

2012 State of the Island Address

**Prepared by
Governor of Guam
2012**



Madam Speaker, Mr. Lieutenant Governor, Mr. Acting Chief Justice, Madam Congresswoman, Madam President of the Mayors Council, Madam Chief Judge of the District Court, distinguished Ladies & Gentlemen of the Thirty-first Legislature, the Judiciary, the Mayors Council, the Consular Corps and the Armed Forces, Madam Public Auditor, honored guests, and most importantly,

My Fellow Guamanians,

It's been 20 long years since the government started robbing its citizens of their tax refunds. I am thrilled to report that for the first time in 20 years, tax refunds are on time.

The payment of tax refunds shapes the state of our island, not just because it sparked the economy, but because we began to renew people's faith in leadership... that leaders will keep the promises that they make.

But by no stretch of the imagination should this be considered some monumental achievement. Paying the people their money simply was a duty we fulfilled. Nothing any of us could say could rival the relief and joy of Guamanians during Christmas.

It's the same relief that we hope they can get again this year. If the people's trust is what we want to build back into the leaders they elect, I hope the legislature will support Series B of the tax refunds bond. As I explained last year, we needed to finance \$343 million to pay tax refunds for this year and all the prior years that weren't paid. You only allowed \$198 million to be paid in December, leaving a balance, and another \$100 million owed for this year's refunds. Senators, let's work together swiftly to give the people the balance of their money.

This enormous debt to the people of Guam is the result of a government diseased by delusions of financial grandeur for decades.

Rather than making the tough decisions that cost votes, the leaders of Guam have been content to simply rob Guamanians of their tax refunds. They've disguised this debt by calling it a deficit, never telling taxpayers that it is almost entirely made up of their money. The disguise fed the delusions: 'Hire this supporter.' ... 'Keep this contractor.' ... 'Pay this rent.' ... 'Increase the revenue projections so we can budget more for this agency closer to the election.' These are the politics of the past that ate every day into the money that was supposed to be set aside for tax refunds.

Leadership in dire times is about the ability to prioritize, to act with justice, and to serve all. Do government employees deserve the Hay raises? Of course they do. Was there money for it? No.



It was an empty promise from politicians in an election year. And what about the size of the government? Is there enough money for payroll, or will we continue raiding tax refunds, vendor payments, utility bills and capital improvements so we can pay personnel costs?

Senators, of the 12,000 government employees, I have control over only 2,973. The rest are employees of the Department of Education, autonomous agencies, the legislature and the judiciary.

You handle your own budget. So does the judiciary. And since the legislature took DOE away from the control of the Governor, I can only affect financial change in less than 50 percent of the General Fund workforce. And I have.

By attrition and by termination, we reduced the line agency workforce by 101 employees between the last pay period in 2010 and the last pay period in 2011. This does not include the positions currently going through the lengthy lay off process.

We increased the number of health professionals at Public Health, tax enforcement staff at Rev & Tax, and doctors at the hospital.

In exchange for these investments, we reduced the staff

- at the Governor's Office by 24 percent,
- at the consolidated land agency by 11 percent,
- at the consolidated Chamorro Affairs department by 8 percent,
- at Public Works by 11 percent,
- at Parks and Recreation by 14 percent,
- and the list goes on.

Where did all these savings go? Well, to help pay for the three years of continuous deficits. The cash that wasn't spent on personnel went to pay overdue bills from tax refunds, to vendors, power bills, court orders and mounting interest.

Senators, I know you share my understanding that the taxpayers of Guam do not have an endless pot of money for government to spend. It is one thing to tell us to pay for all personnel AND all tax refunds AND all the mandates set by law. It is quite another thing to look at the bank account and pay it out. Imagine if every household had the ability to spend the money the way the legislative finance committee wants the government to do. Every Guamanian could then forget that his bills exist, and every Guamanian would be able to buy a beach in Tumon.

But this is not the way people live their lives. They budget their paychecks, and if the money doesn't come in, they cut their spending. What gives government the license to live above the law when it requires its citizens to play by the rules? To quote Senator Tony Ada: I thought the government was supposed to serve the people and not the other way around. The government's runaway spending must stop!

We've been doing whatever we can to save money. Lt. Governor Tenorio and I voluntarily took a 10 percent pay cut, along with our senior staff. We said we would suffer along with the taxpayers who were due their refunds. Well, the refunds were paid, and we still haven't restored our



pay. When you compare it to the government's revenues, it's not a lot of money. But, we felt that leading by example means a lot more to the employees who have been sacrificing as well.

We made millions in cuts that would take the next 12 hours to outline. It would take another 12 hours to explain the service improvements we made as well.

Despite the cuts, we sought to improve services by implementing common sense solutions. We embarked upon the first major reorganization of GovGuam in its 62-year history.

We began consolidating agencies. We started identifying programs to outsource. Ambulance billing now is outsourced. DOE has the authority to implement a performance management contract for its ailing maintenance division. I applaud Sen. Yamashita for her forward thinking and I encourage DOE to take advantage of this right away.

We are also on our way to outsourcing billings and collections at the hospital. This follows the decision to stop competing with hemodialysis providers. In the budget I submitted to you today I also propose to reorder the reorganization of animal control and outsource those functions to the mayors. We did the same with the village learning centers. Our next outsourcing project is the DMV. As a rule, government should never compete with the private sector. We are looking for services that can best be provided by businesses that are more efficient and will hire people and pay taxes.

We found redundant positions and eliminated spending where it wasn't needed, offering assistance to displaced workers along the way. We're not done, either. Reorganization and spending cuts will continue until the government is providing excellent service again and living within our means.

It is this concentration on improving services that led to a demand for excellence from all GovGuam employees. You are paying for these services with your taxes and fees, so in essence you are the customer. And from where I come from, the customer is always number one.

So, I ordered a new customer service initiative. We released customer service guidelines to all agencies, and began monitoring the Cabinet to see that all agencies are performing. We're still a ways from improving customer service to the level I expect, but the work is happening. We even established a Customer Service Hotline at Adelup to receive your complaints and suggestions.

The demand for excellence is a precursor to a total change in how agencies will be funded in the future. My fiscal team is working to transition the government into performance-based budgeting. Right now, agencies are funded according to funding requests. In the future, agencies will be funded based on their performance. Did the agency use its dollars wisely? Did the agency meet its expected service levels? Were customers satisfied? Did service improve? We will be able to hold every agency director, manager and supervisor accountable by changing to this system of budgeting. Taxpayers will literally be able to see, online, where their dollar went and what got better or worse because of that investment.

