

Eddie Baza Calvo
Governor of Guam

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Lieutenant Governor

 **BUREAU OF
STATISTICS & PLANS**

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Lorilee T. Crisostomo
Director

JUL 01 2013

The Honorable Judith T. Won Pat, Ed.D
Speaker
I Mina' Trentai Dos Na Liheslaturan Guåhan
155 Hesler Street
Hagåtña, Guam 96910

Office of the Speaker
Judith T. Won Pat, Ed. D.
Date 7/1/13
Time 3:11
Received by J. Crisostomo

Dear Speaker Won Pat:

Subject: REPORTING REQUIREMENT PURSUANT TO PUBLIC LAW 29-113

In reference to Public 29-113 regarding the impact of federal expenditures, the Bureau of Statistics and Plans (BSP) submits the enclosed semi-annual Summary Report of Federal/Military Contribution and Economic Impact. Under BSP's purview, the report incorporates some of recommendations from Senator Ben Pangelinan, Chairman of the Special Economic Service. Also, enclosed is the Governor's FY2013 Executive Budget Transmittal Letter and Economic Outlook. It is my understanding that the information for the Economic Outlook was compiled with the assistance from Department of Labor. No latest Economic Outlook update has been published by Department of Labor since then. We also enclosed a power point presentation dated 6/6/2013 from the Guam Military Buildup Office regarding the military realignment update.

Please contact me at 472-4201/3 or BSP's Chief Economist, Albert Perez, should you require information on the Summary Report.

Sincerely


LORILEE T. CRISOSTOMO
Director

Enclosures:

Public Law 29-113, Chapter 13 of Title 2, Guam Code Annotated Section 13109(a)(2)
Summary Report
FY2013 Executive Budget Transmittal Letter and Economic Outlook,
Office of the Governor, January 31, 2012
Pacific Military Realignment "The Guam Buildup" Program Status Update,
5 June 2013, Director, Guam Military Buildup Office

SUMMARY REPORT OF FEDERAL/MILITARY CONTRIBUTION AND ECONOMIC OUTLOOK

JUN 28 2013

Public Law 29-113, Chapter 13 of Title 2, Guam Code Annotated Section 13109(a)(2)
Bureau of Statistics and Plans, Office of the Governor

FEDERAL/MILITARY CONTRIBUTION	2009	2010	2011	2012	2013	2014
Federal Expenditures ¹	\$1,395,995,361	\$2,012,457,274				
Construction Spending ²	\$983,700,000	\$1,300,000,000	\$1,100,000,000	\$1,000,000,000	\$396,100,000	
Housing Spending ²	\$96,200,000	\$42,400,000	\$129,600,000	\$55,000,000	\$14,100,000	
Student Assistance Spending ²	\$7,900,000	\$9,700,000	\$13,300,000	\$701,000	\$105,000	
Research and Development Spending ²	\$645,000	\$906,000	\$655,000	\$0	\$0	
Higher Education Grants ²	\$13,200,000	\$8,800,000	\$6,400,000	\$4,200,000	\$424,000	
ECONOMIC IMPACT						
Construction Permits ³	262,471,000	278,749,000	216,794,000	363,930,000	301,125,200	309,295,900
Employment ⁴	60,100	62,180	60,590	61,260	61,750	NA
Unemployment Rate ⁴	9.3%		13.3%	10.9%	NA	NA
General Fund Revenues ⁵	\$483,150,183	\$490,967,364	\$552,355,660	\$593,869,084	\$575,698,740	\$565,598,623
Tourism Arrivals ⁶	1,053,248	1,170,857	1,147,134	1,270,161	1,300,000	1,344,690
Average Change in Price Level ⁷	1.7%	3.0%	3.3%	3.2%	NA	NA
Population Projection ⁸	159,323	159,358	159,600	159,914	160,378	161,001

Footnotes:

