduled matter. So it's an issue for us.

Senator Eulogio Shawn Gumataotao: Alright. Thank you Mayor for your help on answering that. I only have just a couple more questions, Mr. Chair. And this is regarding the municipal Planning Council's revolving fund 5 GCA section 40135, or the creation of the municipal Planning Council revolving fund. It authorizes our village mayors and the municipal planning councils of each of our respective villages to raise funds through charging commercial enterprises to advertise on the walls of their respective sports facilities.

Raise funds through fundraising events to include approving concessionaire activities within each municipality. As approved by the municipal planning councils, they can solicit corporate sponsorships and to accept contributions that are solely beneficial. To the sports facilities, or in fact the village as a whole.

And then the revenues shall be deposited into the municipal planning council funds for each village and shall be used for the operation and maintenance of these facilities and to fund special projects that are identified by our respective municipal planning councils island wide. And I kind of heard it a bit from from our ayor of in *Inalåhan*, but to what extent have our village mayors and their respective planning councils implemented any portion of this law, and how specifically including the idea of Coach Tony.

That revenues that are generated to help augment general fund or special fund resources in FY 26.

Robert Hoffman, Mayor, Municipality of Sinajana: So for the municipal planning council, for the non appropriated funds, we do collect donations and accept it for a lot of our programs. But in terms of user fee, it's something that has been up for discussion in our council and our, just our last meeting we did put together a proposed user fee schedule.

It's gonna have to undergo its hearing. It's something that again, we have to kinda have to do now because we need to upkeep and maintenance money. I know nobody likes to ask to tell somebody, I gotta charge you for this, for your *finakpo'* or for your car wash or for your medical. This it's really just a bad taste in our mouth.

We always say it already pay taxes, it should be already included. But if the reality is we have to have user fees for a lot of our facilities now. So we actually already have that on our agenda. It's something I think will be discussed in July. We'll put our final nail on that in July.

We were trying to do it last year, but we said we'll take a break and we'll wait until the new mayors come in. 'cause we didn't, we wanted their input and they we're gonna give them the respect for the new districts to come in. So I think by July it'll be on our agenda. And then you'll actually have to go through the adjudication process.

Senator Eulogio Shawn Gumataotao: Alright, thank you Mayor.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: And Senator, if I may add? Sure, please. A lot of their non appropriated funds typically because they don't have enough in their appropriation they would utilize for their fuel for

equipment. And these again, are just to maintain the village, their day-to-day operation.

So like what Mayor TC had mentioned a lot of these events that they're holding or hosting and that they are able to accumulate funds with, they're using it to run their day-to-day operation. So that's their creative thinking.

Robert Hoffman, Mayor, Municipality of Sinajana: And there isn't a line center of corporate donors who are asking, Hey mayor, I want to give you money.

The fire yesterday, it was really our residents who came together and knocking down the door saying Here's $50, $20, please get his family. So a lot of what we collect, we push out and a lot of what we also take in are donations in terms of consumables like food, you know, the drinks, the hot dogs, the popcorns and the cereals.

So it's there, there really is no big mega donor to us to say, Hey you could use this for whatever. So it is an, it's been a lifeline for us. That fund. I think if we make it easier for companies to donate where it's something they can claim on their taxes a lot easier. 'cause it's that confusion that they give us.

Can I claim this? And I'm like, you should, you're donating to the government, but. You know, how do they actually list it out where there's an actual form that they fill out? Like, Hey, I gave the mayor a thousand dollars from my company and I can claim this on my tax return or my GRTs, or whichever else like that.

And it shows it. But there, from what I know, there's no specific mechanism for that.

Senator Eulogio Shawn Gumataotao: No, and that's a good kind of way I can wrap up my questions, Mr. Chair. And this is my, is was my offer to Joy earlier and to the Mayors Council of Guam a lot. And I told this to the committees I have oversight over.

A lot of times what we do is not gonna be about money. It's gonna be about policy. And at some point, I think as we look about at the work that you all do I know there's not enough money to support every operation, but if we have to change the policy, then I think I, I stand ready to support each and every one of our districts in that.

And again, Mr. Chair, thank you for the time and thank you to everyone for being with us today.

Chairman Christopher M. Dueñas: *Si' Yu'os Ma'åse* Senator Gumataotao, Senator Terlaje, you are recognize.

Senator Therese M. Terlaje: Thank you. I thought it was very excellent testimony that was presented today. Beginning with the director, Joy Jean and the President's testimony of course, and Vice President, your testimony, if we could get that in writing, that'd be very helpful.

I thought it was very good. And each mayor, I think really did an excellent job of reminding everybody and making sure it's really very well understood. Maybe not even the full extent, but at least, you know, a gist of what you really all are involved in and I think is very important.

So that's how priorities are set, right? We, I totally agree with you that we want our villagers to thrive, and if we want them to thrive, the mayors and their offices must thrive. They must have what they need in order to help these the people in their village. And this is, and I agree with you, we have put you on the front lines of almost everything.

We continue to do it. And even Revenue and Tax systems, I mean, everything. We want you all, because you have that connection with every person in your village to facilitate these services to the people. So thank you for all the work that you do for that. And I'm not saying that's right, that we're gonna keep putting things on you without supporting it.

I completely support this request. I think you've complete, you've done a very good job of supporting it, of explaining exactly what you need and why you need it. It is kind of drastic looking at the spreadsheet because the spreadsheet shows that this is 7, that it's $11 million over what was appropriate or I guess set aside by the Governor in this current budget request.

It's but her request, according to this spreadsheet was 7.6 million less than your current budget. So that's kind of confusing. And I don't wanna go backwards. I think we, I'm very proud that we were able to increase from 24 to 25, from 8.4 to 17 million for the mayors. I think that's necessary.

It was very clear. It's been clear through COVID. It is been clear before that it's been clear through Mawar that we are really depending on you and without you, we are all going to just suffer. Everyone will just be suffering tremendously more and you know, that people are suffering even now, even with everything that we have tried to give.

So, the increase in personnel, it shows about 16. That's not much when you consider how many villages there are and it shows does this fill the vacancies that are listed or are these current positions?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: So we have a total of nine vacancies, and that's what the, that's community maintenance workers.

The mayors are actively recruiting again, as they've stressed out. It's very difficult to recruit bush cutters. People that want to go out and do the cleaning. That's the challenge they currently face today. So you'll see a lot of the villages actually. Hire outside of their village, which is you have Piti hiring from Dededo, it's normally within the village, but that's not the case.

So yes, we have roughly nine vacancies and one administrative assistant with the MCOG central office and additional go to those that request. And so the additional request will go to those villages that have undertaken new gyms. And then we are looking at staffing Dededo up with additional CMW's again, because of the population they serve.

Senator Therese M. Terlaje: All right. And what happened to the federal funds or the ARP funds? I'm not familiar with that. There's been some references to it.

Robert Hoffman, Mayor, Municipality of Sinajana: I know for a few for a bunch that were on the books, we no longer have access to it. It expired. There was a lot of paperwork issues back and forth and discussion back and forth somewhere.

Things ha things happened and so we did lose that. And on the previous budget, I'd like to add sender. Is that what's Mayor Chargualaf mentioned is a lot of the grants that we got helped really cover us. And then now those have all dried up. They're not existent anymore. So we kind of need to figure out where else are we gonna get.

So, which is why you see that increase in the budget. A lot of what we do, senators are not in the law. It's absolutely not afterschool programs. Sports that's not in the law doesn't say, mayor, you shall organize this. It's not, but we do it because that's traditionally our role as community leaders. And so as you attend our memorials and our functions and our fiesta and our festivals, those are not in the law.

So I think in preparing any budget, you say what is the law? Yeah, that's enough for them in the law. But then you realize they do these 70 other things out there, 5K's and all these other things, you know, working with Sister Squadron community cleanups, you're like, okay, so if we just turned off everything and said, okay, we'll only do what's in the law.

The small amount requested would be enough, but it's never enough for us. And so we always have to be cognizant of everyone, always wonders, wow, this, it's great. It's a good village. All these things are happening. Not realizing it does cost us personnel money. Like the Mayor of Sinajana said, and their regular budgets $40,000.

And I have afterschool program, summer programs, sports programs, Zumba. And that's just in the active part. And so we try to make every dollar work. So it's really difficult. And I'd love to see some of this stuff codified and sometimes it's not. So there's no real agency we can knock and say, gimme your money.

Who am I gonna knock on the agency and say, gimme money for my Zumba program? But it's something we do because we love our community. We want them to be healthy. So it's gonna be a difficult task. And I don't I'm not jealous of you on this 'cause you have to make the decision. But as we see other agencies and hear other agencies and we read the paper in the morning, sometimes we're dumbfounded, like, wow, they have a lot they're asking is a lot and we are trying to figure like, what are they doing? And we just, we're struggling ourselves day to day. So I appreciate your sentiment.

Senator Therese M. Terlaje: *Si' Yu'os Ma'åse* can I just clarify also, so when DPW was here for their budget not too long ago, maybe last, a few days ago, they said that they are now taking care of all the moving of vehicles. Is that correct?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: We still, the Mirrors Council is still facilitating the abandoned vehicle program that is funded through EPA. I can speak on behalf of that. The current project is under

procurement. It is put out for a bid and we are on phase two of that bid, which is, it's been published. We have vendors responding to the bid with regards to DPW.

I believe they're citing a certain section of the law, which would be 37-06. Right. Which allows for them to collect the abandoned vehicles that have been identified on the routed roads. Again I can't answer for that, Senator, but I can tell you as it relates to EPA's program that we are funded the 1.5 million, the Mayors council is still facilitating that as we speak.

Senator Therese M. Terlaje: And you still intend to use that in the fiscal year 26?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: That's correct.

Senator Therese M. Terlaje: Okay. That was not clear on the DPW hearing?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: No.

Senator Therese M. Terlaje: Made it sound like. They were doing it all at that point.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: The Mayors Council has it. We have the MOU with EPA.

Senator Therese M. Terlaje: All right. And that includes white goods in addition to van, vehicles, all of it? Right.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: That's correct. And it's currently on the website and is it's going through a bid.

Senator Therese M. Terlaje: Okay. Again, excellent testimony. I appreciate all of you who are doing the work out there every single day, but I also very much appreciate your willing to account for every item here and your increased requests.

I think that's reasonable. These are big things actually to upgrade your software system and procurement systems, training, all of it. It might seem to sound like a luxury, but I think it's really going to help. In our villages, we have shifted things so dramatically. Like, we want the villages, like some of the villages are able to do this, to bring the people in.

And when they, when we're requiring online services and the government that they are able to assist those people to get online and do whatever they need to do. That's not always the case because it's not available everywhere, not able to be yet. So, I appreciate all you have done to be resourceful, to go way out of the box and figuring out ways to bring these services to your, the people in your villages. Yes, mayor.

Richard B. Arroyo, Mayor, Municipality of Agana Heights: Yeah. Thank you Senator. I just wanna give kudos and a lot of thank you to the staff of the Mayors Council of Guam, also to, now that we are a new stage of time sheets and time and payroll. It's digitalized now. So to be, to see this, we're moving forward and then to what we're, I see where we're going with this.

So it's happening. Senator, thank you

Senator Therese M. Terlaje: *Si' Yu'os Ma'åse* Thank you again. And thank you, Mr. Chair. And I wanna recognize that the Mayor of Mangiloa also submitted to us some testimony and to all of those Si' Yu'os Ma'åse.

Chairman Christopher M. Dueñas: *Si' Yu'os Ma'åse* Senator Terlaje, Senator Sabrina Salas Matanane.

Senator Sabrina Salas Matanane, Member: Thank you, Mr. Chair. I also wanted to say thank you to all our mayors and all the employees, especially the ones that are outside, that aren't with us in this room today.

I heard a lot about being on the front line, but I truly also believe that you guys are the community anchors in every single village. And to hear, and I'm glad people, and I'm hoping people are watching this because you really get to hear firsthand a lot of the things that our mayors do for our community and their employees.

And I'm just truly grateful. But what I am surprised about is when I looked at the spreadsheet for the budget, and I did see the FY 2026 Governor's request being 9.6 million, and I think it was you mayor Hoffman who said that you guys didn't even get a phone call. But did you guys call the Governor or the Governor's office when you saw 9.6 million?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: That's the first I've heard. So I'm unaware of that, so I can answer to that, Senator.

Senator Sabrina Salas Matanane, Member: So you were unaware at all that the Governor was put down $9.6 million for the Mayors Council of Guam, and knowing when there is an emergency, who do we call? Who does Adelup call? You call the mayors. So even if you didn't hear and you're just finding out now, how does that make you feel?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Well, I would've hoped that we could communicate so that we can be responsible and responsive to our needs.

Robert Hoffman, Mayor, Municipality of Sinajana: Mayor Hoffman, I agree. I think they just plug in numbers as a placeholder. And I've just I've never known how they did in my previous 20 years of doing this. I've also never seen where, I know she has a time limit of when they need to submit something, but we don't directly work with BBMR either.

Not at least on our districts. So that's something done on another level. And every time we have an ask or request, that's kind of where we have that disconnection, which is with ARPA and all the other things. It was a BBMR involvement. And so we're like, okay, where do we go from here? It's not something we're familiar with.

And so I think they just say, here's a number, please hold it, and then go fight for your own and go make your own ask.

Senator Sabrina Salas Matanane, Member: 9.6 million. The Governor's requests Mayors Council of Guam request $20.9 million. No phone call whatsoever. Mayor Arroyo, how do you, how does that make you feel?

Richard B. Arroyo, Mayor, Municipality of Agana Heights: Disappointed.

Senator this is my first rodeo as a Mayor, and I'm taking my lead from the Mayor, like for example, Mayor Hoffman. And I'm learning this as today as we go along, and I'm sure after this is done and we're gonna discuss it as well.

Senator Sabrina Salas Matanane, Member: It's my first rodeo as a senator. Mayor Chagualaf you've been saying, we wanna do more, but we need more $9.6 million request from the front office.

Anthony P. Chargualaf, Mayor, Municipality of *Inalåhan*: Yeah. Obviously it's very disappointing to know that there should have been some kind of level of communication between our council and the governor's office. I personally only finding out right now that there was in fact, or the Governor was always in a position to submit a budget. But for some whatever reason, there is a big disconnect, a big gap here between the communication channels of council and the Governor's office.

It is quite alarming and disturbing for me because if I had known that prior to even coming here, I, we would've had our little sit down months ago and go over the numbers so that we're able to kind of be in alignment when we came in here. We're all gonna be on the same page. So again, understanding what was presented and what we're asking, there's a significant gap.

But I'm, like I said, I'm not even asking or urging or requesting, I'm literally begging to please have that consideration and fill in the obvious gap that is, I mean, there's gonna be fingers to point at people, but at the end of the day, we're here, we're asking that we kind of come to solution and resolve this issue at this level. Thank you.

Senator Sabrina Salas Matanane, Member: Mayor Wayne.

Wayne San Nicolas, Mayor, Municipality of Chalan Pago-Ordot: So how do I feel? Definitely disappointed, right? Considering the many challenges that the mayors continue to be faced with. You know, I would've appreciated the communication and the open dialogue with the executive team. More importantly, you know, I think a lot of times we hear right, that they should be calling us.

We should be calling them. In this case it's a budgeting process, right? And they also understand that there are many new mayors coming into office and having the, to learn how to run your village effectively also requires them, you know, talking to us a little bit more. And so, you know, I would just appreciate the dialogue.

I think the dialogue is important. With regards to setting goals for our villages. Many of us continue to have challenges, whether it be with different departments, and that needs to be addressed. I think we need to have more sit downs, not just with the executive team, but also with the legislature, right?

So we can bring up these concerns, share them, and figure out a solution to help really our people on this island. You know, it's sad that, you know, we continue to move forward, but yet the Mayors offices are still way behind in terms of technology, in terms of, you know, what we need in order to really service the community.

When I came in, everything was when you sign into the, to the Mayors office, everything is done manually. I had to change things where people are signing in electronically in order to store data just to get data, in order to do grants, to do many things. So, you know, hats off to the many mayors here, right?

Who and their staff, more importantly, who continue to uphold the village. But I would just appreciate, yeah, a lot more dialogue, I think with the executive office in order to address, you know, budget concerns.

Senator Sabrina Salas Matanane, Member: And Mayor Lizama.

Frances S. Lizama, Mayor, Municipality of Yigo: Thank you. Definitely a disappointment. The 9 million is not even 50% of what we're requesting.

I don't know how we would operate on a $9 million budget when we're asking for 20 million, and I'm sure that we definitely would need more than 20, but we're being conservative. So $9 million is just a disappointment. I wouldn't even say that's gonna be one third of our funding for the village to operate.

I mean, $9 million, I don't know. But I'm hoping that moving forward, that they invite the council, the Mayors council to come to the table to discuss the budget prior to putting out. A number for us, you know, because really we know what we really need. It is us who know what we need what money we we would need to serve our community.

Just thinking of $9 million, you know? I mean, what is that gonna get us? You know? But also I'd like to add, you know, with the database you know, and I'm glad that the council is moving forward in providing that that service for the villages. Because when I came into office database that was on the system for the village, for the residents were wiped out.

So we had to start manually. So everything that we're doing is manual until we get the system up and start our own database. So I'm kind of glad that the Mayors

Council is moving forward in providing that service to all the Mayors office so that we are tied in and that there is a system that will back up all this information because you know, I've had residents that came in complaining, why do they need to start this whole process all over again? You know, thankfully that their understanding, of course, having to explain over and over. But, you know, I thank them for their understanding and patience. But, you know, again, this will serve as a backup data for all the Mayors offices.

And that's something that is truly needed. Because today it's all about technology. Nobody does paper anymore, and nobody does sending mail by the envelope, by postal. It's all email. So, you know, we are trying to get to that place where, you know, we wanna do away with all the manual, everything now is technology.

So, you know again, I'm glad that is one of the things that we're going to move forward on.

Senator Sabrina Salas Matanane, Member: Right. Thank you, Mayor Lizama. And I agree, I see this in your budget, the one point, $1.1 million request for the data management software. But Mayor Ann, if you would like to comment on this governor's request of 9.6 million versus the 20 million that the Mayors Council of Guam is requesting.

Ann S. San Agustin Leon Guerrero, Vice Mayor, Municipality of Dededo: Okay. I'm just, I'm really surprised, just like everybody that. We are the last to know, especially when we're just hearing it today, protocol wise, you know, it's out of respect for all the mayors that the Governor should have at least had a meeting and give us heads up knowing that. But we are the voice of the people.

You know, the people, they tell us all the concerns and we address those concerns to Governor and the Lieutenant Governor. And just to know that, you know, just to hear that our budget's gonna be 9.6 is I'm pretty sure a lot of people now that are watching are gonna be at odd at this, you know, this low budget increase.

In addition, I am also supporting the database as Joy Jean and has been working with us on all the villages to be, you know, more or less technology on database for the constituents in our village. Presently, Dededo has bought 45,000 residents over. We are not on database, we are on index cards. So we pull out the profile of each residence and then we, you know, we typed in their verification form so you can see what Joy Jean has seen us, you know, going through on index cards.

So we're looking forward to the database. Big time.

Senator Sabrina Salas Matanane, Member: Alright, thank you. You thank you. And really I just wanted to give you guys that opportunity to let your voices be heard with respect to the numbers that were presented to us in this 9.6 versus what you guys are actually requesting. And mayor, I know you ke you kept saying it, we want to do more, but we need more.

And what I have to say to that is that you show up every day for more, and now it's time to show up for you. So thank you guys so much for being here, and thank you for all of the work that you guys do for the people of Guam.

Chairman Christopher M. Dueñas: *Si' Yu'os Ma'åse,* So yeah, I just wanted to go back once again so that we're clear. And I did get an update from OFB. Essentially, this is because of the formula and the way the lump sum budget is presented. So once again, when we go back and we see that the authorized level in 2024 expenditures and encumbrances was 8.4 million.

So in that situation going forward, the 2025 level became authorized level. Now is 17, 230, right? So if you look at the 9 6 2 4, that's a million up from the 2024. And then we did the supplemental appropriation for the 4.5. I mean, that's my purpose for bringing that to your attention and that is the request 'cause there's nothing we can do about the formula. That's the number. But you know, that's the thing that needs to jump out at us, that if that's the case and the supplemental appropriation was there, you gotta at least meet that minimum level going from there and then your additional requests. So we'll continue to reconcile these numbers, but yeah, that's, it's a gulf in terms of but I think that what's happening here is you look back to the 2024, you know, it on paper with the request for 2026 looks like it's a million, some more than your authorized level.

But it doesn't take into consideration what happened in terms of the sub subsequent appropriations. And I think that's where we're at right now. Senator Telo Taitague, you recognize.

Senator Telo T. Taitague: Thank you, Mr. Chair, and I apologize for having to step out. I had to attend the judiciary event and, but rushed right back here and kind of watching on the sideline.

You know, we women, we know how to multitask. Right. Okay. Plus whatever I missed, I will definitely be listening in YouTube, you know, rewinding the tapes to listen to your testimonies because I'm sure each mayor has their own issues. Villages are different from each other. It's not always the same.

The demographics the size of your villages are very different. The needs too can be, even though there's quite a bit that are the same, like roads major issue for every village and being able to reach your community. But one of the things I wanted to share with you is I talked to one of my one of the mayors who is a new mayor and asked them, well, you know, you've been in office now for some time.

How does it feel? And it was just so heartwarming when he said that you know, I really love this job because it's so rewarding to be able to help people and then to know to exactly there are problems and how it feels. It's not just to other people, it seems like a little problem, but to a mayor, they see that it's the most important or the biggest issue of that constituent their problem.

And the issues on it. So that was just very heartwarming to hear. I mean, the job that you do, it does become very rewarding. So I appreciate that comment from my good mayor from the south. Now, you know, as I was looking through the the budget for the mayors of course, you know, substantially lower from requested and then you know, the times that we're having, the difficulty we are having.

So we need to you know, tighten our belts, but we need to really think outside the box too as well. So we ideas and what we can do to lower the cost of certain things or to subsidize it, or what Mayor Hoffman is very good at doing is finding money through federal grants. We all know that it's tied up right now, but it doesn't mean it's gonna be that way forever.

You know, it's just a way of, I guess the US you know, cleaning house and providing the funding for those areas that are really in need while taking away the abusive those abusing federal funds and giving it to people who really need it. So my first question is to the director with regards to ARP funding, have the mayors received any ARP funding? Have you expended all of it? Or is there still some leftover.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Thank you, Senator. So, when I took the position as the director for the council, it the mayors

were just at the tail end of the ARPA. I believe, the ARPA money. So it would be very difficult for me to respond to the activities that happened during that time.

I'd like to be able to yield that to Mayor Hoffman if I could please.

Robert Hoffman, Mayor, Municipality of Sinajana: I don't have the figures, but I know from the initial first batch of money, we spent only a portion of that. And that actually covered our maintenance, our covered the personnel cost for the maintenance. 'cause one year it wasn't funded, so it covered that.

And then it was a little amount of money I know went to each district for maintenance of vehicles and then we were trying to hold it to purchase heavy equipment to purchase vehicles and other things. And that never happened and never came to fruition. So then just timelines expired and we couldn't get the proper, we were in between these two weird schedules.

And so, you know, if we get the money released on this time, but GSA can't process anymore IFQ's or anything at this time 'cause it's already closed outta the fiscal year. So we were always on this odd timeline that it never came. And then at the end it just said, we gotta pull it back.

Senator Telo T. Taitague: So you had funding left over, but you had to return it, is that what you're saying?

Robert Hoffman, Mayor, Municipality of Sinajana: It was unspent. We had ideas of what we, I think we submitted three times what we wanted to. They said, give us your list. We provided a list, we sent it down to BBMR. We sent it down to whoever needed to be. And then there was even questions of a lot of the mayors wanted to buy used heavy equipment 'cause it was gonna be cheaper.

And they're like, no, you can't use this money to buy used, or you can't use this federal fund to supplement this, supplant this fund. So it became, go back to the drawing board. So we had all these great wishlists and then it just never came through. I think ultimately, at least we got some of the vehicles maintained and tires changed, but that was kind of what we got.

Senator Telo T. Taitague: Wow. That's that's sad to hear. That was free money. You mentioned heavy equipment and we had DPW in here for a budget hearing earlier, and we talked about how it'd be less expensive if they did their own paving

of roads, you know, with their graders or pavers and other equipment needed to repair roads. And they said they had equipment. Now I know that the mayors call on DPW all the time and to use their equipment, but I also know that it takes time sometimes and time is, you know, critical. You know, especially if families need it yesterday and they're still waiting. If you were to get, I mean, what kind of heavy equipment are you looking at that DPW can't offer you?

And if you were to, what is your assessment? Would you rather buy this heavy equipment, utilize it, have DPW provide? Because you need to have certified in people to be able to, you know, run a backhoe to do the paver, things like that.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: So in discussion with the, our council, we were looking at renting with an operator.

I see. So that we're not having to do or leasing with an operator, so we're not having to be burdensome with the maintenance and the upkeep of the equipment.

Senator Telo T. Taitague: Is that the increased amount? Last year in the contractual services, it was 150,792. And now I'm seeing it at 832,303. Yes. So is that amount, I mean, that's seems awfully low, you know, when it comes to the roads and repairing of all the streets.

I mean, dead alone, you know, that's huge. You sure that's enough?

Robert Hoffman, Mayor, Municipality of Sinajana: It's not gonna be enough. And road repair is very expensive. Just even asphalt is very expensive. And having the correct equipment, the tamping equipment, the graders the loaders to do that. I think for us mostly it's backhoes to clear out culverts.

Senator Telo T. Taitague: Okay.

Robert Hoffman, Mayor, Municipality of Sinajana: And to do push backs in some of these areas, backhoes are probably the most versatile using tool. But I think also getting hit. Heavy equipment that actually can do several change outs in terms of the implements in the front, whether it be augers or graders. Those are what we're also looking at to see.

So we're just trying to figure out what's, each village is unique. I don't need necessarily a backhoe, but I need a flail mower because a lot of my areas are paved

or covered. So it's different, but it is gonna be the rental. And a lot of our, my workers went through the Trades Academy training for heavy equipment, and they're one of the last, I think they're the only ones that lasted through the whole two year process of it.

So they're ready, they're certified and they're just like, get, anytime we get a chance to operate something, they do it. But we put in the request for DPW, that's the current model right now, and then we wait for them to schedule us.

Senator Telo T. Taitague: Well that's good. That's good to know. Mayor Hoffman, you know, having your staff certified.

So my point is that I think if you have an assessment, a plan, you know, where they will be stored, how they will be maintain as well as who will operate these heavy equipment, which is desperately, I know Melissa really can use that, especially during raining season. So, if we can get something like that from Mayors office, I'm looking over here at the supplies and materials that substantially went up from 278,216, the supplies and material now is at $2.3 million.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: So a lot of that senator was we factored in. The responsibilities or duties the mayors are currently performing that is not covered under their mandates. Again that was expressed throughout the testimonies. These guys have mentioned earlier.

Robert Hoffman, Mayor, Municipality of Sinajana: The after school programs, the summer programs, those are materials that we need to purchase that are not necessarily within the law and budgeted for office operations.

Senator Telo T. Taitague: So it's outside. What's mandated is what you said?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: That is correct, yes.

Senator Telo T. Taitague: Okay. How much can you break that down to how much is mandated and then how much is not mandated from the 2.3 million?

Robert Hoffman, Mayor, Municipality of Sinajana: We can take a look. And also, Senator, this also covers what we actually discussed a few hearings ago with Senator Terlaje.

It was the need for PPE's. This actually covers that. A lot of us, that's the hardest part, is setting our guys out there to go into the trenches and it's like, you know, they need new shoes, they need protective gear to do their jobs. And when you're trying, they're not cheap. They're not cheap at all. One steel to shoe can cost you a bunch of $250.

So this also covers that as well. So in our ask, we're trying to see if we can get everybody that kind of, just that regular allotment where they're not having to be afraid to say. Pick a PPE, buy fuel or cut the grass, and what do we want to do here? So we need actually this as a, to compliment each other and actually work together. So we need that PPE so we can cut the grass safely in a timely manner.

Senator Telo T. Taitague: So let's see the division. Okay. What is mandated and what is not mandated? Just to see it, you know, for clarity. Of course, I don't know if somebody asked the question, but I did notice, you know, the salaries from FY 26 Okay.

Has decreased in a bit, you know, according to the budget request of 9.3 versus last year at 9.7. But however, your unclassified has grown to 229 from 217, so it's higher, but your request for salary is lower this year. So can you explain that?

Royelle Mae S. Carter, Accountant II, Mayors Council of Guam: As I've mentioned on FY 25, we requested for annual payouts for when the new mayors came in for fiscal year FY 26 were requesting an additional 16 employees.

So minus the annual payout, this is the number that we got.

Senator Telo T. Taitague: Oh, okay. Well that's, it was odd. It just. Came out and glared at me. Well, why shouldn't the numbers be higher if you are requesting for more? So that brings me back to this page right here in the binder that was given. I've noticed that there was a request for a deputy executive director as well as a System Support Administrator, Computer Tech II and Computer Tech I.

Are these are these positions funded in the budget that you requested for?

Royelle Mae S. Carter, Accountant II, Mayors Council of Guam: Yes. It is.

Senator Telo T. Taitague: So they're included?

Royelle Mae S. Carter, Accountant II, Mayors Council of Guam: Yes.

Senator Telo T. Taitague: Vacant. They're vacant right now. But you included them in your budget.

Royelle Mae S. Carter, Accountant II, Mayors Council of Guam: Yes.

Senator Telo T. Taitague: How many more other than these four? We have, you said 16 total?

Royelle Mae S. Carter, Accountant II, Mayors Council of Guam: Yes. We have 10 recreation leaders and two maintenance workers.

Senator Telo T. Taitague: And then four from the administrative side.

Royelle Mae S. Carter, Accountant II, Mayors Council of Guam: Yes.

Senator Telo T. Taitague: Okay.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: The additional to the village senators are really to provide these new the villages that acquired new gyms and facilities.

Senator Telo T. Taitague: Right. Yep. Yeah, I heard that earlier before I left in your testimony. But Mayor Hoffman with these new facilities that are up in gyms that are coming up, I mean, if anybody would know about the maintenance of these facilities are more so important.

We all know the story of Simon, of Southern High School and what happened to that beautiful school because there was no maintenance incorporated in there. So how are you addressing the maintenance of these new facilities?

Robert Hoffman, Mayor, Municipality of Sinajana: So what we did for the new designs for these new gyms, they actually used our model, which has the maintenance cost at a very low, by having an open air gymnasium, there's a, it's a lot easier to maintain in terms of materials and supply.

So rust proofing floor washing, it's a lot easier than having these otherized gyms. So that was one of the things that we talked about years ago when the administrators was saying, we need, you know, we're gonna build new gyms. We said, why don't you kind of use our model? This is how we do it.

This is what it costs us to actually maintain per year, and it kind of works out for us. And it's, our gym's already 10 years old and it doesn't look it because we have a regular maintenance schedule on it. And it's not something that's overbearing where it's gonna require to shut down everything.

It's just simple rust proofing on certain areas and. Rewielding in some certain areas and then change out. I, we've only had to repaint the floor once, and that was because the Red Cross used it during Typhoon Mawar and some, there was some oil spills from leakage from the containers that were stored in there.

But other than that it's a pretty light maintenance type of material, which is what we all aspire to do. A playground that's light maintenance. You know, gyms that are light maintenance. We don't want something that requires millions of dollars of having to shut down and redo. So by not having an HVAC system in the gym, it's a lot easier 'cause it's open air.

Senator Telo T. Taitague: Okay. And can you tell me where in your budget is the maintenance for these buildings? What location would I find them in? Are they under supplies and materials or?

Robert Hoffman, Mayor, Municipality of Sinajana: It's part of the operations under where it's part of our operations. And so a lot of what we do.

Senator Telo T. Taitague: So its incorporated there.

Robert Hoffman, Mayor, Municipality of Sinajana: It's incorporated there, and then from my grants, it's covered. So I write it into my grants.

Senator Telo T. Taitague: Okay. Great. Has GVB provided any funding for the mayors, for anything coming up?

Robert Hoffman, Mayor, Municipality of Sinajana: Iknow that they've given money for festivals and fairs. I know that's, it's being revisited for in terms of community outreach and culture preservation.

So there, the people, they are making requests in and that it is coming out. Some of the requests are quite large and some of them are manageable. So everything that I've seen come across, it's been going through.

Senator Telo T. Taitague: There's a conversation going around about the hot bond and reinvesting into it.

And that's a huge amount of money. So has the mayors been active in making sure that their needs are also addressed because. Tumon isn't just tourism for Tumon, it's the whole entire island.

Robert Hoffman, Mayor, Municipality of Sinajana: Yes.

Senator Telo T. Taitague: So have you.

Robert Hoffman, Mayor, Municipality of Sinajana: Yes. There is a portion of that. We've been in discussion, we've sent surveys. We actually did park wide surveys because one of the things that, you know, we all take pride in is our village parks and our recreation areas and the upkeep maintenance of that.

There is a cost, but it's gonna be an ongoing cost. It's not something where you can just take hot button money, throw it at it, and then say, okay, we're good. There's gonna need, how do we sustain it from there? So if we're going to rebuild pavilions and benches and picnic areas and restrooms, who then does that?

And that's the discussion we're having now. That's the reality we have now. You know, it's nice to build and to do, but then it's gonna fall on us. And so, right. We're trying to figure out a way, if we give the mayors an X amount of money to actually perform these tasks regularly. Like if we give you enough money to buy heavy duty water blaster on a trailer, that you can maintain all the parks in these areas, or riding mowers or all these other things.

So that's the discussion back and forth. I don't think any of us are looking for giant CIP investments in terms of the hot bond, because it's gonna be a maintenance issue and it's gonna be a who's gonna, who's gonna operate it.

Senator Telo T. Taitague: Who's gonna maintain it.

Robert Hoffman, Mayor, Municipality of Sinajana: Yeah.

Senator Telo T. Taitague: Right. Yeah, exactly. Okay, just a couple more questions one, is there any lapses Joy Jean from or anticipated for the end that's not gonna be able to be spent that was given to you?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Oh, no. We can't spend everything we're tracking.

Senator Telo T. Taitague: So that means no lapses.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: That's our goal, Senator, is to make, to to obligate all the funds.

Senator Telo T. Taitague: Okay.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Since I took offices, we've been procuring, and we've been trying our very best to meet the needs of the village with the funds we have.

So a lot of it is through procurement. And that's where we we would do best for them.

Senator Telo T. Taitague: What is your current lapses right now?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: We're looking, again, I don't wanna say lapses 'cause we're planning of spending it. That's like, we're roughly looking at 3 million at this point.

Senator Telo T. Taitague: How much?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: 3 million.

Senator Telo T. Taitague: Okay. 3 million.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: But those are, again, funds that are, we've identified services. And goods that we need to procure.

Senator Telo T. Taitague: Okay. So it's 3 million. Last question I have is are there any overdue payments to contractors, especially with Mayors offices not being able

to, you know, pay those who they hire to mow the lawns or to, you know, do any of that side work?

How many contracts are out there that have not been paid, that are overdue at least by 60 days? By 60 days?

Joy Jean Arceo, Executive Director, Mayors Council of Guam: We have quite a few vendors. Senator that have not been.

Robert Hoffman, Mayor, Municipality of Sinajana: Vendors, not contractors.

Senator Telo T. Taitague: Oh, vendors and contractors.

Robert Hoffman, Mayor, Municipality of Sinajana: Yeah.

Senator Telo T. Taitague: Okay.

Robert Hoffman, Mayor, Municipality of Sinajana: Yeah

Senator Telo T. Taitague: I'm sorry slash vendor.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Have not been that have not been paid. We've processed every invoice that have come to our office. It is my policy that when the villages submit their invoices, our turnaround time to submit to DOA is within two days.

Senator Telo T. Taitague: Two days. Okay. That's good.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Again, this is all done manually.

Senator Telo T. Taitague: Okay.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: And I feel that is important for DOA to be able to, you know, process and give them the time.

But again, we, it's a struggle in that area. We have not had.

Senator Telo T. Taitague: So how about how many guesstimate, how many vendors have yet to be paid?

Robert Hoffman, Mayor, Municipality of Sinajana: Big vendors about seven, which really are our main backbones. Which are your Bensons, your standard office supply, your national office supply.

Senator Telo T. Taitague: Wow.

Robert Hoffman, Mayor, Municipality of Sinajana: Your ERCs, which basically is our lifeline.

Senator Telo T. Taitague: Right.

Robert Hoffman, Mayor, Municipality of Sinajana: I was just telling her yesterday, the most embarrassing part to go to a store is to see a memo taped on a cash register saying do not accept any purchase orders from the Mayors Council of Guam.

Senator Telo T. Taitague: Yeah.

Robert Hoffman, Mayor, Municipality of Sinajana: Because we owe.

Senator Telo T. Taitague: Yeah.

Robert Hoffman, Mayor, Municipality of Sinajana: And I when the lady saw my uniform, I said, I'm paying cash. I'm sorry. I'm paying cash and I'm buying it personally.

I'm just in my uniform. Because she's like, I cannot take, I said, I'm not doing PO. And there are outstanding vendor payments and it's been a struggle. We heard it was because of the FMIS system. We heard, because it was a paperwork system, we heard it was, they blamed us back and forth. And then we also have, you know, also as a transition of mayors in and out, we were, it's just chasing down some receipts and files.

So it's going back, having them re-certified. Yes. This is still low. This is the debt. I wish there was an easier way to pay a vendor because when the vendors cut us off, there's nobody else that can help us.

Senator Telo T. Taitague: Exactly. And so you've been doing your part I'm glad to hear it's only taking you two days to get those processed and sent to DOA.

But there, it seems to be a bottleneck over there, not being able to pay out these vendors. It's ridiculous. So, I don't know, Mr. Chair. I mean, this is something that's really hindering and tying the Mayors council's hands, you know, every single village, it's not, you know, just one or two village.

It's all of them. So, as you know, I hope that we can ask or send a letter to DOA and ask them why they keep holding off this payments to these vendors. They deserve it. And I'm pretty sure it's more than 60 days overdue to most of these vendors.

Robert Hoffman, Mayor, Municipality of Sinajana: So some of the vendors are owed in terms of years.

Senator Telo T. Taitague: Oh my God. Wow.

Robert Hoffman, Mayor, Municipality of Sinajana: And really, even when you.

Senator Telo T. Taitague: I mean, you have the money. We've, we are able to.

Robert Hoffman, Mayor, Municipality of Sinajana: We have the money, we even have the authorization that you've given us to pay prior obligations, but they won't do it. And we're like, here, it's right here. You could do it. And they're just like, oh.

Senator Telo T. Taitague: See that's very disappointing.

Robert Hoffman, Mayor, Municipality of Sinajana: And, ugh.

Senator Telo T. Taitague: Okay, so go ahead, joy.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: So Senator, I also like to, for the record that is the reason why we actually hold some funding back because of the prior obligation. We are seeing invoices that have not been settled. I wanna see back Yeah. For a while. So we have vendors coming in and so again, that's the real reason why having those prior obligation in the language is important for us.

Senator Telo T. Taitague: I'm sure that the oversight chair will probably, you know, try and ask you for those pay vendors that have not been paid and what the money amount is. And the years it hasn't been spent, I mean, haven't been paid for. So that we can talk to DOA and find out what's going on there and try and push for it.

Robert Hoffman, Mayor, Municipality of Sinajana: And even with that Senator, I think the heartbreaking part is when a vendor, after being paid, decides I don't want to deal with working with the government.

Senator Telo T. Taitague: Yeah.

Robert Hoffman, Mayor, Municipality of Sinajana: We're having to face that reality as well.

Senator Telo T. Taitague: Yeah.

Robert Hoffman, Mayor, Municipality of Sinajana: And that's, we're trying to figure out now where else do we get certain things that we need to operate?

Yes. That vendor, they're a small business and they deserve to be paid in a timely manner, and it's their decision. And I, we always just wonder, I hope they change their mind. Some vendors have cut us off completely be they've been settled and paid and we, I just asked her yesterday, what's the relationship like?

And it's still no, they're like there's still a hard no on us.

Senator Telo T. Taitague: Yeah. Well, I'm glad I made it back in time, you know, to be able to ask these questions and see the work you're doing, because I think it's so important. And I'd like, not just the mayors, but the Mayors staff, you may, you know, you're only as good as the people who are helping you behind the scenes.

You know, they make or break you. So I appreciate all your staff that's behind you. And thank you so much, Mr. Chair.

Chairman Christopher M. Dueñas: *Si' Yu'os Ma'åse* Senator Taitague so while it's fresh in my mind, I've gotta work off of a spreadsheet in aging. So could you please get that to our office ASAP so that we can get that off to DOA as I do have the oversight.

But I can't just make a call, send an email, send a text and say, Hey, where's the cash? I need to know what I'm talking about. So please provide that to the committee. You know, and I will get on it right away.

Joy Jean Arceo, Executive Director, Mayors Council of Guam: Absolutely. Okay. Thank you Senator.

Chairman Christopher M. Dueñas: So, you know, I just got a few things to say, really. I mean, I'm not gonna quibble with your presentation. Obviously, you know, everyone's brought their needs forward and justified why they feel as though this is you know, the budget that we should pass in our budget bill. I want to mention that there is a need for the language that you're requesting.

It's not in the numerical portion of your budget. So it goes into a different chapter. So with the requests that you've put forward on language and changing of positions and things, we'll have to make sure that that structurally capable being done within the budget without being codified.