One of the areas where you will see a marked improvement in the near future is online services. Senators, we hope to invest some of the savings we've made into the development of online applications and help centers. We want to take any service, where you now have to walk into



a GovGuam office to apply, and put those forms online. It's a lot easier said than done, though. The very small IT staff we have will be looking through the hundreds of services the line agencies provide. One by one, they will develop protocols to move applications online. This should reduce traffic, but more importantly, make it so much more convenient for you to get service from GovGuam.

We are also looking into service kiosks at agencies like Rev & Tax. Rather than standing in a long line, you can simply walk up to a machine to make your transaction.

Doing more with less is a mantra of a GovGuam workforce that is racing toward excellence. I'd like to recognize two ambassadors of the new government of Guam: Teresa Blas and Artemio Agüero, Jr. were the two winners of the Merit Cup of Excellence MagPro Awards last year. Teresa and Artemio, please stand. It's my great honor to introduce you to the people of Guam tonight and recognize you for your excellence.

We're one year into our administration. We are demanding excellence and changing government so that it serves the people. If I were a politician, I'd chalk up everything I just told you to a series of achievements. But are they really? Or are they just a series of decisions and duties fulfilled that should be done by a governor anyway? To me, these are simply basic duties that a governor and lieutenant governor must fulfill.

These are a few of the basic improvements you expected from government :

- At the start of 2011, your tax refunds were 2-5 years late. Today, if you pass my bond, they will be on time.
- DOE was in jeopardy of losing \$60 million in ARRA funds when we came in. Today, DOE is preparing to improve public school facilities using these monies we saved for them.
- On the day we came into office, there were only two working ambulances. Today, there are seven working ambulances and more are coming. And they come with maintenance, too.
- Transparency was a word normally used in political punchlines when we came to office. Today it means a governor and lieutenant governor who hit the streets to answer the people's questions directly. It means agencies without gag orders. It means weekly addresses, newspaper columns, interviews on talk shows, Facebook interaction, and the expectation that my Cabinet is answering your phone calls and being responsive to your needs.

Things are better, but let's not kid ourselves. We are far from where we need to be. The benchmark isn't whether we did better from one year to the next. It is whether services are improving at the expectation of the customer.

It is not achievement until the people feel it and say it is. The state of the government is better, but the state of our island still is vulnerable. We're here not so much to hear about the improvements of the government as to report on how government is affecting the state of the island... an island of people who are dealing with a culture that very rapidly changed since the 1980s.

Not too long ago, poverty was a term used to describe people in Africa, or on the streets of New York. Anywhere but Guam. Something about our society changed, and poverty became endemic; worse, a cruel cycle.



Today the condition of our people has so eroded from the central values of the Chamorro that built Guam, that 30 percent of our people have no choice but to accept public assistance. Yes, senators, in 2011, there were 50,000 Guamanians on Medicaid or MIP, and 40,000 on food stamps.

And, the saddest statistic of them all - 67 percent of public school children come from families struggling so much in life that these children have to take reduced or free lunch assistance. At three schools alone, 90 percent of students are part of the free lunch program. Senators, the very soul of this island is not in the ideas that can be conjured on this floor. It's not found in the confines of our air-conditioned offices, or the comfort of our titles.

The soul of Guam is in the poor boy I met at Sagan Linahyan. He did not have a shirt or slippers as he walked in his grandmother's mud-soaked yard. The boy and his family were outside because they have no power. There was also a hose running from the neighbor's house into one of the windows. They didn't have running water, either. It seemed such an irony that right across the street was a beautiful school. That's because its test scores, like that of most public schools, gives little hope that the poor boy will be prepared to leave poverty when he graduates, if he graduates.

The soul of Guam is also in the teenage girl, so beaten by life that she replaced the dream she once had as a little girl to become the President of the United States... with a compromise to instead quit school and work at the nearby store to support her family.

It is also in the single mother of four children, who are hoping the best for her. You see, they're scared because she's lost a lot of weight, she doesn't have any more hair, and she's always weak, so she lost her job. They had to go on public assistance to survive. Her children don't know how the thought that the cancer will make them orphans keeps her awake at night more than the chemotherapy does.

For all these people, and tens of thousands of others with similar stories, Guam is not the paradise we once knew. It is a place of suffering. An island without opportunity or hope. A society led by a government that doesn't care about their poverty.

It has been our mission since taking office to address poverty head on, and to send the message to the suffering that we do care.

We opened up the lines for public housing and we started building affordable homes. We have a goal to build 3,000 homes that you can afford by 2017. I'm very proud that our housing team, with the support of Sen. Muna-Barnes, set the stage for more than 600 affordable homes already.

We also saw movement this month to add properties and abandoned homes to the affordable housing inventory. We're working with private partners to build even more. As of today, 611 affordable homes are either ready to break ground or are in the planning stage. Another 1,562 are in the conceptual development stage. Then there's the potential for another 1,690 after that.

Imagine it. If you're someone who's gone to the bank only to have your dreams crushed by a mortgage rejection, the next few years will be so exciting for you. You will finally have your chance with the construction and renovation of these homes for low rent or low mortgage.



Alicia Pinaula had this chance. She is a Chamorro Land Trust recipient, who waited for years for the government to approve her grant. Well, we approved it and her home is now under construction. This affordable housing initiative is real, and Alicia Pinaula joins us tonight as one of my guests. Alicia, please stand so the people can see that dreams do come true.

The long-term goal is for the economic vibrancy that naturally allows Guamanians to buy homes with their income. Unfortunately, we've been facing an uphill battle against poverty since the 1990s. An entire generation has been living without opportunity. Our affordable housing initiative builds a bridge for the present generation to achieve the Guamanian Dream of homeownership in this decade. Yes, for all of you scraping by to pay the rent, we are working tirelessly to build homes you can afford for your family. The dream you have is a dream we share with you. You keep working hard, and so will we. That home may soon be yours.

Guamanians also are looking for work. It is no wonder children are living in third world conditions when their parents have to deal with thirteen percent unemployment. To address this for the adults who've been failed by government's failure in education, we've maximized workforce training programs. Guamanians who want to work can visit AHRD right here in Hagatna at the GCIC building. On the first floor is an office of GovGuam professionals eager to help you. They have a program that can assess your skills and then see if you're ready to go looking for a job, or if you need some training. If you need training, they'll help you with that, too.

I'd also like to recognize the diligent efforts of Sen. Sam Mabini. No one has called me more about career technical education and the need to address workforce development in the classrooms than she has. She truly cares about your children's future.

By far, though, the greatest contributors to workforce development on this island are the Guam Community College and University of Guam. I'm smiling right now because Christine and I are the proud parents of two UOG and GCC alumni. It makes me so proud as a governor to know that in the middle of the western Pacific, on a tiny island so often forgotten by the rest of the nation, are the two best institutions of higher learning any citizen could ask for. Indeed, Dr. Underwood and Dr. Okada, it is the natural choice for any person wanting to compete against anyone in the global economy.