- 1) Source: Department of Labor, Review of Federal Expenditure Trends Release #2009-01, January 14, 2009; and #2011-08, November 22, 2011
- 2) Source: <http://www.usaspending.gov> June 19, 2013
- 3) Source: Department of Public Works Fiscal Year Totals (FY 2013/14 are moving average estimates)
- 4) Source: Guam Department of Labor 2009-12 September and March 2013 Employment; Unemployment Reports (March 2011 & September 2009, 2012)
- 5) Source: Department of Administration, FY2009-2011 (Office of the Public Auditor - audited), FY2012 (Executive Budget unaudited), FY2013 (adopted), FY2014 Governor's Executive Budget Request
- 6) Source: Guam Visitors Bureau Fiscal Year Totals, FY2013/14 are estimated
- 7) Source: Bureau of Statistics and Plans
- 8) Source: Guam 2010 Census of Population and Housing (2009, 2011-14 are projections)

EDDIE BAZA CALVO
Governor



RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

January 31, 2013

Honorable Judith T. Won Pat, Ed.D
Speaker
I Mina'trentai Dos Na Liheslaturan Guåhan
155 Hesler Street
Hagatna, Guam 96910

Dear Speaker Won Pat:

In this relatively short period of time, this administration has reached fiscal milestones in the improvement of our government's financial posture. As you may recall, \$258 Million was returned to the taxpayers of Guam in the form of Income Tax Refunds, the remaining cost of living allowance (pursuant to the Rios vs. Camacho ruling) that was due to our retirees for years was also paid. The Merit Bonuses, an unfunded mandate since 1992 and a financial obligation, were finally paid out to those active employees with required documented records and Status A tax refunds for TY11 and prior (\$2.7M as of 1/28/13) are currently being processed for payment. Credit rating agencies of Standard and Poor's and Fitch Ratings had assigned an A and A- rating respectively, on the 2011 Series A and 2012 Series B BPT credits. This had a significant impact on acquiring the lowest interest rate for GovGuam bonds as of the date of their issuance. Just recently, the same two rating agencies affirmed those ratings which in effect confirmed that this government is putting into action its plans for fiscal recovery and stability. Through careful planning, tough fiscal decisions and fiscal discipline, this government was able to meet the challenges of the past two fiscal years. Such an accomplishment could not have been achieved without the collaborative efforts of *I Mina'trentai Unu Na Liheslaturan Guåhan*, this administration and our dedicated and hard-working employees who have had to make sacrifices in order to realize fiscal stability. I am humbled by their hard work and sacrifices through these tough financial times.

Also contributing to the deficit reduction and an improved financial condition, is approximately \$11.9 Million in General Fund in unreleased appropriation reserves at the end of FY2012. In working to achieve fiscal stability, UOG, GCC, GDOE, Judiciary and the other department and agencies worked closely with BBMR to revisit programs for identification of cost reduction opportunities. However, we are far from being "out of the woods". There is still much to be done in controlling expenditures and enhancing revenue sources through aggressive collections and economic development initiatives.

To meet the fiscal operational requirements in FY 2014 is a challenge; but such challenges can be met if we remain vigilant in managing our limited finances. The FY 2014 Executive Budget presented to *I Mina'trentai Dos Na Liheslaturan Guåhan*, reflects our view of the current state of the economy for FY 2014.

REVENUES

Projected gross revenues for the General Fund (GF) are \$702.4 Million, which is approximately \$13.3 Million more than the GF revenues identified in the FY 2013 Appropriation Act of \$689.1 Million, an increase of approximately 1.9%. Reducing this gross amount for the set asides are: 1) The Provisions for Tax Refund at \$113 Million, 2) the GMHA Pharmaceutical Fund at \$9.2 Million, 3) the repayment of Section 30 Overpayment at \$2 Million, 4) the 2% Reserve Cap at \$11.5 Million, 5) the Better Public Services Fund at \$471,000, and 6) the MPC Tax Credit at \$583,000. Total GF revenue amount available for appropriations is \$565.6 Million. This represents less than one percent (1%) increase over the FY 2013 Appropriations Act.