Maybe that's the way to do, is to do it in the budget and then codify it later. But we'll have to go through personnel rules and regulations with that. But please make sure you get all of that verbiage to the committee so that we can contemplate where it would go in the miscellaneous provisions.

Other than that, you know, Senator Terlaje mentioned and had asked me again on the side, like what we're talking about, these federal funds, you know, it's being alluded to and whatever else you know, I'm not gonna shy away from it. And, you know, I mean, the most glaring one is the, Ordot-Chalan Pago Mayor, you know, has went to several senators, including myself, that, you knowtheir gym is in limbo.

In terms of completing that, I mean, that was ARP money that has been, you know, retracted and that's in the millions of dollars. You know, that's for critical things such as ensuring that the water main gets upgraded to service the building generator, housing you know, significant projects.

So, you know, we're faced with trying to figure out how to do that, you know, with local monies on top of the budget process. So these are some of the things I've been discussing. These are not secrets. These are written requests. In fact, the senator has a draft bill or may have introduced a bill already, and this is what we're facing.

So I just want to make sure that we're clear on that 'cause I don't know when the fix and six will be out, but I also ask several mayors, please also submit your fix. And six, because talking about the front line and the front line of the storm, going back to once again, what we keep talking about. We know once those schools, you know, they get the green light and it's condition four, it's a rush to say, Hey, we're done.

Our part. You know, and and now we know the emergency plan. It's tier two, tier three, which means it goes to the village. It's gonna first go to the village mayors and you know, those large facilities that we have, which are those gymnasiums and the like, and we've applied for these grants.

We make the statement that we're gonna be supporting the community in times of peril, in times of trouble. And so we have to match that, but we can't do it if we don't allow these projects to be completed with everything they need to sustain an operation of sanitary, clean operational conditions within a tier two shelter.

So, I once again put that on the table. Maybe we have to have a couple more meetings and sit down with the front office as well. But we'll see what the final disposition of fix and six is. But I can't think of anything bigger than the Mayors Council in terms of what they have to do and their duties and responsibilities.

Once again, as I said at the outset, pre, during, and post, not just regular days of life, but in times of peril and storms and other things that beset us. So with that the committee is gonna continue to work as hard as it can to get to this level as requested. The committee will also take into consideration operational functions, which you've enumerated today, which we know are crossover into other agencies, namely DPR and DPW at the top of the list.

We will sit down as well and see where we can make some of those adjustments as we go forward and get ready to deliberate this in August. Thank you to all the mayors, vice mayors and your staff and support and everyone else who's come out today. I think this is one of the biggest turnouts that I've seen in my history of deliberating budgets and and so, it's obviously a representation of the need and the desire to show the legislature that you're active and that you're doing the work and that this request is something that's based on the work that you're doing out there.

So for that, on behalf of the committee and all of the legislature, *Si' Yu'os Ma'åse* like I said, somebody said mentioned and invoked our Dear Lord, many of you serve as you Christian ministers, so join me in the Dear Lord process as well. Okay, so this will conclude this morning's budget hearing Bill on 44- 38 (COR) relative to the Mayors Council of Guam.

The committee will continue to accept written testimony on the bill within seven calendar days from today, which may be addressed to myself, Senator Christopher M. Duenas as Chairman of the Committee, and mailed and or mailed to 163 West Cell Santo Papa in *Hagatna*, 96910. You may also send your testimonies to my email at senator.duenas@guamlegislature.gov.

This morning's budget hearing is now adjourned and the time is 11:43. Almost time for lunch. *Si' Yu'os Ma'åse.* We'd adjourned. Perfect.

The Budget Hearing was adjourned at 11:43 A.M.

COMMITTEE REPORT

BILL NO. 44-38 (COR)

INTRODUCED BY

Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

Friday, June 11, 2025, at 9:00 A.M.

Department of Public Health and Social Services (DPHSS)

Office of Finance and Budget <ofb@guamlegislature.gov>

FIRST NOTICE - FY26 Budget Hearing on July 11, 2025

2 messages

Office of Finance and Budget <ofb@guamlegislature.gov> Thu, Jul 3, 2025 at 9:49 AM
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FOR IMMEDIATE RELEASE
July 3, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE - FY26 Budget Hearing on July 11, 2025

The Committee on Finance and Government Operations will conduct a budget hearing on **Friday, July 11, 2025,** beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

The agenda for the FY26 Budget Requests is as follows:

9:00 am

- **Department of Public Health and Social Services (DPHSS)**

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The Budget Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through *I Liheslaturan Guåhan's* YouTube Channel (@guamlegislaturemedia).

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First Notice OFB Budget Hearing 7.11.25.pdf
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Ed Pocaigue <sgtarms@guamlegislature.gov> Thu, Jul 3, 2025 at 9:58 AM
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Edward S. Pocaigue, Jr.
Sergeant-at-Arms

I Mina'trentai Ocho Na Liheslaturan Guåhan
Guam Congress Building, 1st Floor
163 Chalan Santo Papa
Hagåtña, Guam 96910

1-671-969-3514
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FIRST NOTICE - FY26 Budget Hearing on July 11, 2025

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FIRST NOTICE - FY26 Budget Hearing on July 11, 2025

PUBLIC HEARING

Posted on: 07/03/2025 10:36 AM

Posted by: Camarin Breton

Public Hearing Date: 07/11/2025 09:00 AM

Department(s):
GUAM LEGISLATURE (/notices?department_id=92)

Division(s):
OFFICE OF FINANCE AND BUDGET (/notices?division_id=276)

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9:00 am
- **Department of Public Health and Social Services (DPHSS)**

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SECOND NOTICE - FY26 Budget Hearing on July 11, 2025

1 message

Office of Finance and Budget <ofb@guamlegislature.gov> Tue, Jul 8, 2025 at 8:36 AM
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FOR IMMEDIATE RELEASE
July 8, 2025

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: SECOND NOTICE - FY26 Budget Hearing on July 11, 2025

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Relative to **Bill No. 44-38 (COR)** - Committee on Rules by request of *I Maga'hågan Guåhan,* the Governor of Guam, in accordance with the Organic Act of Guam - AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

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Website: www.ofbguam.org

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FOR IMMEDIATE RELEASE
July 8, 2025

MEMORANDUM

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Chairman, Committee on Finance and Government Operations

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SECOND NOTICE - FY26 Budget Hearing on July 11, 2025

PUBLIC HEARING

Posted on: 07/08/2025 08:36 AM

Posted by: Camarin Breton

Public Hearing Date: 07/11/2025 09:00 AM

Department(s):
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Division(s):
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July 8, 2025

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9:00 am
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BUDGET HEARING AGENDA

Friday, July 11, 2025 – Guam Congress Building

9:00 A.M.

Bill No. 44-38 (COR) - Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam – AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

- Relative to Department of Public Health & Social Services (DPHSS)

Sign-In Sheet
July 11, 2025 at 9:00 a.m.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS. **Relative to Department of Public Health and Social Services**

Name	Agency/Company	Email	Contact	Oral	Written
Therese Arriola	DPHSS	Therese.c.arriola@dphss.guam.gov		X	
Peter John Camacho	DPHSS	PeterJohn.Camacho@dphss.guam.gov		X	
Amanda L. Shelton	DPHSS	Amanda.Shelton@dphss.guam.gov		X	

OFFICE OF SENATOR CHRISTOPHER M. DUEÑAS
259 Martyr Street, Hagatna Guam 96910 | Tel: 671-989-9554 | senator.duenas@guamlegislature.gov
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JULY 11

FY26 GUAM DEPARTMENT OF PUBLIC HEALTH & SOCIAL SERVICES

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN - 38TH GUAM LEGISLATURE PRESENTATION

2025

Director Theresa C. Arriola, MBA
Deputy Director PeterJohn D. Camacho, MPH
Deputy Director Amanda Lee Shelton, MPA

Department of Public Health and Social Services
Seven (7) Divisions and Division Chiefs

DIVISION / LOCATIONS	NAME / TITLE
Division of Children's Wellness (DCW) Hesler Building, Hagatna Castle Mall, Mangilao Terlaje Building, Hagatna I Guma Mina'ase, Barrigada Alee Shelter I Alee Shelter II Guma San Jose	**Heidi J. Quinata** **Chief Children's Services Administrator**
Division of Environmental Health (DEH) Hesler Building, Hagatna Guam Environmental Public Health Lab, Dededo	**M. Thomas Nadeau, MS** **Chief Environmental Public Health Officer**
Division of General Administration (DGA) Hesler Building, Hagatna Terlaje Building, Hagatna	**Joaquin R. Blaz** **Acting Chief of Administration**
Division of Homelessness Assistance and Poverty Prevention (DHAPP) ITC Building, Ste 210	**Robert San Agustin** **Chief of DHAPP**

Department of Public Health and Social Services
Seven (7) Divisions and Division Chiefs

DIVISION / LOCATIONS	NAME / TITLE
Division of Public Health (DPH) Hesler, Building, Hagatna ITC Building, Tamuning RanCare, Tamuning Castle Mall, Mangilao Tiyan, Barrigada Terlaje Building, Hagatna Northern RCHC, Dededo Southern RCHC, Inalahan WIC Clinic, Santa Rita	**Catherine P. Angcao, CPMA** **Chief Public Health Officer**
Division of Public Welfare (DPW) RanCare, Tamuning Castle Mall, Mangilao Northern RCHC, Dededo Southern RCHC, Inalahan	**Francine Salas** **Chief Human Services Administrator**
Division of Senior Citizens (DSC) Castle Mall, Mangilao	**Charlene D. San Nicolas, MPA** **Senior Citizens Administrator**

Department of Public Health and Social Services
Enabling Statute, Mission and Vision Statement

Enabling Statute

DPHSS was created by 5 GCA, Government Operations, Chapter 3, Department's of the Government, Article 1, §3111, DPHSS.

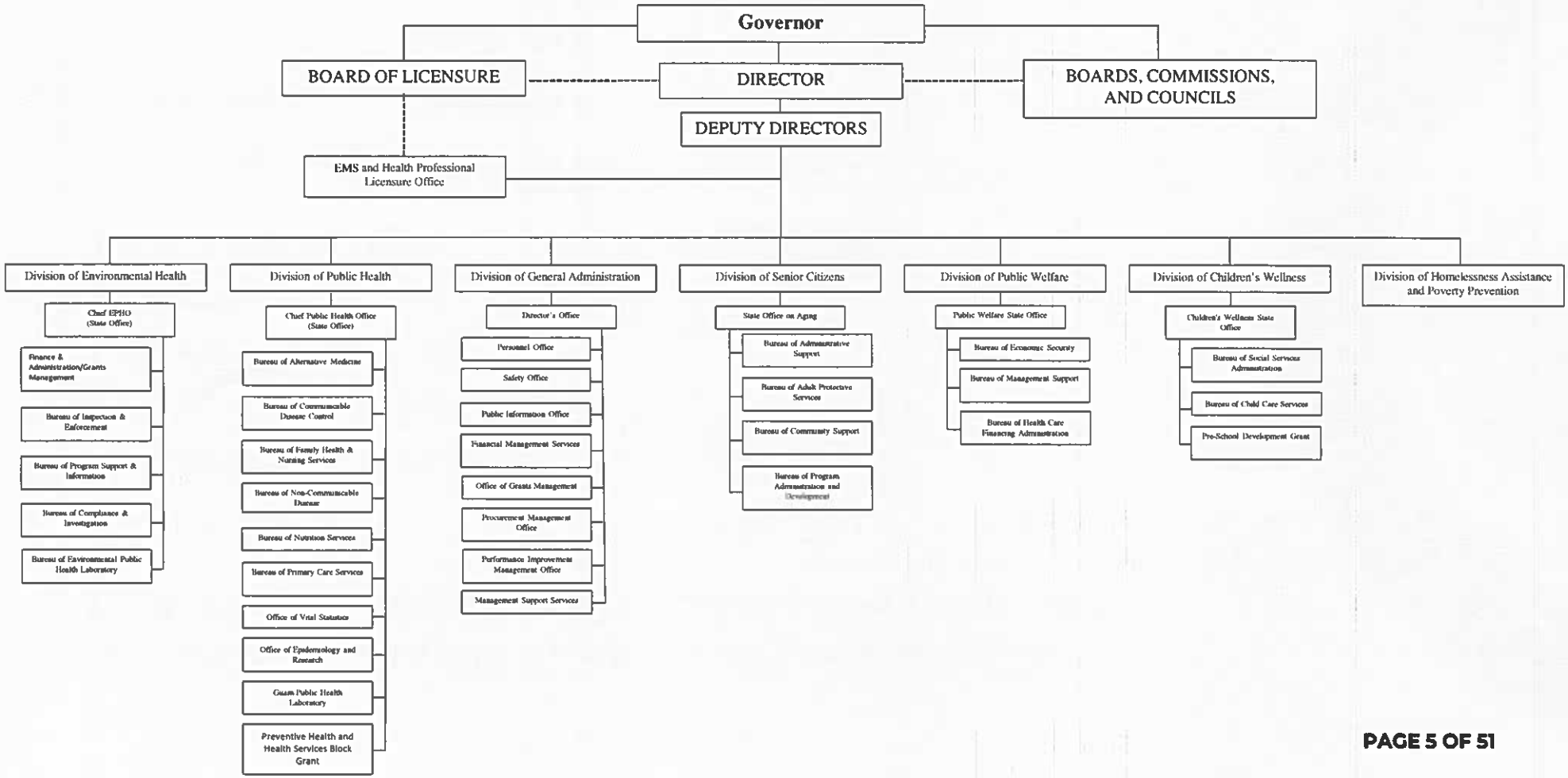
Mission Statement

To assist the people of Guam in achieving and maintaining their highest levels of independence and self-sufficiency in health and social welfare.

Vision Statement

A community of empowered individuals with healthy minds and bodies, thriving in a safe and nurturing environment across every stage of life.

Department of Public Health and Social Services
Organizational Chart-FY26



Department of Public Health and Social Services
FY26 Budget Request and Operational Cost Breakdown

General Fund	$ 74,161,330
Special Revenue Funds *	$ 3,014,616
Local Funds Sub-Total	$ 77,175,946
Federal Grants in Aid (Match)	$ 177,495,429
FY26 Total Budget	**$ 254,671,375**

* Revenue Funds are identified as follows: HFF: Healthy Futures Fund, HPLO: Health Professional Licensing Office – Revolving Fund, OVS: Office of Vital Statistics – Revolving Fund, EHRF: Environmental Health Revolving Fund, SIRF: Sanitary Inspection Revolving Fund, CR: Cancer Registry

Personnel**	$ 23,059,599	9%
Operations *	$ 231,611,776	91%
Total	**$ 254,671,375**	100%

* Includes Miscellaneous Payments (Public Welfare and Other Assistance)
**Does not include 100% federally funded employees

Department of Public Health and Social Services
FY26 Budget Request by Division

DIVISION	PERSONNEL	OPERATIONS	TOTAL
Division of General Administration	$1,990,158	$1,938,382	**$3,928,540**
Division of Public Health	3,110,127	943,199	**4,053,326**
Division of Public Welfare	9,255,444	205,964,544	**215,219,988**
Division of Homelessness Assistance and Poverty Prevention	712,831	254,316	**967,147**
Division of Environmental Health	2,410,902	590,382	**3,001,284**
Division of Children's Wellness	4,130,504	8,957,613	**13,088,177**
Division of Senior Citizens	1,449,633	12,963,340	**14,412,973**
TOTAL	**$23,059,599**	**$231,611,776**	**$254,671,375**

Division of General Administration – Frequently Asked Questions

- **Federal Impact (One Big Beautiful Bill Act):** Status quo through FY2025-FY2026; Beginning FY2027, we will see impacts on SNAP and Medicaid eligibility
- **DPHSS One Space:** Bid advertisement: May 30, 2025; Questions and concerns: June 12, 2025; Bid opening: July 1, 2025; AG's office under review
- **Increment/Merit Status:** Currently up-to-date, and no outstanding as of May 2025
- **Central Public Health Assessment:** Per DPW, a complete assessment report is expected by July 25, 2025 or earlier
- **Prior Year Obligations:** All Divisions are working on ensuring all invoices for prior years are paid for this fiscal year
- **Carry Over Funds:** All prior year lapses are being obligated pursuant to the current Budget Act. Funds are being allocated to the divisions of Senior Citizens, Public Health, and Public Welfare
- **Procurement Authority:** Requesting for expanded small purchase authority
- **Legal Counsel:** Working with Senator Sabrina Salas Matanane

- **DPHSS Active Employees as of 7/10/2025**
  - **Total Number of Employees: 492**
  - **Federally Funded: 230**
  - **Locally Funded: 262**
    - Classified Employees: 385
    - Unclassified Employees: 107

Division of General Administration – Overview

Mission Statement

The mission of the Division of General Administration is to provide department wide administrative support functions to the Divisions.

The Division of General Administration (DGA) serves as the central administrative hub of the department, overseeing critical operational functions such as human resources, finances, procurement, compliance, and performance improvement.

Offices:

•Director's Office, Personnel Office, Safety Office, Public Information Office, Financial Management Services, Office of Grants Management, Procurement Management Office, Performance Improvement Management Office / Management Support Services, and Health Professional Licensing Office.

Programs:

- The Strengthening Guam DPHSS Infrastructure, Workforce, and Data Systems, also known as the **Public Health Infrastructure Grant (PHIG)** is an opportunity for the DPHSS to invest in its workforce, foundational capabilities, and data systems. PHIG's mission is to improve public health outcomes by strengthening the public health infrastructure and workforce. As of this reporting period, the total amount received in PHIG funding from the U.S. Centers for Disease Control and Prevention (CDC) is **$11,124,409** for a period of five years (December 1, 2022, to November 30, 2027) to support **Strategy A1 Workforce, Strategy A2 Foundational Capabilities, and Strategy A3 Data Modernization.**
- The **Health Professional Licensing Office (HPLO)** protects, promotes, and advocates for the health and safety of the community by pursuing the highest quality of care through education, communication, licensing, legislation, and enforcement.

Total Number of Employees: 30
Federally Funded: 13
Locally Funded: 17
Classified Employees: 15
Unclassified Employees: 15

Division of General Administration – Accomplishments & Initiatives

Accomplishments

- The Department of Interior's **Business Process Improvement on Recruitment** Training, held from April 28 to May 1, 2025, is ongoing in collaboration with the Department of Administration (DOA), Bureau of Budget & Management Research (BBMR), Office of Technology (OTECH), and the Association of State and Territorial Health Officials (ASTHO). This government-wide effort aims to streamline and improve the recruitment process.
- **HPLO** has successfully introduced **online theory testing for the Guam Board of Barbering and Cosmetology** in October 2024.

Initiatives

- DPHSS will be submitting the application for **initial accreditation** through the Public Health Accreditation Board (PHAB) in August 2025, with a goal of achieving accreditation by November 2026.
- **PHIG**, in collaboration with **OTECH**, is **enhancing the department's data infrastructure**. This initiative focuses on strengthening data quality, exchange, and use by implementing Electronic Health Records (EHR), automating vital records, improving data sharing and analysis, and enhancing the department's website.
- **HPLO** is also working to roll out **online applications for eight (8) additional boards** and plans to launch **online practical exams starting August 1, 2025 for the Guam Board of Barbering and Cosmetology**.

Division of Public Health – Frequently Asked Questions

- **What is the impact of March 24, 2025 federal cuts which resulted in immediate termination of certain federal grants?**
  - Twenty-six (26) staff that were fully or partially funded by federal grants were affected by the sudden termination of six (6) federal grants. None of the staff were forced to resign and were able to be reassigned to another program or funding source. Two (2) of the staff tendered voluntary resignations.

- **What is the status of the capital improvement projects (CIP) of the Division of Public Health?**
  - Groundbreaking of the new Guam Public Health Laboratory and Training (GPHTL) Facility in Mangilao was held on Mar. 5, 2025 with target completion by June 2026. The facility will serve as a regional hub for laboratory services and training.
  - Expansion of the Northern Region Community Health Center had a groundbreaking last June 2, 2025 with target completion by March 2026. The expansion will create a new secured main entrance for the center, a modernized lobby and patient waiting area, an upgraded registration area for streamlined check-ins and a dedicated medical records office.

- **What is the status of the return of dental services?**
  - The contract for a dental services provider is currently under review at the Office of the Attorney General as of April 11, 2025.

Division of Public Health – Frequently Asked Questions

- **How many are healthcare providers of the Community Health Centers (CHCs)?**
  - Currently, CHCs have 13 healthcare providers which consists of 2 family medicine, 1 internal medicine, 5 pediatricians, 1 nurse midwife, 3 nurse practitioners and 1 clinical psychologist.

- **What are the Operational Hours of CHCs?**
  - The Northern Community Health Center is open from 8am to 5pm, Monday – Saturday. The Southern Region Community Health Center is open from 8am to 5pm, Monday – Friday.

- **When will the Southern Region Community Health Center provide Urgent Care Services?**
  - CHC operates under HRSA's approved scope of work which prioritizes primary, preventive, and chronic care only.

- **What is the Status of Specialty Clinics that were at the Central Public Health - Mangilao?**
  - An Invitation For Bid (IFB) went out in June 2025 to consolidate the specialty clinics for tuberculosis, leprosy, sexually transmitted diseases, HIV, diabetes, hypertension, tobacco cessation, cancer control, maternal and child health, and maternal, infant, and early childhood home visiting. AG's office under review

Division of Public Health – Overview

Mission Statement

The mission of the Division of Public Health is to preserve, promote, and improve the health and well-being of populations, communities, and individuals through prevention, education, surveillance, treatment, and regulation.

- Administers preventive and primary care services such as immunizations, family planning, tuberculosis (TB) screening, diagnosis, treatment, and control, Hansen's disease (Leprosy) diagnosis, treatment and control, STD/HIV screening and treatment, breast and cervical cancer screenings, and maternal, infant and early childhood home visits. **(Bureau of Primary Care Services aka Community Health Centers (CHCs), Bureau of Communicable Disease Control, Bureau of Family Health and Nursing Services, Bureau of Alternative Medicine, and Guam Public Health Laboratory)**

- WIC Program provides nutrition services to pregnant, post-partum and breastfeeding women and infants and children under 5 years of age who are determined to be at nutritional risk. **(Bureau of Nutrition Services-Woman, Infants, and Children/BNS-WIC)**

- Oversees the Guam AIDS Drugs Assistance Program (ADAP) which is authorized under Part B of the Ryan White HIV/AIDS Treatment Modernization Act of 2006. **(Bureau of Communicable Disease Control)**

Division of Public Health – Overview (Cont.)

- Conducts disease surveillance, epidemiological investigations, and make appropriate recommendations for mitigating the impact of illnesses to prevent or promptly control epidemic outbreaks. **(Office of Epidemiology and Research, Bureau of Communicable Disease Control, and Guam Public Health Laboratory)**

- Promotes the reduction and elimination of racial and ethnic health and wellness disparities by supporting and advocating for improved services to minority and marginalized communities such as the immigrating people from neighboring islands, veterans, the homeless, the LGBT communities, and people at risk for sexual violence and cancer survivors. **(Bureau of Non-Communicable Disease-Guam Office of Minority Health)**

- Custodian of vital records such as birth, death, and marriage certificates, adoption and marriage licenses. **(Office of Vital Statistics)**

- Manages the Medical Cannabis Program which allows the beneficial use of medical cannabis in a regulated system for alleviating symptoms caused by debilitating medical conditions and their medical treatment. **(Bureau of Alternative Medicine)**

- **Total Number of Employees:** 207
- **Federal/Local Match Funded:** 192
- **Locally Funded:** 15
- **Classified Employees:** 166
- **Unclassified Employees:** 41

Division of Public Health – Accomplishments

- **Guam Public Health Laboratory (GPHL)**
  - Groundbreaking for new Public Health Laboratory and Training Facility on March 5, 2025
  - New Laboratory Information Management System (LIMS) Implementation completed June 24, 2024
  - FY26 Congressman Moylan Community Project funding secured $1.9M for new biosafety lab
  - CDC National Surveillance Cooperation for Local Specimens from June 2024 through June 2025
  - From June 2024-June 2025, a grand total of 8,152 tests were completed
- **Office of Vital Statistics (OVS)**
  - Electronic Intake Kiosk implemented in September 2024
  - From January 2025 – June 2025, there was a total of 10,919 visits were serviced
- **Bureau of Alternative Medicine (BAM)**
  - Completed development of Childhood Blood Lead Level Investigation Protocol on May 3, 2025
- **Bureau of Communicable Disease Control (BCDC)**
  - Unveiling of Guam Path to Zero Leprosy Roadmap and Action Plan 2024 to 2030 in January 2025.
  - 1st CDC recognition as 2025 TB Elimination Champions on January 24, 2025
  - Tuberculosis Program
  - Alice Cuenca, Communicable Disease Control Coordinator for Tuberculosis
- **Bureau of Family Health and Nursing Services (BFHNS)**
  - 1st CDC recognition as 2025 TB Elimination Champions on January 24, 2025
  - 2 Orthopedic Clinics conducted with Honolulu Shriners served 242 kids in October 2024 and 223 kids in May 2025
  - Hemophilia Clinic with Bleeding Disorders Foundation served 20 families in October 2024 and June 2025
  - 2 staff completed Adaptive Leadership Academy for Home Visiting in March 2025
  - Completion of Home Visiting Program Re-Accreditation in June 2025

Division of Public Health – Accomplishments (Cont.)

- **Bureau of Non-Communicable Diseases (BNCD)**
  - Delivery of Mobile Health Clinic during Public Health & Social Services Month on April 4, 2025. Starting October of this year, monthly village outreach
  - Development of 4th Non-Communicable Disease 5-Year Strategic Plan 2025-2030 in March 2025
- **Bureau of Nutrition Services (BNS) aka WIC**
  - Launch of Management Information System (MIS) for WIC benefits, Health and Nutrition Delivery System (HANDS) 2.0 on June 17, 2025
  - Launch of "WIC in a Click" online platform, allowing for nutrition education anytime and anywhere convenient. – November 2024
  - 99% satisfaction on WIC FY2024 survey
  - Breastfeeding rates from 81% (2021) to 88% (2024)
  - Steady growth in annual participation from 8,996 clients in FY21 to 9,870 in FY24
- **Bureau of Primary Care Services (BPCS) aka Community Health Centers (CHCs)**
  - Groundbreaking for Northern Regional Community Health Center (NRCHC) Expansion June 2, 2025; Expected completion in March 2026
  - Expansion of Behavioral Health Services through onboarding of clinical psychologist and social worker on June 7, 2025
  - Re-certification of NRCHC as Patient-Centered Medical Home (PCMH) on April 25, 2025

Division of Public Health – Initiatives

- **Guam Public Health Laboratory (GPHL)**
  - Bacteriology Confirmation Testing, Detection, and Surveillance for healthcare providers and facilities to decrease mortality rate by March 2026
  - Opening of new Public Health Laboratory and Training Facility by November 2026
  - NextGen sequencing for TB and Food Borne Illness by December 2026
  - Human Papillomavirus (HPV) Testing, Detection, and Surveillance by December 2026
  - Serve as local and Micronesian regional hub for public health laboratory operations and training for laboratory staff from Micronesia and students from Guam by January 2027
- **Office of Epidemiology and Research (OER)**
  - Propose amendment of law governing reportable diseases (Pending AG's response)
  - Regional Epidemiology technician training – Fall 2025
  - Ongoing project of the statistical data gathering for the OVS annual publication
- **Office of Vital Statistics (OVS)**
  - Implementation of Electronic Death Registry System by the end of this calendar year
  - Publication of Comprehensive Civil Registrations and Vital Statistics (CRVS) 1998 to 2023 with support from the Office of Epidemiology and Research (OER) - ongoing
- **Bureau of Alternative Medicine (BAM)**
  - Development of Comprehensive Childhood Lead Poisoning Prevention Plan by October 2025

Division of Public Health – Initiatives (Cont.)

- **Bureau of Communicable Disease Control (BCDC)**
  - National Wastewater Surveillance Plan in partnership with Guam Waterworks Authority (Pending AG's response)
  - Influenza A/H5N1 (Bird Flu) Response – Ongoing
  - Propose amendment of law governing Guam Immunization Registry
- **Bureau of Primary Care Services (BPCS) aka Community Health Centers (CHCs)**
  - Strengthening Reproductive Health Access Through Strategic Integration – July 2025
  - New Electronic Health Record (EHR) System – January 2026 (12 years planning)
  - New Pharmacy Management System – Launch: Last Quarter of 2025
  - Workforce Expansion in Partnership with the Department of Labor – Start: Last Quarter of 2025
  - Staff Certification in Medical Coding – Training Launch: Last Quarter of 2025

Bureau of Family Health and Nursing Services (BFHNS)

- Start of Pediatric Mental Health Care Access Advisory Board in August 2025, Needs Assessment in November 2025 then Training for Local Providers by January 2026
- Building awareness of Project Bisita (Home Visiting) Program – Ongoing

Bureau of Non-Communicable Diseases (BNCD)

- Adoption of Fourth Non-Communicable Disease Five-Year Strategic Plan 25-30 – December 2025
- Diabetes Self-Management Education and Support Training – September 2025
- Self-Measured Blood Pressure Education and Training – August 2025

Bureau of Nutrition Services (BNS) aka WIC

- New food package list which starts on October 1, 2025
- Telehealth services for nutrition education and other services

Division of Public Welfare – Frequently Asked Questions

- **What is the impact of the One Big Beautiful Bill Act for Guam?**
  - **FY 26 SNAP Fiscal Impact BBB:** No fiscal impact to local or federal funds
  - **FY 26 Medicaid Fiscal Impact BBB:** No fiscal impact to local or federal funds
  - **FY 27 SNAP Fiscal Impact BBB:** Administrative costs will be covered by the federal government at 25%. Local share will increase by 75%.

- **What is the status of Summer EBT?**
  - We are on schedule to launch Summer EBT in late July 2025.

- **Are applications (SNAP, Medicaid, Cash) being processed in a timely manner?**
  - Yes. Since January 2025, application processing timeliness has improved by 68%, and recertification processing timeliness has reached 92%. A centralized phone and email system is now operational. Phone inquiries are answered within 24 hours, and emails receive responses within 48 hours. The backlog has been reduced by 78% since January 2025.

- **Are provider payments current?**
  - Yes. As of June 30, 2025, 100% of clean claims have been paid.

Division of Public Welfare – Overview

Mission Statement

The Division of Public Welfare (DPW) is dedicated to supporting Guam's most vulnerable populations by delivering essential services that promote health, stability, and self-sufficiency. DPW administers a range of federally and locally funded programs and is structured to ensure effective oversight, policy development, and service delivery through its central state office and three specialized bureaus, with a focus on efficiency through people, process, and technology.

STATE OFFICE	BUREAU OF ECONOMIC SECURITY (BES)	BUREAU OF MANAGEMENT SUPPORT (BMS)	BUREAU OF HEALTH CARE FINANCING ADMINISTRATION (BHCFA)
Leads Bureaus across the division, driving strategic planning, policy development, and financial performance	Supplemental Nutritional Assistance Program (SNAP) Eligibility Medicaid Application SNAP E&T Cash Assistance Program (CAP) *Temporary Asst. for Needy Families (TANF)* *Old Age Assistance (OAA)* *Aid to the Blind (AB)* *Aid to the Perm. & Totally Disabled (APTD)* *General Asst (GA)*	SNAP Quality Control and Management Reviews Fair Hearings (Appeals) Investigations and Claims	Medicaid Children's Health Insurance Program (CHIP) Medically Indigent Program (MIP) Enhanced Allotment Plan Program

Total Number of Employees: 111
Federal/Local Match Funded: 111
Classified Employees: 102
Unclassified Employees: 9

Division of Public Welfare – Operational Snapshot

Clients

43,051
Medicaid Clients

116
MIP Clients

43,972
SNAP Clients

1,192
Cash Clients

Expenditures FY24

	Federal	Local
Medicaid	$200M	$31M
MIP	-	$935K
SNAP - Admin	$2.2M	$2.2M
SNAP - Assistance	$137M	$31K
Cash - Admin	$560K	$159K
Cash - Benefits	$1.0M	$1.6M

Expenditures FY25

(As of June, 2025)

	Federal	Local
Medicaid	$141M	$22M
MIP	-	$2.2M
SNAP - Admin	$1.3M	$1.3M
SNAP - Assistance	$96M	$13K
Cash - Admin	$497K	$169K
Cash - Benefits	$702K	$1.6M

Division of Public Welfare – The Need for Change

People

Loss of institutional knowledge and skilled talent due to the upcoming planned and potential retirement.

Technology

Outdated technology and manual processes were hindering efficiency, slowing service delivery, and increasing the risk of errors across critical operations.

Process

Disconnected systems required manual and/or redundant data entry, creating an increased risk of human error.

Division of Public Welfare – Pathway to Change: Leverage and Reuse

Federal Authority

42 CFR §433.112(b)(13)

As a condition for enhanced funding, states are required to *"promote sharing, leverage, and reuse of Medicaid technologies and systems within and among States."*

State Medicaid Director (SMD) letter #18-005

On April 18, 2018, CMS released sub-regulatory guidance on leverage and reuse and cooperative purchasing.

Local Authority

Guam Public Law 37-107 Chapter §5126.1

On July 18, 2024, Guam took a monumental step forward by enacting the Leverage and Reuse law. This groundbreaking legislation empowers the Division of Public Welfare (DPW) within the DPHSS to collaborate with or utilize contracts from other states, government procurement units, or not-for-profit entities.

For the first time in our legislative history, Guam can fully optimize this authority at both the local and federal levels.

Leverage and Reuse

In October 2024, West Virginia played a pivotal role by generously partnering with Guam and providing support through their project management office.

This collaboration, bolstered by the assistance from the **US Virgin Islands in September 2024**, to leverage their Pharmacy Benefits Management solution, has been instrumental in our modernization efforts.

Funding

With this added support, Guam successfully navigated the **Advanced Planning Document** process, securing over **$38 million** in federal funding **in the last six months,** with an additional **$6 million** pending CMS approval, along with a **local investment of $7.1 million**. for **FY25 and FY26**.

This substantial federal financial boost has dramatically accelerated our transformation roadmap to revolutionize our infrastructure and usher our systems into a new era of efficiency.

Division of Public Welfare – NEW High Impact Initiatives

Initiated and Active

- Centers for Medicaid Services (CMS) Onsite Visit (July 21 – 25, 2025)
- BerryDunn - Enterprise Portfolio Management Office: Leverage and Reuse
- SGRX- Pharmacy Benefits Management Implementation
- Interoperability (DPW Multi-Division Collaboration)
- Sugar-Sweetened Beverage and Candy Ban Policy Development

Planning in Progress

- Assisted Living Waiver Development
- Data Hub Implementation
- Integrated Eligibility and Enrollment Procurement and Implementation

Analysis in Progress

- Public Law 38-23 - Restaurant Meals Program (RMP) "Meals for At-Risk Households Act of 2025
- One Big Beautiful Bill Impact Analysis

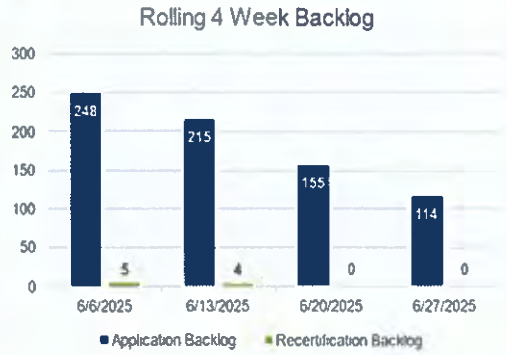
On the Horizon...

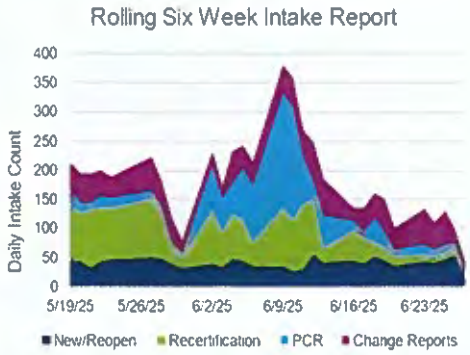
- Program Integrity Enhancements
- CMS Territory Summit
- Claims Processing System Procurement and Implementation

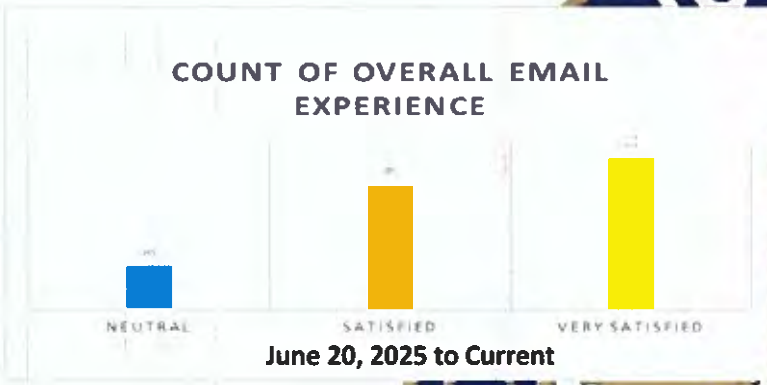
Division of Public Welfare – Accomplishments (NEW September 2024 to Current)

- ***Accelerated SNAP Processing.*** The timeliness of processing applications has increased by **68% since January 2025.**
- ***Recovered SNAP and CAP Funds:*** Rigorous investigations have **returned over $315k to the program.**
- ***Fraud Prevention:*** **97 SNAP cases** identified and verified as ineligible.
- ***Guam Clears SNAP Liability:*** Guam has resolved **its two-year** overpayment error rate liability.
- ***Claim Payments Current:*** **100% of clean provider claims** have been adjudicated, ensuring timely payments to providers **within 30-45 days.**
- ***Faster Claims Turnaround for Medicaid:*** Clean claims are processed in just **1–2 weeks.**
- ***Off-Island Pharmacy Pilot Program:*** Early projections indicate **15% reduction** on high-cost specialty medications.
- ***Eligibility Application Backlog Slashed:*** Backlog of new applications and recertifications **has decreased by 78% over the past six weeks.**
- ***Reduced Client Wait Times for all services:*** **As of April 2025**, in-person wait times are now **under one hour.**
- ***Responsive Communication for All Services:*** As of June 20, 2025, emails are responded to within **48 hours,** and phone calls are answered and returned within **24 hours.**

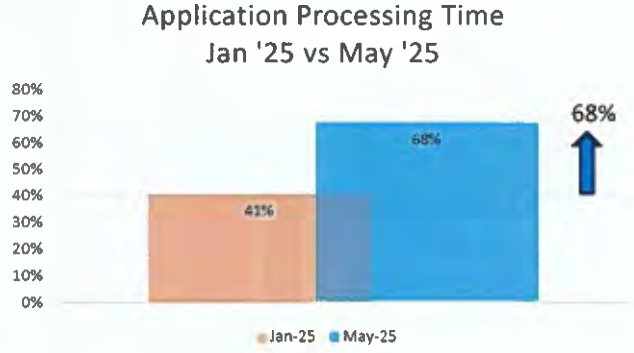
Division of Public Welfare – NEW METRICS (May 2025 to Current)

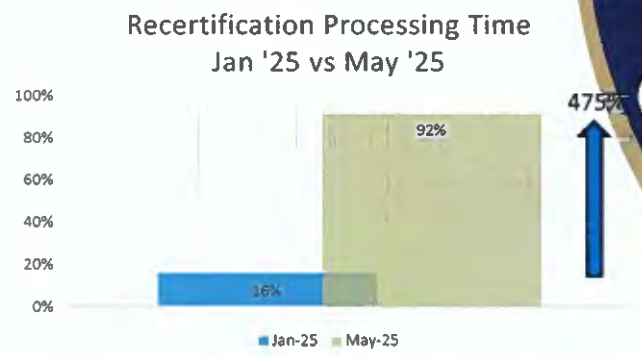






June 20, 2025 to Current





Division of Homelessness Assistance and Poverty Prevention (DHAPP) - Frequently Asked Questions

- **What is the status of DHAPP?**
  - Executive Order 2025-01 created a Division under DPHSS on January 24, 2025. This moved OHAPP into DPHSS. This now appropriately puts homeless services under DPHSS.

- **What is the purpose of DHAPP as a division of DPHSS now?**
  - Per 10 GCA Chapter 17, it is a mandate of Public Health to provide assistance to the homeless. DHAPP aligns with the mission of Public Health and provides the services navigation aspect to the existing benefits that DPHSS administers to the most vulnerable residents of Guam.

DHAPP – Frequently Asked Questions (Cont.)

- **What is the status of shelters and housing?**
  - Affordable rentals and programs are still affected by the market forces but we have been planning to increase government inventory to allow for housing opportunities.