My fellow Guamanians... have you been to your community college recently? Mary Okada, her staff and her faculty turned that once-barren campus into the breeding ground for the nurses that care for you, the IT professionals who are bringing Guam into the Twenty-first century, the public safety officers who keep us safe, and the skilled workers who make this island go 'round.

Cross the George Washington campus and you'll find a new community that is giving rise to Guam's place as the regional leader in economic development.

Our University is preparing future professionals to create positive outcomes in the community.

Your University has seen continued increases in enrollment and a record \$35 million in federal grants and contracts. UOG is an engaged institution committed to academic quality, research, and outreach projects that benefit the community. It provides information and solutions in



response to community needs for everything from cancer research, invasive species control, and developmental disabilities research and service.

UOG plans to break ground this year on the Student Services Center followed by the Engineering School. These facilities will enable us to meet future challenges as an educated, engaged society. UOG has come so far in their 60 year history. I am committed to maintaining an affordable and accessible pathway to higher education so our people can prosper.

Dr. Okada and Dr. Underwood, you have my unwavering support for the zoning of the Mangilao Education and Economic Zone and for the development of the research and development parks in your backyard. Keep graduating those students so that more Guamanians have higher prospects for well-paying careers.

To support you, I have included a provision in the budget I submitted that unties your hands on scholarship funding – so that more young Guamanians can afford tuition now.

We also turned to the staple of our economy, tourism. I want to see every qualified person who filled out an application at a hotel or restaurant get a job. The only way that will happen is if we get more tourists spending more money.

That's why it was critical to succeed with Russian visa waiver parole authority. It's not China, but it is a market we've been trying for years to enter. We want those Russian Rubles flowing into our economy, creating new jobs and new business opportunity. I want that boy from Sagan Linahyan to know that if he works hard in school, despite his poverty, he can have a future.

But we don't just want Rubles from Russia. We want more Japanese Yen, Chinese Yuan, Philippine Pesos, Taiwan Dollars and Korean Won. We went on trade missions last year and met with hundreds of businessmen who want to bring their money to Guam. What does that money mean? More capital for the jobs you're waiting for. More services for our people. More competition to drive down prices. Short-term economic development is a critical issue, and I am so grateful to Senator Chris Duenas for all of his support and his ideas.

But what about the rest of us? It will take some time for our young economic initiatives to produce the hundreds and thousands of career opportunities for Guamanians. In the meantime, there are thousands of Guamanians who, right now, need a job. We need even more opportunity for Guamanians who've been marginalized by a government in recession from their real needs... a government out of touch with the people it is supposed to serve. A government that was supposed to do something meaningful when 6,226 young Guamanians walked out of public high school without a diploma over the past five years. Yes, 42.7 percent of the 14,533 students who entered the ninth grade between 2002 and 2006 have hardly any hope of getting a meaningful job that will pay the bills. And of the 8,327 who did graduate, only 2 percent of them have the math skills to succeed in a career, and no more than 14 percent in reading. These former students are now the 18 to 22 year-old Guamanians of today. That means the majority of the youngest parenting generation of Guamanians do not have the education and skills to compete in the evolving job market.

Senators, we can implement change now, but the positive results will be for the children of this generation, not for the young parents who are struggling today. The reason we need an affordable housing program is because this generation needs help. The reason we need to infuse the



economy with training and entry-level work is that the current generation was failed by a government that didn't prioritize their education. I will discuss my long-term plan in a few minutes, but we cannot forget the generation today.

We also need the military buildup. It is clear as day to me that the buildup brings with it the greatest hope for the current jobless, and those looking to increase their wages and income. In the fight against poverty, my dear people, there is no greater short-term solution than the buildup. No other industry offers to pump billions of dollars into our economy in such a short time. No other economic stimulus proffers the chance for a regular citizen to open a small business like the buildup does. Imagine the potential of young entrepreneurs who can sell their farmed produce, or open a catering business, or profit from hand-crafted retail, open an advertising company, or work on the IT needs of the Marines. The possibilities go on and on.

The island's leadership has been so embroiled in speculation and mistrust, that it has missed what really matters to the Guamanian people. Senators, I ask you, what are we preserving when thousands of families are drowning in debt and unhappiness? When families are forced to house three generations under one roof? When drug addiction and violence are on the rise? When cancer patients can't get the care they need?

The last time I checked, the Chamorro culture was one of innovation and imagination. It held at its core the happiness and prosperity of the people... people who help each other and welcome guests into their homes. It is precisely why, when the Marines say they want to come back to the island they liberated in 1944, I say, "Welcome, and hafa adai!"

Unfortunately, despite the signing of the Programmatic Agreement, the governor's voice wasn't the only one that went to Washington. No. The Marines have received some mixed signals from the very people in this room. The result? We now have a buildup that's been stalled by a federal budget predator who preyed on the perceived division within the government of Guam.

Senators, how do you expect the Defense Department to react when some alluded to Marines as rapists? Or when another told the descendants of our liberators to take their buildup somewhere else? You wanted me to empanel the Guam First Commission so this island could speak with one voice, yet fringe elements of this very body are the ones sending mixed signals to Washington. The rest of us are setting politics aside to welcome the Marines here. Senator Guthertz, Congresswoman Bordallo, and members of the Chamber of Commerce, I want to thank you for advocating for the building.

A few days ago, Senator Guthertz offered a compromise to the inorganic Guam First Commission law. Senator, after much thought, I will be issuing an executive order impaneling the Guam First Commission advisory body so that all communications with Washington are made with one voice.

Secretary Panetta and President Obama: We absolutely and without pause want the buildup and we welcome America's heroes to our shores. We will care for them in a Chamorro culture of respect and hospitality. And in keeping with our culture of reciprocity, I fully expect that the investments and promises made to Guam will yield the end of poverty for thousands of Guamanians looking for opportunity today.



But let's look deeper at how entwined this island is in the cycle of poverty. Many Guamanians who once looked for opportunity instead turned to a way out. The economic troubles of some mothers and fathers who lost so much is evident in the drug problem we have on this island. Let's not pretend it doesn't exist. There are Guamanians at this very hour who are intoxicated by the vapors of a drug that offers them a quick relief from their problems.

Whether it's ice, ecstasy, cocaine, spice or violent alcohol abuse, the soul of this island is being wasted in pipes and bottles that drive us deeper into poverty. And who gets hurt? Beaten spouses. Neglected children. Victims of assault, theft, burglary, car crashes, and murder.