Overall Special Fund revenues are projected at \$164.7 Million and the Federal match is projected at \$43.7 Million. The overall revenues available from all fund sources are:

• General Fund	\$565.6 Million
• Special Fund Revenues	\$164.7 Million
• Federal Matching Grants-in-Aid	<u>\$ 43.7 Million</u>
Total Revenues for Appropriations	\$774 Million

APPROPRIATIONS

I am requesting a total of \$774 Million in appropriations for the FY 2014 Operational Budget of the Government of Guam. Although this budget collectively represents close to a status quo expenditure plan for FY 2014, it still is in pace with my strategic goals to improve Public Education, Public Health and Public Safety.

PUBLIC EDUCATION

Education is the key to a healthy and prosperous island community and is a primary strategic goal of this administration. Given the significance of such endeavor, it is imperative to provide the necessary resources needed at our public schools, community college and at the University of Guam, in spite of the limited revenue resources. These educational institutions are mandated to submit their annual budget request directly to the Legislature with a courtesy copy sent to my office. For this reason, the operations allocation for these entities are included in the "Reserve" for the other branches of government and the other entities that are not mandated to submit budgets to BBMR, which totals \$326 Million or 42% of the total FY 2014 revenues available for appropriation. This is the lion's share of the budget.

PUBLIC HEALTH

As part of my strategic goal, Public Health has also been a challenge these past two years and I expect such challenges will continue in FY 2014. In this regard, I am seeking an appropriation amount of \$121.7 Million.

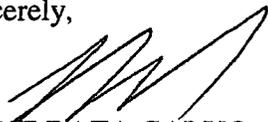
PUBLIC SAFETY

The safety of our island citizenry is of a paramount concern of this administration. The Public Safety programs have always been underfunded, even though the departments under this program represent the safety net we need in keeping the citizenry and visitors to our island safe. Unfortunately, we do not have the revenues at this time to provide this program with all the local resources it truly needs. However, I have allocated \$800K for a Police Trainee Cycle and I have requested additional federal funds to augment the funding requirements of the public safety program. Moreover, I am able to provide funding for Public Safety slightly more than the levels

provided in FY 2013. Given this situation, I am requesting \$99.9 Million for Public Safety to include miscellaneous appropriations.

I look forward to your favorable consideration of the FY 2014 Executive Budget that is presented before you. In your deliberation of this document, my Cabinet members are available to you for further collaboration to facilitate the passage of this fiscal plan.

Sincerely,



EDDIE BAZA CALVO

ECONOMIC OUTLOOK



ECONOMIC OUTLOOK

Economic Outlook for Guam Fiscal Year 2014

Summary

The economic outlook for Guam's short term future throughout the remainder of FY 2013 and continuing into FY 2014 is likely to be one of economic stability on a plateau relatively comparable to current levels, although modest growth appears possible. However, a number of potential adverse risks, if realized, could lead to a less favorable outlook.

In FY 2012, there were increases in tourist arrivals, construction, employment, and Government of Guam revenues. The economic rebound that Guam's economy experienced in FY 2012 was due in large part to continuing recovery in Japan's outbound tourism following the March 11, 2011 earthquake, tsunami and nuclear power plant incidents. Other factors contributing to the rebound in Guam's economy included an increase in construction and a substantial infusion of bond-financed payments for outstanding income tax refunds. Two bond funded disbursements occurred in FY 2012 totaling \$307.8 million. In December 2011, bond proceeds paid \$198 million in tax refunds and \$16.8 million in cost-of-living-allowance payments. In June 2012 refunds from the proceeds of a second bond were disbursed for income tax refunds in the amount of \$93 million. Payment of the refunds enabled the Government of Guam to obtain federal reimbursement of Additional Child Tax Credits paid. The timing of the receipt of federal reimbursement for tax credit payments was accelerated by the bond-financed payments and increased Government of Guam's FY 2012 receipts by \$24.5 million for the December 2011 refunds and an additional \$14.5 million for June 2012. Two U.S. federal stimulus measures, including a two percent reduction in payroll tax withholding and expenditure of previously awarded American Recovery and Reinvestment Act (ARRA) funds also contributed. Of the \$236.8 million in ARRA funds awarded, \$34.4 million remained as of September 30, 2011. In FY 2012 an additional \$20.5 million was expended or encumbered. ARRA funds did contribute to the economy somewhat in FY 2012 but most of the impact occurred in earlier fiscal years.