Name	Acquired Date	Details	Price	Funding Source	Deed
Anigua Apartments	2021	18 unit- 2BR/1BA. 900sf.	$2.1M	COVID TAP Grant (Federal)	DOA
Tamuning Drop In facility (Iriarte Street)	Closed Jan 2025	4,550 s/f warehouse. Night shelter with day services. 24-hour facility.	$800K	CDBG (Federal)	GHURA
Tamuning Adult Transitional Living Facility	Pending	32-unit facility	TBD	CDBG (Federal)	DOA
Yigo 21 Apartments	May 2025	21 2BR/1BA 1,000sf	$3.3M	CDBG-Home (Federal)	GHURA
Ministry to the Homeless Soup Kitchen	Apr 2024	Feeding facility	$850K	CDBG	GHURA

DHAPP – Overview

Mission Statement

*Decreasing homelessness and poverty on Guam through: **COMPASSION** for our people, **CONNECTION** to services and families, **CULTIVATION** of life skills for resilience against poverty.*

The Government of Guam's lead division for homeless intervention. Created in 2021 and transitioned into a division under the DPHSS in January 2025. Current staffing is **8 unclassified personnel (Division Chief, Admin Assistant, Social Worker II, Warehouse/Logistics, 4 Community Program Aides.)**
Services currently offered:

- Village Outreach- Intake, care package distribution, education/awareness, eligibility checks
- Case Management, Homeless Services Navigation and Connection
- The Emergency Food Assistance Program (TEFAP)- food commodities distribution
- Guam ID for homeless program- Public Law 35-32
- Storage for essential belongings and vital documents- Assist street homeless protect vital belongings
- Assistance with obtaining documents (Vital Docs, Homeless Mayor's Verification, SS Card)
- Assistance with public health benefits (SNAP, Medicaid, etc...)
- Shelter referrals to Guam Homeless Coalition Partners
- Housing stability services and eviction mitigation- Advocacy for renters and landlords

- **Total Number of Employees: 8**
- **Federally Funded: 8**
- **Locally Funded: 0**
- **Classified Employees: 0**
- **Unclassified Employees: 8**

DHAPP – Accomplishments (From 1/1/2025 to present)

- Awarded HUD CoC Domestic Violence grant for FY26. October 1, 2026 target start date. Total Award = **$408,000**
- **TEFAP (The Emergency Food Program)** - Transitioned from GDOE after decades. Provides food security for over 12,000 households across the island

2025 Stats	Total
Housing Referrals (to GHURA, Manelu, Salvation Army, Guma San Jose)	51
Requests for financial assistance to Guam Homeless Coalition (Health Certificates, Clearances, Arrears)	20
Birth Certificates obtained	32
Mayor Homeless Verification letters (Since Feb 2025)	69
Guam ID for homeless	40
Emergency Shelter Services (Since Oct 2024)	13
June 2025 DHAPP inquiries- phone, emails, walk ins	196

DHAPP – Current Initiatives and Upcoming Programs

- **S.A.F.E. (Shelter Assistance For Elderly) House**- Started April 2025. Lada Estates, Dededo- 4BR/1BA house. Transitional shelter for fully independent homeless elderly (60+) or disabled individuals who are in a hospital and can be discharged. 60-day shelter to avoid discharge to the streets, assist recovery and case management to connect all eligible services with hopeful transition to permanent housing. Funded by Public Law 37-125.
- **Ministry to the Homeless Feeding Support**- Started March 2025. Providing feeding support and water for non-sponsored nights at the Hagatna Soup Kitchen through 2025. 20 total nights have been committed through 2025. Average 70-85 meals per night. Public Law 37-125.
- **Anigua Apartments** - Anticipated date of opening: November FY26. 18-unit complex. 900 s/f 2BR/1BA apartments. Family Reunification transitional housing. Goal: Family reunification where parents or household is justice involved and a steady home is needed for reunification.
- **DV H.A.R.B.O.R.S. (Healing And Recovery Based On Resilient Supports)**- Anticipated start first quarter FY26. HUD (DV Bonus) Continuum of Care grant award. $408,000 for housing and recovery program for survivors of domestic abuse. Transitional housing and case management for domestic violence survivors.
- **Bed At Night/Drop in shelter**- Estimated completion 4th Quarter FY26. 4,500 sq foot, 24-hour facility. Daytime wraparound services and night shelter for street homeless. Currently in design phase.
- **Adult Transitional Living Facility**- Estimated limited open September 2025. 32-unit apartment facility for elderly, independent individuals who face unstable housing due to need of care, lack family support and housing options. Renovations in process and full completion anticipated by the end of first quarter FY26.

Division of Environmental Health – Frequently Asked Questions

What is the status of school inspections?

- DEH is **on track** to complete inspections of GDOE schools before its Sanitary Permits expire
- Inspection schedule of GDOE schools has been established and provided to GDOE
  - Order of inspection based on expiration date of Sanitary Permit
  - GDOE comments and requests incorporated whenever possible
- FY 2025 results:
  - No. of schools inspected (as of June 2025): 32
  - No. of schools pending inspection for fiscal year: 4
  - Not included in count
    - FBLG and SSHS undergoing renovation/construction
    - Chief Brodie and LBJES to be decommissioned
    - JP Torres housed with Tiyan HS
- Top 5 Violations:
  - FY 2024: (1) Floors; (2) Walls and ceiling; (3) Exit doors; (4) Windows (5) Air temp./humidity
  - FY 2025: Pending, but tracking similar to FY2024 violations

Division of Environmental Health – Frequently Asked Questions (Cont.)

How are sanitation inspections going?

- Pursuant to P.L. 37-87, sanitation inspections of ~3,000 regulated establishments are conducted based on risk and available resources:
  - Frequency directly proportional to the risk; the establishments posing greatest risk of harm inspected more frequently
  - Risk Categories: Category 4 (highest risk) to Category 1 (lowest risk)
  - 1 to 7 inspectors available any given day
- Frequencies based on risk (ideal situation):
  - Category 4 (Quarterly): Food establishments for highly susceptible population (HSP) and Childcare Facilities
  - Category 3 (Tri-annually): Large pools, wading pools, and food establishments with extensive menu
  - Category 2 (Biannually): Most food establishments
  - Category 1 (Annually): Cosmetology establishments, Schools, Barracks, Dry-Cleaner, others
- Frequencies based on available resources (current situation):
  - Food establishments catering to HSP and Childcare Facilities – Biannually
  - Schools and Barracks – Annually
  - Remaining establishments – As resources permit

Division of Environmental Health – Overview

Mission Statement

The mission of the Division of Environmental Health is to serve and protect the people of Guam from environmental hazards and drug diversion through education and the implementation of governing laws designed to prevent injuries, diseases, disabilities, and deaths.

The Division of Environmental Health (DEH) Inspects health-regulated establishments; regulates consumer commodities; issues regulatory permits; provides environmental health education and training; and manages mosquito control, food safety, drug diversion, indoor smoking, and public nuisance.

Total Number of Employees: 25
Federal/Local Match Funded: 2
Locally Funded: 23
Classified Employees: 24
Unclassified Employees: 1

Division of Environmental Health – Overview (Cont.)

Oversees island-wide environmental health programs and activities with 7 major functions:

- **Health & Sanitation**
  - Sanitation inspections of over 3,000 health-regulated establishments to prevent disease transmission
- **Food Safety**
  - Investigation of foodborne illness complaints and outbreaks; promotion of food safety
- **Consumer Commodities**
  - Regulation of food, drugs, cosmetics, and medical devices to prevent misbranding and adulteration
- **Mosquito Surveillance and Control**
  - Prevent the importation, establishment, and spread of mosquito-borne diseases (i.e., dengue fever)
- **Counter Service**
  - Issuance of regulatory permits, certificates, registrations
- **Radiological Health**
  - Licensing of ionizing radiation emitting devices
- **Education and Awareness**
  - Environmental health communication and training to the public and regulated employees

Division of Environmental Health – Accomplishments

- **Processing Center Section**
  - Issued 19,165 Certificates; 2,924 Permits; and 394 Drug Registrations
  - Over 90% of survey respondents rated customer service as "Excellent"
- **Health & Sanitation**
  - Responded to every public complaint (~ 60)
- **Business License and Permit Center**
  - Expanded to daily service since August 2024
  - Provided 1,191 consultations and 641 business clearances
- **Consumer Commodities Program**
  - Partnership with FDA resulting improved identification of violative commodities
  - 181 detentions involving nearly 162,000 pieces of article

Division of Environmental Health – Accomplishments (Cont.)

- **Food Safety Program**
  - Coordinates and facilitates Guam Food Safety Advisory Group; comprised of over 20 representatives of the community
  - Trained nearly 12,287 food handlers
  - No confirmed Foodborne illness outbreak in the last 11 years
- **Mosquito Surveillance and Control Program**
  - No local transmission of mosquito-borne disease since 2019 Dengue Outbreak
  - Weekly trapping and identification of adult mosquitoes from 10 sites
  - Chairs the Pacific Vector Network; comprised of 22 PICTs to promote mosquito-management in the Pacific
  - Chairs the Pacific Island Vector Management Council; comprised of USAPI to combat mosquito-borne illnesses in Micronesia

Division of Environmental Health – Accomplishments (Cont.)

- **No confirmed, reported foodborne illness outbreak in over a decade**
- **Created entry-level EH practitioner position to promote DEH workforce development**
  - Recommended strategy of Governor's Workforce Collaborative Team for EH
  - Team composed of DPHSS, UOG, and GCC
- **Strengthened Collaboration with DGOE for annual inspections of public schools**
  - Meets and communicates frequently to address inspection status and challenges
- **Strengthened USFDA partnership in preventing the importation of misbranded and adulterated consumer commodities**
  - Permanent USFDA staff now assigned to Guam
  - Dramatic increase in detention of violative products at ports of entry
- **DPHSS helps lead Micronesia and the USAPI in mosquito management**
  - DEH chairs Pacific Vector Network-22 Pacific Island Countries and Territories
  - DEH chairs Pacific Island Vector Management Council-Guam, CNMI, Palau, FSM, RMI and AS

Division of Environmental Health – Initiatives

- **Construction of DEH facility in Dededo with $9M USDOI CIP grant to house training venue, processing center, and staff**
  - A&E vendor secured for design phase
  - Hopeful completion of project by end of 2026

- **Governor's Env. Health Collaborative Team (UOG, GCC, and DEH) developing pathway to DEH employment via education**
  - GCC promoting bootcamp and developing Associate's Degree in Env. Technology
  - UOG developing environmental science curriculum for Bachelor's Degree in Environmental Science
  - DEH finalizing revised recruitment and retention plan

Division of Environmental Health – Initiatives (Cont.)

- **Upgrade of current electronic environmental health information system for online processing of applications and electronic field inspections**
  - Targeting to launch at end of FY2026
- **Adoption of revised school building sanitation regulations**
  - Targeting to adopt and enforce for SY2026
- **Implementation of Health Certificate Cosmetic Sanitation Training Course for employees of cosmetic establishments**
  - Targeting 1st Quarter of FY2026 to implement
- **Adoption of 2022 FDA Model Food Code to replace existing Guam Food Code by the Guam Food Advisory Group led effort**
  - Targeting its adoption by end of FY2026

Division of Children's Wellness – Frequently Asked Questions

- **What is the status of your local FY25 vacancies?**
  - 8 Funded Vacancies:
    - 6 Filled (Social Workers)
    - 2 Pending
      - 1 – Pending SWIII Supplemental Listing
      - 1 – Pending SWII Recruitment

- **Is BOSSA overtime up to date?** Yes, paid up to date as of June 2025.
- **How often are the children being visited?** Monthly
- **Are foster care maintenance payments up to date?** Yes, paid up to date as of May 2025. June is in process and will be paid in July.
- **How many vehicles does BOSSA have?** 12 working vehicles. 4 needing repairs. PO for repair services received in June 2025.
- **Why is the essential worker waiver ending?** DPHSS, Bureau of Child Care Services implemented temporary waivers for essential worker employees in response to Typhoon Mawar. After two years from the initial impact of the typhoon, the continued use of emergency-based waivers can no longer resume. Those who are currently in this federally funded program will be able to complete their 12-month certification.

Division of Children's Wellness – Frequently Asked Questions (Cont.)

- **What is the status of your contract for the group homes?**

Program	Contract Update
IGM	2/2024 – Sent to AG 3/13/25 – Last update with response to questions to AG; pending AG review
ALEE I GSJ	Received approval from AG to move forward with RFP, Negotiations slated for FY26. Currently paying month-to-month.
ALEE II	12/6/24 – Sent to AG; pending AG review

- **How many Social Workers does BOSSA have?** 29
- **How many Child Care Compliance Officers do you have? Any in recruitment?** As of June 2025, there are 2. Recruitment is in progress for 4 more.
- **Are CCDF payments up to date?** Partial May and June pending provider payments

Division of Children's Wellness – Overview

Mission Statement

The mission of the Division of Children's Wellness is to protect and serve the children of Guam, strengthen families, promote access to and maintain quality child care services, assess and provide help for children, and maintain programs that help ensure school readiness.

The Division of Children's Wellness (DCW), established in 2022, is responsible for overseeing and maintaining operations of the following Bureaus and Programs:

- **Bureau of Social Services Administration (BOSSA)**
  - Child Protective Services
  - Foster Care
- **Bureau of Child Care Services (BCCS)**
  - Child Care Assistance
  - Child Care Licensing
- **Preschool Development Grant Birth to 5 (PDG, B-5)**
  - Supports Early Childhood Care and Education Programs

- **Total Number of Employees:** 96
- **Federally Funded:** 54
- **Locally Funded:** 42
- **Classified Employees:** 63
- **Unclassified Employees:** 33

Division of Children's Wellness – Accomplishments

Coordinated Interagency Initiatives to Build Early Childhood System Capacity and Earned National Recognition.

- Managed $20M in grants with GEDA
- Promoted assistive technology trainings with GSAT
- Expanded youth services via resource centers, justice programs, and internships with DYA
- Partnered with GBHWC to support children with autism and high-risk needs
- Strengthened training and support for licensed child care providers
- Provided trainings for Early Childhood Care and Education Providers
- FY26 Congressman Moylan Community Project funding secured $1.6M for CPS technology software upgrades

Adoptions
- April – June 2025: 42

Family Reunifications
- April – June 2025: 7

BCCS Data

Number of Families Receiving Childcare Subsidy	3,602
Number of Children Enrolled in Subsidy Program	4,363
Monthly average costs of childcare subsidy	$2.0M
Number of Licensed Childcare Centers	71
Number of Licensed-Exempt School-Age Childcare Providers	56
Number of Licensed-Exempt Relative & In-Home Childcare Providers	95

As of June 2025

BOSSA Data

Number of Referrals Received	1,311
Family Services to prevent CPS Intervention	245
Number of Children in CPS Custody	661
Number of Children in Relative Homes	359
Number of Children in Licensed Foster Homes	127
Number of Children in Non-Relative Homes	43
Number of Children in Group Homes	49
Number of Children in Other Placement (i.e.: institution, off-island)	83
Number of Licensed Foster Homes	91
Monthly Average costs of Foster Care Maintenance Payments	$403k

As of June 2025

Division of Children's Wellness – Initiatives

- Alternative Methodology Completion to ensure fair child care subsidies: July 2025
- Comprehensive Criminal History Check Partnership with Judiciary of Guam
- Joint Region Marianas partnership that will expand Child Care Options for Military Families beyond the fence (MOU in review)
- Family Preservation and Reunification Center grant opportunity with GEDA: July 14, 2025
- Application to Secure Foster Care and Adoption Reimbursements through Title IV-E (Pending approval of Title IV-B)
- Contract services for I Guma Mina'åse, Alee I & II, and Guma San Jose

Division of Senior Citizens – Frequently Asked Questions

- **How many Home-delivered meals were served?**
  - In FY2024 474,034 meals were served to home-bound clients. In FY2025, as of May 2025, 320,983 meals have been served to Home-bound clients

- **Why is there an increase in Contractual Services from $6,640,003 in FY25 to $8,248,889 (increase of 20%) in FY26?**
  - The increase is due to projected operational costs for contracted services and compliance with Guam Public Law 26-111 i.e. Service Contract Act

- **Does the Division of Senior Citizens Pay Family Caregivers?**
  - No. For more information on Family Caregiver Being Paid visit https://www.usa.gov/disability-caregiver; Potential Medicaid initiatve

- **Does the Division of Senior Citizens have a waitlist?**
  - Yes. The contracted In-Home services due to recruitment difficulties by the vendor; No waitlist for Home-Bound Meals at this time

Division of Senior Citizens – Overview

Mission Statement

The mission of the Division of Senior Citizens is to plan, coordinate, implement and evaluate programs and services, and to identify and leverage all possible resources towards promoting, maintaining and protecting the total well-being of older persons (senior citizens age 60 years and older), while safeguarding their dignity, integrity, independence, values and cultures.

- **State Office on Aging**
- **Bureau of Administrative Support**
- **Bureau of Program Administration and Development**
- **Bureau of Adult Protective Services**
- **Bureau of Community Support**

- **Total Number of Employees:** 15
- **Federally Funded:** 3
- **Locally Funded:** 12
- **Classified Employees:** 15
- **Unclassified Employees:** 0

Division of Senior Citizens ~ Accomplishments

Title III-B Supportive Services	FY2024		FY2025 As of May 2025	
Programs	Clients Served	Units	Clients Served	Units
Adult Day Care	87	84,767	88	67,539
Case Management Services	2,089	10,641	1,542	5,098
In-Home Services	1,043	25,782	418	19,898
Legal Assistance Services	499	3,494	364	1,972
Senior Center Operations	829	100,871	748	48,723
Transportation Services Program	258	19,323	162	12,221

Title III-C Elderly Nutrition Program	FY2024		FY2025 As of May 2025	
Programs	Clients Served	Meals Served	Clients Served	Meals Served
Congregate Meals (C1)	896	105,510	805	69,465
Home-Delivered Meals (C2)	2,174	474,034	1979	320,983

Title III-E Family Caregiver	FY2024		FY2025 As of May 2025	
Programs	Clients Served	Units	Clients Served	Units
National Family Caregiver Support Program	205	13,583	224	9,813.11

Division of Senior Citizens – Accomplishments (Cont.)

Protection and Advocacy	FY2024	FY2025 As of May 2025
Protection and Advocacy	Referrals	Referrals
Adult Protective Services	307	296
TOTAL	**307**	**296**

Information and Assistance	FY2024	FY2025 As of May 2025
Information and Assistance	Units	Units
Presentations	90	41
Outreach Activities	22	15
Medicare Beneficiaries	636	196
TOTAL	**748**	**252**

Division of Senior Citizens – Initiatives

The Guam State Office on Aging will apply for the following Notice of Funding opportunities in July 2025.

1. **Advancing State Implementation of the National Strategy to Support Family Caregivers.** Each grantee will be expected to focus on implementing at least three of the five goals of the Strategy, as determined by the state's needs and priorities.

2. **The Elder Justice Innovation Grants Program** supports the development and advancement of knowledge and approaches in new and emerging issues related to elder justice and adult maltreatment prevention.

JULY 11

UN DÅNGKULO NA SI YU'OS MA'ÅSE

2025

COMMITTEE REPORT DIGEST

Committee on Finance and Government Operations
Senator Christopher M. Dueñas, Chairman

In accordance with Section 6.04(c)(1) of the Standing Rules of *I Liheslaturan Guåhan*, this committee digest provides a *summary* of the public hearing detailed below. To assist the general public in navigating this report, please note that all blue-highlighted text contains hyperlinks. Clicking on these links will direct you to the corresponding referenced sections/documents. For any questions or assistance regarding this digest, please contact our office at (671) 989-9554 or email us at senator.duenas@guamlegislature.gov.

BILL NO. 44-38 (COR) – COMMITTEE ON RULES BY REQUEST OF I MAGA'HÅGAN GUÅHAN, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

I. OVERVIEW

Bill No. 44-38 (COR) was introduced on **Friday, January 31, 2025** by **Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam** and was subsequently referred by the Committee on Rules to the **Committee on Finance and Government Operations** on **Thursday, February 06, 2025.**

The **Committee on Finance and Government Operations** convened a Public Hearing on Bill No. 44-38 (COR) on **Friday, July 11, 2025** at **[9:00 A.M.]** in the Guam Congress Building's Public Hearing Room.

PUBLIC NOTICE REQUIREMENTS

Public Hearing Notices were posted to the Government Public Notices Portal and disseminated via electronic mail to all senators and all main media

broadcasting outlets on **July 3, 2025** (5-Day Notice), and again on **July 08, 2025** (48-Hour Notice).

SENATORS PRESENT
Senator Christopher M. Dueñas, Chairman
Vice Speaker V. Tony Ada
Senator Eulogio Shawn Gumataotao
Senator Sabrina Salas-Matanane

ORAL TESTIMONY:
Therese Arriola, Director, DPHSS
Amanda L. Shelton, Deputy Director, DPHSS
Peter John Camacho, Deputy Director, DPHSS

WRITTEN TESTIMONY:

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for **Bill Number 44-38 (COR)** was called to order at **[9:02 A.M]**

[Questions and Discussion] [*Begins at 00:04:40 and ends at 02:55:21*]

Chairman Christopher M. Dueñas: *Manana Si Yu'os Todus Hamyo* and Welcome to your Guam Congress building. Thank you for joining us. This morning, the Committee on Finance and Government Operations is now called to order, and the time is 09:02. First notice as the public hearing was disseminated to all senators and media outlets on July 3rd, 2025, with its second notice disseminated on July 8th, 2025.

The hearing notices were also made available on the Guam Legislature's website, our legislative calendar, and the government of Guam's Public Notice Portal. The committee will now hear Bill Number 44-38 (COR), **COMMITTEE ON RULES BY REQUEST OF *I MAGA'HÅGAN GUÅHAN*, THE GOVERNMENT OF GUAM, IN ACCORDANCE WITH THE ORGANIC ACT OF GUAM – AN ACT MAKING APPROPRATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH**

OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS relative to the Department of Public Health and Social Services.

Joining me for this budget hearing is Senator Terlaje , My Vice Chair and Vice Speaker Senator Tony Ada, Senator Sean Gumataotao, and Senator Sabrina Salas-Matanane, the Oversight Health Chair and thank you for joining us. Those testifying for Bill number 44-38 relative to the Department of Public Health and Social Services.

Please take a seat and you have, and I thank you and welcome. We also have, of course, this morning former Senator Amanda Shelton who will be making presentation as well. Welcome Senator or at least supporting before we begin, I'd like to remind everyone in attendance of *I Liheslåturan Guåhan's* General Rules of Conduct. Individuals testifying shall first be recognized by the chairperson before speaking, and shall state their full name for the record keeping purposes. Questions and testimony shall be confined to the substance or nature of the bill that's on the agenda. Personal inferences to the character or motive of enhanced senator or individual testifying are not permitted.

The chairperson of the committee may order the removal of the he from the hearing of any member of the *I Liheslåturan Guåhan* or the public audience who fails to observe property quorum. Pursuant to the 38th Guam legislature, standing Rules, any violation of General Rule of conduct will result in immediate removal from this public hearing room. At this time, as you know, it's customary representatives from DPHSS whomever will be testifying or answering questions. Please rise to be sworn in by our sergeant in arms. Please raise your right hand under penalty of perjury.

Edward Pocaigue, Sergeant-at-arms: Do you affirm that any and all information you provide today, whether it be verbally, electronically, and in writing, be the truth, the whole truth, and nothing but the truth? Mr. Chair, they're under oath, you may proceed.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase,* Sarge. And so with that, I will now go to the Director of Public Health and Social Services, Ms. Therese Arriola for your opening and also the way I've been conducting my hearings on the budget is I basically turn the show over to you. You introduce whomever you may have speaking on the panel or just in support and then you'll proceed and we'll take

your presentation. And then after that we'll have the panel ask questions. So, the floor is yours, Ms. Arriola.

Therese Arriola, Director, DPHSS: Thank you so much. Chairman Chris Duenas, 38th Guam Legislature, Senator Therese Terlaje, Senator Sabrina Salas-Matanane, my oversight chair. Senator Shawn Gumataotao, Vice Speaker Tony Ada. Thank you so much for coming. It's a rainy day, but it's a beautiful Friday Biba betnes, so I'm very happy to be here. With me today, well, I don't, Therese Arriola, the Director of Department of Public Health and Social Services. You know, I have to say that slowly because it's quite a long title. And with me are my very capable and very supportive deputies, of course, former Senator Amanda Shelton, who oversees the Social Services Divisions; division of Children's, Division of Senior Citizens, and the newly formed Division of Homelessness and Poverty Prevention. And to my left is no stranger to the healthcare system here on Guam, Deputy Peter John Camacho. and he oversees the Division of Public Health, the Division of Environmental Health, and of course the overall Division of General Admin.

There is one more division 'cause there are seven divisions, and that's the Division of Public Welfare. And I personally took that upon myself to oversee that in that division. Along with being the Director of the Department of Public Health and Social Services. Thank you chairman Duenas and Senators of the 38th Guam legislature. I'm very pleased to be here with me in support are again, my two deputies, but I also have my seven division chiefs. And we will go through that and introduce them accordingly. And I just wanna say it's been 10 months since I've been confirmed as the Director of public health and it's been a very rewarding 10 months. I feel very blessed to be in a department where every day I'm doing God's work and affecting people's lives. So, I feel very blessed that whatever the smallest project or the smallest grant or the biggest in initiative that we are here to serve and to do God's work to the most vulnerable and to the entire people of Guam.

So, I just wanna say that because it's very important that you folks know that where my heart is and my heart is really about helping people. And so I feel very blessed and I thank very much Governor Leon Guerrero and Lieutenant Governor Josh Tenorio for giving me this opportunity. So, before you is a, don't be alarmed, a 51 page slide deck and presentation, but we will go that through it rather quickly.

And it's for your leisure and hopefully will help you in your deliberations as you go into the budget session deliberation. And so, I believe you all have hard copies as well as the AV has the slides correct. And so thank you. And we'll begin our presentation

Håfa Ådai again Senators of the 38th Guam legislature, we are here to present the FY26 Department of Public Health and Social Services, FY26 requests budget requests. Next slide please. The department, as I mentioned earlier, has seven divisions, division of Public Health, which is the largest division of public welfare, second largest division of senior citizens, the division of Children's Wellness, division of Environmental Health, the division of general admin, and the newest division, the division of homelessness assistance and Poverty Prevention.

Next slide please. Just a real quick, brief next slide. Just an overall briefing about our enabling legislation, I'm sure you're very aware our mission statement to assist the people of Guam in achieving and maintaining their highest level of independence and self-sufficiency in health and social welfare.

The division and our vision statement is to have a community that is empowered individuals with healthy minds and bodies thriving in a safe and nurturing environment across every stage of life. Next slide, please. That is our organizational chart that you have the opportunity to review at your leisure.

Next slide please, and to the meat of it all and why we're here. Senators, I come before you requesting a total of $254, 617,375 of which 74,161,330 comes from the general fund and special reserve funds of 3 million for a local request of 77,175,946. Of course, we're asking for federal grants match of $177,495,429 for a total of the total request to $254.

I had shared the personal, the personnel and operation percentage that's makes up about 9% on personnel and 91% of operations. And I would like to just emphasize that in a health and human service organization, that's pretty awesome. Normally, it's kind of the flipped, but I am, I'm grateful that we have personnel, but the majority of our funds are going to serving our people and directly serving.

Those most in need, it should be noted and that it does not include the a hundred percent federally funded employees for the federal match. It's not only just the match that we ask for our grants, but it's also for the match of the percentage of employees, so that require a match. The only thing that's not here is the a hundred percent

federally funded employees, which as you know, you normally the speaker gets our federal reports quarterly, and I'm assuming you folks all get that.

Next slide please. That is just a breakdown of where the $254 million is broken down to in, in the divisions, the seven divisions.

Next slide please. We'll start with the division of general Administration and what I put before you, before every division presentation is frequently asked questions or concerns out there in the public that in hopes that I will be able to address these questions. Straightforward. The division of general admin is led by acting admin division Chief Quin Blas, who has been extremely helpful in the budget preparation and I thank him for all that he does. He is here with us today. So I just wanna go through rather quickly, some of the frequently asked questions, I think abo if everything in these days, it's regarding the impact of the Triple B Act that President Trump just signed into law.

I just wanna say in overall there are, there is, it's a status quo. There is no effect of the Triple B Act for the department for this fiscal year and next, which is the fiscal year we're asking funds for, you're going to see some impact in beginning FY27 in SNAP and Medicaid eligibility not to say that there was an impact in the earlier March and April.

But we will get to that because it was impacted in the division of public health. And I will explain how we handled that at the time. But overall, there is no impact. The current fiscal year and the, and FY26 in which we are here today asking for funding, the Department of one space bid. I think earlier on in in June of last year, I was acting Director at the time, not confirmed yet until September and I had shared with the 37th Guam legislature of my need to bring all my children together. And so what did I do? It is necessary to be in one space and so we put out an IFB and the bid advertisement was put out in May. Questions and concerns were answered in June, and the bid opening was July 1st. It is an IFB way over $500,000 requiring the ags review in every step of the way and we are awaiting the AGs office review. It is my understanding, I have no idea, but just by hearsay, knowing that people are interested, that there are bids out there for the one space and this is Senators, the one space for administrative space. And so here we are. We're waiting. We're excited. It just passed. And so we're hoping to hear back from the AGs office about how many people bided and move forward from there. Increment increments and merit status. I just wanna address that 'cause that's something that the senators always ask. And we are currently up to date and no outstanding as of May of this year. We are processing June and of course July. The central public health assessment, a question

that comes up all the time in different meetings and different avenues. And I know it is something that probably Senator Therese Terlaje is awaiting very much so again per DPW, a complete assessment report is expected by July 25th or earlier. And so we're hoping it's earlier, but we have not received it. So, it's really within this month that we'll be hearing about the assessment by DPW for the ones for the public health central M*angilao* space.

Prior year obligations, all divisions are working on ensuring all invoices for prior years are paid this fiscal year. I've been really focusing on our financial stability here in the department and ensuring that all bills are up to date. And I'm working very closely with the Department of Administration as you know, I can only process the payments. I do not pay out the bills, but definitely working very closely to ensure that all bills are paid on time. Carry over funds in prior year budgets, we've had the ability the department to carry over funding all prior year lapses for everyone's information are being obligated. Pursuant to the current Budget Act authority, funds are being allocated to the division of senior citizens Public health and Public Welfare, welfare, specifically.

Procurement authority: this is something new and I ask that this fine body consider expanding the department's small purchase authority. As you know, we are the largest agency line agency I say, I would say outside the Department of Education, which today is autonomous, but If you look at the budget requests of last year or this current year of 70 million it's almost impossible to react to the market's concerns, especially in the public health space, the community health centers to react of much needed vaccines and medication. And my Direct medical director, Dr. Bob Leon Guerrero, is constantly asking for me, asking me how to fast track procurement when it comes to medication. So, I am aware I'm not, no, I'm not aware of the details, but I am aware that some agencies have come before this body asking for an expansion of their small small purchase authority. I'm asking the same for the largest agency. It is unfortunate that we are the largest agency, but I, but in the past and in our history, the slowest to respond, and that's really not acceptable really to the people we serve and so I kindly ask that you consider similar to how the others, the smaller agencies were able to get procurement authority just for small purchases above 25,000 that the same consideration be given to the largest department that needs to push out one of your largest budgets that you pass every year.

Legal counsel: I wanna thank Senator Sabrina Salas again, there are I understand that there are some departments, much smaller and prob I'm sure well deserving, needing legal counsel guidance right there in their departments. I ask the same $70 million as much as talented my division chiefs are. And everyone, I do not have a

lawyer and I appreciate the Attorney General and his effort to respond quickly, but our department just has way too many contracts, way too many MOUs, way too many requests for guidance that we truly ask that this body consider giving us or authorizing us to have our own legal counsel.

And so, again, I appreciate the Attorney General's help, but I think it does warrant being the largest agent line agency to be considered. And I wanna thank Senator Sabrina Salas 'cause I understand she is drafting a bill and I received it. And thank you so much. And hopefully if that all goes well, we'll be able to introduce it rather quickly, maybe before the end of the day, hopefully but I did say when she sent it to me for review, I will get back to you because I'll see you soon at the budget hearing anyway. So, thank you so much, Senator Sabrina Salas for even considering and helping us out. Again, my chiefs, my deputies, my staff, we know a lot in putting things together, documents together, crafting drafts together, but no one, not, no one is a lawyer and it is sometimes scary to start, you know, going down that path and hoping always that we're doing the right thing without day to day guidance, legal counsel guidance. So, thank you so much for at least considering, and I'm sure that Bill will have its day and we will be here to testify overall employees for the department.

As of yesterday, we have a total of 492. Sorry, I should be wearing my glasses. Normally we hover around the 510, but given natural retirements and a recruitments and process today, warm bodies, we have 492. I've given you the breakdown of federally funded, locally funded, which I'm sure that's your concern and classified breakdown and unclassified breakdown.

Next slide. So we'll go over general administration's overview, of course, general admission, administration service all the six other divisions in the department. They are support division. Before you is of course its major functions, HR, finance, procurement, compliance, performance improvement. There's the programs I just want to highlight. One of the biggest programs that the federal government I think you've heard them speak about is the PHIG grant. We've had the opportunity to have to be awarded the PHIG grant and to date. We have been awarded $11 million in the PHIG Grant and hopefully I know there's some discussion in the federal side, but hopefully the PHIG Grant will be okay because it really helps us to strategize our workforce capabilities and data modernization in the administration.

So, the department is only as strong as its bones and its structure. And so, this grant really helps us prepare for that. Of course the Health Professional Licensing office

is also under the division of administration, and they manage and support the 10 plus boards that require licensing from the department.

Next slide please. Accomplishments the business process, improvement on recruitment. I wanna thank BBMR, department of Administration. There's, in the past there's always been a concern about the timeliness of recruitment. You know, we have October 1 where the budget goes into effect, but we don't really get going until the third or fourth quarter. I'm happy to say that the floodgates are open and I am recruiting rather quickly historically rather quickly. And so, and that's because of a partnership with ASTO who has helped map out in collaboration with BBMR and DOA. When Governor Lou Leon Guerrero asked ASTO to help the Department of Public Health to please help us streamline and figure out how we can provide better recruitment process and timeliness, it not only helped our department, but helped the Department of Administration and BBMR. And so we were all on the table and here we are today. So business process improvement on recruitment took place and it's better streamlined. We have better understanding of each other's roles and we are, as I mentioned earlier, we recruiting in an historically fast pace.

Some of the initiatives I'm happy to report. I seem to be, I can't get away from accreditation, whether it's sanctuary or behavioral health. I'm proud to say that one of the largest initiatives that the division of administration is spearheading is accreditation. And we are, our application will be going into the Public Health Accreditation Board next month with a goal of achieving accreditation in November of 2026.

So, the staff has been really working hard to get our department, specifically the, the division of public health up for accreditation. Why is that important? Because it's important to show that the public, our stakeholders, policy makers, that we're doing our best to stay on top of the standards, the national standards, and not go below it. And so this is all about building capacity and making sure that there is some faith and hope in our process and in our serving of our people.

Our PHIG grant that I mentioned earlier in collaboration with Otech, that's another initiative we're working on. Strengthening quality data, quality exchange and use for implementation, electronic health records, vital records, improving data sharing between the divisions and our website. And so we wanna thank Otech for that. And again, that's funded by the PHIG Grant. HPLO, some of the highlight initiatives is they rolled out online applications and they're working to roll out the eight additional boards online application as well as the online practical exam starting August 1st for

the Guam board of Barbery and cosmetology. Did you, I'm gonna keep going and, okay.

Alright, thank you. And then next slide please. I'll go into the largest division of Public Health. Some questions, frequently asked questions that I hope will address the impact of the March 24th federal cuts. So earlier this year, as you know, public health through the Trump administration removed and terminated certain federal grants that were COVID related or COVID supplemental. And I am happy to report that we did not lose anyone in those cuts, rather, 26 employees who are either fully or partially funded were reallocated to other divisions or programs that had openings. None of the staff, that was about six grants by the way, that were all COVID related, supplemental COVID related. None of the staff were forced to resign. However, two of the staff rendered their resignation, I guess, knowing that they are on grants, they already understood that there, whether it was in March or further down the line, and I believe it was May, it was coming, it was months later, but it was coming. They just voluntarily resigned at that time.

What's the status of the capital improvement projects for the Division of Public Health? There are two CIP projects. Of course, the lab that most of you and some of you have attended, the groundbreaking in June and I mean, I'm sorry, in March. And we are expecting a completion date of June of next year. And we're very excited because it's not only a Guam Public Health Lab, but a regional learning lab and in collaboration with the University of Guam. The other CIP project affecting the division or within the division of Public Health is the expansion of the Northern Community Health Clinic. We just had a groundbreaking June last month, and the target completion is March of next year.

And we're really excited about that as you know, the Northern clinic is, or smack is located in Dededo, the largest village on Guam. And so any expansion of that facility, which is older than the southern clinic and smaller is greatly appreciated. And so we're grateful for those. The funding for the lab came from DOD in partnership with the community, the governor's community, Defense, lay liaison office and public works. And the expansion Northern Community Clinic is funded by ARPA Grant ARPA money, as well as the commu some community health income project income. This has come up before, you know, the return of dental services, the contract for dental services. First of all, it's always been my intention to bring those services back. The contract of the provider is again, currently under review at the attorney general's office.

Next slide. How many healthcare providers at the community health centers? That's often a question. How many doctors do we have? And we have 13 healthcare providers and the breakdown is there for your review. The operational hours of the community health clinic again, are eight to five business government business hours, the southern clinic, same government business hours, eight to five, Monday through Friday excluding holidays and weekends.

It was brought up in the past. How can we get the southern regional community center to be an urgent care service? Unfortunately, the community health clinic operates under HRSA's approved scope of work, which prioritizes primary preventive and chronic care only. And so for us to go into urgent care, we would need outside funding that, or local funding that the community health clinic does not receive today.

What's the status on the specialty clinics that were located in the Central Public Health Clinic? So again, the Central Public Health Building was not the clinic of the Northern Clinic and the Southern Clinic as clinics, as we know it, as the public know it, going, being able to go in and see the doctors. This the specialty clinics that were located in the central clinic were the specialty clinics that were run by certain grants, TB, leprosy, sexually transmitted disease, HIV diabetes, hypertension, tobacco sensation, cancer control, maternal and child health, maternal infant, and early childhood home visits. And that IFB 'cause I went out to get, to be able to place these specialty clinics in commercial space. Again, is under AG's review. Next slide, please.

This is an overview and the mission of public health and in the next couple slides, you'll see what the division is responsible for, and in bold, you'll see either the bureau or the specific program in which those functions are addressed by. And so, I don't know if you want me to read it, it's gonna take quite a bit, but the Bureau of Primary Care c the health Center, or better known as the Community Health Centers, the Bureau of Communicable Disease Control, the Bureau of Family Health and Nursing, the Bureau of Alternative Medicine, and the Guam Public Health laboratory, of course, all falls under public health as well as the Bureau of Nutritional Services, better known as WIC is also under the Public Health Division. The Bureau of Communicable Diseases is again under the Division of Public Health.

Next slide, please. The dev the Office of Epidemiology and Research. The Bureau of Communicable Disease Control and the Guam Public Health Laboratory are all under the division of Public Health. The Bureau of Non-Communicable Disease, again is, and the Guam Office of Minority Health is under the Division of Public

Health. The Office of Vital Statistics is under Division of Public Health, and the Bureau of Alternative Medicine is under the Division of Public Health. I wanna recognize the chief of the division, Katherine Anka, who's with me, very hardworking, and I very much appreciate her support.

The total number of employees just for this division out of, as I mentioned to you before, 498 is 207, with 192 being either federally or locally matched. Either totally locally funded or federally matched. Locally funded is 15, I'm sorry, locally, fully, locally funded is 15 with the majority of the division having a federal and local match cost share. We have 166 classified employees currently in the division. These are warm bodies today and 41 unclassified employees.

Next slide please. The Division of Public Health Accomplishment, So many, but I'm going to hit one or two on each. Guam Public Health Lab, Of course, the biggest accomplishment is the new facility coming on board and we're, we can't wait for next year. And I know that the employees who can be who are watching, who have the ability to be able to watch, who are not serving the public face to face today maybe some of the public health lab, they're so employees, they're so excited.

I've reassured them. They're not gonna be moved from the current Rancare lab because it is certified and they won't be moved until they move into their permanent home in *Mangilao*. Another thing, and I really wanna thank Congressman Moylan for this. He reached out right after the march federal cuts came down, reached out to me, we met, and about a month told him how the impact of the cuts affected, specifically the division of public health. He came back to me about a month later, asked me to put in an application for his community health community project funding that Congress, all congressmen are able to provide government offices or nonprofits. They are limited. And a month later we put in our application the division worked hard on that month later, he called me and he shared with me that 1.9 million will be of funding. He is allocated for the Biosafety lab. Why is that so important? Because part of the funding that we lost in the cut in March, late March, early April, was to purchase a new gen X machine when that funding went away, that was my big, our biggest concern. How are we gonna get that machine the most up-to-date machine? We have machines, but the most up-to-date machine when the new lab opens. And when we shared that concern that's what's his focus. And so we thank Congressman Moylan for 1.9 million that will go specifically to equipment and needs for the new biosafety lab that's being constructed in *Mangilao.*

Office of Vital Statistics: there are so many more achievements and they're listed for your review, but I will go on to Office of Vital Statistics. Today we have a permanent territorial registrar. Why is that important? Because consistent leadership is important and we've been running on an acting for many years, five years, over five years. And so I'm very happy that we finally filled that position. And they work very hard. Just in the six months of this calendar year, they have serviced 10,919 visits, and one of the achievements is an electronic intake kiosk that was implemented September of last year and is helping the flow of the OVS office.

The Bureau of Alternative Medicine, or better known as medicinal can marijuana. Completed the development of the childhood flood led, blood LED level investigation protocol may of this year. And that is in concert with the lead initiative of this administration that came down from CDC and that falls under the Bureau of Alternative Medicine. The Bureau of Communicable Disease Control unveiled the Guam Path to zero leprosy Roadmap and Action Plan January of this year. I also wanna highlight that it's the first time CDC recognized Guam as a 2025 TB eliminator champion, and that I want to give kudos to my hardworking staff. And also not only was the program recognized, but a specific person and Nurse Alice Cuenco who is under the Communicable Disease Control Coordinator for tuberculosis. And so they were both recognized by CDC and were very proud of that recognition and very proud of them. The program and Mrs. Cuenco.