As we work to provide opportunity for all, we are doing our part to help addicted Guamanians know that opportunity is for them, too... that their financial or spiritual poverty is not so great that they should allow the drug addiction to control their destiny. So, we got to work right away. Lt. Governor Tenorio ordered Customs to ratchet up their searches, and the Police Department to increase their investigations. The result, thanks also to our partnership with the U.S. Attorney and our federal partners, is a:

- 170 percent increase in ice confiscations,
- 48,800 percent increase in ecstasy confiscations,
- And an overall 500 percent increase in drugs kept from entering the island.

Customs kept 1,151 grams of ice off the streets and away from families and children. Imagine if that million dollars in crystal evil was injected into our neighborhoods. This island would have seen even greater poverty and crime.

We've also dealt with the effects of drugs and alcohol abuse. Guam police officers took 824 drunk and drugged drivers off our streets. They arrested 711 spouse beaters and child abusers and threw them in jail. Together with the Attorney General's Office, they apprehended 128 rapists and molesters, and they threw the book at them. Rightfully so.

I want to make special mention here of the island's public safety officers. First, to the man who has been the chief advocate for our heroes in uniform, Lt. Governor Ray Tenorio. The Lieutenant Governor is in my office almost every morning, and charging down the doors of the fiscal team every day, trying to improve the conditions for the men and women of GPD, Guam Fire, DOC, Customs and DYA. Many of you don't know what these men and women endure each day for all of us. True, we have a sense of gratitude that they leave their families each day never knowing if duty will summon them to their last stand. But what many of you don't know is that even after risking their lives, police officers have to personally buy tires for their police cars and change the tires themselves. They've been volunteering their time to provide those extra neighborhood patrols you've been seeing. The DUI and seatbelt checks? That wasn't overtime. That was a labor of love.

Over at Customs, those men and women didn't get to hire more people. Yet, they increased their productivity to record levels. The officers there don't complain when the supplies get low. They get creative and innovative.

At the fire department, the problem used to be that there weren't enough ambulances. Now that we have more, the problem is that there aren't enough medics. The situation is the same at the Department of Corrections and DYA. We just don't have enough public safety officers, and they



certainly don't have the equipment and supplies they need to do their jobs. The ones we do have, though, they've exhibited what it truly means to do more with less. That is the Calvo Tenorio way.

It is also the Adolpho Palacios way. I'd like to recognize my good friend and colleague here for everything he does to improve public safety. Senator, I ask you to work closely with Lt. Governor Tenorio on the public safety master plan he is putting together. The Lieutenant Governor, along with the chiefs of the safety agencies, are identifying cost-cutting measures, where the savings can be reinvested into a larger, more-prepared, and more-equipped force.

Where we have nearly no effect on crime prevention is in the immigration of adults who choose crime over opportunity. Let's not talk in circles about this problem. 26 percent of our prison is filled with inmates and detainees from the freely associated states. This is a major problem because FAS nationals account for only 11 percent of our population. What is driving this section of that population to criminal activity?

This is where I turn to the federal government for some long-awaited answers. In 2011, it cost the taxpayers of Guam \$6 million just to feed the FAS inmates and detainees at the Department of Corrections. In case you're wondering, that's the amount of Compact Impact funding used to finance the construction of the four new schools.

If I could, I would take up U.S. Senator Rick Santorum's offer. I will wholeheartedly welcome the judges of the Ninth Circuit Court of Appeals if he will take all our foreign criminals to the Pennsylvania Department of Corrections. Even if we bought all those judges a half-a-million-dollar home at Pago Bay, it would still cost less than feeding the criminals. That's a deal.

But the effects of the Compact on poverty in Guam does not stop with our justice system. Ladies and gentlemen, your senators and I prioritized \$8 million to the Guam Memorial Hospital last year, thanks to the advocacy of Sen. Dennis Rodriguez. We also prioritized \$13 million of your tax dollars to the Medically Indigent Program, and another \$731,000 to fund the community health centers at Public Health. Beyond the cash investments at the hospital, we brought the facility up to life safety code standards, we struggled with accreditation, we brought in more doctors, and we set the stage for hospital expansion. We even cut expenses at GMH as we made those extra improvements. I will tell you, that for every step forward we take with GMH, the federal compacts take us back a step and a half.

Earlier this month, my son had a serious health emergency. He could hardly move and his condition worsened by the minute. I took him to the emergency room. We got there around 11 p.m. He wasn't seen until 1 a.m. and he wasn't released until 5:30. It took that long to treat him because the emergency room was packed. He was treated on a gurney in the hallway. And that was a slow night, according to the nurse.

Before going any further, I want to personally thank the doctors and nurses who helped my son. They made a worried father feel better after caring for his sick son. God bless you and all the men and women of GMH for doing what you can to help the sick.

I've ordered the hospital to quickly move forward with severe cost reductions at GMH that are not critical to the core mission of the hospital. I've been assured the austerity plan will be implemented by the end of this quarter so GMH can hire the nurses and doctors they need.



I've directed GMH, the Fire Department, and Public Health to develop a tiered urgent to emergent medical care system. This will allow Public Health facilities in Dededo, Mangilao and Inarajan to establish Urgent Care Centers and receive non-emergency patients transported by ambulance. When an ambulance responds, our EMTs can determine the level of care needed and transport to a closer facility that can provide that care. This may result in a greater number of patients being taken to public health centers for treatment, potentially decreasing the case load of the Emergency Room at GMH. I've also instructed the Director of Public Health to start working toward extending the hours at the community health centers. These are small steps toward more accessible health care. But as we all know, it's the little things that really make the big difference.

As for mental healthcare and serving people living with disabilities, I could not be more disappointed with the federal government.

Many Guamanians struggle through emotional disturbances, psychological issues, physical disability and addiction. But the most interesting part of this story is that, unlike the problems at the hospital or public health, mental health has a lot of money. Yes, over the past two years, as people with disabilities have been struggling to get by, you taxpayers have given \$9 million to help solve the problems. Where has that money gone?

While the FMT is failing, students with learning disorders like ADHD are not getting the attention they deserve. Adults with disabilities are still fighting for civil rights and accessibility. And Guam's sons and daughters are coming back from war to face Post-traumatic Stress Disorder on their own. Some, sadly, took their lives, unable to cope.

Yet, it is the people of Guam who have done their part to pay for the improvements needed to help others in need. We were forced to pay this by a federal government that was upset with us for not meeting their mandates. The same federal government that loaded Mental Health and DISID with immigrant clients. The same federal government that sent Guam's sons and daughters to Iraq and Afghanistan, only to come home to a mental healthcare system in distress... pushed to the limit by the federal government's own actions. Perhaps Senator McCain can explain why Guam doesn't need a mental healthcare facility to help treat the very veterans whom Senator McCain sent to war over the last decade.

But the irony doesn't end there. The federal government has been burdening us for years, then taking us to court to fix the messes they started.