All of these measures which contributed to the recovery in FY2012 have been realized for the most part, or entirely, and will not contribute much to future growth, although the increase in tourist arrivals to current levels is anticipated to help support continuation of economic activity.

Economic stability in the near term for Guam is contingent on a projected modest increase in tourist arrivals as well as continued strong levels of construction activity. A resolution of the plans to sequester federal expenditures with more moderate federal expenditure cuts is also necessary to avoid a downturn.

Department of Defense construction projects, including projects which already have funding appropriated from the United States and Japan governments for realignment of Marine Corps forces from Okinawa, are on hold until additional plans, reports and a supplemental environmental impact statement are completed and other conditions are met. Due to the time it will take for completion of these requirements, followed by procurement processes to contract the projects, the commencement of construction for such projects is not expected within FY 2014. Other Department of Defense military construction projects not associated with the Marine Corps realignment are proceeding as

ECONOMIC OUTLOOK

implemented in previous years as well as faster processing of mainland Chinese visas facilitated by increases in U.S. staffing in China. The U.S. State Department issued more than one million U.S. visas for Chinese applicants in FY 2011, up 34 percent from the previous year. The State Department has announced that it has already processed more than one million visas in China this year, a 43 percent increase over the first six months of FY 2011. The U.S. Department of Commerce forecast annual growth rates of visitors from China above 20 percent for CY 2013 – 2015. For a comparison of the two latest calendar years, CY 2011 – CY 2012, arrivals to Guam from China increased 26.5 percent, arrivals from Korea increased 22.6 percent and Japan 12.7 percent; visitors from Russia increased by 538.9 percent following the implementation of a visa waiver program.

Japan remains the point of origin for the largest share of Guam tourists although the share has been declining somewhat due to the successful expansion and diversification to other markets. In CY 2012, the share of Guam's tourists from Japan fell to 71.2 percent.

Japan's Economy

As the major source for Guam's visitors, the welfare of Japan's economy is of considerable interest. Japan recently abolished a spending limit imposed by the last government and removed a ceiling on government debt issuance in an effort to speed up reconstruction work in Japan's disaster zone. The new LDP Prime Minister, Shinzo Abe, has announced a 10.5 trillion yen stimulus package, and political pressure is being put on the Bank of Japan to make good on its commitment to further, aggressive monetary expansion. According to a January 11, 2013 report in The Asahi Shimbun, "The DPJ government decided to implement income tax increases of 10.5 trillion yen (U.S. \$115 billion). But that in itself was insufficient, so additionally it cut about 4 trillion yen (U.S. \$44 billion) from government spending—even shrinking civil-service salaries by an average of 7.8 percent over a two year period." Also, "the consumption tax rate will increase from the current 5 percent to 10 percent by October 2015." Another development is the recent and substantial depreciation of the Japanese Yen relative to the U.S. dollar. As of October 31, 2012 the exchange rate was 79.8 yen for a dollar. By December 31, 2012 it had increased to 86.7 and by January 25, 2013, had further increased to 90.9. From the Japanese tourist's perspective, a devalued yen will make the U.S. dollar and travel to and purchase of goods in Guam, more expensive. It will also make its exports cheaper and should strengthen its export sector while making Japanese goods in Guam less expensive. The first item is negative with respect to tourism but strengthening Japan's export sector and economy which would provide greater income to travel is a plus. Whether the Japan currency will continue to depreciate and what the net effect of these developments on Japan's economy will be and its subsequent effect on Japanese travel to Guam remains to be seen.