The Bureau of Family Health and Nursing Services again, they were recognized by CDC for the TB elimination Champion January of this year. They also coordinate our partnership with scripp, I'm sorry, Shriners. And they served 242 kids from October of last year and 223 children May of this year when Shriners Hospital, Honolulu Hospital came to Guam. So that was in partnership with Honolulu. Shriners. I was able to meet them in one of my meetings in Honolulu. And I, you know, I saw where our kids go, where their families stay, and you all should be comforted that our children and our families that are referred to Honolulu are well cared for. And we thank Shriners Hospital in their effort to not only help our children that are referred off island, but the help that they gave the over 400 children that they see when they do make their visits through the islands in the region.

The Hemi, the hemophilia Clinic where Bleeding Disorder Foundation serve 20 families in October and June of October of last year and June of this year. Hemophilia is a genetic disease and families have to live with them, and we are here to support them.

Two staff completed the Adaptive Leadership Academy for home visiting in March. And again, we completed the home visiting program, and we have been, it is unofficial, but it looks like we're gonna be re-accredited, re-accredited for that program. Again, but their visit last month was very promising. Again, it's unofficial because we haven't received the award letter.

Next slide, please. The Bureau of Non-Communicable Disease, the Mobile Health Clinic. You'll all see that in a couple weeks down the parade route. And you also were invited to, some of, most of you were invited to the ribbon cutting and the dedication during public health month in April starting October of this year, the team of BNCD will have a monthly village outreach visits in collaboration with the village Mayors. So, this mobile health clinic. Is going to be mobile the way it should be. And in the community visiting villages and specifically visiting hard to reach or at risk communities where transportation is a a concern and troublesome to get to one of our health clinics, we'll go to them and we'll start off with immunization.

The Bureau of Nutrition, or better known as wic, launched its MIS system for WIC, benefits of June, just June of last month 99% satisfaction rate of their survey. They take surveys, breastfeeding rates, which is a good thing, has gone up from 2021 to 2025, 2024 to 88%. It's a good thing. Commodities increases inflation. Milk is hard to get. And the best milk for our children is our mother's milk. And there is a steady growth in participation, we have 8,996 clients in FY24 and FY21 to this year, 9,000 last year, 2024, 9,000 9, 870. So there has been an increase of those who come to the WIC program and I thank the WIC staff that's listening for their effort in just outreach and getting the information out there and making sure that those who can qualify do take advantage of the WIC program.

The Bureau of Primary Care Services or what you would know as the community health clinics. Again, I mentioned the groundbreaking of the expansion and we expect the completion in March of next year. Behavioral health follows me seems wherever I go but I'm very happy because it's all about holistic health. We're expanding the behavioral health services with the onboarding of a clinical psychologist and a social worker last month. And I'm happy to report that we have been re-certified as the of the Northern Regional Community Health Clinic as a patient-centered medical home in April of this year. So, congratulations to, by the way, our new CEO of the community health clinics Sherilyn and her entire team who is probably watching those who can, who are not helping patients. We are so glad that Sherilyn's on board. I'm ha I'm sorry that behavioral health lost her. But we are happy that we have a permanent CEO and that again, similar to other leadership

position, it's really important to ensure that steady and permanent leadership is in place.

Next slide, please. We're still in the division of public health, which is probably the reason why we have a title, public Health, but the division is the largest. And again the lab is under the division of public health. We have the opening of the lab, which is an initiative. We're into initiatives now, finished accomplishments, initiatives, our ongoing projects or special initiatives and focus that we are at.

Again, a laundry list of initiatives that every bureau, every office in the division of public health is pursuing. But we've highlighted some of the key for your review. And I think with public, with the lab, what's important is to recognize that the lab is not only we're very happy 'cause it's located on Guam with the military and the support of DOD funding. That's really important with the military buildup. But more importantly is a regional lab. And a regional lab, meaning the region, the Micronesian region, is going to be able to send their specimens to our Guam lab and not have to send it all the way to Atlanta and for faster results so that proper protocols and service and health direction is given rather quickly to our brothers and sisters in Micronesia. Epidemiology, I'm happy to report we have an epidemiologist. Again, very important to have steady leadership. We will there is a proposed amendment of the law that I wanna highlight and maybe bring to senator's attention. Of reportable diseases. So there's a list of reportable diseases, but we as a division and the office of epidemiology as well as the committee has looked at other important diseases that should be mandatory reportable that is being reviewed by the AG.

And as soon as we get that, we will bring it propose that legislation. We have a regional epidemiology training in the fall of this year and ongoing project for statistical data gathering for the official OVS annual publication. This was brought up last year and last year's budget hearing that we haven't had an annual statistical report, and that is correct. A lot of reasons behind that staffing shortage. But with all that coming into play now with recruitment, getting better epidemiologists in place staffing, getting better, the collection of data, whether it's in the epidemiology or the OVS Office of Vital Statistics is ongoing gathered and we should be getting a report out rather soon, very soon. That's the plan.

The Bureau of Alternative Health, again, I mentioned the Lead Poisoning Prevention plan will be developed by October of this year. I had mentioned that the protocols were already developed, but now this is the plan.

Next slide, please. The Bureau of Communical Disease Control. In partnership with Guam Waterworks Authority pending AGS review we should have a National Wastewater surveillance plan in place. The Influenza Bird flu response is ongoing and the proposed amendment of law of governing the Guam Immunization Registry will be forthcoming for the legislatures review.

The Bureau of Primary Care Services. Again, some initiatives for that, for what we all know as the community health clinics, Northern and Southern is to strengthen the reproductive health access through strategic integration. By the end of this month, the new electronic health record biba for this, it's 12 years in the making will be ready to go January of this coming January. The new pharmacy management system was launched last quarter, October of last year. Workforce expansion and partner partnership with Department of Labor, again was expanded last year. And staff certification in medical coding started. And why is that important? Community health clinics does not ask for a local appropriation.

They run with HRSA Grant and their own program income billing. All the folks that come into their clinics, like any other clinic, billing, Medicaid, Medicare, well not Medicare 'cause we're not Medicare certified yet, but we'll get there. Medicaid and the third party insurance companies it's important that their billing department is, their capacity is strengthened so that they can bill properly and efficiently and to the maximum. And so, the fact that we're training and making sure that they have certified coders for the billing is only going to improve their billing collection and billing services.

Next slide, please. Oh. I am happy to say that Division of Public Health has been wrapped up. I know it's a lot, but it is the largest division. I am happy to answer any questions after and during, or even after the whole public hearing, but it is an hour in and we'll go into the division of Public Welfare. So this is my fund division. As I mentioned, I kind of took this under my wing, the Division of Public Welfare. Here's some questions, hopefully it will answer some of your concerns. What's the impact of the one big beautiful Bill Act on Guam? Again, you're not gonna see any impact this fiscal year 26, whether it's in the snap space or the Medicaid space, but you will see impact in 2027.

So that's something we need to plan for in the next budget cycle. And it's very clear that and again, these are preliminary, right? The president just signed it into law. I have all my national correspondence and consultants. Feeding us information, how it's affecting the public health space and how it's affecting the Medicaid space.

And today, this is what we have today. I pray that this is all but if there's anything, I'm sure we will be sharing with all of you. But right now in the SNAP space, something to be mindful of in 2027 is that currently we share 50 50 percentage cost in admin. In 2027, that's gonna drop with a heavier share in the local side.

So what does that mean? The local share request is gonna go up to the legislature in 2027, and we will have a better gauge on what that number is gonna look like in the next year. What is the sum, the status of summer EBT? Summer EBT is the SNAP program that delivers snap allowance to all children in the school system, that's, that takes part of the free lunch program, so that's DOE and a few charter schools, but not all school children receive it.

We are scheduled to launch it at the end of this month. We are waiting for approvals of plans from FNS and from I believe we have a contract for our vendor at the Attorney General. We're waiting for those things and so once the plans and the vendor contract, our hope is that's all gonna come together in the next couple weeks so we can launch summer EBT, summer Snap for Children late July and hopefully no later than early August.

I'm hoping that we will be able to get it out before the new school year ends. That's my prayer. And so we that's the goal I wanna mention about our application because I know that when the Snap, Medicaid and cash applications come in, there's a lot of public perception of our timeliness. And I wanna assure the legislature and the people of Guam listening that today I am proud, so very proud of the Department of Public Welfares team our consultants and everyone that has helped improve our rate. We have always been known, I get it from our governor, Lieutenant Governor. From senators, from the radio people from the public. You know, I haven't heard from here, I hadn't heard from my application. And it's all warranted and you will see in the next coming slides what we're doing to improve our efficiency in the division of public welfare to better serve our people in a timely manner.

But it's important to address that yes, timeliness is being addressed and we are today processing in a timely manner. Since January of this year, the processing application has improved by 68%. That's huge. When you are told nationally that our program is in the bottom tier. So 68% FNS, our funders are happy because they were hoping for us to hit the 60% mark.

Our team hit the 68% mark. So congratulations to the hardworking team out there that very often are hit left to right with complaints, but know that we very much appreciate your efforts. Recertification, this is an annual recertification timeliness

has reached 92%. Things are getting so much better. A centralized phone and email system in the past, everybody, there was 10,000 numbers, so many emails, people feeling public, feeling not being called back or returned email. I put out a press release recently that you all should have received that We have a centralized email and number, a dedicated staff that's answering those phones, answering those emails in the specific deadline 48 hours for emails and return phone inquiries within 24 hours.

The backlog for applications have been reduced 78% since January of this year. I wanna, I failed to recognize the Chief, again, a permanent chief for the division of Public Welfare. We've been having an acting important to have permanent leadership. Thank you so much to Francine Salas and her entire team, Francine is here with me.

She probably, you know, of all the Chiefs hears from me every day because as I mentioned, public welfare I took under my wing. And so, thank you Francine for for helping me uplift this division. That was for many years getting so much bad publicity and now we're proud of the improvements and more improvements to come.

Are our provider payments current? Are our doctors, our health providers? Absolutely. A hundred percent of clean claims have been paid, and this is as of June. So in the past, there's been a payment issue. I wanna specifically recognize the acting administrator for hfa, Annabel Crisostomo, for engaging a program and a plan as well as Francine to ensure that backlog and our payments are on time. And why? How do I know? Because I'm not getting calls from anybody that we're owing money. So that's a very big indicator when nobody's calling our office or the front office or your offices that they haven't gotten paid. So thank you so much. So that's pretty much the frequently asked questions. I'm gonna go into the overview of the Department of Public Welfare, which is the second largest division in the Department of Public Health.

So next slide please. This is an overview, their mission. We have a state office. We currently have a Bureau of Economic Security. This bureau, just so everybody understands, is the bureau that processes all applications for all our services whether it's snap, Medicaid, cash assistance, Tanf, the Bureau of Management support, which in the near future we're going to be changing its function and its title to the Bureau of Program Integrity, very in line with the national Administration's Initiative to ensure the lack or the lack of, or the elimination of fraud, waste and abuse.

And last but not least, again, I mentioned the Bureau HCFA, the Bureau of Healthcare Financing, which houses the entire Medicaid program, CHIP program. Our locally a hundred percent funded MIP program and the enhanced Allotment Plan program.

Next slide. Operational snapshot for everyone. Our Medicaid clients are at 43,000. Our MIP clients are at our 116. Our SNAP clients are at 43,972 and our cash clients are at 1,192. Expenditure. You can see it's broken down by federal and local share for every Medicaid, MIP, snap admin, snap assistance, cash admin cash benefits right there for your review. That's for 2024 as well as 2025. Just for the comparison, 2025 is only as of June of this year.

Next slide please. The Division of Public Welfare. It was very clear when I came in that we needed to make some changes. Again, a lot of the complaints of the department was really specifically about our responsiveness to the people we serve in these programs. So, but there was a lot happening. Recruitment was slow. People were retiring and we needed to make the needed change in people, the process and the technology, most especially in outdated technology that our funder CMS has been asking us to improve. So, what is the Pathway to change?

Next slide, please. The division of public welfare pathway to change as when I came in and I started understanding what needed to happen and going to conferences with the Medicaid territories was the leverage and reuse process before you is the federal authority for leverage and reuse the local authority that was passed by the previous legislature. Leverage and reuse allowed me to leverage West Virginia and the US Virgin Islands to use their program management office consultants Barry Dunn, as well as their pharmacy benefit solution, Consultant, SGRX. I wanna highlight funding the advance planning document. All these changes needs money, but I also knew we needed to tap federal dollars and not local if we could. The advance planning document process was a process in which has been available to the government and to the department for decades, but has never been utilized until today. I am happy to report senators. I wish this was local dollars, but it is federal dollars that I have secured $38 million in federal funding just in the last six months with additional $6 million pending CMSs approval, that equates to a minimal seven point million local investment in FY 25 and 26, 38 million to improve our process for another 10-20 years of efficiency is what we're, is what we're excited about.

Next slide, please. The Division of Public Welfare's new high impact initiatives. This is a breakdown of initiatives that we're doing through the leverage and reuse process and all the transformative changes that we're doing in the public welfare division.

The what has been initiated and active, what is in the planning stage, what's in the analysis stage, and what's in the horizon. One of the things that I should let you you good senators know and I'll be reaching out to, the speaker's office as well as Senator Sabrina's office is because of all these changes, these wonderful changes that's happening in our division, as well as the $38 million that I secured through, we secured through the APD process.

CMS is coming to Guam and they're coming liberation week, and they're gonna meet, they're gonna, there's training. And at the highest level, the technology it's not the, it's not the CMS secretary, but when it comes to the transformative and technology division of CMS one of the deputies are coming as well as Dolly who testified two years ago when the leverage and reuse bill was up from CMS, as well as our program officer who helps our team and talks to Francine like every day, three times a day, to make sure that all these things, all these transformative changes, all these APDs, it's a lot of dollars. We are talking to them. They are blessing every step of the way. They are not gonna give, not in light, in the federal landscape right now of tight budget. They're not gonna give Guam $38 million and not make sure they have 10,000 eyes and ears on us. And that's why they're coming. They're very happy about the change, but they're also very in partnership, hand in hand watching us implement everything exactly how CMS wants it, because again, fraud, waste and abuse, the elimination of fraud, waste, and abuse is the key when it comes to efficiency.

Next slide please. There's the achievements, and most of that is based on the APD achievements, timeliness SNAP funding 315,000 was returned to the program that was recovered through the investigative bureau that I had mentioned earlier that we're going to hopefully work on renaming as program integrity. We have eliminated fraud prevention at 97 SNAP cases. We a very big win. I want to emphasize this, the SNAP program, like the Medicaid program was not doing well nationally. We were always on the bottom tier. I am very happy, Christine. So Nicholas and your team, thank you so much. She's the bureau chief of bs, Francine, Christine, the entire BS team. We are out of the liability status today that just, that was an announcement we just received recently, like in the last two weeks.

So I'm so happy. This is just an example of what efficiency needs to happen so we can get out of these low tiers, bad statuses and negative light, whether it's from our funder or to the people of Guam. So I'm very happy. Thank you so much. Christine and the BES team. Claim payments are current. That's so wonderful.

Nobody's calling me. Now not to say that providers don't call me 'cause they call me a lot, but they call me to see if their reimbursement rate can be increased and I've told them that the only way locally we can increase their fee is to get more efficient. Have cost savings so we can reallocate it, reallocate those fees to higher reimbursement rates.

And so that's really the goal. Whatever savings, because of efficiency sake, we can redistribute federal funding. So that key like dentistry who hasn't, dentists who have not gotten a fee increase in like forever OBGYNs and dialysis, which is critical life saving service. That's the goal. Find the savings in the efficiency process and redistribute those savings to the providers, including savings in our pharmacy. And so you'll see on the right there, we have looked at for off island pharmacy through leverage and reuse with SGRX, our pharmacy benefits manager, we have already in just the three month period, I think of April, may, June, March, April, may, we have already realized a 15% reduction in medication because the, our PBM is nega negotiating with off island.

Pharmacies to reduce the cost of our meds. And by the way, these meds for off island pharmacies equate to only 50 50 patients. Out of the 43,000 patients that are seeing seeking hemophilia services and dialysis, that that really our Medicaid funding spends about every quarter just for 50 patients, about 5 million, 5 million times, four quarters, $20 million of all our Medicaid cap is only for 50 people because they're the sickly, the most sickly, the most vulnerable. So, any savings we can do for their medications to go down, we can definitely use that help. Faster Claims turnaround, we see claims going in between one or two weeks from providers. Eligibility application backlog has been slashed 78% as I mentioned earlier. Reduce client wait time for services. Very happy to report that in-person Service is now under an hour.

Now, If you have come to the Snap and Medicaid office and seen the lobby with that is overflowing outside the hallway, I would say three, four months ago. It's amazing what that we are today servicing people, but it's again, people would have all their documents in order in less than an hour. So a lot of great changes in the public welfare division and the bureaus. And again, communication. We have the single email and the single line with a response of 48 hours and 24 hours in advance, I mean, respectively.

Next slide please, some of our matrix for your review. Next slide. And we are done with public welfare, right? Homeless. I'm very cognizant of the time. So, we're at 10:20. I'm gonna let me take a drink.

Division, our next division thank you Senators for staying is the division of homelessness Assistance and poverty prevention, or better known as DHAP, which was known prior to as DHAP, which was an office out of the governor's office. But recognizing that homelessness is not a administration's project, but an issue that has been here for decades and probably gonna be here for a while. It needed to be placed in a department where it can continue no matter what. And so what is the status of DHAP through executive order? This year we moved the Office of Homelessness and Poverty Prevention to the Department of Public Health, where our mandate is best suited because our mandate already says that we are responsible for taking care of the most vulnerable, including the homeless.

So, the purpose of DHAP as a division again, is to provide assistance to the homeless.

Next slide. We have the administration through the leadership of Lieutenant Governor Josh Tenior a human service cabinet team. Rob San Agustin, who is leading this division and who is with me today. Thank you, Rob, for all your hard work and your team, your small team, I should say. We have been looking, the administration has been looking at how do we stand up shelters and housing for these, this very vulnerable population.

So, in the chart that you were given, you'll see there's quite a number of housing shelter initiatives in the works. The Anigua apartments, the Tamuning drop-in facility, which is a bed for the night. Those of you in inner cities, you know, shelters for a night. Can't believe that Guam is gonna have one, but there is a need for one today.

The Tamuning Adult Transitional living facility that is directly behind the ran care building. And we are looking at I should go back to the Anigua Apartments. The occupancy permanent is in place. We're looking at occupancy of fall of next year. The Tamuning Drop-in center, which is a bed for the night. Go in, go out, have services go out expected online date is October of next year. The Tamuning Adult transitional living facility, we is behind Rancare. We are expecting to open fall of this year. And at this point, I want to thank publicly, the Latter Day Saints Church and their mission for helping Governor Lou's call for help. They have through their missionary, their national missionary has agreed to partner with us and fund the remaining equipment for the entire facility. So thank you so much to the elders of the Latter Day Saints Church, Yigo 21 Apartments. It's 12 units that are ready to go online August 1st, and the renovation of the rest of the 21 of the remaining of the 21 units is ongoing and will go online as they become completed. Go ahead.

Amanda L. Shelton, Deputy Director, DPHSS: The Yigo 21 apartments will be used for the reunification of families. So, mothers transitioning out of prison or other programs and who have children in foster care or in relative placement will be able to live again together with their children.

Therese Arriola, Director, DPHSS: Thank you and last but not least, the ministry to the Homeless Soup Kitchen. It is the 20 we have secured. So, we have partnered with the Catholic Church. This homeless kitchen is known as down here in *Hagatna Karidat* Kitchen. As you know, many of us are regular sponsors of evening feeding. The minute we were able to the legislature gave us $500,000 in the last budget or this fiscal year's budget, we were able to partner with a Catholic church and the Ministry of the Homeless Kitchen.

And we asked them, what are the days that has not been sponsored and we will take over. So we have secured that this kitchen will be able to feed the hungry and the homeless until December of next year with the division of DHAP covering the 20 nights that were not secured by family sponsors. So, now 365 nights our homeless and our most vulnerable will be fed.

There's an overview of DHAP for your review. I just wanna point out that it is a division, a new division. Again, this is new funding. This is where some of the funding you're majority, not majority, but a little bit of the funding, you're gonna see the, I'm sorry, next slide. I didn't say. Next slide. Sorry. Total number of employees are eight. Currently, they're federally funded at eight, and because they're federally funded, they're unclassified. You can see all the, all that they do. The village outreach case management, they oversee the THAP program, which is the food commodities storage for essential belongings and vital documents for the homeless. They assist with obtaining documents, assist with public health benefits, shelter referrals to Guam Homeless Coalition, which I wanna point out that are Chief of the division is the vice chair for the Guam Homeless and Coalition, and we work very closely with them. And of course, the housing stability Service, which we work with Gora and all our landlords to ensure that our folks who are referred to these permanent housing have continuous support and services.

Next slide, please. Again, a new division. But some of their accomplishments, they have secured a HUD grant of 408,000. Congratulations to them. They secure as I mentioned earlier, the food program for THAP. They have pushed out in partnership with all the village mayors and service 12,000 households for those food commodities.

Some of their stats, you're able to see housing referrals, 51. 20 requests for financial assistance. Birth certificates obtained 32. Mayor, homeless Mayor's, homeless verification letters 69 helping them, helping our homeless with getting Guam IDs 40 emergency shelter services since October of last year, 13 and 196 Inquiries, phone calls, emails, and walk-ins. So this is some of their statistics.

Next slide, please. Some of the current initiatives and upcoming programs Today, we have SAFE or Shelter assistance for the Elderly House La Estates. We were able to be in partnership with the Guam Housing Corporation that manages the LADA houses. Houses Ministry of Homeless. I mentioned we're able to partner with the Catholic Church to feed homeless at the *Karidat* Kitchen, Anigua Apartments, and Yigo Apartments. I mentioned that to you as the list of all the apartments that are coming online. The Domestic Violence Harbor Grant, they've secured the bed of night. They're working on that for, it's in the design phase and the adult transitional living facility. They're taking lead with Deputy Amanda Shelton to ensure that we're opening hopefully in August, if not, then. Shortly after. Next slide please. And we are, oh, I should mention because it's worthy of mentioning 'cause the legislature gave us 500,000 last year for homeless efforts. So, the division, the department took that 500,000 and we partnered with the Guam Homeless Coalition as author as able to as authorized in the law. And the breakdown of that 500,000 is 72,000, is committed to the Center of Hope, which is the women's shelter at Guam Behavioral Health. And the remaining 421,000 went to a grant to the Guam Homeless Coalition. And in collaboration the programs that have been outlined to address is the Safe House, 50,000 Sisters of Mercy. You know, sister Emily, God bless her soul. She's my elementary school teacher. The Mercy Nuns at Cathedral, they feed the homeless in the morning and they take it out of their pockets. When we recognize that Lieutenant Governor Josh Tenorio said Therese you need to go there and see how we can help. So we are partnering with them and we're happy to say that between them and the Guam Homeless Coalition, we're looking at allocating $30,000 to Sisters of Mercy to feed breakfast. So we have breakfast from the Sisters of Mercy for the local community, *Hagatna* and dinner for the Catholic social *Karidat* Kitchen.

That's about 33,000 for the remaining number of nights for *Karidat* Kitchen. The Guam Guam Housing Corporation. The emergency shelter at Lada is at 23,000 annual. Our set housing is a hundred thousand dollars, and that's in the planning stage. Again, these are all in partnership with the Guam Almost Coalition and the Encampment Shelter, which is a pilot project, a hundred thousand dollars allocated.

Again, all through in partnership with the Guam Homeless Coalition. And then that rounds up the new division of the division of Envi division of Homelessness and Assistance and Poverty Prevention. And we will go into at the bottom of the hour, right? So we are an hour and a half in. And we are now at our, how many, three more divisions, but smaller but mighty.

But three more divisions the division of Environmental Health. A question in the room, how are schools inspections doing? And they are on track. I wanna recognize Chief Tom Nadeau, who is here. He's here, and his team for working collaboratively with Department of Education. This has been something the weekly calls, the daily calls. So, we are on track to complete inspections so schools can open August 7th. 32 schools have been inspected and four are still pending for the fiscal year and top five violations. Of course, as you can see floors, wall ceilings, exit door windows. These are issues of wear and tear and really aging and aging. School, brick and mortar, not included in the count. So, we've had 32 schools inspected as of June for our pending inspections, not including the count is FBLG and Simon Sanchez who are undergoing renovation and construction. Chief Brody and LBJ who are decommissioned and JP Torres is currently housed with Tiyan in high school.

Okay, next slide please. Sanitation inspections for restaurants, bars, and everything else that we are required by law to inspect. 3000 regulated establishments are conducted based on risk and available resources. And again, there's a lot of information there on how that is determined the risk idle situation.

We do investigate all calls that come in. Next slide, the overview. Of course, environmental health inspects, health regulated establishments regulates consumer commodities. Issues. Regulatory permits, provides environmental health, education and training and manages the mosquito control, food safety, drug diversion, indoor smoking, and public nuisance. Total number of employees that Tom has is 25. Federal and local match funded are two. Locally funded is 23. Of that, 24 are classified and one is unclassified. Next slide please. Continued over Overview. You'll see how health and sanitation, food safety, what they do. It's all enumerated and for your leisure reading, but it's under health and safe. Sanitation, food safety, consumer commodities, mosquito surveillance and control counters service radiological, health and education and awareness. So, this is what the division of health keeps busy every day.

Accomplishments. Next slide, please. They process 19,000 certificates, 2,900 permits, 394 drug registration over 90% of their survey respondents rated customer service as excellent. So, I wanna thank the hardworking DEH staff for that. They

respond to every single public complaint that comes in the health for health and sanitation. And boy, we've had some recent big ones.

And unfortunately, most of these sanitation, some of these reports, most of it, if not all, are really roach infestation, where you might have seen us close down certain establishments. But when it comes to food, I think it's unfortunate. Our humidity, it's island life. We have roaches and we just need to stay on top of that. But I'm happy to report that those establishments who do get complaint and we shut down, do everything in the power to get back on. And we don't open them up until they show three days of roach free. So, business license and permit center expanded to daily service since August of last year we provided 1100 consult consultations and 641 business clearances.

Consumer commodities program. We are in partnership with FDA, they actually have an office in our Northern Mosquito lab. We are improving the identification of unauthorized commodities. These are commodities that FDA's listing shows that there's they might be of risk to our health if consumed or used 181 detentions involve nearly 162 pieces of article or pieces of commodities products. It's kind of high because we come, we are so close to Asia, so a lot of our import commodities food products are from Asia, and there is a way to bypass that and they know what they need to do. These wholesalers, they need to have better labeling with specific so we know and we can determine whether they're healthy.

But just so everybody's aware, DAH does not shut them down. What happens is in collaboration with FDA and Customs and Quarantine, they are FDA trains, customs, and quarantine of all these unauthorized, commonly imported goods, customs. Confiscates, they indicate to us that it's confiscated. We do the investigation, we do the fair hearing. The owners of the products, the wholesalers, they’re able to come in justify, not justify. Some are never returned and destroyed and some are released. So we're doing our part to make sure that whatever comes into our borders in collaboration with customs and FDA and DEH, that our people don't get sick when they're consumed or used.

Next slide, please. Food safety program. We work very closely with Guam Food Safety Advisory Group. We've trained over 12,000 food handlers. No, and this is really good. We, there's no confirmed foodborne illnesses outbreak in the last 11 years, so we're doing something right. So, thank you to the Team Mosquito Surveillance and Control program.

No local transmitted mosquito disease since 2019. Remember the dengue outbreak today we do not have an outbreak, and so that's a good thing. We have weekly traps and identification of adult mosquitoes from 10 sites. Tom Chairs the Pacific Vector Network. That's a very and we're proud of his position there as chairman.

And that comprises of 22 Pacific Island. His colleagues in the Pacific Islands. He also chairs the Pacific Island Vector Management Council, comprised of USAPI to combat mosquito-borne illnesses in Micronesia. So we not only have a handle and on local, our local mosquito program, but we are very engaged through Tom's leadership in the region. The region we to ensure that we have a voice in the regional mosquito surveillance and programs. Next slide, please. Continued accomplishments for DEH. Again, no confirmed foodborne. A lot of these I've mentioned before. It's for your for your reading. Next slide please. We're happy to report.

We have a CIP project for DEH in Dededo. It's $9 million funded by Department of Interior that will. House and train process. The training venue, process center and staff. So when this facility is located, this is where the DEH headquarters will be. They are currently in the a and e phase with their vendor.

And hopefully the target completion date is the end of next year. Through the Governor's Environmental Health collaborative team with UOG GCC and DEH, we've developed pathways for future dev division of environmental health employment via education. GCC promotes bootcamp and development for an associate's degree in environmental technology, UOG Environmental, and developed an environmental science curriculum for bachelor's degree in environmental science.

And DEH is finalizing the revised recruitment and retention plan. Next slide, please. Continued initiatives, the upgrade of the current electronic environmental health information system for online processing of all its applications in electronic field inspection. Our target launch date is the end of fall of next year.

The adoption of the revised school building sanitation regulation. The target is to be adopted and enforce for next school year's inspection. And so what is this? In collaboration with the governor's office with DOE and DEH, we're looking at the standards in which we grade or rate the building, inspection, sanitation inspection, and ensuring that it's applicable to our island and our island conditions.

And so that upgrade and adoption is forthcoming. The implementation of health certificate, cosmetic sanitation training course is targeted for the first quarter of the fiscal year and the adoption of the FDA model food code to replace the existing food code led by the Guam Food Advisory Group is targeted by the end of 2026.

Next, is there anything else? Next slide. And that wraps up DEH, division of Environmental Health. Thank you, Tom and his team. And we go right into division of Children's Wellness. Okay. Okay. Okay, we're on time. I was hoping to be two hours into the presentation. Okay. Two more divisions, not that they're not important, just how it falls.

Division of Children's Wellness. Frequently asked questions, what's the status on local vacancies? This is some of the questions that came up last year that we thought that we should answer just in case it comes up again. Eight funded vacancies, six fields, all social workers and two pending. Is Bossa overtime up to date?

Yes. It's paid up to June. How often are children being visited in their placements? Their placement homes monthly. Are foster care maintenance payments paid to foster parents? Paid? Yes. They're paid up to date, up to May, June is being processed in July. How many vehicles does Bosa have? We have 12 working vehicles.

Four needed vehicles to repair for the the PO for repair service was received last month. Why is that important? The legislature last year gave us 300,000 for vans, for for children's wellness and bosa for CPS use, and I'm happy to report. We've got 'em. So that money is spent. Why is the Essential Worker waiver ending?

I'm bringing this up because this was recently pushed out to our, those who take part in the childcare service. So public health, the Bureau of Childcare Services implemented a temporary waiver for essential workers employees in response to Typhoon Mawar after two years from the initial impact of the Typhoon, the continued use of the emergency base waivers are no longer gonna resume.

Those who are currently today in this federal program will be able to complete their 12 month certification. I know senators that you might be getting some calls about this and the realities are, we are longer. Thank goodness we might have some bad weather every now and then, but we are no longer in a pandemic. We are no longer in a, thank goodness. We don't have an earthquake emergency or typhoon. And it is the responsible thing to do is to go back. And so that's where we are today. We are no longer in an emergency situation, therefore we cannot justify this use of continuous payment of essential workers getting their daycare subsidized.

I appreciate them and when there's an emergency, we will consider and take care of them. But today, thank God we are not in that situation.

Next slide please. What is the status on the contract of the group homes? I know many senators are wondering where are we, especially for *Guma Umanasi*. And here's the contract status of all the children group homes. IGM IGM or **(inaudible)** was sent to the AGs in February and we're still pending the AG review. The last update was in March. And again, we're waiting for the review and the response from the AG. Alee 1 and Guma San Jose. We are currently paying month to month. Their contract has expired and we are, we received the approval to the AG, so we're glad for that. We're forwarding to move forward with the RFP negotiations slated for FY 26. Currently we're at month to month with those contract vendors. Alee II was sent to the AG in December of 2024, and we are waiting for his response on that.

How many social workers does Bossa have? And I bring this up because in prior year budgets, that's always been an issue. We currently have 29 today, and again, recruitment is going well as I stated earlier. Six more. Were put in put in place. How many childcare compliance officers do we have? We have as of June two. The recruitment is in progress for four more. Our CCDF payments up to date, the answer is partially for May and June, pending provider payments. June is pending provider payments. So we are up to date, partially up to May.

Next slide, the overview, you can read this, but basically we have a bureau of in the division of Children's Wellness, which by the way I wanna mention the division is only, where's Heidi? Two years old. Three years old today prior, so I want to recognize Heidi Quinata, the Chief of the Division of Children's Wellness. Thank you Heidi, and your team for all that you do and all the help that you give our children and their families. But it's a 3-year-old division. It used to be, believe it or not, somewhere in the division of Welfare, but was pulled out and is a division three years old, so you're no longer the newest division. Rob is with DHAP the Bureau of In that division, we have an overview of the Bureau of Social Services, bossa, which again handles Child Protective Services, foster Care, bureau of Childcare Services, childcare assistance, childcare licensing, the preschool development grant, birth to five. That's a grant that will be ending soon. It supports early childhood care and education programs. Currently, this division alone has 96 warm bodies, warm staff. 54 are federally funded, 42 are locally funded. 63 are classified, and 33 are unclassified. Next slide, please. Some of the accomplishments I've given you data for the accomplishments. First of all, let me just say that the coordinating inter-

agency initiatives to build early childhood system capacity and earn national recognition, that is really important.

I know Heidi and her team were recognized in a national platform for that. They also manage 20 million in grants with GEDA. And you can read, there's a lot of things that we do in partnership with GEDA. For the record adoption, there's been 42 adoptions from April to June of this year. Family reunification from April to June was seven.

You have data on the right of the number of families receiving childcare subsidies. Number of 3,600 number of children enrolled in subsidy programs, 4,000 plus monthly average cost of childcare subsidy monthly that we pay out 2 million number of licensed childcare centers, 71 in the island, number of licensed exempt school age childcare providers, 56 number of licensed exempt relative and in-home childcare providers 95. On the Bossa side and that is a CPS side unfortunately we've had 1300 referrals for child protective services. Family service to prevent CPS intervention was 245. Number under number of children in CPS custody. Today is 661. I'm glad to say that's a little lower. When it was hovering around 700 and I think previous year was close to 800 number of children in relative care. So, we not only have shelters, we put them in relative care, we put them in foster parents. Relative care is 359. Number of children in licensed foster homes, 127 number of children in non-relative homes, 43 number of children in group homes, 49 number of children in other placements such as institutions or off island 83. The number of licensed foster homes, 91, and the monthly average cost of foster care maintenance payment is monthly, is 403,000 as of June.

Next slide please. Some of the initiatives and ongoing projects that they're working on on a daily basis besides their everyday work. But these are some highlighted big projects, is the alternative method methodology completion to ensure fair childcare subsidies that'll be completed in July. Comprehensive criminal history check with partnership with judiciary of Guam. Thank you very much to the judiciary for helping in that process. That's the Fingerprinting Joint Region Mariana's partnership that will expand childcare option for military families beyond the fence.

I am so proud of this for the first time military families can access childcare outside lifting the border of the fence and making sure some funding flows in and out of our into our community. In the past, if you are a military family, you get childcare in the base, so that's really wonderful to know that we're looking at lifting that fence and making sure that we live harmoniously with our military family.

Family Prevention and Reunification Center grant opportunity with GEDA will be submitted in July. The application to secure foster Care and Adoption Reimbursement through Title IV E. Very important initiative that I talked about when I first came on board for title IV E is very difficult to obtain.

I know we're getting some guidance and consultation but it is also pending the approval of our application for Title four B. So it's a long process, but one thing's for sure, I am confident slowly but surely we're gonna get Title IV E and that's gonna open the floodgates for more federal funding. And last but not least, the contract services for *I Guma Mina'ase,* Alee I and II and Guma San Jose are things that we are constantly following up upon.

And that wraps up Division of Children. And last, but definitely not la not least, is the division of senior citizens led by Chief Charlene San Nicolas, who is here today. Thank you Charlene and your team for always taking care. Our most vulnerable generation, our *Manamko* very dear to my heart. I know Children division gets a lot of empathy, but there's something about our seniors. That we need to ensure that the same kind of focus that we give little kids we give are *Manamko* because the life cycle, they become like children who are very much in need of our help. They're just older, wiser, and took care of us when we were young and so we go into the division of senior citizens again. Thank you, Charlene Nicholas, and your team frequently asked questions. This is a division that takes care of home meals, home delivery meals and we serve 474,000 meals in 2024 to home bound clients in 25.

In FY25, as of May, we have served 320 plus meals to home bound clients. Why is there an increase you'll see in the contractual services? This is just due to national increase of inflation that in compliance with public law, 26-111. So this is the increase is contractual increase of staffing, you know, cost of living, cost of good. Does the division of Senior Citizens Pay family caregivers? No. Currently it does not. But I wanna say that this is something that the Medicaid team or public welfare is gonna be looking into. Similar to how we pay childcare for children. We're gonna look on how we can pay for adult care, for family members that can stay with their families to be able to pay them instead of having to go out and work elsewhere and worry about who's gonna care for their elderly.

It's not allowed, but Medicaid is allowed. Again, this is all about re diverting some cost savings and Medicaid and we're definitely gonna look into that. Okay. Does the division of senior Citizen have a wait list? Yes, we do. I will own that, but we own it because only in the contracted in-house services due to our vendor having difficulty to recruit, that is a service that is outsourced.

And of course, for safety reasons, they will not see everyone. They need to see there is a staff. And patient ratio that they must comply with, but we don't. We're happy to report there is no wait list for home bound meals.

Next slide please. This is an overview of what the division of Senior Susans addresses every day. They have the Bureau of Administrative Support, the Bureau of Program Administration and Development, and the Bureau of Adult Protective Services. APS like CPS, adult Protective Services is within public health in the division of Senior citizen and the Bureau of Community Support. Very small division, but mighty number of employees. 15 three are federally funded, 12 are locally funded. There are 15 classified, all classified employees.

Next slide, please. Some of their accomplishments, you have the data set in front of you. I won't go through it, but it is important to note that in, in our adult daycare we have 88 served case management, 1500 in-house services, 418 legal assistance services and partnership with Guam Legal services 364, or, I'm sorry, the public, sorry. Public defender. In partnership with Public Defender, we serve 364 thus far. Senior citizens operations 748 are being served in the different senior citizens centers around the island and 116 transportation services elderly nutrition meals in FY25 thus far, 805 congregate meals are served, and as I mentioned earlier, 1900 meals for Home bound meals are served. Family caregiving 224 clients are served through the National Family Caregiving Program. Next slide, please. More accomplishments and data. Of course we do referrals, adult Protective Service. We have looked into 296 official complaints thus far, and you can see the other information that we do. Presentations, outreaches and Medicare beneficiaries. We are not the Medicare office, but we share Medicaid, Medicare Information.

Next slide please. The Division of Senior Citizens Initiative. Thank you Charlene for and your team. They're gonna be going after some federally funded federal funds through grants that are due in July, so we wish them well. I have all the faith two grants and we hope we will get them that's an advanced state implementation of national strategy to support Family Caregivers Grant and the Elderly Justice Innovation Grants program. And I think that wraps it up. Thank you Chairman Chris Duenas, our my chairwoman Sabrina Salas Matanane and thank you to Senator Sean Gumataotao for staying within the two hour presentation for the department of public Health and Social Services. As I mentioned, we are the largest line agency and I know there's a lot of information.

It's mostly I tried to highlight what we did, what we're doing, I hope the frequently asked questions can help some of those questions and concerns from our senators as well as from the public. I just wanna thank all the support that I've gotten from Senator Sabrina Salas and the 38th Guam legislature thus far.

I know I am asking for not only this budget, but I'm asking for consideration for an expansion of the small purchase increase so we can be more responsive, especially with regards to medication as well as legal counsel. It's a lot to take in. I am very blessed to have very capable deputies. Again, deputy PJ Camacho oversees has direct oversight on division of general administration, division of environmental health and the division of public health. Very capable former Senator Amanda Shelton very in line with all the initiatives and all the programs that was dear to her heart as senator and so very fitting. She has direct oversight for the Division of Children, the division of Senior Citizens, and the Division of Homelessness and Poverty Prevention. And I continue to oversee the division of Public Welfare. It's a finance division. It's what tickles me. I enjoy being challenged. I'm thankful for Governor Lou and Lieutenant Governor Josh Tenorio support in giving me this opportunity to serve my people and the department is here to serve, I think all my seven division chiefs and my two deputies. The wonderful thing I feel is we're all in line. We wanna help our most vulnerable. And so we're here and I'm open to any questions and continue to be open to questions whether today or before the budget session. So, thank you. *Si Yu'os Ma'ase, Biba Betnes* and Happy Liberation.

Chairman Christopher M. Duenas: *Si Yu'os Ma'ase* Director Teresa Arriola. So, in all the public hearings we've had for the budget if there was an award for most comprehensive presentation, it'd be a competition between you and GPD.

Therese Arriola, Director, DPHSS: Okay..

Chairman Christopher M. Duenas: But I think my colleagues might agree today that you've surpassed them by leaps and bounds.

Therese Arriola, Director, DPHSS: So, we're a bunch of overachievers, but there's a lot of work to do that's why.