The federal compacts led to an unnatural demand on our services. We didn't have the funding to keep up with the demand. The U.S. government wasn't remitting its obligations to Guam so we could keep up with the population increase they caused. Instead, our services and infrastructure began stretching, and our capacity was breached. One by one, our systems began breaking under the weight of the compacts. School crowding in the north. Prison funding and conditions. Wastewater treatment. Capacity at the Ordot Dump. MIP funding that was no longer enough.

Then the consent decrees, the stipulated orders, the permanent injunctions, and the fines began. The federal government maxed our water and wastewater capacity through their compact, then sued us to make nearly \$500 million in improvements to accommodate their failures. The feds



maxed our dumping capacity at an Ordot Dump that they built, then sued us to close the place down and pay for a new site. They filled our prisons to the rim, then they told us to pay for the improvements.

Enough is enough.

How is it right that we are made to pay for more than three-quarters of a billion dollars in federal mandates when the federal government still owes us nearly the same amount in reimbursements for its obligation to us?

I have been anxious to announce that my team is exploring more aggressive avenues to hold the federal government accountable for the money it owes to Guam, based on the federal government's own written obligations. I look forward to working with Sen. Frank Blas, Congresswoman Bordallo, and the Attorney General on this agenda, which I will reveal in the months ahead. The poor of this island can no longer shoulder the burden of a federal system that seems not to care about the conditions they've left for Guamanians.

The extra irony in our dependent relationship is that we wouldn't need any of this assistance if the federal government stopped throwing its bureaucracy and mandates at us. I'm not just talking about the unfunded compacts. Our economy is so severely restricted at this moment by federal regulations that hinder growth.

Imagine how many more jobs Guamanians could have in tourism if airlines from Asia could stop on Guam before going to Los Angeles or New York. The Jones Act restricts this cabotage. Almost everything we buy, including gas, would be worlds cheaper if shipping lines weren't restricted either.

Imagine how much more income each of you would have if the federal government finally granted our visa waiver program with China.

It is insane for the federal government to levy the most liberal immigration policy in U.S. history on Guam... then throw peanuts to offset its impact... then strangle us with penalties and takeovers when our capacity is breached by the population increase... and in the very same breath prohibit us from building jobs and growing our economy with onerous regulations.

My message to the federal government has less to do with the financial assistance Guam has requested in the past. Rather, it is this: we can be more self-sufficient if the U.S. government allows us to grow.

My dear people, our Micronesia brothers and sisters did not cause poverty. For most of them, poverty was already upon them. And in their darkness, they saw a shining light to the west. As Guamanians, it is within us, despite our own poverty and struggles, to share our warmth, no matter what the federal government does to Guam.

You see, the Guamanian Dream is powerful. It is no wonder we are an island of immigrants. People from across the globe saw from their borders the bright and shining promise that is the Guamanian Dream. In Guam, you can work hard and earn a living. You can own a home. You can



be your own boss. You can compete against the best, and win. We, Guamanians from all walks of life, go about our business trying to make ends meet and build something great for our families.

And so the answer to poverty on Guam, beyond any other solution we proffered on affordable housing or job creation, beyond the redress of our grievances to a federal government that has acted without justice toward our people, is still within us. It is, my fellow Guamanians, within your children. They are the answer to our future. And they will find their destiny in the classrooms we provide them.

There is a glimmer of hope that two decades of stagnation in public education is now at a turning point. The board of education and DOE management have taken up our call to ramp up maintenance of the disrepaired schools. We forged a partnership that moved JFK out of the temporary campus in Tiyan and moved Untalan Middle in. I have asked for an updated capital improvements plan so the administration can begin developing creative finance strategies to build schools that parents can be proud to send their kids to. We've also asked for a district-wide assessment of student desks and other equipment and supplies the kids need to work and learn.

To this end I am announcing the creation of an executive-level task force that brings together the Governor's Office, GEDA and DOE to explore how we can finance the renovation and rebuilding of existing schools, and the construction of new ones. My chief education advisor will lead the group, soliciting from DOE their long-term capital improvement and equipment needs. I'd like this task force to work in concert with the board of education on every issue that affects the facilities and equipment needs of public schools. This is everything from the types of buildings and sports facilities... to the replacement of textbooks with laptops or iPads... even to the possibility of opening school campuses to the community after school hours and on the weekends. One of the financial solutions we will be pursuing is the EB5 visa program, which I will explain further down. I don't want public schools to simply be dumping grounds for children who will either learn or fall by the wayside. They must be centers of excellence, places of community engagement, and the foundations for a new economy.

To achieve excellence, it's also critical that Guam join the country's push to regain the competitive edge over students of other countries. In 2010, the Organization for Economic Cooperation and Development ranked U.S. students 14 out of 34 in reading skills, 17th in science, and 25th in math. Some of the nation's top experts, teachers and administrators designed a set of education standards for student achievement. States and territories began adopting these standards as uniform benchmarks of success so that we could all share best practices and know that students were being competitive to their global counterparts. This is not a federalized curriculum, but an international race to the top. The propensity for higher student achievement is so great, the top superintendents and school boards and the National Governors Association are encouraging every American community to join in this Common Core State Standards. I encourage the board of education to join suit, adopt the Common Core, and enter Guamanian students into the race to the head of the class.

The most basic principle I carry with me about public education is this: that every child can learn. That every child can succeed. If we do not believe this, then we may as well discard the future of our community to greater poverty and lawlessness.



I've seen this belief in the hard work, determination and passion of board members, DOE management, the principals, the teachers, and the parent-teacher organizations. They have tried desperately to change public education... to move and prioritize and maximize resources... to remove bad teachers from the classroom, and keep bad principals from governing a school... to really give students the education they deserve.

I want to recognize my remaining guests in tonight's report to you. I've invited the principals of your children's public schools to hear the education solutions I am providing. I'd like to ask them to stand and be recognized, for these men and women lead the schools that have been searching for answers from the government for decades.

They, my fellow Guamanians, like you and me, have in their hearts the foremost consideration for students. When they look at the \$209 million you've invested and budgeted for public schools, they look at every way that money can be used for your child. They even personally buy paper, chalk, notebooks and coloring pencils so that your child can learn and have a chance in this tough world.

My fellow Guamanians, fortunately, the people who care most about your children are the people who spend time with them from Monday to Friday every week in the classroom. Unfortunately, the people who care the most are not the ones in charge of public education decisions.

Senators, we have toyed with the governance of DOE for years. First the governor was supposedly in charge of it. Then the school board. Then the governor. Then back to the school board. Nothing's changed about who is really in charge of education, though. And it's not the school board or the superintendent, either. All the major decisions governing the budget, staffing and even the curriculum of public schools is vested in the union by virtue of the contract the government entered with the GFT five years ago.