Construction

A short term leading indicator of future levels of construction activity is the value of building permits and construction contracts awarded. Following the issuance of building permits and construction contracts, construction activity follows. In periods with high dollar amounts of permits and contracts, high levels of construction will follow. Building permit information from the Department of Public Works (DPW) shows a recent trend of increasing permit dollar value totals. In CY 2010 the value of building permits issued was \$184.8 million; this increased to \$211.1 million in CY 2011 and further to \$364.5 million in CY 2012, the highest level since the early 1990's. Construction projects on U.S. military bases do not obtain building permits from DPW. For DOD projects, the dollar amount of construction contracts awarded is a leading indicator of

ECONOMIC OUTLOOK

A listing of major construction projects for which financing has already been obtained or is likely to be obtained from bond financing or other financing that could be underway sometime in FY 2014 indicates there are a sufficient number of projects in the pipeline to maintain stability in the construction industry through FY 2014 as existing projects are completed. As noted earlier, the Dusit Thani hotel is scheduled for opening in October 2013. While there are no announced specific plans to restart the Versace Oka Point Towers project, if construction were to resume it would add to the list of major ongoing construction projects. Without Marine Corps relocation projects, construction could remain near current levels based on the volume of existing permits and contracts awarded in recent years. There is potential for increases above current construction levels if a number of new projects get underway concurrently as well as the possibility that the industry could contract modestly if too many of the projects planned experience material delays. The two largest projects currently under construction on Guam, each in excess of \$100 million, are the new Navy Hospital in Agana Heights and the Guam Regional Medical City Hospital in Dededo followed by the \$60 million Dusit Thani Hotel project in Tumon. A \$50 million defense funded port modernization project will break ground January 30, 2013 following the groundbreaking last week on a Guam Housing and Urban Renewal Authority \$28.1 million, 70 unit affordable housing project in Tamuning.

Chart 3

LIST OF PLANNED MAJOR CONSTRUCTION PROJECTS AND FUNDING

Planned Projects –Bond/Loan Financing	Amount
Okkodo High School Expansion Project (DOE)	\$24,223,000
2030 Transportation Plan Financing (DPW)	75,000,000
Ironwood Lada Senior Village (Private Activity)	20,000,000
Guam Port Authority Wharves life extension	10,000,000
Planned Projects – Funds Available	
Hagatna Revitalization, Museum & Tumon Upgrades	56,000,000
Guam Power Authority Fadian Campus Building	35,000,000
DPW Road and Bridge Projects in Planning & Design	79,800,000
Tower 70 Affordable Housing (GHURA)	28,100,000
Port Modernization Project (Defense-funded)	50,000,000
FY 2013 (DOD) Military Construction Projects	101,904,000
TOTAL:	\$480,027,000

ECONOMIC OUTLOOK

Deficit Reduction

The Joint Select Committee on Deficit Reduction, referred to as the Supercommittee, created by the Budget Control Act of 2011, came to the conclusion that it was not possible for them to make any bipartisan agreement of cutting the federal deficit, thus triggering the law's requirement of automatic federal budget cuts in FY 2013. On August 4, 2011, then-director of the Office of Management and Budget (White House Chief of Staff until January 2013) Jack Lew wrote that the sequester was not intended to be implemented: "Make no mistake: the sequester is not meant to be policy. Rather, it is meant to be an unpalatable option that all parties want to avoid." The President's FY 2013 budget calls on Congress to replace the sequester. The House, Senate and White House agreed to delay the effects of sequestration until March 2013 under the American Taxpayer Relief Act of 2012. The across-the-board cuts will mean about an 8.4 percent cut in most affected non-defense discretionary programs, a 7.5 percent cut in affected defense programs, an 8.0 percent cut in affected mandatory programs other than Medicare, and a 2.0 percent cut in Medicare provided payments. In 2014, there will be no across-the-board cuts but the Appropriations Committees will decide how to allocate funding within budget caps requiring similar levels of percentage cuts.