Chairman Christopher M. Duenas: Yeah, absolutely. And when you look really, I mean in, in, in terms of your aggregate of the population you serve and you look at your federal match and your total, you know, funding, this is a very appropriate presentation given the fact that, you know, you're basically, for all intents and

purposes, depending on we, how we break it down, use of money and everything else, you know, really upwards of 20, maybe almost a quarter of the government. And when we look at our total you know, services and service delivery to our people. So it's appropriate. And I think that it's very helpful too. I mean, if I wasn't able to attend this hearing, but just went through and sat at my desk and read this presentation, I think I could walk away with a pretty decent understanding of what's going on and also kind of the justification of the request. But with that, I will go to our chairwoman on Health Senator Sabrina Salas Ani to ask any additional questions that she may have or comments.

Senator Sabrina Salas-Matanane: Thank you, Mr. Chair. And thank you. Theresa, this really is, extremely informative. And I love the fact that you put in the frequently asked questions 'cause I did have quite a few questions with the potential impact of the big beautiful Bill, but I don't think I really need to ask anything related to that. So I wanted to just ask some questions regarding the public health one space because I get a lot of questions from the veterans regarding moving out of the Hessler office. And I see that the bid opening estates July 1st it's open, is what's the timeline in terms of moving into one specific consolidated office?

Therese Arriola, Director, DPHSS: Not soon enough, right. It's very difficult when you're in 17 locations. I can't even call a manager's meeting very quickly because I need to give time for my staff to drive safely down to Hessler, which is currently the building in question, which I know in the future is gonna be the home for the veterans and the veteran organizations. Senator, it's, as soon as we hear back from the Attorney General it's above 500,000. So it requires his review. And we were following up. We appreciate that he is aware of the urgency. I know that his capable lawyers are reviewing it. I'm I can't answer when we're going to get that. That's the you know, department of Public Health. We work with so many agencies, so many division other people outside my realm, so I can only ask and express the urgency. And so we wait anxiously and patiently for the Attorney General's response so we can move forward.

Senator Sabrina Salas-Matanane: But is there a timeline in terms of when you…

Therese Arriola, Director, DPHSS: Hopefully I would like to be in it right after the new year. I, you know, if not sooner I just need, we need to know who bid. I'm

not aware of who, who bid. I know there's gonna be negotiations. I'm not sure what the space is gonna look like. So we're gonna have to be, get, be moving ready, because while we're making sure that the space is ready for us, we need to continue services where we are. We can't shut down for a week just to move. I hope no later than January. Hopefully it's before the holidays. I want to be out of there already, if that's any urgency.

Senator Sabrina Salas-Matanane: Okay, and what sort of cost savings are you looking at when you're able to consolidate into one location?

Therese Arriola, Director, DPHSS: I'm not, I can't say because I don't know what the bid looks like, but today, whatever we're renting we are just gonna use that kind of rent to, to consolidate for the one space. There won't, there's not a request for more funding. It's the current rental that's gonna be moved to the one space. I'm hoping with a better consolidation of phone lines, there'll be will be a savings you know, better consolidation of just many things instead of multiple contracts for trash and phone and everything else, there's going to be a savings because it's going to be bundled. And in that bundling, it helps to ensure non you make sure that we don't have any redundant misuse of things like phone lines that are not used and things like that. We have the opportunity with the new space to actually go in and really do it carefully and making sure that every phone, everything we need is exactly what we need and not just carried over from office to office. So I'm hoping there's savings. There should be savings.

Senator Sabrina Salas-Matanane: Follow up to the central public health assessment. That's something that we've been waiting for as we head into July session because we do have two bills. One from Senator Tina Muna Barnes, and one from Senator Terlaje regarding **t**he *Mangilao* facility. But in your report, you mentioned that the complete assessment is expected by July 25th,

Therese Arriola, Director, DPHSS: this month,

Senator Sabrina Salas-Matanane: July 25th this month

Therese Arriola, Director, DPHSS: correct. yeah.

Senator Sabrina Salas-Matanane: But I think in one of the documents that you sent me, it was July 18th. Is there? Okay. Why is there a difference?

Therese Arriola, Director, DPHSS: I think I think that's why I mentioned July 25th or earlier. Okay. In the presentation, all I know is I asked Mr. Arriola and he said it's still within his review and he'll we'll be getting it. I believe he said the 25th or earlier, but yes, I mean, if it's the 18th, he basically said we're on track. So, if on track means the 18th, then I'm sure he is gonna get it to us by the 18th.

Senator Sabrina Salas-Matanane: Okay. I did wanna ask, because when I toured the *Mangilao*, I toured *Dededo*, *Inalahan* one of the things that I asked the, your employees was maintenance, right? So, I'm not sure in the budget that was submitted. Do you guys have funding for maintaining these facilities because a lot of the employees were saying they're taking out the trash themselves. They're having to, you know, clean themselves because there's not necessarily a dedicated maintenance staff.

Therese Arriola, Director, DPHSS: So, yep. Thank you for that question. And staff does what they need to do in the different locations that we're renting. Our landlords should be taking out trash, and they do, I can't go through 'em. I don't know off the back if there's any landlords that are really not paying attention to the staff's requests on a daily basis. I'm not made aware. But I know it's part of the, there's some contracts, leases that include that. I know that in Hessler there's dedicated maintenance there that come in regularly, weekly, take out the trash, clean the restrooms and things of that nature. But really, I don't know, of the other contracts I'm not very specific to the contracts, whether, but most I have to believe that most leases include some trash and things like that. If, unless, does anybody have any more insight to that? WIC has janitorial services, I'm told, but there isn't a consistent, so this is the one thing that I look forward to is the consistency on services for the one space.

Senator Sabrina Salas-Matanane: With regards to carry over funds.

Therese Arriola, Director, DPHSS: Yes.

Senator Sabrina Salas-Matanane: Prior year lapses, do you have any lapses from this current fiscal year budget?

Therese Arriola, Director, DPHSS: Currently we are tracking about $132,000 worth of lapses that I'm working through the Department of Educate department of Administration. Priorly lapses. Okay. Priorly prior, are you talking about, I'm sorry? Are you talking about payments or identified lapses?

Senator Sabrina Salas-Matanane: Identified lapses.

Therese Arriola, Director, DPHSS: Okay. We have about $2.3 million. That is again, as I mentioned in the presentation, specifically allocated for the division of Senior Citizens, division of Public Welfare and Division of Public Health. In the previous budget acts, we have been afforded the opportunity to carry forward lapses. I beg this legislature to allow us to do that because there's some earmarks already for those lapses. We don't anticipate to have lapses this year. That's because I'm paying bills on time. We're getting things paid and up to date, so no expected lapses this year, but prior year lapses we're using to take care of things. And so I ask that same language be continuing in this fiscal year's budget act. Thank you.

Senator Sabrina Salas-Matanane: Also I know you've been mentioning it, you mentioned it earlier regarding legal counsel and your urgent need for that. And I, you have a copy of the draft bill. I'll wait and see what your comments are regarding that, but I wanted to go over these contracts that you mentioned during your presentation regarding the IGM, the Alee shelter one and two, and have you had any kind of conversations with the Attorney General's office in terms of the delay? I mean, February of 2024? I mean, I wasn't in the legislature in February 2024, but the fact that it was sent to the Attorney General and wondering if you have any kind of update on why.

Therese Arriola, Director, DPHSS: I actually have a direct line of communication with the Attorney General. Okay. I often ask him to follow up with contracts that have been sitting for a while. We have staff in the dedicated divisions that speak directly to the Attorney General's office and do follow ups as recent as this week. I do wanna recognize that there were, there's so many more contracts, MOUs, documents that need the Office of the Attorney General's review. And I wanna thank the Attorney General for the four provider contracts, health doctors and nurse provider contracts that came out, I believe last week. And I appreciate the fact that

they're working diligently at their best capacity, but I really, I think given the amount of money that this department receives, given the amount of contracts, MOUs, documents that need reviewing. I think it warrants this large line agency to similarly have its own attorney its own attorney housed with us not only for these contracts, but twofold. We used to have a contract an attorney, a contract attorney for the HPLO, the health professional licensing office. We no longer have that. The boards and commission. The boards are clamoring asking me, when can I get that and so that used to be assigned by the Attorney General's office. I'm not quite sure why there hasn't been an assignment I have to believe and expect that it's because of the limited number of lawyers that the AGs office has. But unfortunately, despite the shrinking number of employees, whether it's in the AGs office or the de the Department of Public Health, the expectation is still there to perform. Right. And so, I'm just thinking outside I have no, no issues with the office of the Attorney General. I'm just trying to figure out how can I, the largest department in the line agency. Move things quickly and efficiently without compromising the integrity of the review of the legal review. And so, this has nothing to do with the attorney general, this is just has to do with the need for the department.

Senator Sabrina Salas-Matanane: Thank you for that..

Therese Arriola, Director, DPHSS: Procurement right small Please look into that. I appreciate that. I know I haven't talked to you about that. I brought it up in the presentation about looking at our procure allowing not the entire procurement to us. 'cause I know we're not an autonomous agency, but allowing us an increase in our small purchase threshold. I can't even begin to tell you how frustrated our clinical team is when we can't buy drugs right away. We cannot. I run the health clinics. Dr. Bob Leon Guro is on me all the time. And rightfully the clinic the Community health Clinic board led by former mayor Savares, they talk to me all the time about the procurement. Delays of medication, we cannot respond to the needs of our community if we're waiting for IFPs and things of that nature to come out that I agree. But in the meantime, we should have a mechanism in place that we can quickly buy some meds quickly while those, if IFB's and those large bulk purchases are happening. So it's for that alone, if nothing else that I ask this body to please consider lifting my small purchase threshold, similar to how other departments I think have come before this legislature. And if we had to compare, I have a large budget compared to them. So, I need to be able to move and have the flexibility as a manager to purchase these things quickly while the IFBs and the RFPs are going into

place not in replace, but Wow. And just having that ma, that tool, that management tool to be more responsive to the people we serve, especially in the clinics.

Senator Sabrina Salas-Matanane: I hear you. And I think I can maybe discuss this with the finance chair and how we can address this for public health. A couple of other questions regarding funding for FFFNE for a lot of these facilities that are that are coming online with regard to, to, to DHAP. Okay. Is there funding in this current budget to address the furniture and equipment that's necessary? I know you mentioned this $1.9 million grant from Congressman Moylan.

Therese Arriola, Director, DPHSS: Okay. That at one point million, it's actually a total of 3.2. 1.9 is strict strictly for the lab. And the remaining, I think it's 1.3, is he has, and I'm not sure did I even mention it, it's for Children's is to identify and upgrade the CPS system. So we're thankful for that. With regards to your question about having funding the funding we ask is for DHAP is specifically just for program, I mean, for our staff. As you could tell, I think in your notes the notes I gave you the, you, you know, who purchased it, and that's their, you know, whether it's DOA or Ghura that purchased these sites. But with regards to funding for, furniture and equipment, right.

Senator Sabrina Salas-Matanane: And also maintenance, right?

Therese Arriola, Director, DPHSS: Yeah. We haven't, you know, these things are coming online and so we haven't really addressed that there is I don't believe there is. Yes.

Senator Sabrina Salas-Matanane: Thank you.

Therese Arriola, Director, DPHSS: Some of it is going to be reimbursable, right? So folks go into these these apartments and these the assisted living, we're looking at them tapping their ability to pay, whether it's through the Medicaid space. That's why Medicaid is looking at a waiver for assisted living and things of that nature and so we're looking at recovering of rental. So, there's a whole business financial package that needs to be prepared for these rentals. With regards to furniture, I don't have the request included in the budget. I'm I would need to get that cost to you.

Senator Sabrina Salas-Matanane: Okay. Yeah, I mean, you can understand like, our concerns. I mean, it's one thing to hold a ribbon cutting and open it and, you know, we've got the cameras there and it's so great. Yeah. We're doing this. No, but in terms of putting people in there, maintaining it, right? I mean that's to me is the real big issue. It's like, like I said, you could just open the doors, but, you know, maintaining it long term and ensuring it's, yeah.

Therese Arriola, Director, DPHSS: Let me just share. Thank you. So, the funding for example, of the assisted living facility behind RanCare is fully funded. I'm, it is my understanding, and I know because we saw it, that the purchase of the facility included medical beds, for example. Then you have Latter Day Saints. It's generosity in supplying all the other furnitures and material. So, for that that facility alone, which is the first to really go online, that's kind of done, it's a done deal for the GHURA 21. GHURA has furniture included. But washer and dryers are included in things like that. So, there's different already furniture and items in each, I can do a breakdown for that and what is lacking for each. If there is anything lacking for each, who's paying for like the utilities and for these facilities that is right now in discussion and right now, for example, it's going to be DOA at the moment, but eventually we're gonna have to figure that out. Whether it's gonna eventually in, it won't be in this budget 'cause we don't have this in this budget, but I don't know in next year's budget FY27, whether that's gonna be portioned out to the managing department.

Senator Sabrina Salas-Matanane: Okay, I guess we can talk about that..

Therese Arriola, Director, DPHSS: But I'm not, we're not. We're not 'cause we didn't include it in the budget and there is none, no money for it.

Amanda L. Shelton, Deputy Director, DPHSS: I think the model for these facilities, like assisted living, a transitional assisted living facility and these reunification homes is that they should be self-sustaining. These folks are still paying their rent or their fees to be living in these spaces. And so that should cover what we need for utilities. If we are responsible as the owners, but we are not necessarily the deed holders for as Department of Public Health and Social Services for these facilities, we're more of the programming and the managing.

Senator Sabrina Salas-Matanane: Okay. And providing, you said the manpower. Yeah. Okay. I think maybe we can probably schedule a meeting and just kind of break this down a little further. But I did not..

Therese Arriola, Director, DPHSS: We'll break it down for you. I did wanna slacking in furniture and equipment as well as some of the utility questions and things like that. But again, I just wanna emphasize these clients that are coming into these facilities, it varies, right? They may have their own income, they may be working, a lot of people are working. And so, there probably needs to be. We definitely have to put together, or they're gonna be afforded a sliding scale fee, what, whatever the case may be. But we will put a more comprehensive financial package and how these facilities are going to be sustained. But we are looking at charging their insurance as well. And so Medicaid is looking at assisted living waiver and other avenues.

Senator Sabrina Salas-Matanane: Okay. Well I did wanna commend your agency and your employees regarding moving forward with the accreditation with the snap and the error rates. Reducing it from, I guess in 2023, 18% and cutting it in half to about 9% for 2024. And I don't think 2025 is out yet. 'cause I didn't see it uploaded to the USDA's website. I did wanna get just a brief update on this buried done the $38 million in the advanced planning document of funding. Is that what is funding the buried done? Is it a contract? Is it a memorandum of agreement?

So currently it's the leverage and reuse. Okay. So the leverage and reuse from West Virginia. Currently is allowing us to work with Barry Dunn, who's the Medicaid consultant for West Virginia, as well as work with SGRX, the Pharmacy Benefits manager, which is a leverage and reuse with West Virginia as well as the USBI. So currently there are current contracts that are in place that are waiting for future, our future need for them, and that's in the Attorney General's office for review. So, however, funding, right, so you wanna, we want all these things and I know I want all these things everybody wants, and I'm trying to figure out how to pay for these things, but not in local dime.

Unfortunately, we can't get away with not putting some investment in. But through the APD process, I was able to get CMS to approve that The majority, anywhere between 75% and 95, 90% of our PMO, which is Barry Dunn and all the other

vendors that are gonna come online right now is SURX for pharmacy Benefits manager and whoever we apply for the eligibility enrollment. For the data hub, for the interoperability between agencies, whatever those contracts are in place that are blessed by CMS. We'll be paid with the majority of federal dollars through the APD process. The APD process is a means of getting more federal dollars to Guam. So as we apply for things, as we wanna do things, we seek an APD for to pay for it, but we can't get a hundred percent APD because there's always a little bit of a financial investment in the local government, local share.

Senator Sabrina Salas-Matanane: Okay. I think I'm gonna, let's stop here. Okay.

Therese Arriola, Director, DPHSS: Yeah. It's a very, We can talk with you. CMS is coming. We can talk we'll meet with you. They can explain a little bit more. It takes, I've been engrossed in this since June of last year and the Medicaid space is very complex, but it's a financial space, and you need to have a financial mindset to address and to approach it.

I am just grateful that leverage and reuse is available so we can bring in the, if I had to learn everything of Medicaid to do, to just get to applying for some APD dollars, it would take me at least, I mean, I, you know. I think I'm pretty smart, pretty intelligent, but it'll take me at least three to five years to learn all the ins and outs of Medicaid. That's why I knew I needed a consultant that knows more than me, because our program was in jeopardy. We were in the lowest tier everywhere, and I did not wanna be sanctioned. That's the last thing we want and our people are just so dependent of SNAP Medicaid. We're just so dependent on a third of our population, a third. That's why we all me, our entire team, you, everybody's holding their breath hoping that nothing happens to Medicaid with this Triple B Act. So, I'm grateful at least that nothing is gonna touch it this year and next, or this coming fiscal year. There's gonna be some adjustments on eligibility, and we will have to quantify and qualify those impacts because some people today who may be qualified in 2027 will not, and where do they go if their condition, if their financial status in life hasn't changed? They're gonna go to the MIP role, and MIP is a hundred percent locally funded that the legislature funds. So yeah, we're nervous about that, but hopefully. It's not gonna be as much. We have time between now and 2027 to really identify that specific impact and see what we can do to get these people's lives stood up in a more sustainable manner. So maybe they don't need so much. Maybe they won't be in a situation to need so much support that won't be there for some of them in 2027. So very scary, but at least we have some time to figure it out and try to help them mitigate that impact in their lives.

Senator Sabrina Salas-Matanane: Well, thank you, Mrs. Arriola, Peter, John, Senator Shelton I look forward to continuing to work with you on this proposed budget as well as on the legislation regarding legal counsel and the small purchases. So, thank you.

Therese Arriola, Director, DPHSS: Thank you so much, Senator, for your support.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase* Senator Sabrina Salas Matanane. So, Therese, can you go ahead and forward to OFB and of course the senator Matanane office. What's your, you know, your how would I say this? Your demonstration of need and also what you're asking for in terms of the small purchases. Oh, okay like you said, we have done it for, there's a proposed bill now for Mayor's council up to 500,000 there, you know, it's Oh, okay. So they've been all over the place.

Therese Arriola, Director, DPHSS: Oh, it's a proposed bill.

Chairman Christopher M. Dueñas: Yeah. So for the proposed bill, can you give us an amount and kind of your statement of need? 'cause that will allow us to draft the legislation. I think I'd be hesitant to put it in the budget because the budget act, you know, unless you codify it, but it might work. But if you give us something fast enough and maybe we could put it in miscellaneous provisions, I'll, you know, I'll seek legal counsel on that and the like, but if you give me that, you know, that information, then that will help.

Therese Arriola, Director, DPHSS: Absolutely.

Chairman Christopher M. Dueñas: But it'll certainly help us in drafting the legislation. I'll do it right away, because we'll do it right away. Yeah. 'cause like I said, I mean, it absolutely sounds like, you know, it is, it sounds ridiculous and sounds like it needs to happen because it's gotta be so frustrating to have a pot of money sitting there and have an immediate need and not be able to to do that. And like you said, you're running that parallel with your other procurement, so you're not really supplanting it. No, but you're in a situation whereby, you know, if you're on this train here and, but you need something and you know, it doesn't run the whole gamut of the full procurement. I mean, I just don't see why we can't do that. And why you don't have the built-in accountability, particularly when you're talking about medication. Yeah. 'cause that is a, you know, that's a paper trail right there, you know, you don't disseminate or, you know, distribute medication without a full comprehensive you know, paper trail and accountability.

So that just sounds a no brainer and we should be able to get on that. So please, like I said, just give us a narrative and give us the proposal.

Therese Arriola, Director, DPHSS: I appreciate that. Sure, Mr. Chairman, and you'll get that rather soon.

Chairman Christopher M. Dueñas: Thank you. Senator Gumataotao, please.

Senator Eulogio Shawn Gumataotao: Thank you, Mr. Chair. And thank you to to Theresa and your team at Public Health for all that you do for the people of Guam. And when I started my government career I gotta say that much of the work with the guy that's sitting to your left, that did a lot of work and much of the person I am and the government public servant I am today had a lot to do with the work with your department. So I wanna say thank you so much publicly.

Therese Arriola, Director, DPHSS: Thank you..

Senator Eulogio Shawn Gumataotao: I just wanna a couple questions 'cause you must have been reading my mind on your presentation. 'cause I had little of questions. Didn't,

Therese Arriola, Director, DPHSS: You know, I had a think you of them all week preparing.

Senator Eulogio Shawn Gumataotao: Oh, I, I know.

Therese Arriola, Director, DPHSS: Have the frequently asked questions.

Senator Eulogio Shawn Gumataotao: No, I, I know and I figured I would, but let me just go with the one. I think your one big beautiful lease. Can we ask a little bit about your leases in your department? I know that there was an increase in your budget for from up from two years ago, but for the benefit of the committee and the members of the public.

Therese Arriola, Director, DPHSS: For which one?

Senator Eulogio Shawn Gumataotao: For your building.

Senator Eulogio Shawn Gumataotao: I'm sorry. Putting everybody in one place. Yes. But if you were to take all that effort and put it into a building, what are some of the discussions that you've had? And I know we have public health could come online and men hopefully sometime at some point, but what about taking all that money and getting a building and maybe outside of the meal, like buying a building, you have enough money if you're looking at it, maybe to perhaps do some debt service.

Therese Arriola, Director, DPHSS: What do you think? We will I think what's gonna happen is when we hear back of the responses of the IFB and see who responds, I think there is always the opportunity to discuss purchase. I wouldn't know. I know just by looking around and watching and talking to friends who are in the real estate business, that there are a lot of commercial space out there for rent. Whether or not they are for purchase. I'm sure anything is possible.

Senator Eulogio Shawn Gumataotao: Well, I mean, I think that you've, you're innovated by doing what you're doing in *Mangilao* at UOG. So, I mean, it's not out of the realm of possibilities to do that, at least in terms of a building, which gets me to just one final comment is I appreciate your candor relative to the one big beautiful bill and the impacts of these of our local public health programs. I would wish that those folks that are down the road, that head up the other and lead up this other branch of government that they would've consulted. 'cause this was the absolute most, much candor about the impacts. I mean, I think all of us, there's, it's okay to say there's gonna be a lot of bad things that are gonna happen that's not what you're saying today. No. You're saying that we have we're on track. And I think in our community, we need to have more of that honest dialogue because what it does, it puts all of this committee into a tailspin trying to figure out how we're gonna help. But when you come in here and say, we're not looking at that kind of impact until down the road. So I just wanna tell you, I think, I wish they would've been listening to you when trying to put out some of this effort.

Therese Arriola, Director, DPHSS: Well, I just knew impacts that. That's the elephant in the room. Everybody wants to know.

Senator Eulogio Shawn Gumataotao: You could call it donkey too. You don't have to call it an elephant.

Therese Arriola, Director, DPHSS: Okay, but it's appropriate, right. So, you know, I think, you know, it's, everybody was watching it, right? Everybody's watching the Triple B bill act. What's gonna happen? Who's impacted? I have had more early morning zooms with the National Association of Medicare Directors, the, you know, public health associations all at

Senator Eulogio Shawn Gumataotao: (inaudible) to that as well. I mean, I think that, that's what I'm trying to say now, that, that kind of discussion we, if we would've just, it would've been out in front of it. But I appreciate the candor today. And I think that in our other government agencies, I hope that they're watching Mr. Chair, and I hope that they would do, I know we, you mentioned GPD Yes, very thorough, but public health in terms of your candor as a senator and a policy maker, I do appreciate it, because then I'll wrap up with this, is that, as I mentioned in the past, in other public hearings, what we do here is not always gonna be about money. It's gonna be about policy. And I think talking I support your small purchase. I support trying to get legal counsel, I can say that in advance. I have not even seen the statute, but I think that we need to give you the biggest line agency in the government, the help that they need to do their jobs. Okay.

Therese Arriola, Director, DPHSS: And so just thank you. Thank you so much. Thank you so much. And I will be always. It, I will always be as I mean, I will always be honest and tell you how it is. I mean, there's no skin off my back.

Senator Eulogio Shawn Gumataotao: Oh, no. And I do appreciate that from all of you.

Therese Arriola, Director, DPHSS: And I just believe it's been my nature and how I live my life. If I tell you how it is and we can work, figure it out.

Senator Eulogio Shawn Gumataotao: Therese, how many more kudos am I gonna give you? I'm told you Thank you. You can keep going. Keep,

Therese Arriola, Director, DPHSS: Thank you. But I'm giving it back to you. Thank you so much.

Senator Eulogio Shawn Gumataotao: Of course. And I do want to join the our committee chair in health in those meetings, if you can, just don't forget me. I do want to kind of engage you guys as well. Thank you so much Mr. Chair and thank you Public health.

Therese Arriola, Director, DPHSS: Thank you.

Chairman Christopher M. Dueñas: *Si Yu'os Ma'ase,* Senator Gumataotao. Yeah. And no question. I mean, it, so far this has been the model of reporting and, you know, everybody's on pins and needles. Right? Because I mean, the really, I mean, outside of us debating our local appropriations and the like, I mean, the impact of federal, it's just, it's a no brainer, right?

In terms of the, so having this surety and knowing that for planning purposes, we're gonna be really looking out to 27, at least it gives us that time right? To, and also our people that time. 'cause I, I'm kind of trailing the Medicaid thing too, and I think really some of the eligibility stuff, I mean, say for example was just employment.

You know, I, you don't know what the condition of the individual is, but that would be a person's maybe kind of a. You know, kicking the backside to say, man, you know what, even I might just need a part-time job or something like that to keep these benefits. So it's gonna be nice to know what those are.

So that going forward we may be able to adjust not just the government, but the individual by seeing, you know, what are my new requirements? Right? Some of it might be looking for employment, you know what I mean? So there might be there's different things I think that, that are gonna I only have one big beautiful question, and that is I'm gonna anticipate that the variance of the 3.373 is organic in nature.

Therese Arriola, Director, DPHSS: Yes. Very much so.

Chairman Christopher M. Dueñas: Yeah. And then does, is this also the financing for the conversion from O hat Toop?

Therese Arriola, Director, DPHSS: Yes. It includes the divisions, the new divisions budget.

Chairman Christopher M. Dueñas: Okay. That's what I was contemplating that this was about. So other than that, it's basically and there's no disparity between the governor's request and your request and that, so that's what I figured was Medicare or not, excuse me, health insurance as well as retirement benefits.

Therese Arriola, Director, DPHSS: Correct..

Chairman Christopher M. Dueñas: And so, okay. Well, good enough. You know, for me I think this is kind of easy to take a look at. I know there's gonna be some other things and proposals that may affect this down the line. I think that you're probably in a much different position as you showed your inverted position. You know, you don't see a lot of 90 tens with the 90 90 federal and or excuse me, 90 in terms of distribution and then of course 10% operational. And obviously it's very clear that whatever might happen down the line to your a hundred percent federal you know, will be based on your lack, you know, elasticity as well in terms of what budgeted vacancies and things for individuals.

So I see that as being, you know, pretty straightforward. So with that, I really just want to thank you, Therese, once again. Like I said, it, you know, it is it's a slog to get through, but it's very valuable information and I think it really facilitated our hearing today. And so, yeah. Anything else?

Therese Arriola, Director, DPHSS: No, I just wanna thank you. Yeah. And my oversight chair, Senator Sean Gumataotao, Vice Speaker Aguon the four of you for being present. Yeah. And for listening to our presentation, a lot of work has been put in to make sure there's major transparency. In the presentation. So, thank you to those who attended, and thank you for your support. Again, we're always here to answer any questions, follow up meetings, and so thank you very much and again, have a great weekend and happy liberation.

Chairman Christopher M. Dueñas: And to you as well. And PJ Camacho thank you also for your..

Therese Arriola, Director, DPHSS: I'm so sorry. I think I, I said Aguon and it really should be Vice Speaker Tony Ada.

Chairman Christopher M. Dueñas: Correct. I was gonna do that towards the end, but yeah, thank you for doing that. Yeah, I'm correct. Yeah we are, you know, for and I know many will be reviewing this, we are in the season of recognizing you know, the sacrifices of our people and the elaborations season with the memorials.

So it's very understandable that some of our colleagues, you know, had that commitment prior. But you know, this, like I said, they, I know they will review and we'll prepare them as well with what's been put forward. But yes we thank the vice speaker and others that had been able to join us earlier to at least get the overview from the beginning and we'll brief them as needed.

Pj, thank you for your decades of service and your continued service. Your invaluable service in terms of being able to advise you know, the Department of Public Health and Social Services and Senator, Congratulations I'm sure you're a resource to, to the director and to the people within the department.

And so thank you also for being here today and helping us through this. So with that, my final statement every time is this will conclude this morning's budget hearing on Bill 44-38 COR relative to the Department of Public Health and Social Services. The committee will continue to accept written testimony in the bill within seven calendar days from today, which may be addressed to myself, Senator Christopher M. Duenas as chairman of the committee, and mailed to 163 West Chalan Santo Papa Hagatna, 96910. You may also send your testimonies to my email at senator.duenas@guamlegislature.gov. This morning's budget hearing is now adjourn and the time is now five, six minutes before lunch, 11:54.

The Budget Hearing was adjourned at 11:54 a.m.

COMMITTEE VOTE SHEET

Bill No. 44-38 (COR) - Introduced by Committee on Rules by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam, "AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS."

Committee Members	Signature	TO DO PASS	TO NOT PASS	TO REPORT OUT ONLY	TO ABSTAIN	TO PLACE IN INACTIVE FILE
Senator Christopher M. Dueñas *Chairperson*	CMD	X				
Senator V. Anthony Ada *Vice Chairperson*	Via e-vote 7/30/25	X				
Senator Frank F. Blas, Jr. *Member*	Via e-vote 7/30/25	X				
Senator Sabrina Salas Matanane *Member*						
Senator Jesse A. Lujan *Member*	Via e-vote 7/31/25	X				
Senator Vincent A.V. Borja *Member*	Via e-vote 7/31/25	X				
Senator Tina Rose Muña Barnes *Member*						
Senator Joe S. San Agustin *Member*						

OFFICE OF SENATOR CHRISTOPHER M. DUEÑAS
259 MARTYR STREET, HAGATNA GUAM 96910 | TEL: 671-989-9554 | SENATOR.DUENAS@GUAMLEGISLATURE.GOV
LIKE AND FOLLOW @SENATORDUENAS

THE GUAM LEGISLATURE

Karl Pangelinan <karl.p@guamlegislature.gov>

Urgent Request for E-Vote - Committee Report on Bill No. 44-38 (COR)

5 messages

Karl Pangelinan <karl.p@guamlegislature.gov> Wed, Jul 30, 2025 at 5:47 PM
To: cmdcommittee@guamlegislature.gov
Cc: Senator Chris Duenas <senator.duenas@guamlegislature.gov>, Chirag Bhojwani <strategy@bluecontinent.solutions>, La'Kiesha Pereda [redacted], lourdes.perez@guamlegislature.gov

Hafa Adai Committee Members:

Please see link below for the Committee Report relative to the FY2026 Executive Budget Bill:

https://drive.google.com/file/d/14NpYEhcEbxTYquDDtwMI3TxClHeUV8Gd/view?usp=drive_link

Upon review, please send in e-vote to this thread.

Respectfully,
Karl Pangelinan
Office of Sen Chris M. Duenas

Vice Speaker V. Anthony Ada <vicespeakertonyada@guamlegislature.gov> Wed, Jul 30, 2025 at 8:21 PM
To: Karl Pangelinan <karl.p@guamlegislature.gov>
Cc: cmdcommittee@guamlegislature.gov, Senator Chris Duenas <senator.duenas@guamlegislature.gov>, Chirag Bhojwani <strategy@bluecontinent.solutions>, La'Kiesha Pereda [redacted], lourdes.perez@guamlegislature.gov

To do pass

> On Jul 30, 2025, at 5:47 PM, Karl Pangelinan <karl.p@guamlegislature.gov> wrote:
>
> [Quoted text hidden]

Speaker Frank Blas Jr. <speakerblas@guamlegislature.gov> Wed, Jul 30, 2025 at 9:42 PM
To: "V. Anthony Ada Vice Speaker" <vicespeakertonyada@guamlegislature.gov>
Cc: Karl Pangelinan <karl.p@guamlegislature.gov>, cmdcommittee@guamlegislature.gov, Senator Chris Duenas <senator.duenas@guamlegislature.gov>, Chirag Bhojwani <strategy@bluecontinent.solutions>, La'Kiesha Pereda <[redacted]>, lourdes.perez@guamlegislature.gov

To do pass

Sent from my iPhone

> On Jul 30, 2025, at 8:22 PM, Vice Speaker V. Anthony Ada <vicespeakertonyada@guamlegislature.gov> wrote:
>
> [Quoted text hidden]

Office of Senator Vince Borja <contact@senatorvinceborja.com> Thu, Jul 31, 2025 at 5:17 AM
Reply-To: Office of Senator Vince Borja <contact@senatorvinceborja.com>
To: karl.p@guamlegislature.gov
Cc: cmdcommittee@guamlegislature.gov, senator.duenas@guamlegislature.gov, strategy@bluecontinent.solutions, [redacted], lourdes.perez@guamlegislature.gov

To do pass.

v/r,

Senator Vincent A. V. Borja

Chairman, Committee on Education, Libraries, & Public Broadcasting

38th Guam Legislature
Suite 502, DNA Bldg. 238 Archbishop Flores St.
Hagåtña, Guam 96910
T +1 (671) 969-8423
E vince.borja@guamlegislature.gov

> On Wed, 30 Jul at 3:48 AM , Karl Pangelinan <karl.p@guamlegislature.gov> wrote:
> Hafa Adai Committee Members:
>
> Please see link below for the Committee Report relative to the FY2026 Executive Budget Bill:
>
> https://drive.google.com/file/d/14NpYEhcEbxTYquDDtwMI3TxClHeUV8Gd/view?usp=drive_link
>
> Upon review, please send in e-vote to this thread.
>
> Respectfully,
> Karl Pangelinan
> Office of Sen Chris M. Duenas

Senator Jesse Lujan <senator.lujan@guamlegislature.gov> Thu, Jul 31, 2025 at 9:17 AM
To: Office of Senator Vince Borja <contact@senatorvinceborja.com>
Cc: karl.p@guamlegislature.gov, cmdcommittee@guamlegislature.gov, senator.duenas@guamlegislature.gov, strategy@bluecontinent.solutions, [redacted], lourdes.perez@guamlegislature.gov

To Do Pass.
[Quoted text hidden]
--

Office of Majority Leader Jesse A. Lujan
Chairman, Committee on Transportation, Tourism, Customs, Utilities and Federal & Foreign Affairs
259 Martyr St., Hagatna, Guam 96910
senator.lujan@guamlegislature.gov
(671) 969-6525

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2025 (FIRST) REGULAR SESSION

BILL NO. 44-38 (COR)

Introduced by: **COMMITTEE ON RULES**
by request of *I Maga'hågan Guåhan*, the Governor of Guam, in accordance with the Organic Act of Guam.

AN ACT MAKING APPROPRIATIONS FOR THE OPERATIONS OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF GUAM FOR FISCAL YEAR ENDING SEPTEMBER 30, 2026, MAKING OTHER APPROPRIATIONS, AND ESTABLISHING MISCELLANEOUS AND ADMINISTRATIVE PROVISIONS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

CHAPTER I
GENERAL PROVISIONS

Section 1. Short Title. This Act *shall* be known as the ***"General Appropriations Act of 2026"***. *Except* as otherwise provided by this Act, the appropriations made by this Act identifying Fiscal Year 2026 shall be available to pay for obligations incurred on *or* after October 1, 2025 but *no later than* September 30, 2026. *If* any appropriation in this Act is found contrary to federal law, all other portions of this Act *shall* remain valid.

Section 2. Estimated Revenues for Fiscal Year 2026. *I Liheslaturan Guåhan*, the Guam Legislature, adopts the following revenue estimates for Fiscal Year 2026 as the basis for the appropriations contained in this Act.

