EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor Of Guam.

FEB 28 2018

GL#34-18-1582
Speaker Benjamin J.F. Cruz

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Received By:

Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuåttro Na Liheslaturan Guåhan
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

Dear Mr. Speaker:

Pursuant to § 102 (e) of Chapter 1, Title 1, Guam Code Annotated, transmitted herewith is a copy of Executive Order No. 2018-03.

Senseramente,

EDDIE BAZA CALVO

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OFFICE OF THE GOVERNOR
HAGÅTÑA, GUAM 96910
U.S.A.

EXECUTIVE ORDER NO. 2018-03

RELATIVE TO IMPLEMENTING A 32-HOUR WORK WEEK FOR ALL EXECUTIVE BRANCH AGENCIES THAT ARE FUNDED OR PARTIALLY FUNDED BY THE GENERAL FUND

WHEREAS, on December 22, 2017, President Donald Trump signed a new national tax reform plan, the *Tax Cuts and Jobs Act* [H.R.1 - AN ACT TO PROVIDE FOR RECONCILIATION PURSUANT TO TITLES II AND V OF THE CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2018], into law as U.S. P.L. No. 115-97; and

WHEREAS, P.L. No. 115-97 amends the Internal Revenue Code to lower income tax rates, including the lowering of private corporate tax rates to about 50% or less, and to provide for the modification of certain existing tax credits, deductions, and policies; and

WHEREAS, it is estimated that under the new national tax reform plan, the Government of Guam may not be able to collect approximately $67 million or more in revenue, thus significantly affecting government operations and the ability to provide critically necessary services related to health, safety, and welfare; and

WHEREAS, despite days of session to consider and plan for the inevitable impact to government operations, including the establishment of a dedicated funding source to preserve and sustain the Guam Memorial Hospital, the 34th Guam Legislature failed to take any meaningful action to resolve the looming financial crisis; and

WHEREAS, it is critical that aggressive austerity measures be immediately undertaken in order to stabilize and safeguard the government and the island community as a result of the severe financial shortfall; and

WHEREAS, Section § 1422 of the Organic Act of Guam (Title 48, United States Code) provides that the executive power of Guam is vested in the Governor of Guam "who shall have general supervision and control of all the departments, bureaus, agencies, and other instrumentalities of the executive branch of the government of Guam."

NOW, THEREFORE, I, EDDIE BAZA CALVO, Governor of Guam, by the authority vested in me by the Organic Act and laws of Guam, do hereby order and direct as follows:

(1) **Mandatory 32-Hour Work Week**. Effective Tuesday, March 6, 2018, and subject to the following terms and conditions, a mandatory thirty-two (32) hour work week is implemented for all Executive Branch departments, agencies, and offices that are funded or partially funded by the General Fund:

(a) Such reduction of hours shall not exceed nor be less than eight (8) hours per week.

(b) No full-time employee whose hours are reduced will lose any benefits the employee received prior to the implementation of the reduction of the work week hours.

(c) The change shall not affect the employee's accrual of years of service for the purposes of retirement.

(2) **Department and Agency Heads to Determine Work Schedules.** The head of each department, agency and office affected by this Executive Order shall review and coordinate the schedules of their respective employees and make the necessary adjustments to comply with this Executive Order while minimizing disruptions in service.

(3) **Guam Memorial Hospital Exempt from Application.** This Executive Order shall not apply to the Guam Memorial Hospital Authority.

(4) **Federally-Funded Positions Exempt from Application.** This Executive Order shall not apply to job positions that are either 100% federally funded or are funded by federal matching grants.

SIGNED AND PROMULGATED at Hagåtña, Guam, this 28th day of February, 2018.



EDDIE BAZA CALVO
I Maga'Låhen Guåhan
Governor of Guam