Teachers, I have a real financial solution to increase your pay. The union has been talking about increasing your pay for years, but they want to do that by increasing the taxes you pay. Money out and money in. That is not a solution for your struggling families.

The solution I offer is real, but can only occur without the constraints of the union contract, which thankfully has expired. Because of that contract, DOE is paying millions of dollars a year for cleaning and supervision services. Why? Because the union forbids you from performing common-sense work that teachers across the country perform. Think about this. Over \$200 million in local funds go to DOE. There are 2,000 locally-funded teachers. If even 75 percent of that money went to pay teachers... and you do the math, that means the average teacher would be paid about \$75,000 a year. But they're not. The average teacher only gets \$46,000. The rest of that money is going to pay for union contract mandates. It is the union itself that has sapped millions from the budget that should have gone to your pay increases.

Now that the contract is out of the way, I'd like to make a deal directly with principals and teachers. If you take on the duties of cleaning your own classrooms with your students... supervise children in the hallways on a rotational basis... and make sure kids are safe in the cafeteria, the playground and on their arrival and departure from school... in return, your pay will increase



collectively by the amount saved within your budget. It will be funded by the reduction of expenses for janitorial and supervisory services that will no longer be needed.

But there's more to these solutions. We can put more teachers in the classrooms by eliminating unnecessary preparation periods for non-teacher duties, like being a department chair. This currently requires additional teacher hiring to fill the periods of a teacher who is given time off for non-teacher duties. The board of education should do away with this practice and, in exchange, pay teachers more to perform those duties. This will result in a net savings and reduce teacher recruitment needs.

Our students are smart and we have great faculty and administrators. However, we cannot ignore the fact that our overall achievement scores are low and unacceptable. How can we expect students, who are significantly behind the rest of the nation, to catch up if we're doing the same thing over and over each year? It is time we seriously consider increasing the hours of instruction in a school day, and the number of instructional days in the year. I will support the board in their efforts to challenge the low rankings at the core of the learning problem. We need only look at our Asian neighbors to know that their students, who score higher than U.S. students, are in school longer hours in the day, and more days in the week.

My fellow Guamanians, none of these are new ideas. Parents, teachers, principals and senators have been espousing these solutions for years. Dust off any of DOE's community-driven planning documents. You'll see how the people who care most about students were the ones most ready to change the system. But I go back to my original point: the people who care the most are the ones with the least power. The GFT contract left parents, teachers, principals, the superintendent and the board powerless.

I don't understand why teachers are forbidden from cleaning their own classrooms. Or why teachers can't keep an eye out on their students in the hallways. Or why a union tells the taxpayers of Guam how big a classroom should be.

I want to share with you, my dear people, a little secret that was conveniently kept from you by the union. The board of education took a lot of heat for the closure of F.Q. Sanchez. Sen. Rodriguez and I even publicly advocated for the school to remain open. What wasn't told to the public was that the ultimate decision to close the school hinged on the union. You see, F.Q. Sanchez, a school of 54 students, had a nurse making \$90,000, and four teachers who made a total of \$300,000 a year. The board said that if that high-paid nurse could be moved to an overcrowded school, and the teachers were switched out, then the school could remain open. The union never agreed, so it couldn't happen. Imagine that. The real decision makers on the closure of a public school were not the people you elected to public office, but a handful of power brokers.

Members of the board of education, it is my understanding that you are already being proactive and looking to implement a better contract. Change it and I will support you 100 percent of the way. Make it a contract that gives teachers the benefits they earned, and students the education they deserve. Make the cuts necessary and reinvest the savings into higher pay for public school teachers and more school supplies for students. We can stay within the \$200 million funding level and improve education by moving the funding into the classrooms. We can make a real difference by finally having a teacher evaluation policy that is tied to new standards adopted by the board and linked to student performance. Get rid of the current contract that only vests power in a



select few union bosses who care little to nothing for the future of Guam's children. Give the power over education back to those who care most about the students: the parents, the teachers, the principals, and the Department of Education.

Education is the single-greatest weapon against poverty. If we empower educators and parents once again, we can fix the soul of this island at its very depths. We can look at that boy at Sagan Linahyan with hope for his future, rather than despair for his life. We can turn to the teenage girl who lost her dream years ago and tell her there is no dream too big for her.

Indeed, repairing the confidence in her dreams is a lesson for all Guamanians to ponder. At the very heart of these crossroads from which we must chart our course is a decision to walk meekly into the abyss, or to charge forward boldly and with confidence.

Beyond the improvement of services and the fight against poverty is a vision we must imagine together. It is a look through the dark corners, the empty buildings, the ramshackle homes, and the destitution of our present condition... and into the bright lights of bustling streets, the teeming parade of busy Guamanians, and into the prosperity of a people who triumphed over poverty.

What is your vision of the future? What kind of Guam will your children and grandchildren be living in? What does Guam look like in your heart, the Guam you've always dreamed about?

Don't limit yourself, either. Worry not about the improvement of government services that are already on the horizon. Think beyond the present condition and the poverty... even beyond the military buildup and the federal government.

As I looked through the plans for the development of Hagatna, our capital, I began to wonder 'what happened to our pride in Guam?' What happened to the greatness we all felt in our hearts for the home of the greatest people on the earth?

We are a great people, yet our capital is no reflection of your greatness. The library is just a concrete box. The streets are dark. The river is dingy and hardly any water runs through it. There is no reason for people to come to our capital, except to go to work and do a little shopping or dining. Hagatna offers no present-day reason for Guamanians to feel proud of their capital. All that is left is nostalgia and a memory of what once was.

The Hagatna of our past was the center of commerce, culture, and the proud seat of government. Naval officers, bishops and governors walked streets lined with homes and businesses. The Chamorro people traded with each other. Historic documents were received at Apra Harbor and taken straight to the Palacio. The night was teeming with dance and song, art and the humanities. The Cathedral was illuminated by candle light deepening our faith. This was once a proud city.

I am happy to report tonight that work has begun to make it a proud city once more... a citadel of providence, built in tribute to our heritage and for the fortune of Guamanians not yet born.

Senators, as I promised you last year, the restoration of the historic legislative hall is scheduled to begin very shortly. An RFP was just yesterday issued to begin the rebuilding of the



Plaza de Espana. And with your permission, it is my plan to raze the Department of Administration building and the Hagatna lockup facility across the street, close that road, and rebuild the Palacio.

The plans are more extensive than just that. According to the Hagatna Master Plan, we will be seeking a new land use zoning. This will reconfigure the capital to be a real city that flows from north to south, east to west with Spanish-style architecture... roads, walkways, trails and bikepaths that encourage exercise and the appreciation for scenic vistas... fountains and gardens for students to study, lawyers to work, government officials to meet, visitors to lavish... a library and museum we can be proud of, and a river walk that takes Guamanians through the most historic sites of our island.