I.	GENERAL FUND REVENUES	AMOUNT
	A. TAXES	
	Income Tax	
	Individual (*not* including the Additional Child Tax Credit)	$102,507,383
	Corporate	$116,090,538
	Withholding Taxes, Interest, and Penalties	$315,685,559
	Provision for Tax Refund Payments (net of the	
	Additional Child Tax Credit)	($46,211,874)
	TOTAL INCOME TAXES	**$488,071,606**
	Business Privilege Tax	$409,772,148
	GMHA Pharmaceuticals Fund	
	(§ 26208, Article 2, Chapter 26 of Title 11 GCA)	($25,364,896)
	Tax Credits:	
	Tiyan Gymnasium (P.L. 32-202)	($250,000)
	GMHA Medical Supplies (P.L. 35-138)	($1,000,000)
	Guam National Tennis Federation (P.L. 36-128)	($300,000)
	Guam National Youth Football Federation (P.L. 36-129)	($500,000)
	Other Taxes	$7,957,733
	Guam National Youth Football Federation (P.L. 36-129)	($300,000)
	TOTAL BUSINESS PRIVILEGE TAX	**$390,014,985**
	TOTAL TAXES	**$878,086,591**

B. FEDERAL SOURCES		
Federal Income Tax Collection		
Section 30 Funds (Net of War Claims Deduction)		$79,732,367
Immigration Fees and Other Federal Sources		$1,636,401
TOTAL FEDERAL SOURCES		**$81,368,768**
C. USE OF MONEY AND PROPERTY		**$2,045,097**
D. LICENSES, FEES, AND PERMITS		
Licenses, Fees, and Permits		$4,597,340
Licenses, Fees, and Permits (Better Public Service Fund) (Chapter 161 of Title 11 GCA)		($459,734)
TOTAL LICENSES, FEES, AND PERMITS		**$4,137,606**
E. DEPARTMENT CHARGES		**$1,342,245**
TOTAL GENERAL FUND REVENUE		**$966,980,307**
2% GENERAL FUND RESERVE (RAINY DAY FUND)		**($19,339,606)**
(Appropriations Cap of 98% of General Fund Revenue; § 22436, Article 4, Chapter 22 of Title 5 GCA)		
TOTAL GENERAL FUND REVENUE AVAILABLE FOR APPROPRIATION		**$947,640,701**
II. SPECIAL FUND REVENUES		
A.	Banking and Insurance Enforcement Fund	$447,761
B.	Better Public Service Fund	$1,402,033
C.	Chamorro Land Trust Operations Fund	$859,357
D.	Chamorro Land Trust Survey and Infrastructure Fund	$12,478

E.	Corrections Revolving Fund		$936,927
F.	Customs, Agriculture, and Quarantine		
	Inspection Services Fund		$7,651,633
G.	Enhanced 911 Emergency Reporting System Fund		$1,905,164
H.	Environmental Health Fund		$1,586,489
I.	Fire, Life, and Medical Emergency Fund		$823,578
J.	GMHA Pharmaceuticals Fund		$25,364,896
K.	Guam Ancestral Lands Commission Survey,		
	Infrastructure, and Development Fund		$444,396
L.	Guam Board of Accountancy Fund		$699,600
M.	Guam Contractors License Board Fund		$892,589
N.	Guam Educational Facilities Fund		$35,871,391
O.	Guam Environmental Trust Fund		$411,424
P.	Guam Highway Fund (GHF)		$13,465,565
	(a) GHF (Better Public Service Fund; Chapter 161 of Title 11 GCA)		($942,299)
	(b) GHF (GIAA – Pursuant to Federal Register Vol. 79, 66282)		($1,437,367)
	Total Guam Highway Fund		$11,085,899
Q.	Guam Invasive Species Inspection Fee Fund		$1,235,860
R.	Guam Plant Inspection and Permit Fund		$103,322
S.	Health Professional Licensing Office Revolving Fund		$333,181
T.	Healthy Futures Fund		$23,884,603
U.	Host Community Fund		$300,000
V.	Indirect Cost Fund		$1,717,659

W.	Land Survey Revolving Fund	$2,848,009
X.	Limited Gaming Fund	$1,084,938
Y.	Manpower Development Fund	$12,102,231
Z.	Mental Health and Substance Abuse Services Fund	$377,635
AA.	Office of Vital Statistics Revolving Fund	$224,713
AB.	Police Patrol Vehicle and Equipment Revolving Fund	$331,255
AC.	Police Services Fund	$1,070,049
AD.	Professional Engineers, Architects, and	
	Land Surveyors Board Fund	$278,203
AE.	Public Recreation Services Fund	$86,596
AF.	Public School Library Resources Fund	$1,164,759
AG.	Rabies Prevention Fund	$52,789
AH.	Safe Streets Fund	$49,988
AI.	Sanitary Inspection Revolving Fund	$481,089
AJ.	School Lunch/SAE/Child Nutritional Meal Reimbursement	
	Fund – Federal Sources (100% Federal Grant)/Cash Collections	$12,504,000
AK.	Solid Waste Operations Fund	$21,786,698
	Host Community Fund (§ 51405, Article 4,	
	Chapter 51 of Title 10 GCA)	($300,000)
	Total Solid Waste Operations Fund	$21,486,698
AL.	Street Light Fund	$4,127,667
AM.	Tax Collection Enhancement Fund	$1,171,834
AN.	Tourist Attraction Fund	$33,641,472

AO. Water Research and Development Fund		$86,374
TOTAL SPECIAL FUND REVENUE		**$211,140,539**
III.	**FEDERAL MATCHING GRANTS-IN-AID REVENUES**	
Federal Grants-In-Aid Requiring Local Match:		
A. Department of Integrated Services for Individuals with Disabilities		$2,085,461
B. Department of Labor		$47,000
C. Department of Military Affairs		$2,168,667
D. Department of Public Health and Social Services		$177,495,429
E. Guam Community College		$601,436
F. Guam Council on the Arts and Humanities Agency		$376,950
G. Guam Police Department		$4,267,239
H. Office of the Attorney General		$6,439,964
I. University of Guam		$4,798,165
TOTAL FEDERAL MATCHING GRANTS-IN-AID REVENUE		**$198,280,311**
REVENUE SUMMARY:		
TOTAL GENERAL FUND REVENUE AVAILABLE FOR APPROPRIATION		**$947,640,701**
TOTAL SPECIAL FUND REVENUE		**$211,140,539**
TOTAL FEDERAL MATCHING GRANTS-IN-AID REVENUE		**$198,280,311**
GRAND TOTAL		**$1,357,061,551**

Section 3. Debt Service Continuing Appropriations for Fiscal Year 2026. The following are continuing appropriations for debt service requirements:

A. LIMITED OBLIGATION BONDS BUSINESS PRIVILEGE TAX BONDS, SERIES 2012B
(To finance unpaid income tax refunds for 2011; health insurance premiums for FY 2012; GMHA & GDOE retirement contribution payments to GGRF; rehabilitation of school facilities) $3,293,495 **1/**

1/ General Fund

B. GUAM DEPARTMENT OF EDUCATION (GDOE), SERIES 2013A CERTIFICATES OF PARTICIPATION (OKKODO HIGH SCHOOL PROJECT)
(Chapter 58B of Title 5 GCA; § 50103, Chapter 50 of Title 12 GCA; and Title 13 GCA; due FY 2030 as final year; to include additional rent [Insurance and Maintenance to be reimbursed by the GDOE]) $3,155,460 **2/**

2/ General Fund (Principal & Interest: $2,505,460) and Guam Educational Facilities Fund (Insurance & Maintenance: $650,000)

C. LIMITED OBLIGATION BONDS BUSINESS PRIVILEGE TAX, SERIES 2015D
(Refunding of GOB, Series 2007A, and a portion of GOB, Series 2009A; final maturity FY 2040) $32,406,875 **3/**

3/ General Fund

D. LIMITED OBLIGATION (SECTION 30) BONDS, SERIES 2016A

(Refunding of LO [Section 30] Bonds, Series 2009A; refinancing of Series 2013B Guam Education Financing Foundation II, Inc. Certificates of Participation [Okkodo High School Expansion Project]; financing certain working capital costs of the Guam Memorial Hospital Authority, including the refinancing of an outstanding loan from the Bank of Guam) $17,768,125 **4/**

4/ General Fund

E. GUAM COMMUNITY COLLEGE, 2016 USDA LEASE

(To finance the construction, expansion renovation, and hardening of GCC Gregorio G. Perez Crime Lab and Building #100) $200,400 **5/**

5/ Guam Educational Facilities Fund

F. GUAM EDUCATION FINANCING FOUNDATION (GEFF), SERIES 2016A AND 2016B CERTIFICATES OF PARTICIPATION

(To refund the Guam Education Financing Foundation (GEFF) Certificates of Participation Series 2006A and Series 2006B, and the GEFF Certificates of Participation Series 2008; Compact Impact Funds pledged from FY 2017 through FY 2023; Government of Guam to cover remainder of obligation through final maturity on FY 2027) $5,740,750 **6/**

6/ General Fund

G. GENERAL OBLIGATION BONDS, SERIES 2019A

(To finance the expansion of the Layon Landfill) $2,995,875 **7/**

7/ Solid Waste Operations Fund

H. GUAM DEPARTMENT OF EDUCATION,

SERIES 2020A CERTIFICATES OF PARTICIPATION

(JOHN F. KENNEDY HIGH SCHOOL PROJECT)

(To refinance the GDOE Series 2010A, Certificates of

Participation for JFK High School) $7,677,890 **8/**

8/ General Fund (Principal & Interest: $5,527,600) and Guam Educational Facilities Fund (Insurance & Maintenance: $2,150,290)

I. LIMITED OBLIGATION BONDS BUSINESS

PRIVILEGE TAX, SERIES 2021E AND SERIES 2021F

(Series 2021E: Refunding of a portion of BPT Bonds, Series 2015D;

final maturity FY2027; and Series 2021F: Refunding of all or

a portion of BPT Bonds, Series 2011A and Series 2012B-1;

final maturity FY 2042) $15,895,444 **9/**

9/ General Fund

J. LIMITED OBLIGATION HOTEL

OCCUPANCY TAX (HOT) REFUNDING

REVENUE BONDS, SERIES 2021A

(Refunding of LO HOT Bonds, Series 2011A;

final maturity FY2041) $2,943,250 **10/**

10/ Tourist Attraction Fund

TOTAL CONTINUING APPROPRIATIONS $92,077,564

CHAPTER II

APPROPRIATIONS FOR EXECUTIVE BRANCH OPERATIONS

Section 1. Executive Branch Appropriations for Fiscal Year 2026. Three Hundred Fifty-Eight Million Three Hundred Eighty-One Thousand Six Hundred Ninety-Nine Dollars **($358,381,699)** are appropriated for the operations of the Executive Branch for fiscal year ending September 30, 2026. This sum is composed of Two Hundred Fifty-Nine Million Five Hundred Seventy-Two Thousand One Hundred Fifteen Dollars **($259,572,115)** from the General Fund, Sixty-Eight Million Eight Hundred Thirty-Nine Thousand Two Hundred Twenty-Seven Dollars **($68,839,227)** from Special Funds, and Twenty-Nine Million Nine Hundred Seventy Thousand Three Hundred Fifty-Seven Dollars **($29,970,357)** from Federal Matching Grants-in-Aid. The appropriations *shall* be expended as follows:

	General Fund	Special Fund	Federal Fund Match	Total
I. GENERAL GOVERNMENT				
A. Offices of *I Maga'hågan Guåhan* and *I Sigundo Maga'låhen Guåhan*	$ 5,851,424	$ 293,825 **1/**	$ -	$ 6,145,249
B. Medical Referral Assistance Office	$ 665,849	$ -	$ -	$ 665,849
C. Bureau of Women's Affairs	$ 272,277	$ -	$ -	$ 272,277
D. Bureau of Budget and Management Research	$ 1,239,837	$ 476,313 **1/**	$ -	$ 1,716,150

	General Fund	Special Fund		Federal Fund Match	Total
E. Civil Service Commission	$ 1,449,798	$ -		$ -	$ 1,449,798
F. Administration	$ 12,736,445	$ 1,001,767	**2/**	$ -	$ 13,738,212
G. Office of Technology	$ 5,362,796	$ -		$ -	$ 5,362,796
H. Public Works	$ 4,244,999	$ 18,182,380	**3/**	$ -	$ 22,427,379
I. Revenue and Taxation	$ 14,713,861	$ 3,021,628	**4/**	$ -	$ 17,735,489
J. Land Management	$ 963,078	$ 2,848,009	**5/**	$ -	$ 3,811,087
K. Board of Registration for Professional Engineers, Architects, and Land Surveyors (PEALS)	$ 98,449	$ 278,203	**6/**	$ -	$ 376,652
L. Contractors License Board	$ -	$ 892,589	**7/**	$ -	$ 892,589
M. Veterans Affairs	$ 1,508,296	$ -		$ -	$ 1,508,296
N. Guam Ethics Commission	$ 552,680	$ -		$ -	$ 552,680
TOTAL GENERAL GOVERNMENT	**$ 49,659,789**	**$ 26,994,714**		**$ -**	**$ 76,654,503**
II. PROTECTION OF LIFE & PROPERTY					
A. Corrections	$ 34,566,833	$ 956,922	**8/**	$ -	$ 35,523,755
B. Youth Affairs	$ 7,579,213	$ -		$ -	$ 7,579,213

	General Fund	Special Fund		Federal Fund Match	Total
C. Guam Fire	$ 38,514,050	$ 2,728,742	**9/**	$ -	$ 41,242,792
D. Guam Police	$ 53,518,873	$ 5,951,860	**10/**	$ 4,267,239	$ 63,737,972
E. Office of Post-Mortem Examinations	$ 822,999	$ -		$ -	$ 822,999
F. Customs and Quarantine Agency	$ 14,680,116	$ 7,015,021	**11/**	$ -	$ 21,695,137
G. Guam Environmental Protection Agency	$ 469,812	$ 497,798	**12/**	$ -	$ 967,610
TOTAL PROTECTION OF LIFE & PROPERTY	**$ 150,151,896**	**$ 17,150,343**		**$ 4,267,239**	**$ 171,569,478**
III. PUBLIC HEALTH					
A. Guam Behavioral Health and Wellness Center	$ 9,744,679	$ 10,002,776	**13/**	$ -	$ 19,747,455
B. Public Health and Social Services	$ 27,322,247	$ 2,625,472	**14/**	$ 21,025,040	$ 50,972,759
TOTAL PUBLIC HEALTH	**$ 37,066,926**	**$ 12,628,248**		**$ 21,025,040**	**$ 70,720,214**
IV. COMMUNITY SERVICES					
A. Integrated Services for Individuals with Disabilities	$ 2,782,401	$ 3,846,612	**15/**	$ 2,085,461	$ 8,714,474

	General Fund	Special Fund		Federal Fund Match	Total
B. Guam Regional Transit Authority	$ 2,862,661	$ -		$ -	$ 2,862,661
TOTAL COMMUNITY SERVICES	**$ 5,645,062**	**$ 3,846,612**		**$ 2,085,461**	**$ 11,577,135**
V. RECREATION					
A. Parks and Recreation	$ 3,665,008	$ 430,160	**16/**	$ -	$ 4,095,168
TOTAL RECREATION	**$ 3,665,008**	**$ 430,160**		**$ -**	**$ 4,095,168**
VI. INDIVIDUAL & COLLECTIVE RIGHTS					
A. Commission on Decolonization	$ 317,488	$ -		$ -	$ 317,488
B. *CHamoru* Affairs	$ 2,579,633	$ -		$ -	$ 2,579,633
C. Guam Council on the Arts and Humanities	$ 772,866	$ -		$ 376,950	$ 1,149,816
D. *Hagåtña* Restoration and Redevelopment Authority	$ 443,589	$ -		$ -	$ 443,589
E. Commission on *CHamoru* Language and the Teaching of the History and Culture of the Indigenous People of Guam	$ 726,566	$ -		$ -	$ 726,566
F. Labor	$ 238,581	$ 3,630,669	**17/**	$ 47,000	$ 3,916,250

	General Fund	Special Fund		Federal Fund Match	Total
G. Military Affairs	$ 1,404,766	$ -		$ 2,168,667	$ 3,573,433
TOTAL INDIVIDUAL & COLLECTIVE RIGHTS	**$ 6,483,489**	**$ 3,630,669**		**$ 2,592,617**	**$ 12,706,775**
VII. PUBLIC EDUCATION					
A. Guam Educational Telecommunications Corporation (PBS Guam)	$ -	$ 834,438	**18/**	$ -	$ 834,438
B. Guam Public Library System	$ -	$ 1,932,072	**19/**	$ -	$ 1,932,072
TOTAL PUBLIC EDUCATION	**$ -**	**$ 2,766,510**		**$ -**	**$ 2,766,510**
VIII. ECONOMIC DEVELOPMENT					
A. Bureau of Statistics and Plans	$ 1,973,531	$ -		$ -	$ 1,973,531
B. Agriculture	$ 4,926,414	$ 1,391,971	**20/**	$ -	$ 6,318,385
TOTAL ECONOMIC DEVELOPMENT	**$ 6,899,945**	**$ 1,391,971**		**$ -**	**$ 8,291,916**
GRAND TOTAL	**$ 259,572,115**	**$ 68,839,227**		**$ 29,970,357**	**$ 358,381,699**

NOTES:

1/ Indirect Cost Fund

2/ Indirect Cost Fund **($947,521)** and Limited Gaming Fund **($54,246)**

3/ Guam Highway Fund **($10,274,822)** and Guam Educational Facilities Fund **($7,907,558)**

4/ Tax Collection Enhancement Fund **($1,171,834)**, Better Public Service Fund **($1,402,033)**, and Banking and Insurance Enforcement Fund **($447,761)**

5/ Land Survey Revolving Fund

6/ Professional Engineers, Architects and Land Surveyors Fund

7/ Guam Contractors License Board Fund

8/ Corrections Revolving Fund **($936,927)** and Safe Streets Fund **($19,995)**

9/ Enhanced 911 Emergency Reporting System Fund **($1,905,164)** and Fire, Life, and Medical Emergency Fund **($823,578)**

10/ Police Services Fund **($1,070,049)**, Police Patrol Vehicle and Equipment Revolving Fund **($331,255)**, and Tourist Attraction Fund **($4,550,556)**

11/ Customs, Agriculture, and Quarantine Inspection Services Fund

12/ Guam Environmental Trust Fund **($411,424)** and Water Research and Development Fund **($86,374)**

13/ Healthy Futures Fund **($9,625,141)** and Mental Health and Substance Abuse Services Fund **($377,635)**

14/ Environmental Health Fund **($1,586,489)**, Office of Vital Statistics Revolving Fund **($224,713)**, Health Professional Licensing Office Revolving Fund **($333,181)**, and Sanitary Inspection Revolving Fund **($481,089)**

15/ Healthy Futures Fund

16/ Public Recreation Services Fund **($86,596)** and Limited Gaming Fund **($343,564)**

17/ Manpower Development Fund

18/ Guam Educational Facilities Fund

19/ Guam Educational Facilities Fund **($1,582,644)** and Public School Library Resources Fund **($349,428)**

20/ Guam Plant Inspection and Permit Fund **($103,322)**, Guam Invasive Species Inspection Fee Fund **($1,235,860)**, and Rabies Prevention Fund **($52,789)**

CHAPTER III

MISCELLANEOUS APPROPRIATIONS

Section 1. Appropriation to the Guam Department of Education for *CHamoru* Studies. Notwithstanding any other provision of law, for Fiscal Year 2026, the sum of Five Hundred Thirteen Thousand Eight Hundred Twenty-Four Dollars **($513,824)** is appropriated from the General Fund to the Guam Department of Education for the *CHamoru* Studies Division to be expended for personnel salaries and benefits, contractual services, professional development and training, supplies and materials, and equipment for the support and the implementation of the Content Standards and Performance Indicators of the course syllabi for the emphasis of fluency and for the promotion of the proficiency skills in the areas of listening, speaking, reading, and writing in the *CHamoru* language.

Section 2. Appropriation to the Guam Department of Education for Menstrual Hygiene Products for Guam Public Schools. For Fiscal Year 2026, the sum of Twenty-Five Thousand Dollars **($25,000)** is appropriated from the General Fund to the Guam Department of Education for the purchase of menstrual hygiene products for Guam public schools. All public schools on Guam that serve students in grades five (5) through twelve (12) *shall* provide menstrual hygiene products, such as tampons and sanitary pads, in the nursing or counselor's offices of such schools; and, such products *shall* be provided to students at no charge to them.

Section 3. Appropriation to the Guam Department of Education for the Maintenance of Schools. For Fiscal Year 2026, the sum of Eight Million Five Hundred Thousand Dollars **($8,500,000)** is appropriated from the General Fund to the Guam Department of Education (GDOE) for the maintenance of the GDOE schools.

Section 4. Miscellaneous Healthy Futures Fund Appropriations to the Guam Department of Education.

(a) **Interscholastic Sports Fund.** For Fiscal Year 2026, the sum of Six Hundred Fourteen Thousand One Hundred Sixty-Five Dollars **($614,165)** is appropriated from the Healthy Futures Fund to the Guam Department of Education for the Interscholastic Sports Fund to be expended pursuant to § 7108, Chapter 7, Title 17 GCA. The appropriation made in this Subsection *shall* be available to fund sports programs, to include the payment of head coaches, assistant coaches, league fees, busing services, and other expenses normally associated with interscholastic sports.

(b) **Health and Physical Education Activities.** For Fiscal Year 2026, the sum of Two Hundred Seventy-Seven Thousand Five Hundred Eighty-Nine Dollars **($277,589)** is appropriated from the Healthy Futures Fund to the Guam Department of Education for health and physical education programs, intramural sports, and similar activities.

Section 5. Appropriation to the Guam Department of Education for Alternative Dispute Resolution/Mediation Services. Notwithstanding any other provision of law, for Fiscal Year 2026, the sum of Forty Thousand Dollars **($40,000)** is appropriated from the Guam Educational Facilities Fund to the Guam Department of Education to obtain and provide Alternative Dispute Resolution/Mediation Services to all public schools on Guam.

Section 6. Appropriation to the Guam Department of Education for Grounds Maintenance for Schools. For Fiscal Year 2026, the sum of Three Hundred Eighty-Five Thousand Twenty-Two Dollars **($385,022)** is appropriated from the Guam Educational Facilities Fund for the grounds maintenance of Guam Department of Education schools.

Section 7. Guam Department of Education (GDOE) Summer School Fund. Pursuant to § 6119, Article 1, Chapter 6, Division 2, Title 17 of the Guam Code Annotated which established the Summer School Fund, such sums as are necessary to fund the operations of the Fiscal Year 2026 Summer School Program are hereby appropriated to the Guam Department of Education. The Superintendent of

Education *shall* submit a detailed report to *I Maga'hågan Guåhan* and the Speaker of *I Liheslaturan Guåhan* regarding the receipt and expenditure of said funds *no later than* thirty (30) days after the close of summer school and post the same on the GDOE website. Such report *shall* include the following:

(a) total revenues received, including identification of each revenue source;

(b) total expenditures and encumbrances by object classification and by school; and

(c) the fund balance.

Section 8. Appropriations to the University of Guam.

(a) Notwithstanding any other provision of law, for Fiscal Year 2026, the sum of Five Million Four Hundred Eighty-Four Thousand Two Hundred Forty-Four Dollars (**$5,484,244**) is appropriated from the General Fund to the University of Guam for the following purposes:

(b) **Student Scholarships, Financial Assistance Programs, and Program Administration**. Such appropriation in this Section from the General Fund is for: Merit Awards, Student Loans, the Nursing Training Program (Health Professions Training Scholarship), Jesus U. Torres Professional and Technical (PROTECH) Awards, the Access to Higher Education Financial Assistance Program, the Pedro "Doc" Sanchez Scholarship, John F. Quan Memorial Scholarship Program, the Dr. Antonio C. Yamashita Educator Corps, and the Every Child is Entitled to a Higher Education Scholarship Program, for Fiscal Year 2026. The President of the University of Guam *shall* allocate this appropriation to fund student scholarships and financial assistance programs. No more than ten percent (10%) of the total appropriation in this Section *shall* be used for the administration of these programs. The President of the University of Guam *shall* post on the University of Guam's website all reports mandated by this Act and existing law regarding the Dr. Antonio C. Yamashita Educator Corps, the student scholarships, and financial assistance programs.

(c) The University of Guam *may* submit to *I Liheslatura* a proposed realignment plan or recommendations to amend statutory student scholarships and financial assistance programs consistent with community, workforce, and economic recovery needs.

(d) The University of Guam *may* allocate from such appropriation in this Section any additional sums toward any other types of scholarships or financial assistance programs that it deems necessary, including, but not limited to, Regent Scholarships, the Reserve Officer Training Corps (ROTC), Marine Lab Graduate Assistance Programs, and Early High School Admission Programs.

(e) Nothing in this Section *shall* affect any multi-year scholarship awarded prior to enactment of this Act.

(f) **Aquaculture Development and Training Center.** Such appropriation in this Section from the General Fund is for the purpose of funding the continued operations of the Aquaculture Development and Training Center.

(g) **WERI's Guam Hydrologic Survey.** Such appropriation in this Section from the General Fund is for the purpose of funding the Guam Hydrologic Survey (GHS) administered by the Water and Environmental Research Institute of the Western Pacific (WERI). WERI *shall* continue to administer the GHS for those purposes previously established by Guam law.

(h) **WERI's Comprehensive Water Resource Monitoring Program.** Such appropriation in this Section from the General Fund *shall* be used to fund the Water and Environmental Research Institute of the Western Pacific (WERI) for the *sole* purpose of matching the federal funding for the Comprehensive Water Resource Monitoring Program. WERI *shall* continue to administer the Comprehensive Water Resource Monitoring Program for those purposes previously established by Guam law.

(i) **Northern and Southern Soil and Water Conservation Districts Program.** Such appropriation in this Section from the General Fund is for operations and activities of the Northern and

Southern Soil and Water Conservation Districts (SWCD) Program and *shall* be equally divided between the Northern and Southern Soil Conservation Districts. Expenditures from this appropriation *shall* be made upon the approval of the District Directors, with the consent of the SWCD Board and *shall not* require further approval by the University of Guam *or* any other government entity.

(j) **KPRG (Public Radio).** Such appropriation in this Section from the General Fund is for KPRG (Public Radio) operations. The President of the University of Guam *shall* disburse the funds to KPRG. *No later than* thirty (30) days after the close of each fiscal quarter of Fiscal Year 2026, the General Manager of KPRG *shall* submit to the President of the University of Guam, and post on KPRG's website, all reports mandated by this Act.

(k) **Guampedia Foundation.** Such appropriation in this Section from the General Fund is for the operations of the Guampedia Foundation.

(l) **University of Guam Press (Publishing House).** Such appropriation in this Section from the General Fund is for the operations and activities of the University of Guam Press. Such sum appropriated in this Section are authorized for use as the local matching requirement for Federal Grants-in-Aid. The University of Guam Press is to assist the Guam Department of Education with their textbooks and collateral materials for the development. Localization, production, reproduction and/or purchase of textbooks, instructional materials, curriculum guides, and/or other print, digital, and audio resources, as well as for the development and facilitations of professional development programs to support the implementation and success of these resources.

Section 9. Appropriations to the University of Guam Capital Improvements Fund.

(a) For Fiscal Year 2026, the sum of One Million One Hundred Fifty-Eight Thousand Two Hundred Eighty-Three Dollars **($1,158,283)** is appropriated from the General Fund to the University of

Guam Capital Improvements Fund for the purpose of paying rental payments due under the lease-back agreement pursuant to Public Law 31-229:18, as repealed and reenacted by Public Law 31-277.

(b) Notwithstanding any other provision of law, for Fiscal Year 2026, the sum of Five Hundred Thousand Dollars **($500,000)** is appropriated from the Guam Educational Facilities Fund to the University of Guam Capital Improvements Fund for the purpose of paying for the debt service pursuant to § 16132, Chapter 16, Division 3, Title 17 of the Guam Code Annotated.

Section 10. Appropriation to the University of Guam for the Guam Cancer Trust Fund. Notwithstanding § 26603(d)(5)(B), Chapter 26, Article 6, Title 11 of the Guam Code Annotated, for Fiscal Year 2026, the sum of Three Million Five Hundred Eighty-Two Thousand Six Hundred Ninety-One Dollars **($3,582,691)** is appropriated from the Healthy Futures Fund to the University of Guam for the administration of the Guam Cancer Trust Fund. This appropriation *shall* be used to fund cancer screening, treatment, educational outreach programs, and support services for qualified applicants.

Section 11. Appropriation to the University of Guam for the Guam Green Growth (G3) Initiative. For Fiscal Year 2026, the sum of Five Hundred Thousand Dollars (**$500,000**) is appropriated from the General Fund to the University of Guam to fund the Research Corporation of the University of Guam (RCUOG) for the *sole* purpose of supporting the Guam Green Growth (G3) Initiative administered by the UOG Center for Island Sustainability. Aligned with the seventeen (17) United Nations Sustainable Development Goals, G3 cultivates an ecosystem for transformative action to achieve a more sustainable, prosperous, and equitable future for Guam. Activities will stimulate island circular economy industries to contribute to a new green economy, reduce the production of waste, reduce reliance on imports, and promote sustainable actions throughout the community. The expenditures authorized in this Section *shall* be used for G3 initiative operations and administrative costs, supplies and equipment, membership in regional and global sustainability organizations, and to support educational and outreach activities. Said

funds *shall not* be transferred or used for any other purpose. The sum appropriated herein is authorized for use as a local matching requirement for Federal Grants-in-Aid and *shall* be prioritized for the local matching requirement of the UOG Sea Grant Program.

The UOG Center for Island Sustainability *shall* prepare and submit an expenditure plan for said use of these funds for the Guam Green Growth (G3) Initiative to the Guam Environmental Protection Agency (GEPA) Board of Directors, who *shall* review the expenditure plan no later than thirty (30) days upon receipt of the plan. The UOG Center for Island Sustainability *shall not* expend funds allocated herein prior to the approval of the expenditure plan and must meet all applicable rules and regulations.

Section 12. Appropriation to the University of Guam for the Sea Grant Program. For Fiscal Year 2026, the sum of Five Hundred Thousand Dollars **($500,000)** is appropriated from the General Fund to the University of Guam Sea Grant Special Fund (established by Public Law 35-114) to fund the Sea Grant Program administered by the University of Guam Center for Island Sustainability. UOG has been a Land Grant institution since 1972, and the status has brought significant opportunities for UOG, Guam, and the region in agriculture, terrestrial resources management, and development of the community. Having received a formal notice to review from the National Sea Grant Director, UOG now has a once-in-a-generation opportunity to achieve "Sea Grant Status" and bring similar opportunities to Guam and the region in marine resource management, environmental stewardship, and the community development of coastal communities. The National Sea Grant College Program is a partnership between universities and the federal government's National Oceanic and Atmospheric Administration (NOAA), an agency within the U.S. Department of Commerce. The UOG Sea Grant applies research, extension, and educational activities that sustain and develop island environments while integrating the knowledge and culture of island people. The UOG Sea Grant provides local workforce development training in marine and environmental sciences through research funding, internships, fellowships and grants; funds research

competitions among faculty, colleges, and nonprofit organizations to promote understanding and better management of coastal resources in Guam and Micronesia; and, perpetuates traditional local knowledge in navigation and fisheries through teaching, research, outreach, and apprenticeships. The expenditures authorized in this Section *shall* be used for UOG Sea Grant operations and administrative costs, hiring of faculty and administrative staff, facility improvement, and supplies and equipment. The sum appropriated herein is authorized for use as a local matching requirement for Grants-in-Aid and *shall* be prioritized for use as the local matching requirement to achieve and maintain Sea Grant Institutional Status, which has the potential to garner a 1:2 federal contribution of up to One Million Dollars ($1,000,000) in federal funds to UOG per year.

The President of the University of Guam *shall* post on UOG's website and *shall* submit to *I Maga'hågan Guåhan* and the Speaker of *I Liheslaturan Guåhan*, in a Microsoft Excel file and written report, annual reports for the UOG Sea Grant Special Fund. At a minimum, said reports *shall* include: program mission statements, objectives, sources of revenue, expenditures by budget classification, number of employees, and contracts, and *shall* describe program accomplishments in the fiscal year reported.

Section 13. Appropriation to the University of Guam for the Guam Cultural Repository. For Fiscal Year 2026, the sum of One Million Six Hundred Twenty-Seven Thousand One Hundred Twenty-Six Dollars (**$1,627,126**) is appropriated from the General Fund to the University of Guam to fund the operations of the Guam Cultural Repository. The Guam Cultural Repository *shall* submit a written report to the Speaker of *I Liheslaturan Guåhan* at the end of each quarter of Fiscal Year 2026, which *shall* include all expenditures and encumbrances of its Fiscal Year 2026 appropriations.

Section 14. Appropriations to the Guam Community College. Notwithstanding any other provision of law, for Fiscal Year 2026, the sum of Seven Hundred Fifty Thousand Six Hundred Fifty-Six Dollars **($750,656)** is appropriated from the General Fund and Eight Million Four Hundred Seventy-One

Thousand Five Hundred Sixty-Two Dollars **($8,471,562)** is appropriated from the Manpower Development Fund to the Guam Community College for the following training programs:

(a) **Licensed Practical Nursing and Vocational Guidance Programs.** Such appropriation in this Section from the General Fund is to support the operations of the Licensed Practical Nursing Program and Vocational Guidance Program.

(b) **Lodging Management Program/ProStart.** Such appropriation in this Section from the General Fund is for the Lodging Management Program/ProStart Program.

(c) **Apprenticeship Program.** Such appropriation in this Section from the Manpower Development Fund is for the Guam Community College Apprenticeship Program. In addition to the authorization contained in § 7120, Chapter 7, Title 22 of the Guam Code Annotated, the appropriation herein *shall* be available and authorized to be used by the Guam Community College to fund the operations of other programs at the College, as approved by the Board and Administration of the College, after all the Apprenticeship Program requirements and obligations have been fully funded.

Section 15. Appropriation to the Guam Community College for the WICHE Scholarship Office. For Fiscal Year 2026, the sum of Seventy-Eight Thousand Five Hundred Dollars **($78,500)** is appropriated from the General Fund to the Guam Community College to fund the Western Interstate Commission for Higher Education (WICHE) Scholarship Office to administer the WICHE Professional Student Exchange Program for qualified Guam residents.

Section 16. Peace Officer Standards and Training Commission. For Fiscal Year 2026, the sum of Three Hundred Thousand Dollars **($300,000)** is appropriated from the General Fund to the Guam Community College for the purpose of funding the Peace Officer Standards and Training Commission operations.

Section 17. Appropriation to the Department of Corrections for Cost of Care and Custody for Prisoners Confined in Federal Facilities. For Fiscal Year 2026, the sum of Five Hundred Forty-Five Thousand Dollars **($545,000)** is appropriated from the General Fund to the Department of Corrections for the payment of current year obligations for prisoners confined in federal facilities of the Federal Bureau of Prisons.

Section 18. Appropriation to the Department of Corrections for Cost-Sharing Initiative Related to the Criminal Justice Information System (CJIS) Integration Report. For Fiscal Year 2026, the sum of Eighty-Seven Thousand Six Hundred Ninety Dollars **($87,690)** is appropriated from the General Fund to the Department of Corrections for its share of the total annual cost of message switch maintenance and National Law Enforcement Telecommunications System (NLETS) membership pursuant to the Multi-Agency Agreement to Facilitate a Cost Sharing Initiative of May 2013 entered into by the Chief of Police, the Director of the Department of Corrections, the Attorney General of Guam, and the Administrator of the Courts.

Section 19. Appropriation to the Department of Corrections for the Guam Memorial Hospital Authority Consolidated Agreement. For Fiscal Year 2026, the sum of Four Million Two Hundred Thousand Dollars **($4,200,000)** is appropriated from the General Fund to the Department of Corrections (DOC) to pay the Guam Memorial Hospital Authority (GMHA) per the Memorandum of Understanding between DOC and GMHA for providing health services to inmates.

Section 20. Appropriation to the Department of Corrections for Corrections Management System. For Fiscal Year 2026, the sum of Two Hundred Ninety-Four Thousand Six Hundred Ten Dollars **($294,610)** is appropriated from the General Fund to the Department of Corrections (DOC) for the annual fee for user access and maintenance of the Corrections Management System pursuant to the "Software As A Service Agreement (SAAS)" between the DOC and Tyler Technologies, Inc.

Section 21. Appropriation to the Department of Corrections for Corrections Officer Recruits. For Fiscal Year 2026, the sum of One Million Six Hundred Forty-Five Thousand Five Hundred Forty Dollars **($1,645,540)** is appropriated from the General Fund to the Department of Corrections for its Fiscal Year 2026 cycle of twenty (20) Corrections Officer Recruits.

Section 22. Department of Corrections Modernization Act Appropriation. For Fiscal Year 2026, the sum of Five Million Dollars **($5,000,000)** is appropriated from the General Fund to the Department of Corrections and *shall* be expended for the costs associated with the financing, design, construction, maintenance and related expenses of the new Department of Corrections facility as established by Public Law 36-57, the Department of Corrections Modernization Act of 2021.

Section 23. Appropriation to the Department of Youth Affairs for Youth Programs. For Fiscal Year 2026, the sum of Two Hundred Thousand Dollars **($200,000)** is appropriated from the General Fund to the Department of Youth Affairs to fund programs contracted out to non-governmental organizations for services to youths who are runaways, homeless, or victims of abuse.

Section 24. Appropriation to the Department of Youth Affairs for Summer Employment and Training Programs for Youth. For Fiscal Year 2026, the sum of Two Million Two Hundred Sixty-Eight Thousand Three Hundred Fifty-Two Dollars **($2,268,352)** is appropriated from the General Fund to the Department of Youth Affairs to carry out the Summer Employment and Training Programs for Youth contained in Chapter 21, Title 19 of the Guam Code Annotated.

Section 25. Appropriation to the Guam Fire Department for Firefighter Recruits. For Fiscal Year 2026, the sum of One Million Three Hundred Ninety-Two Thousand Nine Hundred Forty-Two Dollars **($1,392,942)** is appropriated from the General Fund to the Guam Fire Department for its Fiscal Year 2026 cycle of twenty (20) Firefighter Recruits.

Section 26. Appropriation to the Guam Police Department for Cost-Sharing Initiative Related to the Criminal Justice Information System (CJIS) Integration Report. For Fiscal Year 2026, the sum of Eighty-Seven Thousand Six Hundred Ninety Dollars **($87,690)** is appropriated from the General Fund to the Guam Police Department for its share of the total annual cost of message switch maintenance and National Law Enforcement Telecommunications System (NLETS) membership pursuant to the Multi-Agency Agreement to Facilitate a Cost Sharing Initiative of May 2013 entered into by the Chief of Police, the Director of the Department of Corrections, the Attorney General of Guam, and the Administrator of the Courts.

Section 27. Appropriation to the Guam Police Department for Safe Schools Initiative. Notwithstanding any other provision of law, for Fiscal Year 2026, the sum of One Hundred Forty-Two Thousand Five Hundred Eighty-Five Dollars **($142,585)** is appropriated from the General Fund to the Guam Police Department for its Safe Schools Initiative.

Section 28. Appropriation to the Guam Police Department for Police Officer Trainees. For Fiscal Year 2026, the sum of One Million Eighty-Five Thousand Three Hundred Eleven Dollars **($1,085,311)** is appropriated from the General Fund to the Guam Police Department for its Fiscal Year 2026 cycle of twenty (20) Police Officer Trainees.

Section 29. Appropriation to the Guam Police Department for Guam Crime Stoppers. For Fiscal Year 2026, the sum of One Hundred Thousand Dollars **($100,000)** is appropriated from the General Fund to the Guam Police Department for the Guam Crime Stoppers at the discretion of the Chief of Police.

Section 30. Appropriation to the Guam Customs and Quarantine Agency for Customs and Quarantine Trainees. For Fiscal Year 2026, the sum of Six Hundred Thirty-Six Thousand Six Hundred Twelve Dollars **($636,612)** is appropriated from the Customs, Agriculture and Quarantine Inspection

Services Fund to the Guam Customs and Quarantine Agency for its Fiscal Year 2026 cycle of ten (10) Customs and Quarantine Trainees.

Section 31. Appropriations to the Guam Environmental Protection Agency. Notwithstanding any other provision of law, for Fiscal Year 2026, the following are appropriated to the Guam Environmental Protection Agency:

(a) **Beach Monitoring.** The sum of Forty-Six Thousand Nine Hundred Three Dollars **($46,903)** is appropriated from the General Fund to the Guam Environmental Protection Agency for the *sole* purpose of beach monitoring. This appropriation is *not* subject to transfer or use for any other purpose.

(b) **Landfill Costs.** The sum of Two Hundred Two Thousand Nine Hundred Ninety-Two Dollars **($202,992)** is appropriated from the Solid Waste Operations Fund to the Guam Environmental Protection Agency for costs in the closure, monitoring and opening of the island's landfills.

Section 32. Appropriation to the Guam Behavioral Health and Wellness Center Detoxification and Rehabilitation Services. For Fiscal Year 2026, the sum of Two Hundred Fifty Thousand Dollars **($250,000)** is appropriated from the General Fund and the sum of Three Million Two Hundred Sixty-Two Thousand Four Hundred Seventy-Six Dollars **($3,262,476)** is appropriated from the Healthy Futures Fund to the Guam Behavioral Health and Wellness Center to fund drug and alcohol detoxification, rehabilitation, and prevention services programs, which may be contracted out to non-governmental organizations; provided, that the expenditure of such funds *shall* comply with § 1421b(p) of 48 United States Code.

Section 33. Appropriation to the Guam Behavioral Health and Wellness Center Focus on Life Suicide Prevention Program. For Fiscal Year 2026, the sum of Eighty-One Thousand Seven Hundred Fifty Dollars **($81,750)** is appropriated from the General Fund to the Guam Behavioral Health and Wellness Center to fund the Focus on Life Suicide Prevention Program.

Section 34. Appropriation to the Guam Behavioral Health and Wellness Center Inpatient Detox Program (New Beginnings). For Fiscal Year 2026, the sum of Two Million Two Hundred Sixty-Six Thousand Two Hundred Eighty-Five Dollars **($2,266,285)** is appropriated from the Healthy Futures Fund to the Guam Behavioral Health and Wellness Center to fund inpatient services of drug and alcohol detoxification, rehabilitation, and prevention services programs.

Section 35. Appropriation to the Guam Behavioral Health and Wellness Center Youth Mental Health First Aid. For Fiscal Year 2026, the sum of Two Hundred Eighty-Five Thousand One Hundred Seventy Dollars **($285,170)** is appropriated from the General Fund to the Guam Behavioral Health and Wellness Center to fund the Youth Mental Health First Aid Program.

Section 36. Appropriation to the Department of Public Health and Social Services for Medically Indigent Program (MIP). For Fiscal Year 2026, the sum of Two Million One Hundred Thirty Thousand Eight Hundred Thirty-Three Dollars **($2,130,833)** is appropriated from the General Fund to the Department of Public Health and Social Services for the Medically Indigent Program Payment Revolving (MIPPR) Fund for the MIP. No more than ten percent (10%) of the appropriations from local fund sources in this Section is authorized to pay for the Fiscal Year 2025 obligations of the MIP.

Section 37. Appropriation to the Department of Public Health and Social Services for Medicaid Program. For Fiscal Year 2026, the sum of Twenty-Nine Million Eight Hundred Fifty-Eight Thousand Eighty-Seven Dollars **($29,858,087)** is appropriated from the General Fund to the Department of Public Health and Social Services (DPHSS) as the local matching requirement for the Medicaid Program. The sum of One Hundred Fifty-Six Million Four Hundred Seventy Thousand Three Hundred Eighty-Nine Dollars **($156,470,389)** is authorized from Federal Matching Grants-in-Aid to DPHSS for said purpose for Fiscal Year 2026.

No more than thirty percent (30%) of the appropriation from local fund sources in this Section is authorized to pay for the Fiscal Year 2025 obligations of the Medicaid Program. The funds appropriated and authorized in this Section are not subject to *I Maga'hågan Guåhan's* transfer authority. Notwithstanding any other provision of law, all or any of the amounts appropriated in this Section may be authorized to pay for Medically Indigent Program (MIP) for FY 2026, in addition to the authorization for MIP in this Act.

Section 38. Appropriation to the Department of Public Health and Social Services for Guam Cancer Registry. Pursuant to § 26603(d)(5)(D), Article 6, Chapter 26, Title 11 of the Guam Code Annotated, for Fiscal Year 2026, the sum of Three Hundred Eighty-Nine Thousand One Hundred Forty-Four Dollars **($389,144)** is appropriated from the Healthy Futures Fund to the Department of Public Health and Social Services to maintain the Guam Cancer Registry pursuant to § 3201.1, Article 2, Chapter 3, Title 10 of the Guam Code Annotated.

Section 39. Appropriations to the Department of Public Health and Social Services for the Division of Children's Wellness. Notwithstanding any other provision of law, for Fiscal Year 2026, the following are appropriated to the Department of Public Health and Social Services (DPHSS), Division of Children's Wellness:

(a) **Bureau of Social Services Administration.** For Fiscal Year 2026, the sum of Seven Million Three Hundred Fourteen Thousand Nine Hundred Eighty-Two Dollars (**$7,314,982**) is appropriated from the General Fund to the DPHSS for the operations of the Bureau of Social Services Administration.

(b) **Insurance Premiums for Foster Children.** For Fiscal Year 2026, the sum of Two Million Four Hundred Seventy-Seven Thousand One Hundred Seventy-Six Dollars **($2,477,176)** is appropriated from the General Fund to the DPHSS for the purpose of paying the premiums for health insurance. The

DPHSS Bureau of Social Services Administration *shall* be the subscriber for foster children covered under Public Law 32-189 and *shall* remit payments to the Department of Administration or to the insurance provider for the purpose of paying premiums.

(c) **Child Protective Services Program.** Fiscal Year 2026, the sum of Two Million Three Hundred Forty-Five Thousand Four Hundred One Dollars **($2,345,401)** is appropriated from the General Fund to the DPHSS for the Child Protective Services Program.

(d) **Foster Care Group Home.** For Fiscal Year 2026, the sum of Nine Hundred Fifty Thousand Five Hundred Fifty-Eight Dollars (**$950,558**) is appropriated from the General Fund to the DPHSS for the operation of the *I Guma Mina'åse'* Sister Mary Brigid Perez, RSM, Group Child Care Home.

Section 40. Appropriation to the Department of Public Health and Social Services for the Medical Cannabis Program. For Fiscal Year 2026, the sum of Four Hundred Forty-Four Thousand Eight Hundred Ninety-Nine Dollars **($444,899)** is appropriated from the General Fund to the Department of Public Health and Social Services for the Medical Cannabis Program.