The federal debt ceiling increase needed to avoid a default has been delayed from February until mid-May, with Congress providing borrowing authority until then. Another deadline occurs on March 27, 2013 when the legislation funding the federal government will expire creating the risk of a federal government shut down for non-essential functions.

Deficit reduction issues similarly continue to be a concern for the Government of Guam operations as well. These concerns have become more pronounced in the context of a revenue stream that will grow more slowly than previously anticipated due to the delay and downsizing of the Marine Corps relocation activities. These concerns include constraints on further borrowing associated with the Organic Act debt ceiling as well as ongoing litigation regarding the prompt payment of income tax returns and outstanding unfunded liabilities of the Government of Guam.

Conclusion

The outlook for a stable economy for FY 2014 assumes that the three issues facing the federal government this year - sequestration, the debt limit and extension of budget authority for this fiscal year for federal operations - will be resolved without the federal expenditure cuts currently required by the sequester extending into FY 2014. Implementation and continuation of cuts at such a level would almost certainly ensure a modest economic contraction for Guam as the island is heavily dependent on federal funding for defense and nondefense operations as well as defense construction expenditures. It is also assumed that the budget deficit resolution will involve some level of federal expenditure cuts which will extend to Guam during the FY 2014 budget period reducing that source of income receipts. A Defense spending blueprint presented by U.S. Defense Secretary Leon Panetta January 5, 2012 provided a Statement on Defense Strategic Guidance which states that "we are also rebalancing our global posture and presence, emphasizing the Pacific and the Middle East." Depending on the relative importance of emerging budgetary and defense issues, it is possible that increases in defense expenditures for Guam could, in the aggregate, outweigh other budgetary considerations and reductions. Stability and growth also depend on further increases in tourism as well as continued high levels of construction. As a small economy, a given level of change will have a larger percentage effect than on a larger one. Often, the positive gains in one part of the

Pacific Military Realignment

“The Guam Buildup”

Program Status Update

5 June 2013

Mark G. Calvo

Director, Guam Military Buildup Office

Agenda

- ❖ **Overview of New USMC Laydown**
- ❖ **USMC Units on Guam**
- ❖ **Environmental Strategy**
- ❖ **U. S. Pacific Command (PACCOM) Objectives**
- ❖ **Proposed Schedule**

Overview of New USMC Laydown

- ❖ Agreed Implementation Plan under the 2006 Roadmap: Approx. 8600 Marines plus 9000 dependants
- ❖ Adjustment to the 2006 Realignment Roadmap
 - April 2012 Adjustment: Approx. 9000 Marines (and dependants) still leaving Okinawa
 - Reduced number of Marines coming to Guam
 - 5000 Marines plus 1300 dependants
 - Two-thirds of the force is rotational (180 days)
 - Remaining 4000 leaving Okinawa will be going to Hawaii and Australia
 - Cost estimates = \$8.6 Billion
 - GOJ Funding \$3.1B; US Funding \$5.5B

Adjustments necessary to “...realize a U.S. force posture in the Asia-Pacific region that is more geographically distributed, operationally resilient and politically sustainable.”

USMC Units on Guam

- ❖ **Coming to Guam under the April 2012 Adjustment**
 - **3rd Marine Expeditionary Brigade (MEB) Headquarters**
 - **4th Marine Regiment**
 - **Elements of aviation, ground and support units from the III Marine Expeditionary Force (MEF)**
- ❖ **Plans for the location of the Marine Air Combat Element at Andersen Air Force Base decided under the previous roadmap agreement remains unchanged**