The Plaza de Espana will be returned to its former glory, and the Governor's Office will move back to its centuries-old home, now 68 years since it was destroyed. Skinner Plaza will be lined by cafes and shops, with lofts above for Guamanians who want to live in Hagatna. Vice Speaker Cruz, I very much like your idea of moving the museum to the heart of Hagatna, where it belongs. I have ordered the program managers to reconfigure the plans. Thank you for your partnership in rebuilding Hagatna.

Monuments to our culture will stand where your children and grandchildren will sing, dance, and listen to our culture... and where they will read and write about the arts and humanities. The suffering sounds of our lives today will be but a whisper drowned by the excitement of a new Guam, built by the hands of proud Guamanians.

I also want to thank Sen. Mana Silva Taijeron for pushing this development and for her strong commitment to reviving the heritage of our island.

The next phase of this vision is for the rezoning of the city. After that, the major construction will start. We intend to build the capital, just as we intend to build new schools, using funding we can entice through the EB-5 visa program, among other finance strategies. The concept is simple and proven... and Guam is in the perfect position to use it.

Foreign nationals have incentives from the State Department to enter a U.S. city and invest their capital. My Council of Economic Advisors already is pursuing this avenue. We are the closest U.S. community to the one region of the world with capital to invest: Asia. Ladies and gentlemen, what once was a lofty dream is now an attainable reality.

But this is just one part of our vision. I've asked you to imagine Hagatna, now I ask you to imagine Guam.

Two years ago I proposed to the legislature a new concept for Guam. I had some help from an educator and a visionary who believes so deeply in the future of Guam – Senator Aline Yamashita. We called it, "Classrooms to Careers." Put simply, it is the building of a long-term economic development strategy that has, at its heart, an education system that produces the career workforce and entrepreneurs to build the economy. What we proposed to do was bring the community together to create a vision for Guam that would build a new economy, and prepare our children to build it. What they would build is an island we have never seen before... one we can only imagine.



Now, our government has existed for 62 years. In this time, we've been growing, maturing... building foundations and developing this community. What has been missing throughout this time was a strategy that envisioned the Guam of the future *and* implemented an education system to get us there.

As I thought about this, I remembered the days when my father had spirited debates with Governor Bordallo. The two visionary men sat across from each other to discuss a Guam they each imagined. Four decades ago, my father envisioned a community we are fighting to build today. He said, "The people in Washington have to be made to realize that they should either expect us to continue asking for handouts or allow us to do the things that will help make us self-sufficient." And two decades before the pullout at Subic, and nearly four decades before Washington and Japan announced the military buildup, like an oracle he said, "It's costing the U.S. \$500 million a year to maintain its bases in the Philippines. Why should the military be where it isn't wanted when it can be on U.S. soil in Guam for free?"

Four decades ago, who could have imagined the prospects of a military buildup? Or, through those spectacles, who saw the Guam that Governor Bordallo imagined? Beyond the roads, the schools and the affordable homes, who saw the vision of prosperous Guamanians the way Ricky Bordallo saw them?

The critics, of course, they scoffed. They said Carlos Camacho was out of his mind for thinking that Japanese tourists would vacation on Guam. They said Ricky Bordallo wanted to build all these roads that no one would drive on, and all these schools that we couldn't afford. And the critics said the military would never pull out of Subic, much less build up on Guam. Dreamers. The critics laughed at these men and called them dreamers. Thankfully, they kept dreaming and they went to work to see those dreams come true.

On this night, thousands of years after the ancient Chamorros built it, where does our proa sail? In the dark waters that connect continents in turmoil and pain, under the lunar light and the stars, what path do we give the flying proa?

It is not enough to repair what is broken. It is insufficient to improve services, or to simply win the fight against poverty and crime. We have to give our children and grandchildren much more than that.

For some reason, we have questioned our strength and our place in this world. We've looked to others to help us build a future they can make for us. We've lacked confidence in what we can do. So we set the proa to roam without any coordinates. We allowed it to chart the oceans for pirates and carpetbaggers to navigate.

From what I know of the Guamanian people, we are not drifters, nor are we afraid to shine. It is time for this government to see the spark beneath the hearts of every Guamanian. It is time for us to chart our own course with courage and confidence.

After decades of searching elsewhere for the answers, it is time we realize that the answers are within us. Tonight, the proa comes back home.



Last December I began a partnership with Dr. Robert Underwood, and we formed a small steering committee of my advisors, academic professionals, young entrepreneurs and senators. We gave them a charge. We took the Classrooms to Careers program and more appropriately named it, IMAGINE Guam.

It's all about planning. It's about knowing what we want in the future, and building it through homegrown talent... Guamanians, your children, who want to work and who want to own their jobs. This is about a future that they can build for themselves, but that can only happen if we set the vision now and give them the education to get there.

We will be bringing the most innovative thinkers from every corner of our economy and community together over the next few months. Joining us will be experts in government, business development and technology from the region and the world. Together, limited only by the steadfast values of our culture, we will build an economic and community forecast of Guam that takes us into the middle of this century. Our success in tourism and the certainty of Armed Forces buildup in Guam and the Pacific will give us a clearer picture of the possibilities. While these are anchoring components of our economy, I want us to think well beyond that. It is not enough for us to have tourism and the military buildup control our economy. We must be the ones guiding how this growth can simply provide forward momentum on a fly wheel we can steer together... because, my dear people, the possibilities are so much greater. Imagine it.

What do you see when you think of Guam 20, 40, 50 years from now? Is it the same place, or have we overcome our poverty? Will you be paying your power bill to GPA, or will your home harness electricity from the sun through solar panels on your roof? Will there be more cars on the road, or will we have mass transit freeways? Will we build more concrete boxes and invade more green space, or will we live and work in towers surrounded by parks and fountains? What industries will drive our economy, and who will drive these industries?

Each of you has an idea, something to contribute. Collectively, we can imagine Guam far into the future, and then start building our way toward that vision. That is exactly what I will be asking of you in the months ahead.

To start this process, in the coming days, I will be bringing together the program managers of every master plan currently in place in the government. It makes no sense that these plans move forward without any connection to the other. Every plan from the GPA and GWA master plans to Port Modernization to Transportation 2030 will be overlaid. From here, we can determine where certain projects stymie the progress of others, and where there are duplications. We can also see where there are gaps.

This activity will give us an illustration of what our island will look like once all these projects are done. We'll know where all the potential for infrastructure is. We'll be able to see the chokepoints and sense the investment opportunities.