Section 41. Appropriation to the Department of Public Health and Social Services for the Division of Homelessness Assistance and Poverty Prevention. For Fiscal Year 2026, the sum of One Million Three Hundred Seventeen Thousand One Hundred Forty-Seven Dollars **($1,317,147)** is appropriated from the General Fund to the Department of Public Health and Social Services (DPHSS) for the Division of Homelessness Assistance and Poverty Prevention established within the DPHSS pursuant to Executive Order No. 2025-01.

Section 42. Appropriations to the Guam Memorial Hospital Authority.

(a) For Fiscal Year 2026, the sum of Twenty-Eight Million Five Hundred Twenty-Eight Thousand Three Hundred Sixty Dollars **($28,528,360)** is appropriated from the General Fund to the Guam Memorial Hospital Authority for its operational expenses.

(b) Pursuant to §§ 26208 and 26208.1, Article 2, Chapter 26, Title 11 of the Guam Code Annotated, for Fiscal Year 2026, the sum of Twenty-Five Million Three Hundred Sixty-Four Thousand Eight Hundred Ninety-Six Dollars **($25,364,896)** is appropriated from the Guam Memorial Hospital Authority Pharmaceuticals Fund to the Guam Memorial Hospital Authority.

Section 43. Appropriations to the Department of Parks and Recreation for Public Restrooms and Pool Facilities. Notwithstanding any other provision of law, for Fiscal Year 2026, the sum of Four Hundred Thousand Dollars **($400,000)** is appropriated from the Tourist Attraction Fund to the Department of Parks and Recreation (DPR) for the following programs:

(a) **Maintenance and Repair of Public Restrooms.** Such appropriation in this Section is for the maintenance, utilities and repair of restroom facilities in public parks island-wide. *No later than* thirty (30) days after the end of every fiscal quarter, the Director of DPR *shall* submit a quarterly report of the expenditures from this appropriation to the Public Auditor and post the same on DPR's website.

(b) **Maintenance of Pool Facilities.** Such appropriation in this Section is for the maintenance, utilities, and repair of pool facilities. These funds *shall* be used for the northern pool and the *Hagåtña* pool. *No later than* thirty (30) days after the end of every fiscal quarter, the Director of DPR *shall* submit a quarterly report of the expenditures from this appropriation to the Public Auditor and post the same on DPR's website.

Section 44. Appropriation to the Department of Parks and Recreation for Civilian Volunteer Territorial Park Patrol Officer Reservists. For Fiscal Year 2026, the sum of Ninety

Thousand Dollars **($90,000)** is appropriated from the General Fund to the Department of Parks and Recreation for the payment of allowances of Civilian Volunteer Territorial Park Patrol Officer Reservists to defray the costs of maintenance of their equipment and uniforms, as set forth in Public Law 36-3.

Section 45. Appropriation to the Department of Parks and Recreation for the Guam Historic Resources Division. For Fiscal Year 2026, the sum of Eight Hundred Forty-One Thousand Three Hundred Fifty-One Dollars **($841,351)** is appropriated from the General Fund to the Department of Parks and Recreation (DPR) for its Guam Historic Resources Division. Such appropriation from this Section *shall* be expended exclusively for historic preservation positions and projects as advised by the Guam State Historic Preservation Officer and approved by the DPR Director.

Section 46. Appropriation to the Department of Labor for Worker's Compensation Fund. For Fiscal Year 2026, the sum of Four Hundred Thousand Dollars **($400,000)** is appropriated from the General Fund to the Department of Labor (DOL) for the Worker's Compensation Fund for Worker's Compensation payments pursuant to § 9144, Chapter 9, Title 22 of the Guam Code Annotated, including obligations incurred in past years and in the future. Said appropriation may be used to pay for medical, surgical, and other treatment; nurses; hospital services; medical travel and per diem costs; medicine; crutches; and equipment required by a claimant for such period as his injury and the recovery therefrom may require. Said appropriation *shall not* be expended for disability compensation payments for Full-Time Equivalents (FTEs) funded by this Act. The Director of the DOL may use *no more than* Forty Thousand Dollars ($40,000) from said appropriation to pay for legal services for Workers' Compensation hearings.

Section 47. Appropriation to the Guam Council on the Arts and Humanities Agency for the Guam Territorial Band. For Fiscal Year 2026, the sum of Forty-Five Thousand Dollars **($45,000)** is appropriated from the General Fund to the Guam Council on the Arts and Humanities Agency for the Guam Territorial Band.

Section 48. Appropriation to the Department of Agriculture for Animal Shelter Operations. For Fiscal Year 2026, the sum of One Hundred Forty-Two Thousand Five Hundred Eighty-Five Dollars **($142,585)** is appropriated from the General Fund to the Department of Agriculture to fund the operations of the animal shelter.

Section 49. Department of Agriculture Civilian Volunteer Conservation Officers Program. For Fiscal Year 2026, the sum of Two Hundred Thousand Dollars **($200,000)** is appropriated from the General Fund to the Department of Agriculture to fund the needs of the Civilian Volunteer Conservation Officers Program, including procurement of critical equipment and supplies.

Section 50. GAIN Spay and Neuter Program. For Fiscal Year 2026, the sum of Four Hundred Fifty Thousand Dollars **($450,000)** is appropriated from the General Fund to the Department of Agriculture to fund the Guam Animals In Need (GAIN) Spay and Neuter Program.

Section 51. Appropriation to the Department of Administration for Support of Child in Custody. For Fiscal Year 2026, the sum of One Hundred Fifty Thousand Dollars **($150,000)** is appropriated from the General Fund to the Department of Administration for the *sole* purpose of paying orders of the court pursuant to § 5116, Chapter 5, Title 19 of the Guam Code Annotated.

Section 52. Appropriation to the Department of Administration for Residential Treatment Fund. For Fiscal Year 2026, the sum of Three Million Four Hundred Forty-Seven Thousand Two Hundred Forty-Nine Dollars **($3,447,249)** is appropriated from the General Fund to the Department of Administration (DOA) to pay the expenses of persons under the jurisdiction of the Superior Court of Guam who require residential care because of physical, mental *or* emotional disabilities *or* severe emotional disturbances. All such persons and their escorts referred off-Guam for treatment and care *shall* submit to the Director of DOA appropriate documentation to justify and receive reimbursement of their travel expenses. The Director of DOA *shall* submit reports to *I Maga'hågan Guåhan* and the Speaker of

I Liheslaturan Guåhan describing all expenditures made pursuant to this appropriation *no later than* thirty (30) days after the end of each quarter of Fiscal Year 2026 and post the same on the DOA website.

Section 53. Appropriation to the Department of Administration for Government Claims Fund. For Fiscal Year 2026, the sum of Seventy-Five Thousand Dollars **($75,000)** is appropriated from the General Fund to the Department of Administration (DOA) for the Government Claims Fund for payment of approved government claims. The Director of DOA *shall*, *no later than* thirty (30) days after the close of each quarter of Fiscal Year 2026, submit to the Speaker of *I Liheslaturan Guåhan*, in a Microsoft Excel file and written report describing expenditures made pursuant to the appropriations herein, and post the same on the DOA website.

Section 54. Appropriations to the Department of Administration for Government of Guam's Audit Reports. Notwithstanding any other provision of law, for Fiscal Year 2026, the following are appropriated to the Department of Administration:

(a) The sum of Seven Hundred Thousand Dollars **($700,000)** is appropriated from the General Fund to the Department of Administration for the Fiscal Year 2025 Government of Guam's Basic Financial Statements Audit and Single Audit Report. The Public Auditor *shall* administer said funds and *shall* oversee the annual audit.

(b) The sum of Twenty Thousand Five Hundred Dollars **($20,500)** is appropriated from the Tourist Attraction Fund to the Department of Administration for the Fiscal Year 2025 Audit of the Financial Statements of the Tourist Attraction Fund. The Public Auditor *shall* administer said funds and *shall* oversee the annual audit.

(c) The sum of Twenty Thousand Five Hundred Dollars **($20,500)** is appropriated from the Healthy Futures Fund to the Department of Administration for the Fiscal Year 2025 Audit of the Financial

Statements of the Healthy Futures Fund. The Public Auditor *shall* administer said funds and *shall* oversee the annual audit.

Section 55. Appropriations to Retirees for Supplemental Annuity Benefits and Other Costs.

(a) For Fiscal Year 2026, the sum of Six Million Five Hundred Fifty-Five Thousand Nine Hundred Fifty Dollars **($6,555,950)** is appropriated from the General Fund to the Supplemental Annuity Benefits Special Fund, for direct payments to Government of Guam retirees who retired *prior* to October 1, 1995, or their survivors, for the continuing payment of Four Thousand Two Hundred Thirty Eight Dollars ($4,238) per year in supplemental annuity benefits, consisting of the sum of One Thousand Two Hundred Dollars ($1,200), One Thousand Five Hundred Dollars ($1,500), Seven Hundred Dollars ($700), and Eight Hundred Thirty Eight Dollars ($838) in annual benefits authorized by various General Appropriation Acts.

(b) *No* retiree who is eligible for Retiree Supplemental Annuity Benefits provided for in Subsection (a) hereof *shall* receive said Benefits *if* his annual retirement annuity, *excluding* survivor benefits and excluding the Supplemental benefits authorized herein, is *greater than* Forty Thousand Dollars ($40,000). No retiree who is eligible for Retiree Supplemental Annuity Benefits *shall* receive *more than* the sum of Forty Thousand Dollars ($40,000) in combined retirement annuities and Supplemental Annuity Benefits in any one Fiscal Year.

(c) The Director of the Department of Administration (DOA) *shall* coordinate with the Director of the Government of Guam Retirement Fund (GGRF) and *shall* disburse to the retirees, or their survivors, the supplemental annuity benefits provided for in Subsection (a) of this Section. The GGRF *shall* provide the Director of DOA with the information needed to affect disbursement. To realize savings associated with the cost of preparing separate checks and mailing separate checks for the supplemental

annuity for retirees, the Director of DOA may enter into a Memorandum of Understanding (MOU) with the GGRF in which the Director of DOA remits the supplemental annuity payments to the GGRF for disbursement to the retiree at the same time the regular annuity check is issued, or by including the supplemental annuity in the regular annuity check issued by the GGRF.

(d) Funds held in the Supplemental Annuity Benefits Special Fund *shall not* be commingled with the General Fund *or* any other fund, *shall* be held in a separate bank account that *shall* continue to be administered by the Director of DOA, and *shall not* be subject to *I Maga'hågan Guåhan's* transfer authority.

(e) For Fiscal Year 2026, the Guam Power Authority, the A.B. Won Pat International Airport Authority, the Guam Economic Development Authority, the Guam Housing Corporation, the Government of Guam Retirement Fund, the Jose D. Leon Guerrero Commercial Port, the Guam Waterworks Authority, and the Guam Visitors Bureau *shall* remit to DOA an amount equal to the number of retirees eligible pursuant to Subsection (a) hereof who have retired from that entity multiplied by Four Thousand Two Hundred Thirty Eight Dollars ($4,238). Said remittances *shall* be paid in two (2) equal installments on or before October 10, 2025, and April 15, 2026. Said remittances *shall not* be subject to *I Maga'hågan Guåhan's* transfer authority.

(f) For Fiscal Year 2026, the Guam Power Authority, the A.B. Won Pat International Airport Authority, the Guam Economic Development Authority, the Guam Housing Corporation, the Government of Guam Retirement Fund, the Jose D. Leon Guerrero Commercial Port, the Guam Waterworks Authority, and the Guam Visitors Bureau *shall* remit to the GGRF payments for medical, dental, and life insurance payments for retirees who have retired from those respective agencies. Said remittances *shall* be paid in two (2) equal installments on or before October 10, 2025, and on or before April 15, 2026, respectively.

The agencies' remittances for medical, dental, and life insurance benefits mandated herein are *ex gratia* payments, and are for Fiscal Year 2026.

(g) For Fiscal Year 2026, the sum of Six Million Two Hundred Sixty-Two Thousand Eight Hundred Thirty-Five Dollars **($6,262,835)** is appropriated from the General Fund to the Government of Guam Retirement Fund, to pay the cost of Medicare premiums, inclusive of premiums for Medicare Parts B and D, for government of Guam retirees and their survivors domiciled on Guam who are eligible to receive Social Security income benefits, and who are eligible to enroll in the Government of Guam Group Health Insurance Program. No government of Guam retiree or their survivor *shall* be required to enroll in the Government of Guam Health Insurance Program in order to receive the reimbursement. For those government of Guam retired employees and their survivors who do participate in the Government of Guam Group Health Insurance Program and are enrolled in Medicare Parts A and B, and elect either Class I, Class II, Class III, or Class IV coverage, reimbursement *shall only* be made to those who opt for the Retiree Supplemental Plan.

(h) For Fiscal Year 2026, the sum of Three Hundred Twenty-One Thousand Six Hundred Forty-Three Dollars **($321,643)** is appropriated from the General Fund to the Government of Guam Retirement Fund for *I Maga'låhi* and *I Sigundo Maga'låhi/I Sigundo Maga'håga* pensions.

(i) For Fiscal Year 2026, the sum of Two Hundred Twenty-Eight Thousand Nine Hundred Sixty-Five Dollars **($228,965)** is appropriated from the General Fund to the Government of Guam Retirement Fund for retirement annuities for former judges and justices of the Superior Court and Supreme Court of Guam.

(j) The Government of Guam Retirement Fund Board of Trustees *shall* enact and, *if* necessary, amend administrative regulations that establish procedures to ensure the proper submission, receipt, and accounting of all sums remitted pursuant to Subsections (e) and (f) hereof.

Section 56. Survivor Supplemental Annuity Additions. § 8135(d) (6), Article 1, Chapter 8, Title 4 of the Guam Code Annotated is *amended* to read:

"(6) the prospective payment of supplemental benefits for the period of [~~October 1, 2024, through September 30, 2025~~] October 1, 2025, through September 30, 2026 for Fiscal Year 2026 for survivors of those employees who retired prior to October 1, 1995, to be paid in the following manner:

(A) Four Thousand Two Hundred Thirty-Eight Dollars ($4,238) in Retiree Supplemental Annuity Benefits, known as the sum of One Thousand Two Hundred Dollars ($1,200), One Thousand Five Hundred Dollars ($1,500), Seven Hundred Dollars ($700), and Eight Hundred Thirty-Eight Dollars ($838) in annual benefits formerly contained in various General Appropriation Acts.

(B) No person eligible for Retiree Supplemental Annuity Benefits provided for in this Section *shall* receive such benefits if her/his regular annual retirement annuity, exclusive of the supplemental amounts authorized hereby, exceeds Forty Thousand Dollars ($40,000). No persons eligible for Retiree Supplemental Annuity Benefits *shall* receive more than the sum of Forty Thousand Dollars ($40,000) in combined retirement annuities and supplemental retirement annuities.

(C) Any retiree or survivor eligible to receive the supplemental annuity may waive their supplemental annuity payment authorized herein by the filing of a notarized affidavit waiving such payment with the Retirement Fund.**"**

Section 57. Disability Supplemental Annuity Additions. § 8129(g), Article 1, Chapter 8, Title 4 of the Guam Code Annotated is *amended* to read:

"(g) Any disability retirement annuitant who commenced receiving a disability retirement annuity *prior* to October 1, 1995, and who is entitled to disability retirement benefits under this Chapter *shall* receive, during the period commencing on [~~October 1, 2024, and ending on September 30, 2025~~] October 1, 2025 and ending on September 30, 2026, for Fiscal Year 2026, prospective non-cumulative supplemental annuity benefits as follows:

(1) Four Thousand Two Hundred Thirty-Eight Dollars ($4,238) in Retiree Supplemental Annuity Benefits, known as the sum of One Thousand Two Hundred Dollars ($1,200), One Thousand Five Hundred Dollars ($1,500), Seven Hundred Dollars ($700), and Eight Hundred Thirty-Eight Dollars ($838) in annual benefits formerly contained in various General Appropriation Acts.

(2) (A) No persons eligible for Retiree Supplemental Annuity Benefits provided for in Paragraph (g) of this Section *shall* receive such benefit if their regular annual retirement annuity, excluding survivor benefits, prior to the supplemental amounts herein exceeds Forty Thousand Dollars ($40,000).

(B) No persons eligible for Retiree Supplemental Annuity Benefits *shall* receive more than the sum of Forty Thousand Dollars ($40,000) in combined retirement annuities and supplemental retirement annuities.

(3) Any disability retirement annuitant eligible to receive the supplemental annuity may waive their supplemental annuity payment authorized herein by the filing of a notarized affidavit waiving such payment with the Retirement Fund.**"**

Section 58. Retirees Supplemental Annuity Additions. § 8122(d) (6), Article 1, Chapter 8, Title 4 of the Guam Code Annotated is hereby *amended* to read as follows:

"(6) Any retirement annuitant who commenced receiving a retirement annuity *prior* to October 1, 1995, and who is entitled to retirement benefits under this Chapter, *shall* receive, during the period commencing on [~~October 1, 2024, and ending on September 30, 2025~~] October 1, 2025 and ending on September 30, 2026, for Fiscal Year 2026, prospective, non-cumulative supplemental annuity benefits as follows:

(A) Four Thousand Two Hundred Thirty-Eight Dollars ($4,238) in Retiree Supplemental Annuity Benefits, known as the sum of One Thousand Two Hundred Dollars ($1,200), One Thousand Five Hundred Dollars ($1,500), Seven Hundred Dollars ($700), and Eight Hundred Thirty-Eight Dollars ($838) in annual benefits formerly contained in various General Appropriation Acts.

(B) No retiree who is eligible for Retiree Supplemental Annuity Benefits provided for in this Section *shall* receive such benefit if her/his regular annual retirement annuity, excluding the supplemental amounts authorized herein and survivor benefits, exceeds Forty Thousand Dollars ($40,000). A retiree who is eligible for Retiree Supplemental Annuity Benefits *shall* receive no more than Forty Thousand Dollars ($40,000) in combined retirement annuities and supplemental retirement annuities.

(C) Any retiree or survivor eligible to receive the supplemental annuity may waive the supplemental annuity payment authorized herein by the filing of a notarized affidavit waiving such payment with the Retirement Fund.**"**

Section 59. Appropriation for Cost of Living Allowance (COLA).

(a) *I Maga'hågan Guåhan shall* provide by a single lump sum payment, a "Cost of Living Allowance" (COLA) of Two Thousand Five Hundred Dollars ($2,500) to each retiree of the Government of Guam Retirement Fund (GGRF) who is retired as of September 30, 2025, *or* his/her survivor, *no later*

than November 1, 2025. If a retiree is a Defined Benefit and a Defined Contribution retiree, the retiree or his/her survivor *shall only* be entitled to a single COLA payment. For Fiscal Year 2026, the sum of Eighteen Million Four Hundred Ninety-Eight Thousand Two Hundred Eighty-Five Dollars **($18,498,285)** is appropriated from the General Fund to the Department of Administration to pay said COLA.

(b) The Guam Power Authority, the A.B. Won Pat International Airport Authority, the Guam Economic Development Authority, the Guam Housing Corporation, the Government of Guam Retirement Fund, the Jose D. Leon Guerrero Commercial Port, the Guam Waterworks Authority, and the Guam Visitors Bureau *shall* pay a COLA in a single payment of Two Thousand Three Hundred Dollars ($2,300) to every Government of Guam Retirement Fund retiree who retired from each respective aforementioned agency as of September 30, 2025, *or* his survivor, *no later than* November 1, 2025 for Fiscal Year 2026.

(c) Each agency mentioned in Subsection (b) *shall* reimburse the General Fund for any COLA paid by the Fund in Fiscal Year 2026 to retirees who have retired from that agency and their survivors *no later than* December 31, 2025.

(d) Any retiree or survivor eligible to receive the COLA may waive their payment authorized herein by filing a notarized affidavit waiving such payment with the entity responsible for the Retirement Fund.

(e) *If* a retiree is both a Defined Benefit and a Defined Contribution Retiree, her or his survivor *shall only* be entitled to a single COLA payment.

Section 60. Appropriation to Government of Guam Retirement Fund (GGRF) for Retiree Medical, Dental, and Life Insurance Expenses. For Fiscal Year 2026, the sum of Forty-Seven Million Five Hundred Fifty-Two Thousand Two Hundred Four Dollars **($47,552,204)** is appropriated from the General Fund to pay the following items for current retirees:

(a) Retiree group medical, dental, and life insurance premiums, including premiums and coverage for Judiciary of Guam retirees, to continue existing programs currently contained in the semi-monthly payments.

(b) Retiree life insurance subsidy, including subsidy for Judiciary of Guam retirees, to continue existing programs currently contained in the semi-monthly payments.

Section 61. Appropriations to the Department of Administration for the *Tiyan* Lease. For Fiscal Year 2026, the following sums are hereby appropriated from the Guam Educational Facilities Fund to the Department of Administration for the Guam Department of Education (GDOE) lease of *Tiyan* facilities:

(a) *Tiyan* High School - Three Million Nine Hundred Ninety-Five Thousand Eight Hundred Eighty-Nine Dollars **($3,995,889)** for base rent, and One Million Four Thousand One Hundred Eleven Dollars **($1,004,111)** for insurance and maintenance;

(b) GDOE Office Building - Two Hundred Sixty-Six Thousand Nine Hundred Eighty-Seven Dollars **($266,987)** for base rent, and Eighty-Eight Thousand Five Hundred Eighty-Six Dollars **($88,586)** for insurance and maintenance;

(c) GDOE Warehouse I - Seventy-Four Thousand Seven Hundred Fifty Dollars **($74,750)** for base rent, and Twenty-Eight Thousand Seventeen Dollars **($28,017)** for insurance and maintenance;

(d) *Tiyan* High School Gymnasium - Four Hundred Fifty-One Thousand Three Hundred Fifty-Six Dollars **($451,356)** for base rent, and One Hundred Twenty-Four Thousand Eight Hundred Sixty-Three Dollars **($124,863)** for insurance and maintenance;

(e) New GDOE Office Building - Two Million Two Hundred Ninety-Four Thousand Eight Hundred Sixty-Six Dollars **($2,294,866)** for base rent, and Five Hundred Forty-Six Thousand One Hundred Twenty-Six Dollars **($546,126)** for insurance and maintenance;

(f) New GDOE Warehouse II - One Hundred Twenty-Six Thousand Thirty-Two Dollars **($126,032)** for base rent, and Forty-Six Thousand Six Hundred One Dollars **($46,601)** for insurance and maintenance;

(g) GDOE Warehouse I Mezzanine – Forty-Nine Thousand Six Hundred Forty-Nine Dollars **($49,649)** for base rent, and Eighteen Thousand Three Hundred Fifty-Eight Dollars **($18,358)** for insurance and maintenance;

(h) Lot for New GDOE Office and Warehouse II - Forty-Four Thousand Six Hundred Sixty-Seven Dollars **($44,667)** for base rent; and

(i) *Tiyan* 3 Building and Facilities - Seven Hundred Thirty-Two Thousand Seven Hundred Sixty-Eight Dollars **($732,768)** for base rent, and Two Hundred Twenty Thousand Three Hundred Two Dollars **($220,302)** for insurance and maintenance.

Section 62. Appropriation to the Department of Administration for the Guam Academy Charter Schools Council Administrative Support. For Fiscal Year 2026, the sum of One Hundred Forty-Three Thousand Five Hundred Seventy-One Dollars **($143,571)** is appropriated from the General Fund to the Department of Administration (DOA) to fund the clerical and administrative support provided by DOA, including, but not limited to, full-time staff to prioritize the Guam Academy Charter Schools Council's operational requirements, an administrative office, conference room, office equipment, furnishings, and supplies.

Section 63. Appropriation to the Department of Administration for the Guam Basketball Confederation. For Fiscal Year 2026, the sum of Two Hundred Thousand Dollars **($200,000)** is appropriated from the General Fund to the Department of Administration for the Guam Basketball Confederation.

Section 64. Appropriations to the Department of Administration for Public Streetlights. Notwithstanding any other provision of law, for Fiscal Year 2026, the following are appropriated to the Department of Administration:

(a) Eight Hundred Eleven Thousand Seventy-Seven Dollars **($811,077)** is appropriated from the Guam Highway Fund to the Department of Administration to pay the Guam Power Authority for the installation and operation of the public streetlights.

(b) Four Million One Hundred Twenty-Seven Thousand Six Hundred Sixty-Seven Dollars **($4,127,667)** is appropriated from the Street Light Fund to the Department of Administration to pay the Guam Power Authority for the installation and operation of the public streetlights.

Section 65. Appropriation to the Department of Administration for the FMIS. For Fiscal Year 2026, the sum of Three Million Eight Hundred Seventy-Six Thousand Five Hundred Seventy-Five Dollars **($3,876,575)** is appropriated from the General Fund to the Department of Administration for the fourth-year term of the contract for the new Financial Management Information System (FMIS).

Section 66. Appropriation to the Guam Solid Waste Authority. Notwithstanding any other provision of law, for Fiscal Year 2026, the sum of Eighteen Million Two Hundred Eighty-Seven Thousand Eight Hundred Thirty-One Dollars **($18,287,831)** is appropriated from the Solid Waste Operations Fund to the Guam Solid Waste Authority for its operations.

Section 67. Appropriations to the Unified Judiciary of Guam. Notwithstanding any other provision of law, for Fiscal Year 2026, the sum of One Million Seven Hundred Fifty-Seven Thousand Four Hundred Seventy-Six Dollars **($1,757,476)** is appropriated from the General Fund and Twenty-Nine Thousand Nine Hundred Ninety-Three Dollars **($29,993)** is appropriated from the Safe Streets Fund to the Unified Judiciary of Guam for the following programs:

(a) **Adult and Juvenile Drug Courts.** Such appropriation in this Section from the General Fund is for the operations of the Adult and Juvenile Drug Courts, the Mental Health Court, and other therapeutic court program(s) approved by the Judicial Council in Fiscal Year 2026.

(b) **Family Visitation Center.** Such appropriation in this Section from the Safe Streets Fund is for the operation of the Family Visitation Center, pursuant to § 8404.1, Chapter 8, Title 19 of the Guam Code Annotated, in Fiscal Year 2026.

(c) **Electronic Monitoring Program.** Such appropriation in this Section from the General Fund is for the operations of the Electronic Monitoring Program for Guam's pretrial and criminal offender populations in Fiscal Year 2026.

Section 68. Appropriation to the Unified Judiciary of Guam for the Guam Criminal Law and Procedure Review Commission. For Fiscal Year 2026, the sum of Three Hundred Seventy-Eight Thousand Eight Hundred Forty-Five Dollars **($378,845)** is appropriated from the General Fund to the Unified Judiciary of Guam to carry out the purposes of the Guam Criminal Law and Procedure Review Commission Act pursuant to Public Law 36-119.

Section 69. Appropriation to the Public Defender Service Corporation for the Alternate Public Defender. For Fiscal Year 2026, the sum of Two Million Seven Hundred Eighty-One Thousand Four Hundred Ninety Dollars **($2,781,490)** is appropriated from the General Fund to the Public Defender Service Corporation for the Alternate Public Defender for its operations, including personnel services.

Section 70. Appropriation to the Office of the Attorney General for Cost-Sharing Initiative Related to the Criminal Justice Information System (CJIS) Integration Report. For Fiscal Year 2026, the sum of Eighty-Seven Thousand Six Hundred Ninety Dollars **($87,690)** is appropriated from the General Fund to the Office of the Attorney General for its share of the total annual cost of message switch maintenance and National Law Enforcement Telecommunications System (NLETS) membership

pursuant to the Multi-Agency Agreement to Facilitate a Cost Sharing Initiative of May 2013 entered into by the Chief of Police, the Director of the Department of Corrections, the Attorney General of Guam, and the Administrator of the Courts.

Section 71. Appropriations to the Mayors' Council of Guam (MCOG). Notwithstanding any other provision of law, for Fiscal Year 2026, the sum of Four Hundred Twenty-Two Thousand One Hundred Twenty-Six Dollars **($422,126)** is appropriated from the General Fund, the sum of Three Hundred Seven Thousand Three Hundred Seventy-Five Dollars **($307,375)** is appropriated from the Guam Educational Facilities Fund, and the sum of Three Hundred Thousand Dollars **($300,000)** is appropriated from the Host Community Fund to the Mayors' Council of Guam for the following programs:

(a) **Streets Maintenance and Beautification.** Such appropriation in this Section from the General Fund is for the maintenance and beautification of non-routed public roads, and for the operations of Mayors' offices, but *not* for personnel costs. Said funds *shall not* be subject to any transfer authority of *I Maga'hågan Guåhan* and *shall* be divided among the Village Mayors as follows:

(1) each Mayor *shall* receive up to the sum of Twenty Thousand Dollars ($20,000); and

(2) the remaining balance of the fund *shall* be distributed to each Mayor *pro rata* based on the total road mileage in his village as a percentage of Guam's total road mileage in the most current report of the Guam Roads Pavement Inventory of the Department of Public Works.

(b) **Island-wide Village Beautification Projects.** Such appropriation in this Section from the General Fund is for Island-wide Village Beautification Projects to include:

(1) the maintenance and repair of the village's recreational facilities under the jurisdiction of the Mayor;

(2) the maintenance and repair of each village's main roads; and

(3) the planting and maintenance of each village's official flower and other flowering plants, shrubs, and trees adjacent to the village's main roads, public restrooms, and recreational facilities. A Mayor may contract with a private entity to provide the services authorized by this Section subject to the Guam Procurement Law, Chapter 5, Title 5 of the Guam Code Annotated.

(c) **Public Safety and Social Education Programs.** Such appropriation in this Section from the Guam Educational Facilities Fund is to the MCOG for Fiscal Year 2026, to be expended in accordance with plans approved by the MCOG *or* the respective village municipal planning council and filed with the Director of Administration, to fund public safety and social education programs that enforce alcohol regulations, reduce underage drinking, support traffic safety, reduce drug-related violence and abuse, to support government of Guam substance abuse prevention programs, and to support organized sports programs in the community.

(d) **Appropriation to the Mayors' Council of Guam for Host Community Premiums.** Such appropriation in this Section from the Host Community Fund is to the Municipal Planning Council Funds of the villages of *Ordot* and *Inarajan* pursuant to § 51405, Article 4, Chapter 51, Title 10 of the Guam Code Annotated, as added by Public Law 30-165.

Section 72. Appropriation for the Guam Youth Congress. For Fiscal Year 2026, the sum of Fifteen Thousand Dollars **($15,000)** is appropriated from the General Fund to *I Liheslaturan Guåhan* for the Guam Youth Congress.

Section 73. Competitive Wage Act Study. *I Maga'hågan Guåhan* is hereby authorized to expend such funds necessary to procure the services of a consulting expert on classification and compensation in public employment to conduct a study of all government of Guam positions, to include

positions covered under the Nurse and Educator Pay Plans. The scope of work provisions of the contract *shall* include the conducting of compensation training for the human resources staff throughout the government of Guam.

Section 74. Pacific Islands Development Bank. *I Maga'hågan Guåhan* is hereby authorized to deposit such funds necessary into the Pacific Islands Development Bank as authorized under Public Law 22-148.

Section 75. Real Property Triennial Re-valuation. *I Maga'hågan Guåhan* is hereby authorized to expend such funds necessary to procure the services for the real property tax triennial re-valuation.

Section 76. Department of Public Health and Social Services (DPHSS) Continuing Appropriation Authorization for MIP, Medicaid, and Operations. The unexpended balance of appropriations from the General Fund and Special Funds to the Department of Public Health and Social Services (DPHSS) for operations, Medically Indigent Program (MIP), and Medicaid for Fiscal Year 2025, and prior fiscal years, *shall not* revert to the General Fund and Special Funds and *shall* be available until fully expended for operations, MIP, and Medicaid. The Director of DPHSS *shall* submit a report to the Speaker of *I Liheslaturan Guåhan* regarding the allocation, demographics, and expenditures of the appropriations contained herein *no later than* thirty (30) days after the end of each quarter and post the same on the DPHSS website. The Director of Administration *shall* pay MIP and Medicaid vendors on a first-in, first-out basis.

Section 77. Continuing Appropriation for the Office of *I Maga'hågan Guåhan*. Notwithstanding any other provision of law, the unexpended balance of funds appropriated to the Office of *I Maga'hågan Guåhan* for Fiscal Year 2025 and prior *shall not* lapse and *shall* continue to be available until fully expended.

Section 78. Continuing Appropriation for Unified Judiciary of Guam. Notwithstanding any other provision of law, the allotted but unexpended balance of funds appropriated to Unified Judiciary of Guam for Fiscal Year 2025 and prior *shall not* lapse and *shall* continue to be available until fully expended.

Section 79. Continuing Appropriation for the Mayors' Council of Guam. Notwithstanding any other provision of law, the allotted but unexpended balance of funds appropriated to the Mayors' Council of Guam for Fiscal Year 2025 and prior *shall not* lapse and *shall* continue to be available until fully expended.

CHAPTER IV

MISCELLANEOUS PROVISIONS

Section 1. Retirement Option for Government of Guam Employees. A member of the Government of Guam Retirement Fund (GGRF) who is eligible for retirement may retire upon the complete remittance of his/her outstanding individual contributions to the Fund, including the employee and employer retirement contributions. Any and all fees, interest at actuarial rates, and penalties required by the GGRF *shall* be paid by the Government of Guam.

This Section *shall not* restrict the continuing remittance of existing GGRF contributions as required by law *or* by the GGRF. By the fifteenth (15^{th}) day of each month, the Director of the GGRF *shall* provide a detailed report to the Speaker of *I Liheslaturan Guåhan* regarding said remittances and the number of retirements pursuant to this Section during the previous month. Nothing herein *shall* be construed to abrogate any provision of § 8137(h) of Article 1, Chapter 8, Title 4 of the Guam Code Annotated.

Section 2. Government of Guam Health Insurance Program Enrollment for Employment Pursuant to § 8121(a), Article 1, Chapter 8 of Title 4 GCA. Any employee hired pursuant to § 8121(a), Article 1, Chapter 8, Title 4 of the Guam Code Annotated may only be eligible to enroll in the Government of Guam Health Insurance Program as an active employee.

Section 3. Temporary Employment of Retired Corrections Officers. The Department of Corrections (DOC) may hire retired Guam corrections officers *if* a critical need arises because of military activation of corrections officers, *or* absence due to a long-term disability status which has been certified by a medical doctor. Retired corrections officers hired under this Section may receive their retirement annuity while employed on this temporary basis. The DOC may exercise this hiring authority provided its authorized budget for personnel is *not* exceeded. The retiree hired *shall* fill such a vacant position and

shall be terminated when the incumbent returns from military service or absence. Retired corrections officers may be hired *only* in the ranks of Corrections Officer Supervisor I and below, *only* at Step 1, and *shall not* receive sick and annual leave. Officers hired under this Section *shall* meet the requirements for the position in question, *except* for written examinations. The Director of DOC *shall* certify that every retiree hired is fit for duty. Notwithstanding § 8121(a), Article 1, Chapter 8, Title 4 of the Guam Code Annotated, retirees hired temporarily pursuant hereto may continue to receive retirement benefits. Any employee hired under this Section *shall only* be eligible to enroll in the Government of Guam Health Insurance Program as an active employee. The DOC Director *shall* submit a report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, of the number of retired officers hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 4. Temporary Employment of Retired Guam Police Officers. The Guam Police Department (GPD) may hire retired Guam police officers *if* a critical need arises because of military activation of police officers, *or* absence due to a long-term disability status which has been certified by a medical doctor. The GPD may exercise this hiring authority *provided* its authorized budget for personnel is *not* exceeded. The retiree hired *shall* fill such a vacant position and *shall* be terminated when the incumbent returns from military service or absence. Retired officers may be hired *only* at the ranks of Sergeant I and below, *only* at Step 1, and *shall not* receive sick and annual leave. Officers hired under this Section *shall* first meet the requirements for the position in question, *except* for written examinations. The Chief of Police *shall* certify that every retiree hired is fit for duty. Notwithstanding § 8121(a), Article 1, Chapter 8, Title 4 of the Guam Code Annotated, retirees hired temporarily pursuant hereto may continue to receive retirement benefits. The GPD may pay for Civilian Volunteer Police Reserve stipends to a Police Reserve Officer to provide temporary services of a regular police officer. Any employee hired

under this Section *shall only* be eligible to enroll in the Government of Guam Health Insurance Program as an active employee. The Chief of Police *shall* submit a report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, of the number of retired officers hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 5. Temporary Employment of Retired Guam Firefighters. The Guam Fire Department (GFD) may hire retired GFD firefighters *if* a critical need arises because of military activation of GFD firefighters, *or* absence due to a long-term disability status which has been certified by a medical doctor. The GFD may exercise this hiring authority *provided* its authorized budget for personnel is *not* exceeded. The retiree hired *shall* fill such a vacant position and *shall* be terminated when the incumbent returns from military service or absence. Retired firefighters may be hired *only* at the ranks of Fire Service Specialist and below, *only* at Step 1, and *shall not* receive sick and annual leave. Retired firefighters hired under this Section *shall* first meet the requirements for the position in question, *except* for written examinations. The Fire Chief *shall* certify that every retiree hired is fit for duty. Notwithstanding § 8121(a), Article 1, Chapter 8, Title 4 of the Guam Code Annotated, retirees hired temporarily pursuant hereto may continue to receive retirement benefits. Any employee hired under this Section *shall only* be eligible to enroll in the Government of Guam Health Insurance Program as an active employee. The Fire Chief *shall* submit a report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, of the number of retired firefighters hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 6. Temporary Employment of Retired Customs and Quarantine Officers. The Customs and Quarantine Agency (CQA) may hire retired customs and quarantine officers *if* a critical need arises as a result of military activation of customs officers, *or* absence due to a long-term disability status

which has been certified by a medical doctor, *or* when vacancies *cannot* be filled within six (6) months because of the lack of qualified applicants. The CQA may exercise this hiring authority *provided* its authorized budget for personnel is *not* exceeded. The retired officer *shall* fill such a vacant position and *shall* be terminated when the incumbent returns from military service, *or* when a fully-qualified applicant is available. The retiree hired *shall* fill such a vacant position and *shall* be terminated when the incumbent returns from military service or absence. Retired officers may be hired *only* in the ranks of Customs Officer III and below, *only* at Step 1, and *shall not* receive sick and annual leave. Retired customs and quarantine officers hired pursuant to this Section *shall* meet the requirements for the position in question, *except* for written examinations. The Director of CQA *shall* certify that every retiree hired is fit for duty. The requirements of Chapter 51, Title 17 of the Guam Code Annotated are waived for employment pursuant hereto, *except* for § 51104(b)(4). Notwithstanding § 8121(a), Article 1, Chapter 8, Title 4 of the Guam Code Annotated, retirees hired temporarily pursuant to this Section may continue to receive their retirement benefits. Any employee hired under this Section *shall only* be eligible to enroll in the Government of Guam Health Insurance Program as an active employee. The Director of CQA *shall* submit a report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, of the number of retired officers hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 7. Temporary Employment of Retired Department of Revenue and Taxation Employees. The Department of Revenue and Taxation (DRT) may hire retired DRT employees *when* a critical need arises. Examples of a critical need may include temporary staff shortages due to challenges with recruitment due to a limited pool of qualified individuals, military activation of DRT employees, or absence due to a long-term disability status which has been certified by a medical doctor, and instances where additional programs or mandates are required to be executed. The DRT may exercise this hiring

authority in the following divisions: Taxpayer Services Division, Tax Enforcement Division, Real Property Tax Division, Director's Office (Executive Direction), Regulatory Division, and Motor Vehicle Division, provided its authorized budget for personnel is *not* exceeded. The retiree hired *shall* fill such a vacant position and *shall* be terminated when the incumbent returns from military service or absence, when there is successful recruitment for the position, or within a reasonable time after the additional program or mandate for which the employee was hired is completed. Said retirees *shall* be hired at a minimum of Step 1 for the position in question, and *shall not* receive sick and annual leave benefits. Any employee hired under this Section *shall only* be eligible to enroll in the Government of Guam Health Insurance Program as an active employee. The DRT Director *shall* submit a report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, of the number of retired employees hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 8. Temporary Employment of Retired Government of Guam Social Workers. The Department of Public Health and Social Services (DPHSS) may hire retired social workers of the government of Guam *if* a critical need arises. DPHSS may exercise this hiring authority for social workers in the Child Protective Service, provided its authorized budget for personnel is *not* exceeded. Said retirees *shall* be hired at a minimum of Step 1 for the position in question, and *shall not* receive sick and annual leave. Notwithstanding § 8121(a), Article 1, Chapter 8, Title 4 of the Guam Code Annotated, retirees hired temporarily pursuant hereto may continue to receive retirement benefits. Any employee hired under this Section *shall only* be eligible to enroll in the Government of Guam Health Insurance Program as an active employee. The Director of DPHSS *shall* submit a report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, of the number of retired employees hired pursuant

to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 9. Temporary Employment of Retired GDOE Teachers. The Guam Department of Education (GDOE) may hire retired Guam teachers who are not eligible for Medicare Parts A and B, and who *shall* remain covered under the Government of Guam Group Health Insurance Program as a retired person, *if* a critical need arises as a result of military activation of GDOE teachers or absence due to a long-term disability status which has been certified by a medical doctor. The GDOE may exercise this hiring authority provided it does not exceed its budget for filling these positions. The retiree hired *shall* fill such a vacant position and *shall* be terminated when the incumbent returns from military service or absence. Retirees *shall* be hired at a minimum of Step 1 for the position in question and *shall not* receive sick and annual leave. Notwithstanding § 812l(a) of Article 1, Chapter 8, Title 4 GCA, retirees hired temporarily pursuant to this Section may continue to receive retirement benefits. The Superintendent of GDOE *shall* report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, the number of retired employees hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 10. Temporary Employment of Retired Attorneys. The Attorney General of Guam, the Unified Judiciary of Guam, the Public Defender Service Corporation, and the Alternate Public Defender may hire retired government of Guam attorneys on a full or part-time basis when a critical need arises. These entities may exercise this hiring authority for attorneys, provided that the authorized budget for personnel for these entities are *not* exceeded. Said attorneys *shall* be hired at a maximum salary of up to Step 5 of the Attorney 4 pay scale, and *shall not* receive sick and annual leave. Notwithstanding § 8121(a), Article 1, Chapter 8, Title 4 of the Guam Code Annotated, retirees hired temporarily pursuant hereto may continue to receive retirement benefits. Any attorney hired under this Section *shall only* be

eligible to enroll in the Government of Guam Health Insurance Program as an active employee. Such employment *shall not* close vacancies to qualified applicants. Each entity *shall* report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, the number of retired attorneys hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 11. Temporary Employment of Retired Office of the Attorney General (OAG) Staff. The Attorney General of Guam may hire retired government of Guam non-attorneys on a full or part-time basis when a critical need arises. The OAG may exercise this hiring authority for non-attorneys provided that the authorized budget for personnel for the entity is not exceeded. Said retirees *shall not* receive sick and annual leave. Notwithstanding § 58121(a) of Article 1, Chapter 8, Title 4 GCA, retirees hired temporarily pursuant to this Section may continue to receive retirement benefits. Any staff hired under this Section *shall only* be eligible to enroll in the Government of Guam Health Insurance Program as an active employee. Such employment *shall not* close vacancies to qualified applicants. The Office of the Attorney General of Guam *shall* report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, of the number of retired staff hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 12. Temporary Employment of Retired Department of Public Works Employees.