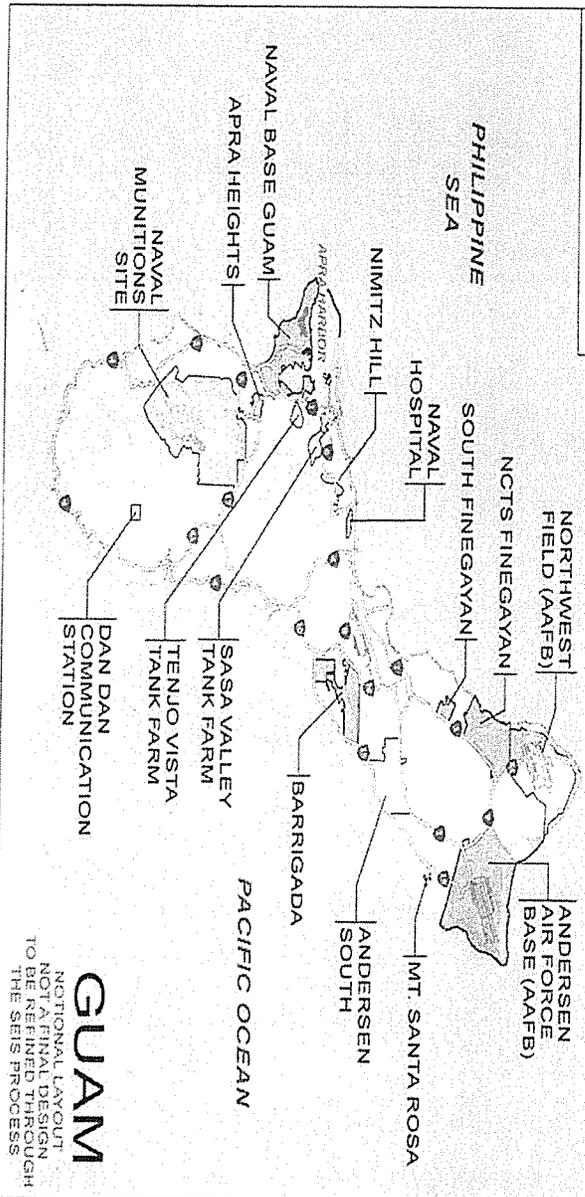
Environmental Strategy

- ❖ **March 2012 Live-Fire Training Range Complex (LFTTRC)**
Supplemental EIS was re-scoped to include an assessment for the reduced number of Marines on Guam
 - Smaller footprint make additional base (cantonment) and family housing alternatives available for consideration
- ❖ **Analysis of LFTTRC, Main Cantonment, and Family Housing alternatives will consider:**
 - Supporting utilities and infrastructure needs, related relocations of existing DoD missions, and associated mitigation.
- ❖ **Some actions decided by the 2010 Record of Decision remain in place and will not be analyzed in the SEIS**
 - Tinian training, wing at Andersen AFB, non-live fire training at Andersen South, Apra Harbor wharf improvements

LFTRC and Cantonment Alternatives

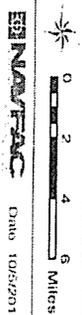
- ❖ **Seven LFTRC alternatives:**
 - Route 15A and Route 15B in northeastern Guam
 - Three alternatives located at or immediately adjacent to the Naval Munitions Site (NMS)
 - Andersen Air Force Base (AAFB) Northwest Field in northern Guam
 - Naval Computer and Telecommunications Station (NCTS) Finegayan
- ❖ **Five Main Cantonment / Family Housing alternatives:**
 - -AAFB
 - -NCTS Finegayan
 - -NCTS Finegayan (main cantonment) / South Finegayan Navy Housing (family housing)
 - -Navy and Air Force Barrigada
 - -Naval Base Guam