Once that is done, we will have an honest assessment of the Guam we've envisioned already for the next 10 to 15 years. But that's just a physical assessment.

I want to know from you what you've always imagined Guam to be. The IMAGINE Guam project is premised upon the collective imagination of Guamanians. What are the values that we



hold dear? Entitlement is a new phenomenon in our society, but will we allow it to continue? What will tourism look like? What can we get out of this military buildup? How strong can our other industries be? What new industries can Guamanians build? What kind of health system will we have, and how do we keep crime low? What new infrastructure, beyond all the plans we have now, do we need to sustain the new economy?

As these questions are answered and the vision becomes more clear, the elected leadership will need to take a good look at all the laws on the books. Based on the community's vision, we will throw away old mandates and restructure government so that it works for this vision.

At the end of this first part of IMAGINE Guam will be the strategy for a Guam we have never seen before. The illustration will be inspiring. As I imagine it, Guam will be the commercial treasure between east and west. She will be the economic capital of this region. Her economy will be teeming with new industries, fueled by green energy and more technology made right here at home. Within her shores will be storefront and corporate signs that bare the names of your children. But, that's just what's in my imagination. It could be much stronger with yours as well.

The single most important question that will be answered by this process is this: How will we build the Guam of our collective imagination?

It is a simple answer that takes a very large investment. It is an investment I am willing to make, and that I am sure Guamanians are willing to make as well. The Japanese did it. So did the Koreans, the Singaporeans, and the Taiwanese.

They took their economic visions and poured their investments into the development of human capital. Our Asian neighbors mapped out their economy, then they invested into education systems that produced workers and entrepreneurs who would build these communities.

Education is the answer.

This is what we need at this very point in our development. Parents throughout this island need hope that there is a future for their children. They want doors to open for their kids... and on the other side of those doors, there has to be opportunity that they are prepared to seize. We need the children in today's classrooms to drive the economy and community of the future.

Through the IMAGINE Guam plan, we will develop a vision of Guam as a community, then develop and sustain an education system that will implement the vision. Education is the key to the success of this vision. Our entire focus should be on the output of classrooms. The goal for every child in both public and private schools must be that every child leaves high school prepared for college and prepared for work. Collectively, that is a strong workforce that will build the new industries and strengthen the existing ones. It is a bold concept, but one that has worked for the only region of the world that is growing at this moment. It will take a true investment in education, not the year-to-year increase in education budgets we have now... but, a real investment into classrooms and curricula that will make the difference for the next generation of Guamanians in classrooms right now.

Some of you may find it hard to believe that I am now, through all of our present troubles, challenging Guam to dream this big... to compete against the biggest economies and the smartest



children of the globe. I ask you, do you honestly believe the low test scores of today's Guamanian students is the result of their inability to achieve, or of our failure to guide them? Answer honestly. At the heart of that answer is your personal belief that either young Guamanians are stupid or that our generation has been failing them. I happen to believe that the children of Guam are smart, and they are yearning to burst into the world brighter and more prepared than anyone else to lead the future. From the poor boy at Sagan Linahyan to the teenager living with disabilities... from the daughter of impoverished farmers to the son of immigrants to the orphan who has not known love in years... every child on this island is destined to break free from what has been holding us back. What they need is our guiding hand and our confidence. They need our vision and our commitment to educate them into that future.

When I think about the future and I imagine what Guam will be, I am always tempted to think of the children I've met on my tours of schools like J.Q. San Miguel, Merizo Martyrs and Machanaonao Elementary. Twenty years from now, I see their faces at the head of board rooms at the top floor of scenic Hagatna towers they built. I see them competing with banks in Tokyo and with investors on Wall Street. Thirty years from now they are producing technology that the folks in Silicon Valley purchase. Fifty years from now, their children's names are on the patents of inventions millions of people around the world use. They will be healthy and safe. They will be immersed so deeply in the arts and humanities, so that in every corner of every village of Guam is the song of the great and prosperous Guamanian, ever so confident to charge into whatever future they can imagine.

It starts with us. It's about having that courage and confidence in ourselves again.

Last year I went to Beijing to bring money and job opportunities back to Guam. The National Governors Association had me stay at the Shangri-la, which is the tallest and most prestigious building in China's capital. In the hotel, a young man came up to me and introduced himself.

He was the *chef de cuisine*, the executive chef of the most prestigious hotel in all of China. And he said his name is Ryan Sablan Dadufalza, *familian Chode*, a proud Guamanian of Chamorro and Filipino ancestry.

I thought, 'wow,' of the billions of Chinese and the millions of Americans, here was a Guamanian in charge of the restaurant staff of the fanciest plaza in the largest country of the world. He didn't think he'd ever make it this far in life, but he tried. He had a dream, and the confidence to see that dream come true.

I also have a personal story about confidence and courage.

About 26 years ago, I walked into the record department at Town House, and I saw the most beautiful woman I've ever seen. I didn't think I stood a chance. Our eyes met and I wondered for the next two months whether she saw anything in me.

After those two months I was with my friend, Tony, at the Captain's Table... and there she was, singing in the band. I asked Tony, "Who's that beautiful girl with the thick black hair and the big brown eyes?" and he said he knew her. I said, "Dude, introduce me!"



I didn't think he'd actually do it. He brought me up to her after the set and I didn't know what to do. My palms started sweating, and I was shaking, and I really didn't want to be rejected.

At the final seconds of our encounter, I gathered up all my courage and confidence, and I asked her for a dance. She said yes, and 26 years later, we just welcomed our first grandchild into this world.

If I didn't muster up the courage, and have that confidence 26 years ago... then my great love would have slipped away... and I'd be a shadow of the man I am today.

All of us have our own personal stories of confidence when fate met love. All together, as Guamanians, our great love is Guam. We must all be confident and courageous... take her hand and build a future together. There will be some pitfalls along the way, but it will be a journey filled with strength and prosperity... pride and hard work to give our children something greater than we ever had. Have confidence and imagine the possibilities.

Why not? Who said we are so defined by our present troubles that we have no right to imagine the Guam we all see in our minds and in our hearts? Who among us is not filled with an unexplainable pride when we put our hands to our hearts to sing out loud, "Fanhogge Chamorro!" "Stand ye Guamanians!" Who among us does not capture in her mind the beauty of Guam we imagine for our children? Who among us does not ignite the light in his beating heart for an island that shines with possibilities we never had? Join me. Stand up with courage and confidence and fight for that future for all of our children! Let us be that generation that gave them everything from nothing! Join me to build the Guam, where every sunrise is more golden than the one before. If we allow that light to shine, then this island will glow brighter than any star in the sky, sparkling with the confidence of the great and proud Guamanian people.

Thank you, *Si Yu'us Ma'ase*, *Maraming Salamat Po*, and good night.

