

Office of the Speaker THERESE M. TERLAJE

I Mina'trentai Sais na Liheslaturan Guåhan | 36th Guam Legislature Committee on Health, Land, Justice and Culture

April 27, 2021

Transmitted via Electronic Mail:

Honorable Lourdes A. Leon Guerrero I Maga'hagån Guahan, Governor of Guam governor@guam.gov

SUBJECT: \$664 M spending plan for federal funds from American Rescue Plan

Håfa Adai Governor Leon Guerrero:

Thank you for your April 19th letter requesting a meeting and list of priorities for the \$664 M expected from the American Rescue Plan Act of 2021. The Legislature has been consistent and vocal regarding its desire to work with the administration to ensure that these funds provide relief to our residents, aid our economic recovery, and address long-standing infrastructure needs of the island.

In order to prepare a potential spending plan with priorities for the \$664 M in federal funds, the Legislature is requesting a clearer idea of what portion of funds have been promised or committed to particular projects or agencies. We have heard the administration publicly announce that \$300 M of the American Rescue Plan funds will be set aside for the construction of a new hospital. We have heard publicly that Guam Visitors Bureau will receive \$20 M for GVB operations and an additional \$18 M for renovations at Matapang Beach. We also heard that shortfalls of the Judiciary and other government agencies will be covered by these funds. Based on the March 2021 CRER and Special Funds tracking reports, there is an estimated shortfall in general revenues of \$9.6 M and \$14.7 M in special funds for FY 2021. It was also reported that the Mayors Council was promised \$800,000 for shortfalls for annual paid leave from the previous term and that possibly \$14 M would be used to offset GWA increases in water rates. We have also seen requests from GEDA for \$37.8 M for various programs.

Before the Legislature sends a listing of priorities, we respectfully ask for a true account of how much of the \$664 M is available and uncommitted. We are wary of having any listing of priorities from the Legislature be pitted against agencies or projects that have already been promised funds from the administration.

We are also inquiring if the administration plans on adjusting the current budget of FY 2021 or updating revenue estimates in the executive budget request for FY 2022 based on current reopening plans and economic recovery trends. As you know the FY 2021 Executive Budget request was approximately \$30 M less than the adopted FY 2021 budget. The Legislature needs all of this information to firm our response and priority spending plan for the American Rescue Plan.

We look forward to your favorable response.

Sincerely,

Therese M. Terlaje Speaker, 36th Legislature

Minority Leader, 36th Legislature

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cc: All Members, 36th Guam Legislature

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