

LOURDES A. LEON GUERRERO
MAGA'HÅGA • GOVERNOR



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April 9, 2020

Honorable Tina Rose Muña Barnes
Speaker
I Mina'trentai Singko Na Liheslaturan Guahan
35th Guam Legislature
Guam Congress Building
163 Chalan Santo Papa
Hagatna, Guam 96910

Re: Help is Coming for Our People

Dear Speaker Barnes:

I write to you with good news of an update of the status of the Coronavirus Aid, Relief, and Economic Security (CARES) Act Recovery Rebates (Economic Impact Payments) stimulus program. Through the diligence and persistence of Ms. Dafne Shimizu, Director of the Department of Revenue and Taxation (DRT), the Internal Revenue Service (IRS) has approved Guam's estimation for the Economic Impact Payments to be paid to the government of Guam in the amount of \$134.8 million. This is just one of the first steps in the process to obtain these funds from the federal government so that we can give our people some financial relief and assistance during this COVID-19 pandemic.

The next steps involve the IRS' review of Guam's Economic Impact Payment Implementation Plan (GEIPIP). After IRS review, the GEIPIP will require final approval by the U.S. Department of the Treasury. Upon its final approval, I expect Guam can begin the Economic Impact Payment releases in as early as two (2) weeks. Please let me be clear, this timeline is contingent upon approval of the GEIPIP and we are working tirelessly to get this to our people.

Nevertheless Madam Speaker, as you will wholeheartedly agree, we must do something now. The federal stimulus funds cannot come fast enough. I can appreciate that you along with many of your colleagues have been hard at work, coming up with ideas that will provide some financial relief and assistance to our people. I commend you and your colleagues for such diligence and determination in wanting to work with me in order to assist the most vulnerable in our community.

This is why, with confidence in the process we have engaged in with the federal government, I am directing the DRT to process and release over \$11 million in local funding to pay for the first batch of Economic Impact Payments to our people. This amount will cover over 10,000 individuals and children representing over 6,800 tax return filers that have an Adjusted Gross Income of \$10,000 or less during tax year 2018 and I expect these payments to be issued next week.

Given the new information we have received regarding a potential timeline of when Economic Impact Payment funds, I have determined that this is the maximum amount of local funds that we can utilize for this program without posing a direct threat to the government's ability to respond to the public health emergency. I want to be very clear; these funds are only available because of the expectation of the Economic Impact Payment funds being realized in the coming weeks that will replenish what will have been used for this over \$11 million in Economic Impact Payments. No other local funds are available for programs that do not have the promise of replenishment from federal sources and programs.

This advanced payment of over \$11 million to our people will be among the first payments to be made under the CARES Act Economic Impact Payment stimulus program in the country and it would not have been possible without the prudent cash management of our local funds and our ability to balance the needs of the government with the needs of our people.

Again, I thank you Madam Speaker and your colleagues for your continued collaboration and support in our collective effort to lead this island through this unprecedented pandemic.

Senseremente,



LOURDES A. LEON GUERRERO

I Maga'hågan Guåhan

Governor of Guam

cc via email: Sigundo Maga'låhen Guåhan