EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor Of Guam

APR 2 4 2018

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Speaker Benjamin J.F. Cruz
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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. 2018-05.

Senseramente,

EDDIE BAZA CALVO

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

EXECUTIVE ORDER NO. 2018-05

RELATIVE TO RESCINDING EXECUTIVE ORDER NO. 2018-04 WHICH IMPLEMENTED A 32-HOUR WORK WEEK FOR THE ENTIRE EXECUTIVE BRANCH

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, the Office of Finance and Budget (OFB), of the Guam Legislature, estimated that there would be a significant loss of revenue in the amount of approximately $67 million for the government. The reduction in revenue affects government operations and the ability to provide critically necessary services related to health, safety, and education; 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"; and

WHEREAS, on March 2, 2018, Executive Order No. 2018-04 relative to implementing a 32-hour work week for the entire executive branch was signed to reduce personnel costs, which would be a significant savings to the government of Guam; and

WHEREAS, the 34th Guam Legislature passed Bill No. 248-34, which was signed into law on March 16, 2018 as P.L. 34-87 and created a new revenue

stream through tax increases, which augments the loss of revenue caused by the *Tax Cuts and Jobs Act*; and

WHEREAS, in addition, P.L. 34-87 mandated the governor to submit a fiscal realignment plan, which was submitted to the Guam Legislature on March 23, 2018, that reduces the entire government-wide spending by $30 million; and

WHEREAS, P.L. 34-87 established a financial roadmap in which the government of Guam is provided with a new stream of revenue, coupled with internal cost reductions, which provide a countermeasure for the loss of $67 million, thus averting the necessity for a 32-hour workweek; and

NOW, THEREFORE, I, EDDIE BAZA CALVO, *I Maga'Låhen Guåhan*, Governor of Guam, by virtue of the authority invested in me by the Organic Act of Guam, as amended, and the laws of Guam, do hereby order as follows:

Furlough and Layoff Procedures Rescinded. In reference to Executive Order 2018-04, the furlough and layoff procedures set forth are rescinded.

SIGNED AND PROMULGATED at Hagåtña, Guam, this 13th day of April, 2018.

EDDIE BAZA CALVO
I Maga'Låhen Guåhan
Governor of Guam