(a) The Department of Public Works (DPW) may hire retired Guam DPW employees when a critical need arises because of *I Maga'hågan Guåhan*'s declaration of a state of public health emergency to respond to the novel coronavirus (COVID-19) pandemic on Guam.

(1) Identified Areas. The DPW may exercise this hiring authority in the areas of engineering and construction, building permits and inspection, construction quality control, design

and analysis, project coordination and quality control, highway planning, highway programming, coordination and control, highway maintenance and construction, and building construction and facilities maintenance.

(2) Special Rules for Hiring of Retired Employees. Any retiree hired pursuant to this Act *shall* fill a vacant position and *shall* be terminated upon the lifting of the declaration of a state of public health emergency. Such retirees *shall* be hired at Step 1 for the position in question and *shall not* receive sick and annual leave. Notwithstanding § 8121(a) of Article 1, Chapter 8, Title 4 GCA, retirees hired pursuant to this Section may continue to receive retirement benefits.

(b) The DPW Director *shall* submit a report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the current fiscal year, of the number of retired employees hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 13. Temporary Employment of Retired Government of Guam Employees by the Mayors Council of Guam. The Mayors Council of Guam (MCOG) may hire retired government of Guam employees when a critical need arises. Examples of a critical need may include staff shortages due to recruitment challenges, absence due to a long-term disability status which has been certified by a medical doctor, and military activation of MCOG employees. The MCOG may exercise this hiring authority provided its authorized budget for personnel is not exceeded. The retiree hired *shall* fill such a vacant position and *shall* be terminated when the incumbent returns from military service or absence. Said retirees *shall* be hired at a minimum of Step 1 for the position in question and *shall not* receive sick and annual leave. Notwithstanding § 8121(a) of Article 1, Chapter 8, Title 4 GCA, retirees hired temporarily pursuant to this Section may continue to receive retirement benefits. Any employee hired under this Section *shall only* be eligible to enroll in the Government of Guam Health Insurance Program as an active employee.

The MCOG Executive Director *shall* submit a report to *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, of the number of retired employees hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 14. Temporary Employment or Detail, Absence Due to Military Service or Long-Term Disability. Notwithstanding the provisions of § 4117 of Article 1, Chapter 4, Title 4 Guam Code Annotated, in the event a classified employee will be absent from work in excess of thirty (30) consecutive work days due to active military service or a long-term disability certified in writing by a medical doctor, the appointing authority for an agency may temporarily assign or detail another employee to assume the responsibilities of the absent employee. Such detail or assignment may be in effect for up to the same number of days of the consecutive absence due to active military service or medical disability. The appointing authority may also fill such vacancies by limited term appointment; any such appointment may be in effect for up to the same number of days of the consecutive absence due to active military service or medical disability.

Section 15. Temporary Employment of Retired Certified Water and Wastewater Operators (operators) and Engineers. The Guam Waterworks Authority (GWA) may hire retired Certified Water and Wastewater Operators (operators) and Engineers if a critical need arises because of military activation, or absence due to a long-term disability status which has been certified by a medical doctor, or when vacancies cannot be filled within six (6) months because of the lack of qualified applicants. The GWA may exercise this hiring authority provided its authorized budget for personnel is not exceeded. The retired operators and engineers *shall* fill such a vacant position and *shall* be terminated when the incumbent returns from military service, or when a fully qualified applicant is available. Retired Operators may be rehired only for positions requiring an Operator Level III or Operator Level IV certification.

Retired Operators and Engineers may be hired exclusively at Step I and will not be eligible for sick or annual leave. Retired operators and engineers hired pursuant to this Section *shall* meet the requirements for the position in question. Notwithstanding§ 8121(a) of Article 1, Chapter 8, Title 4, Guam Code Annotated, retirees hired temporarily pursuant to this Section may continue to receive their retirement benefits. Any employee hired under this Section *shall* only be eligible to enroll in the Government of Guam Health Insurance Program as an active employee. The General Manager of GWA *shall* submit a report to the Speaker of *I Liheslaturan Guåhan* on July 1, 2026, and again thirty (30) days after the end of the fiscal year, of the number of retired operators and engineers hired pursuant to this Section, the positions filled, the length of employment, the cost of said hiring, and the nature of the critical need that was filled.

Section 16. Locum Tenens Exemption During the Absence of the Chief Medical Examiner. The Office of Post-Mortem Examinations is exempt from the Government of Guam Procurement Law in contracting for the professional services of a qualified medical examiner to be provided when the Chief Medical Examiner is absent from work.

Section 17. Advance Payments for Medical Services. In order to expedite acceptance of Medically Indigent Program (MIP) clients by facilities in California, Hawaii, or Manila for medical treatment approved by the MIP, the Director of Public Health and Social Services may advance payments for said medical treatment, and may establish escrow accounts for immediate and advance payment of medical treatment at those Joint Commission Accredited hospitals determined by the Director to be best able to serve Medically Indigent Program clients.

Section 18. Transfer of Employees.

(a) Notwithstanding any other provision of law, and in recognition of personnel shortages in certain areas, *I Maga'hågan Guåhan* is authorized to transfer employees during Fiscal Year 2026 within *or* between any line department *or* agency of the government of Guam, *except* that:

(1) This Section *shall not* apply to any employee of the Legislative *or* Judicial Branches, or any employee within the Mayors' Council of Guam and Village Mayors' Offices;

(2) The transfer of an employee *shall not* result in a loss of pay *or* salary;

(3) *No* employee *shall* be transferred if the employee has filed a viable grievance with the Civil Service Commission for discrimination based on political affiliation, gender, *or* sexual harassment, *unless* the employee consents to such transfer;

(4) Notwithstanding any other provision of law or regulation, no employee of an autonomous agency may be transferred to a line department *or* agency;

(5) *I Maga'hågan Guåhan shall* transfer the funding authorized for that employee's position from the transferor agency to the transferee agency, including the Guam Memorial Hospital Authority, the Department of Public Health and Social Services, and the Guam Behavioral Health and Wellness Center, *unless* the transfer is from a line agency to an autonomous agency;

(6) This Section *shall not* be used to transfer employees acting in good faith who report *or* expose bad business practices, illegal activities, *or* inappropriate conduct by public officials; and

(7) No employee who has filed a whistleblower complaint as provided for in statute *shall* be transferred, *unless* the employee consents to such transfer.

(b) *I Maga'hågan Guåhan shall* submit a report to the Speaker of *I Liheslaturan Guåhan* of the transfer of each employee pursuant to this authorization with the name and position of the employee being transferred, the line department or agency the employee is being transferred from, the line department or agency the employee is being transferred to, the time duration of the transfer, and whether the transfer is permanent, by the twentieth (20th) day after each month of the fiscal year.

Section 19. Competitive Wage Act Employee Appeals Pay. Pursuant to the authority under § 6218.1 of Article 2, Chapter 6, Title 4, Guam Code Annotated, relative to allowing retroactive pay adjustments, all executive branch departments and agencies are hereby authorized to utilize their entity's operational budgets to make retroactive pay adjustments for employees whose appeals were adjudicated and affirmed by the Competitive Wage Act appeals process conducted by the Department of Administration; provided, that it does not negatively impact current operational needs. This authorization *shall* be applied retroactively to January 26, 2014 for affected employees.

Section 20. Board and Commission Stipends. Any compensation or stipend owed to a board or commission member for attending a regular or special meeting in Fiscal Year 2026 *shall* be paid from appropriations in this Act by the department or agency responsible for the administrative support and operations of such board or commission. Board and commission members may elect to *not* receive said compensation. *I Maga'hågan Guåhan* may, by Executive Order, waive the payment of meeting stipends owed to any board or commission member.

Notwithstanding any other provision of law, each member of the Guam Parole Board *shall* be compensated Two Hundred Fifty Dollars ($250) for every meeting the member attends. No member *shall* be compensated more than One Thousand Dollars ($1,000) per month, irrespective of the number of meetings that a member attends in any given month.

Section 21. Contracts. Positions in the classified and unclassified service of the government of Guam *shall not* be filled pursuant to a contractual arrangement, *except* as provided in this Section, for Fiscal Year 2026:

(a) Subject to Chapter 5, Title 5 of the Guam Code Annotated, government of Guam departments and agencies may contract with independent contractors; *provided*, that no agency may

contract for services customarily provided by employees in the classified service, *except* as provided by law.

(b) Government of Guam departments and agencies that *do not* customarily obtain professional services, such as licensed health professionals, licensed architects, licensed engineers, legal services, actuarial services, and auditing services through an employee in the classified service in that department or agency may contract to obtain such services.

(c) The Office of the Attorney General, the Public Defender Service Corporation, and the Alternate Public Defender are authorized to contract with attorneys as independent contractors to provide services in areas in which it is impracticable or impossible for the office to proceed. Such contracts *shall* be in accordance with the procurement laws of Guam. No such independent contractor hired pursuant to this Section may receive from the government of Guam any remuneration in any form other than in payment for the position into which such person is hired. The Office of the Attorney General, the Executive Director of the Public Defender Service Corporation, and the Executive Director of the Alternate Public Defender *shall* file a copy of every such contract with the Chief Procurement Officer and the Director of Administration together with a written certification stating why it is impracticable to handle the matter within the office as otherwise constituted.

(d) This Section *shall not* apply to the Guam Department of Education, the University of Guam, the Guam Community College, and the Unified Judiciary of Guam when filling positions of justices and judges *pro tem*, law clerks, and legal interns; the Department of Revenue and Taxation when filling the position of legal counsel; *I Liheslaturan Guåhan*; the Guam Memorial Hospital Authority, the Department of Public Health and Social Services, and the Guam Behavioral Health and Wellness Center when filling positions of licensed health professionals.

(e) Any instrumentality of the government of Guam that fills any classified or unclassified positions by contractual arrangement in accordance with this Section *shall* file a copy of every such contract with the Chief Procurement Officer and the Director of Administration together with a written certification stating why it is impracticable to handle the matter within the instrumentality as otherwise constituted.

Section 22. Program Reporting Requirements for Employment, Employment Placement, and Job Training Programs at the University of Guam, the Guam Community College, and the Guam Department of Labor.

(a) The President of the University of Guam, the President of the Guam Community College, and the Director of the Guam Department of Labor *shall* transmit a report to *I Maga'hågan Guåhan* and the Speaker of *I Liheslaturan Guåhan no later* than June 30 of each year of the actual number of programs completed and/or certificates issued for each employment, employment placement, and job training program; and employment data for said program completed for the two (2) years following completion of their respective programs, to include salary levels, job location, or whether the job is in the same field as the program.

(b) The report mandated in Subsection (a) of this Section *shall* also be posted on each agency's respective website.

Section 23. Authorization for Legal Services for the Department of Public Works, the Guam Building Code Council, the Contractors License Board, and the Board of Registration for PEALS. The Department of Public Works (DPW), the Guam Building Code Council (GBCC), the Guam Contractors License Board (GCLB), and the Guam Board of Registration for Professional Engineers, Architects and Land Surveyors (PEALS) may enter into a Memorandum of Understanding to jointly fund

an Assistant Attorney General to specifically provide legal services to DPW, GBCC, GCLB, and PEALS Board *only*.

Section 24. Consolidated Revenue and Expenditure Reporting Requirement. Notwithstanding §§ 4105(f) and 4109(c)(3) of Chapter 4, Title 5 of the Guam Code Annotated, and § 13109(a)(1), Chapter 13, Title 2 of the Guam Code Annotated, relative to General Fund revenue reporting, the Director of the Bureau of Budget and Management Research, in collaboration with the Director of Revenue and Taxation, and the Director of Administration, *shall* prepare a monthly Consolidated Revenue and Expenditure Report (CRER) which *shall* report and recognize revenues on a cash basis with the exception of Section 30 revenues, which *shall* be reported as collected in full in October of each year; and *shall* for each month, identify and note any and all non-recurring revenues by General Fund revenue category, by month collected, and by amount; and *shall* compare the budgeted and actual departmental program appropriations with expenditures and encumbrances. The Director of the Bureau of Budget and Management Research, the Director of Administration, and the Director of Revenue and Taxation *shall* certify said reports, which *shall* be transmitted to *I Maga'hågan Guåhan* and the Speaker of *I Liheslaturan Guåhan no later than* twenty (20) days after the end of each month. The reports *shall* include, at a minimum, the following components relative to General Fund revenues:

(a) comparison of revenues for the preceding month contrasted with the same month for the prior fiscal year;

(b) comparison of year-to-date revenues for the preceding month contrasted with the same period for the prior fiscal year;

(c) comparison of adopted revenues allocated for the preceding month contrasted with the actual revenues collected for the month;

(d) comparison of quarterly adopted revenues allocated for the preceding quarter contrasted with actual quarterly revenues collected;

(e) comparison of year-to-date adopted revenues contrasted with actual year-to-date revenues collected; and

(f) comparison of adopted revenues for the fiscal year contrasted with actual year-to-date revenues collected plus the remaining projected revenues to be collected for the remainder of the fiscal year.

Section 25. Payment of Civil Service Commission Settlements or Judgements and Decisions by the Judiciary of Guam. Any obligations of back pay owed to compensate employees by a judgment or by a settlement agreement action of the Civil Service Commission or judgement and decision of the Judiciary of Guam is hereby appropriated from the Fiscal Year 2026 budget of the respective agency to which such action is directed.

Section 26. Authorization to Utilize Lapsed Funds from Fiscal Year 2025. Notwithstanding any other provision of law, *I Maga'hågan Guåhan* is hereby authorized to recruit and hire public safety personnel for the Guam Police Department and the Department of Corrections, or nurses, public health personnel, and respiratory therapists for the Department of Public Health and Social Services and the Guam Memorial Hospital Authority using lapsed funds from Fiscal Year 2025; provided, that (a) notice is given to the Speaker of *I Liheslaturan Guåhan* of all unaudited potential lapsed funds by agency, program, or other by October 30, 2026; and (b) notice is given to the Speaker of *I Liheslaturan Guåhan* of the amount, source, and intended use of those lapsed funds, five (5) days prior to use.

Section 27. Prevention of Disproportionate Reductions in Allotments. The Department of Administration and the Bureau of Budget and Management Research *shall not* disproportionately reduce

the budget allotments to the University of Guam and the Guam Community College from other units of the government of Guam.

Section 28. Restrictions on Hiring of Unclassified Employees. Unless otherwise authorized by this Chapter, no government funds of any kind or description may be expended for the employment or hiring of unclassified employees in the Executive Branch of the government of Guam, *except* for the following:

(a) certified persons at the Guam Department of Education as identified in § 715(1), Chapter 7, Title 1 GCA;

(b) any academic teaching positions at the University of Guam and the Guam Community College;

(c) nurses, doctors, licensed health professionals, contact tracers and investigators, and ancillary health employees necessary for clinical purposes at the Department of Public Health and Social Services, the Guam Behavioral Health and Wellness Center, the Office of the Chief Medical Examiner, the Guam Memorial Hospital Authority, the Guam Police Department, and the Department of Integrated Services for Individuals with Disabilities;

(d) Department of Labor Survey Workers;

(e) Systems and Programming Administrator, Junior Systems Programmer, Senior Programmer Analyst, Junior Application Analyst, Junior Programmer Analyst, and Junior Application Programmer; and positions dealing with reporting, tax audits, tax investigations, tax collections, and processing of taxes at the Department of Revenue and Taxation;

(f) federally-funded positions (matching and up to 100%);

(g) persons filling temporary vacancies created by the call to active military duty of employees who are members of the reserve components of the Department of Defense and the Department of

Transportation, including, but not limited to, the United States Army, United States Navy, United States Marine Corps, United States Air Force, the Guam Army National Guard, the Guam Air National Guard, and the United States Coast Guard, or created by absence due to a long-term disability status which has been certified by a medical doctor. Departments may exercise this hiring authority provided its authorized budget for personnel is not exceeded;

(h) positions within the Office of *I Maga'hågan Guåhan,* the Office of *I Sigundo Maga'låhen Guåhan* and the Guam State Clearinghouse, and department or agency heads, and private secretaries;

(i) positions within the Mayors' Council of Guam;

(j) positions within the Guam Election Commission;

(k) limited-term, part-time substitute teachers of the Guam Department of Education;

(l) professional engineers required to fill Chief Engineer positions;

(m) positions within the Business Office of the Guam Memorial Hospital Authority (GMHA) which *shall* consist of certified coders and billers;

(n) Victim Advocates within the Office of the Attorney General;

(o) the Executive Director and staff positions of *I Kumision i Fino' CHamoru yan i Fina'na'guen i Historia yan Lina'la' i Taotao Tano'* (the Commission on *CHamoru* Language and the Teaching of the History and Culture of the Indigenous People of Guam);

(p) Child Protective Services social workers at the Department of Public Health and Social Services;

(q) labor law enforcement specialists;

(r) senior law clerks [7 GCA §9A106.1(a)(2)] with pay grade M, step 1 of the Competitive Wage Act of 2014, General Pay Plan, and law clerks [7 GCA §9A106.1(a)(1)] with pay grade K, step 1 of the Competitive Wage Act of 2014, General Pay Plan;

(s) the chief financial officer for the Department of Administration;

(t) customer service representatives at the Guam Department of Labor; and

(u) all persons employed pursuant to this Section, effective October 1, 2025, *shall* meet the minimum Knowledge, Abilities, and Skills (KAS) associated with such position.

Section 29. GDOE Consolidated Expenditure Report Requirement. Within thirty (30) days following each fiscal quarter, the Superintendent of the Guam Department of Education (GDOE) *shall* provide to *I Liheslaturan Guåhan*, and post on the GDOE website, a consolidated expenditure report which *shall* include the authorized spending levels, encumbrances, and expenditures (quarterly and year-to-date) of GDOE, enumerated by school or division within the department. Such report *shall* also be transmitted, by hand-delivery or electronically, to each school principal.

Section 30. Alignment of Hospital Rates and Fees. Notwithstanding any other provision of law, the Guam Memorial Hospital Authority (GMHA) is authorized to formulate a fee and rate schedule of applicable hospital fees and rates. Upon the completion of a fee study, GMHA *shall* submit the adjusted fee and rate schedule to *I Liheslaturan Guåhan* by June 30, 2026. Nothing herein *shall* affect GMHA's authority to regularly adopt or increase fees.

Section 31. Re-employment of Former Classified Employees in Education, Health, and Public Safety. Notwithstanding any other provision of law, for Fiscal Year 2026, former classified teachers, nurses, and public safety first responders of the government of Guam who were in good standing at the time of resignation may be re-employed at *not less than* the salary they earned at their former position if they apply for the same or comparable job in the same department regardless of the timespan that the employee left their position. The employee may waive this privilege.

Section 32. Excess Annual Leave for Nurses, Employees Working in Nursing Services, and Peace Officers. Notwithstanding § 4109(c) of Chapter 4, Title 4, Guam Code Annotated, employees

working in nursing services at the Guam Memorial Hospital Authority, nurses employed at the Department of Public Health and Social Services, and Peace Officers, as defined in § 51101(b), Chapter 51, Title 17, Guam Code Annotated, who have accumulated annual leave in excess of three hundred twenty (320) hours as of September 30, 2025, may carry over their excess and *shall* use the excess amount of leave, prior to retirement or termination from service. At the time of retirement or termination of service, that portion permitted to be credited to sick leave *shall* be so credited and the remainder of the excess leave, if any, *shall* be lost. Nothing herein *shall* allow lump sum compensation or retirement credit for annual leave in excess of three hundred twenty (320) hours. Nothing herein *shall* limit registered nurses from accruing leave in accordance with § 4109.1, Chapter 4, Title 4, Guam Code Annotated.

Section 33. Authorization to Extend the Gas Tax Relief Act. *Except* for liquid fuel used for commercial aviation purposes, all levy of excise taxes, automotive surcharges, and mass transit automotive surcharges on liquid fuel *shall* be reported but payments *shall* be waived for Fiscal Year 2026, ending September 30, 2026.

CHAPTER V

ADMINISTRATIVE PROVISIONS

Section 1. Authorization for Matching Requirements for Federal Grants-In-Aid. Notwithstanding any other provision of law, all departments are authorized to expend funds appropriated in this Act for matching requirements of Federal grants for Fiscal Year 2026. *I Maga'hågan Guåhan* is authorized to transfer from any appropriations from Chapter II of this Act for matching funds for federal grants.

Section 2. Carryover of Local and Federal Matching Program Funds for Grants. The Local and Federal Matching Funds for programs, whose expiration dates extend *beyond* September 30, 2026, *shall not* lapse and may be expended throughout the period of the grant award.

Section 3. Government of Guam Retirement Fund Rate of Contribution. In accordance with § 8137(e), Article 1, Chapter 8, Title 4 of the Guam Code Annotated, the government rate of contribution to the Retirement Fund throughout Fiscal Year 2026 *shall* be thirty-four and eighty hundredths percent **(34.80%)**.

Section 4. Autonomous Agency Revenues and Expenditures Reported to *I Maga'hågan Guåhan* and *I Liheslaturan Guåhan*. Notwithstanding any other provision of law, every autonomous and semi-autonomous agency *or* public corporation in the government of Guam *shall* report all revenues and expenditures for all funds under its purview and administration to *I Maga'hågan Guåhan* and the Speaker of *I Liheslaturan Guåhan*, in a Microsoft Excel electronic file and a written report, on a monthly basis and post the same on its website. Each monthly report *shall* be due *no later than* thirty (30) days after the end of each month.

Section 5. Facilities Insurance Requirements. Every department and agency of the government of Guam through the Department of Administration *shall only* expend such sums as

necessary, from the department's or agency's appropriations for operations contained in this Act, for insurance of government-owned facilities built or repaired with Federal Emergency Management Agency (FEMA) grant funds, where such insurance is required by FEMA.

Section 6. Reporting Requirements for Non-Profit Organizations. All non-profit organizations that receive funds pursuant to this Act *shall* maintain financial records that accurately account for said funds and *shall* provide a budgetary breakdown by object category to the department *or* agency that oversees the appropriation. The non-profit organization *shall* be provided a copy of this Section by the department or agency overseeing such appropriation, but failure of the department or agency to fulfill this duty *shall not* prevent any non-profit organization from carrying out its responsibilities under this Section. The non-profit organization *shall* also provide to said department:

(a) A quarterly report describing its activities during the reporting period and the results it achieved *no later than* twenty (20) days after the end of each quarter;

(b) Notification of all procurement of equipment and services of Five Thousand Dollars ($5,000) *or* more prior to awarding the contract therefore;

(c) Access to the overseeing department's *or* agency's duly authorized representative, and government of Guam auditors to appropriate records for the purpose of audit and examination of books, documents, papers, and records of funds expended under the appropriation;

(d) Submission of a detailed inventory listing of each year's purchases, as certified by its certifying officer; and

(e) A final report to the overseeing department *or* agency for submission to *I Liheslaturan Guåhan* containing a full disclosure of all expenditures of funds appropriated by this Act *no later than* November 15, 2026, for Fiscal Year 2026. The overseeing department *or*

agency *shall* submit said report to *I Liheslaturan Guåhan*, in a Microsoft Excel electronic file and a written report, and *shall* post the same on its website.

Section 7. Fund Reversions. *Unless* otherwise specified in this Act:

(a) **General Fund Reversion.** All unexpended *or* unencumbered appropriations made from the General Fund by a GG1, purchase order, or contract pursuant to this Act *shall* revert to the General Fund on the last day of Fiscal Year 2026.

(b) **Healthy Futures Fund Reversion.** All unexpended *or* unencumbered appropriations made from the Healthy Futures Fund by a GG1, purchase order, or contract pursuant to this Act *shall* revert to the Healthy Futures Fund on the last day of Fiscal Year 2026.

(c) **Guam Educational Facilities Fund Reversion.** All unexpended *or* unencumbered appropriations made from the Guam Educational Facilities Fund by a GG1, purchase order, or contract pursuant to this Act *shall* revert to the Guam Educational Facilities Fund on the last day of Fiscal Year 2026.

(d) **Guam Highway Fund Reversion.** All unexpended *or* unencumbered appropriations made from the Guam Highway Fund by a GG1, purchase order, or contract pursuant to this Act *shall* revert to the Guam Highway Fund on the last day of Fiscal Year 2026.

Section 8. Transfer Authority of *I Maga'hågan Guåhan*. Full transfer authority is authorized for *I Maga'hågan Guåhan* between Fiscal Year 2026 General Fund and Special Fund Executive Branch appropriations of departments and agencies. This Section does not apply to appropriations made to the Unified Judiciary of Guam and *I Liheslaturan Guåhan.*

Section 9. Uniform Allowances. Notwithstanding any provision of law, uniform allowances authorized in this Act *shall not* be less than One Hundred Fifty Dollars ($150.00) for the fiscal year and *shall* be issued to the employees *no later than* the end of the first quarter of Fiscal Year 2026.

Section 10. Government Staffing Pattern.

(a) *No later than* thirty (30) days after the end of each quarter of Fiscal Year 2026, every director, administrator, or head of a government of Guam agency, excluding line agencies, *shall* submit to the Speaker of *I Liheslaturan Guåhan* in a Microsoft Excel file and written report, and post the same on the agency website, a current staffing pattern in the format of the Executive Branch Fiscal Year 2026 Budget Call as of the previous quarter's ending. The agencies required to submit are autonomous and semi-autonomous agencies, public corporations, the Mayors Council of Guam, and the Unified Judiciary of Guam. Said staffing pattern *shall* include, at minimum, the name of every current employee and his/her position title, most recent hire date, salary, increment costs and benefit costs, the funding source for his/her salary and benefits, and the gross salary and benefits paid for during the quarter.

(b) *No later than* thirty (30) days after the end of each quarter of Fiscal Year 2026, the Director of the Department of Administration *shall* post the government-wide line agency staffing pattern on the designated budget website in a Microsoft Excel file and written report. The format of the report *shall* be the current staffing pattern in the format of the Executive Branch Fiscal Year 2026 Budget Call as of the previous quarter's ending. Said staffing pattern *shall* include, at minimum, the name of every current employee and his/her position title, most recent hire date, salary, increment costs and benefit costs, the funding source for his/her salary and benefits, and the gross salary and benefits paid for during the quarter.

Section 11. Funding Source. The following departments are authorized to expend up to the level of revenues collected for their respective special revenue funds for Fiscal Year 2026 and unexpended carryovers in revolving funds authorized by law only for the purposes authorized by statute for those funds:

(a) Guam Police Department - Police Services Fund; and Police Patrol Vehicle and Equipment Revolving Fund;

(b) Department of Corrections - Corrections Revolving Fund;

(c) Customs and Quarantine Agency - Customs, Agriculture, and Quarantine Inspection Services Fund;

(d) Guam Environmental Protection Agency - Air Pollution Control Special Fund; Guam Environmental Trust Fund; Pesticide Management Fund; Water Protection Fund; Water Research and Development Fund; and Recycling Revolving Fund;

(e) Department of Land Management - Land Survey Revolving Fund;

(f) *CHamoru* Land Trust Commission - Chamorro Land Trust Operations Fund / Chamorro Land Trust Commission Survey and Infrastructure Fund

(g) Department of Agriculture - Guam Plant Inspection and Permit Fund; Guam Invasive Species Inspection Fee Fund; and Rabies Prevention Fund;

(h) Guam Board of Registration for Professional Engineers, Architects, and Land Surveyors - Professional Engineers, Architects and Land Surveyors (PEALS) Fund;

(i) Guam Fire Department - Enhanced 911 Emergency Reporting System Fund; and Fire, Life and Medical Emergency Fund;

(j) Guam Contractors License Board - Contractors License Board Fund;

(k) Department of Revenue and Taxation - Tax Collection Enhancement Fund; Banking and Insurance Enforcement Fund; and Alcoholic Beverage Compliance Fees and Fines Fund;

(l) Department of Public Health and Social Services - Guam Environmental Health Fund; Health Professional Licensing Office Revolving Fund; Office of Vital Statistics Revolving Fund; and Sanitary Inspection Revolving Fund;

(m) Guam Department of Education and the Guam Public Library System - Public School Library Resources Fund;

(n) Department of Labor and the Guam Community College - Manpower Development Fund;

(o) Office of the Attorney General - Victim/Witness Travel-Housing Fund; Consumer Protection Fund; Criminal Injuries Compensation Fund; and Notary Public Revolving Fund;

(p) Department of Parks and Recreation - Public Recreation Services Fund;

(q) Guam Behavioral Health and Wellness Center - Mental Health and Substance Abuse Services Fund;

(r) Guam Ethics Commission - Government Ethics Fund;

(s) Guam Solid Waste Authority - Solid Waste Operations Fund;

(t) Guam Ancestral Lands Commission - Guam Ancestral Lands Commission Survey, Infrastructure, and Development Fund; and

(u) Guam Visitors Bureau - Tourist Attraction Fund.

Section 12. Government of Guam Health Insurance Program Reporting.

(a) All health insurance carriers for the government of Guam *shall* submit a monthly written report, and corresponding Microsoft Excel file of said report, aggregating the data relative to (1) enrollees, both subscribers and dependents, by active employee and retiree subscriber counts, by plan, by class, by groups, supported/paid by the General Fund, detailed by agency/department; and (2) enrollees, both subscribers and dependents, by active employee and retiree subscriber counts, by plan, by class, by groups, supported/paid by autonomous agencies of the government of Guam, detailed by autonomous agency.

For purposes of this Subsection, autonomous agencies *shall* include the Guam Power Authority, the Guam Waterworks Authority, the Port Authority of Guam, the A.B. Won Pat International Airport Authority, the Guam Housing Corporation, the Guam Economic Development Authority, the Government of Guam Retirement Fund, and the Guam Visitors Bureau.

This report and corresponding Microsoft Excel file *shall* be submitted to the Department of Administration, the Office of Finance and Budget, *I Maga'hågan Guåhan* and the Speaker of *I Liheslaturan Guåhan no later than* twenty (20) days after the end of each month of Fiscal Year 2026.

(b) All health insurance carriers for the government of Guam *shall* submit a monthly written report detailing each individual health insurance premium payment received by the government of Guam health insurance carrier from the government of Guam, by date and by agency, to the Speaker of *I Liheslaturan Guåhan no later than* twenty (20) days after the end of each month of Fiscal Year 2026.

Section 13. Quarterly Reports of Medical Referral Offices. Each of the Medical Referral Offices funded by this Act *shall* provide quarterly reports on its activities and expenditures, to include, but not be limited to:

(a) number of referred patients served;

(b) number of patient escorts or accompanying family members served;

(c) average cost per patient referral incurred during that quarter;

(d) actual office expenditures for the quarter, including fuel costs; and

(e) a description of services provided during the quarter.

The quarterly reports required by this Section *shall* be submitted to *I Maga'hågan Guåhan* and the Speaker of *I Liheslaturan Guåhan no later than* thirty (30) days after the end of each quarter of the fiscal year and *shall* be posted on the Offices' websites.

Section 14. Audited Financial Statements Supplementary Information. The Public Auditor and the Director of the Department of Administration *shall* ensure that the Fiscal Year 2025 audit of the government of Guam financial statements contains the following supplementary information:

(a) a schedule of personnel count indicating the number of filled positions by department, fund source, and amount expended as of September 30, 2025; and

(b) a combined schedule of expenditures, encumbrances, and continuing appropriations by department, fund source, and object classification as of September 30, 2025.

Section 15. Reporting Requirements for Travel. All governmental entities (including line and autonomous agencies), instrumentalities, and public corporations *shall* submit a quarterly report of all off-island government travel that is publicly funded during Fiscal Year 2026. This report *shall* be submitted to the Speaker of *I Liheslaturan Guåhan* and *shall* include:

(1) the name of the traveler;

(2) the source of funds;

(3) the purpose of the travel;

(4) the cost of the travel; and

(5) individual or group reports from the travelers highlighting the impact the information gathered at the conference or meeting has on the agency, and how the information acquired will be beneficial to the agency's function.

A presentation of the information obtained from the meetings and conferences may be required at the discretion of the agency's director.

Section 16. Guam Police Department (GPD), Guam Fire Department (GFD), Customs and Quarantine Agency (CQA), and Department of Corrections (DOC) Overtime Reporting Requirements. The GPD, GFD, CQA and DOC *shall* submit a written report to the Speaker of *I Liheslaturan Guåhan no later than* twenty (20) days after the end of each quarter in Fiscal Year 2026 which *shall* include the amount of overtime owed to each employee at each respective agency, by fiscal year in which such overtime was incurred, by division, and by employee name, for the previous quarter.

Section 17. Independent Contractors. The Office of *I Maga'hågan Guåhan,* the Office of *I Sigundo Maga'låhen Guåhan*, and the Guam State Clearinghouse may enter into agreements with independent contractors pursuant to Guam procurement laws.

Section 18. Authorization for Payment of Prior Years' Obligations. Appropriations made in this Act may be expended for the payment of prior years' obligations, provided it does not negatively impact the current operational needs of the department or agency requesting such prior years' payment, and that five (5) days prior to payment, written notice is given to the Speaker of *I Liheslaturan Guåhan* with the total amount, funding source, and the prior years' obligation to be paid for by the department or agency.

Section 19. Department of Revenue and Taxation (DRT) Authorization to Utilize the Better Public Service Fund for Tax Collection. Notwithstanding any other provision of law, the Department of Revenue and Taxation is hereby authorized to use its appropriation in this Act from the Better Public Service Fund for the purpose of tax collection.

Section 20. Funds Available to Guam Cancer Trust Fund.

(a) Notwithstanding the provisions of 11 GCA, Chapter 26, § 26603(e)(2)(b), all funds available to the Guam Cancer Trust Fund in Fiscal Year 2026 are not subject to the seventy-five percent (75%) allocation limitation imposed by said Section, and may be expended for the purposes provided therein. All other provisions in 11 GCA, Chapter 26, § 26603(e)(2)(b), including the ten percent (10%) limitation on education and outreach, are not waived and continue to apply.

(b) All funds of the Guam Cancer Trust Fund, including funds appropriated by this Act, are not subject to any transfer authority provided for in this Act or any other provision of law.

(c) The provisions of 11 GCA, Chapter 26, Article 6, § 26603(e)(6) are not waived.

Section 21. Off-island Travel by Executive Security of the Guam Police Department. The Guam Police Department is authorized to expend from its appropriation in this Act for off-island travel and per diem expenses for Police Officers assigned to Executive Security functions under the Guam Police Department for the purpose of providing executive security to *I Maga'hågan Guåhan*, the First Gentleman, and *I Sigundo Maga'låhen Guåhan* when traveling off-island to represent the people of Guam at meetings and functions determined critical to the welfare of Guam.

Section 22. Government-Funded Travel Prohibited. Funds appropriated by this Act *shall not* be expended for off-island travel or per diem expenses by government employees and officials, except for:

(a) travel that is federally-funded;

(b) travel that is specifically required to administer or secure federal grants;

(c) travel to promote tourism on Guam; provided, that such travel is paid for by the Tourist Attraction Fund and is restricted to the GVB General Manager or his/her designee, and appropriate GVB staff and cultural performers as are identified by the Board of Directors as necessary to accomplish the goal of the travel;

(d) travel by law enforcement personnel conducting an official investigation and law enforcement personnel providing escort services for criminal suspects, detainees, and convicted felons being returned to Guam for judicial proceedings or being transferred to off-island correctional facilities;

(e) travel by medical personnel providing escort services for patients requiring off-island medical treatment and other escorts as specifically authorized by the Department of Public Health and Social Services pursuant to Guam law;

(f) travel necessary for the enforcement of court orders;

(g) travel under the Residential Treatment Fund;

(h) travel required for witnesses testifying on behalf of, and government attorneys representing the government or the people of Guam in a criminal or civil case;

(i) travel to attend conferences and official meetings with national and regional government officials or national and regional organizations of which the entity is an official member where attendance is necessary to advancing Guam's interests during Fiscal Year 2026 and as approved by governing board or Director;

(j) Executive Security functions under the Guam Police Department for the purpose of providing Executive Security to *I Maga'hågan Guåhan* and *I Sigundo Maga'låhen Guåhan* when traveling off-island to represent the people of Guam at meetings and functions determined critical to the welfare of Guam;

(k) travel to testify on issues related to Guam's political status; or

(l) travel to testify at the invitation of the U.S. Congress.

Section 23. Wireless Communications Restrictions.

(a) No government of Guam funds, regardless of source and including funds expended by autonomous agencies, *shall* be expended for the use of cellular telephones, cellular telephone services, and other wireless telephone services, unless the government of Guam will be reimbursed from federal funds or other grants. This Section *shall not* apply to *I Maga'hågan Guåhan*; *I Sigundo Maga'låhen Guåhan*; the Speaker of *I Liheslaturan Guåhan*; the Chief Justice of the Supreme Court of Guam; the Presiding Judge of the Superior Court of Guam; the Crisis Hotline Program of the Guam Behavioral Health and Wellness Center; law enforcement officials; on-call attorneys of the Office of the Attorney General and the Public Defender Service Corporation; on-call health professionals of the Guam Memorial Hospital Authority, the Guam Behavioral Health and Wellness Center, and the Department of Public Health and Social Services; village Mayors and Vice Mayors; Guam Fire Department and EMS officials; on-call

emergency management personnel; the Chief Medical Examiner; the Guam Election Commission; and the Guam Visitors Bureau. The restrictions in this Section *shall not* apply to wireless internet services, stationary (non-mobile) wireless telephone, and wireless voice over internet protocol (VOIP) services.

(b) No appointing authority, manager, supervisor, or public officer in any branch of the government of Guam *shall* require or exert undue influence on any classified or unclassified employee of any branch of the government of Guam to maintain or utilize for employment-related duties, at such employee's personal expense, any form of wireless and/or internet communications, phone, tablet, or desktop or laptop computer. Nothing herein, however, *shall* be construed to prevent an employer from calling an employee at a wireless phone/radio if the employee designates such wireless phone/radio as a personal contact number. Nothing herein *shall* be construed as to prevent an employee, voluntarily and on his own accord, from using personal funds or resources for wireless telephone services. An employee in violation of this Subsection is subject to a fine not to exceed Fifty Dollars ($50.00) for the first violation, and One Hundred Dollars ($100.00) for subsequent violations.

Section 24. Purchasing First Class or Business Class Airfare Prohibited. Notwithstanding any other provision of law, rule, or regulation to the contrary, the government of Guam *shall* not purchase first class or business class airfare. The traveler *shall* be authorized to purchase only coach or economy airfare. Any traveler electing to upgrade their airline seat *shall* be required to either use their personal mileage or pay the incremental difference in the cost. This Section *shall not* apply to *I Maga'hågan Guåhan*; *I Sigundo Maga'låhen Guåhan*; the Speaker of *I Liheslaturan Guåhan*; the Chief Justice of the Supreme Court of Guam; and the Presiding Judge of the Superior Court of Guam.

Section 25. Restriction on the Home Use of Government of Guam Vehicles. Except as expressly permitted by § 1103(c), Chapter 1, Title 4 GCA, or any other law, no government of Guam

owned, leased, or rented vehicle may be driven home by an employee *unless* such employee is on call as an emergency first responder.

Section 26. Annual Procurement Plan Requirement. Pursuant to § 5010 of Chapter 5, Title 5, Guam Code Annotated, departments and agencies *shall* submit to the General Services Agency (GSA) a projected annual procurement plan at the start of each fiscal year. Plans *shall* include equipment, services, and supplies (e.g., vehicles, copiers, computers, heavy equipment, security, ground maintenance, janitorial and construction supplies, food supplies, etc.), by category, together with appropriate specifications or scope of work.

Section 27. Severability. *If* any provision of this Act or its application to any person or circumstances is held invalid, the invalidity *shall not* affect other provisions or applications of this Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.