MAIN CANTONMENT ALTERNATIVES

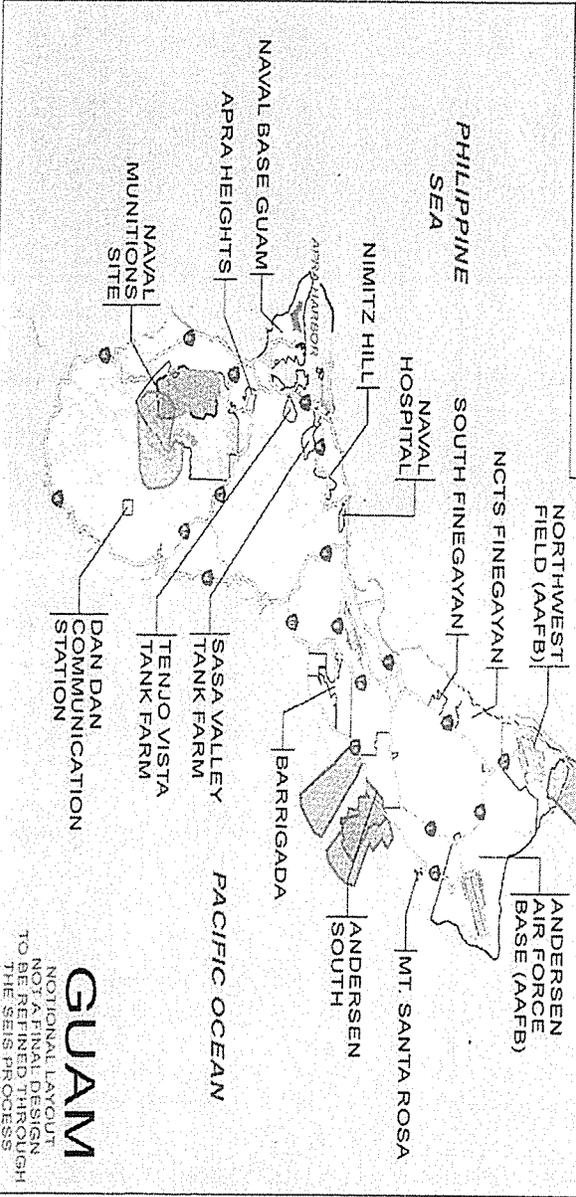


Guam & CNMI Military Relocation SEIS

- LEGEND**
- Guam Highway Routes
 - Airfield Surfaces
 - USMC Main Cantonment Alternatives (DOD Lands)
 - DOD Properties
 - Fena Valley Reservoir
 - Ocean



LIVE-FIRE TRAINING RANGE COMPLEX ALTERNATIVES



Guam & CNMI Military Relocation SEIS

- LEGEND**
- Guam Highway Routes
 - Airfield Surfaces
 - DOD Properties
 - Fena Valley Reservoir
 - Ocean
 - LFTRC - Route 15 (A)
 - LFTRC - Route 15 (B)
 - LFTRC - NMS North-South
 - LFTRC - NMS L-Shape
 - LFTRC - NMS East-West
 - LFTRC - Finegayan (A)
 - LFTRC - Northwest Field



PACOM Objectives

❖ During testimony to U.S. Congress House Armed Services Committee hearing on “The Posture of the U.S. Pacific Command and U.S. Strategic Command,” the commander of U.S. Pacific Command, Adm. Samuel Locklear, encouraged Congress to accelerate timelines for the realignment of forces in the Asia-Pacific region, including providing money to move about 8,000 Marines from Okinawa to Guam and Hawaii.

“While we intend to leverage the use of existing infrastructure to the maximum extent possible, resource investments will be needed to support this realignment. Based on current planning estimates we anticipate the movement of Marines to Guam by 2020 and to Hawaii by 2026.

It should be noted that the government of Japan has also committed to providing \$3.1B to support the strategic realignment. It is recommended that a focused approach be adopted for the identification of required resources so that this estimated timeline can be accelerated and the strategic benefits of a balanced forward force presence across the entire Western Pacific can be realized sooner.”

Proposed Schedule

12 Oct 2012	Notice for Expanded SEIS
10 Dec 2012	End Public Comment Period
2QFY 2014	Draft SEIS
1QFY 2015	Final SEIS
2QFY 2015	Record of Decision
2020	Construction Start (?) / Completion (?)



Pacific Military Realignment

“The Guam Buildup”

www.guambuildupeis.us

or

www.oneguam.com

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