

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

EMBARGOED UNTIL DELIVERED—February 11, 2026

State of the Island Address
Delivered by Governor Lourdes A. Leon Guerrero

INTRODUCTION

Lieutenant Governor Joshua Tenorio, Speaker Frank Blas Jr., Chief Justice Katherine Maraman, Congressman James Moylan, Members of the Thirty-Eighth Guam Legislature, Justices and Judges, Rear Admiral Brett Mietus, Mayors and Vice Mayors, Attorney General Doug Moylan, members of the Diplomatic Corps, my husband, First Gentleman Jeff Cook, family and friends—

Nights like tonight—when we gather freely, speak openly, and chart the future of our island—are possible because men and women from Guam, and stationed here, are spending this evening far from home. While we sit with our families, they stand watch. While our island rests, they carry responsibility—often without recognition—across oceans and continents.

SERVICE AND SACRIFICE

To our service members, our veterans, and the families who share that sacrifice: we see you. And we do not forget what your service makes possible.

Thank you.

I also want to pause and recognize our Mayors and Vice Mayors for their leadership, their partnership, and their friendship. Please stand and be recognized.

You hear first when a playground needs repair, when a community center needs new life, when families wonder if the government still sees them.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

PROMISES KEPT

Together, we pushed over \$20M into village gymnasiums and playgrounds, in arts centers and shared spaces, in the places where children grow, elders gather, and community is renewed. Your village roads and main roads are improved, and more are on the way.

We installed your requested streetlights. And we are aggressively working to clean up abandoned vehicles.

And never asked what party you belonged to before deciding whether your village deserved help.

Our quarterly breakfasts and constant communication weren't about ceremony—they were about trust. Even when we didn't see eye to eye, we chose collaboration over conflict, and solutions over sound bites.

That spirit—local, practical, and rooted in service—is something I will miss deeply.

Si Yu'os Ma'åse'.

I know we live in a time of viral posts, TikToks, and WhatsApp messages—where attention is fleeting and seven years can seem like a lifetime ago.

But, in January of 2019, I stood in this hall for the first time and made a promise that was simple to articulate and difficult to deliver.

We would put our government's financial house in order. We would prepare Guam for the defining moment at our door. And we would fight to leave this island safer, stronger, and more compassionate than we found it.

That promise was tested—early and often.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

A global pandemic. Powerful typhoons. Economic shocks felt at kitchen tables and in living rooms across Guam.

And still, we did the work.

Today, unemployment is near a record low of 3.2%. Our annual debt service is down from \$92M to \$65M. We turned an \$83M deficit into a cumulative \$297M surplus without borrowing from the bond market, and we have a Rainy Day Fund backed by nearly \$60M in real cash.

Teachers, nurses, law enforcement officers, and the public employees who keep the government running received the raises they earned—not the threat of payless paydays or unpaid insurance premiums.

And we ended federal receiverships at the Ordot Dump and Guam Behavioral Health and Wellness Center.

We do not claim perfection. Nor do we pretend the long, hard march of progress is finished.

But without question Mr. Speaker, **I am proud to report Guam is stronger today than it was seven years ago—with a government that truly serves the people.**

But, if we forget what it took to get here—if we pretend that our path forward is inevitable, we risk learning too late that what we built by sacrifice and hard choices can be undone by complacency and short-term applause.

SECURING GOVERNMENT FINANCES

For me, bringing order to our government's finances was never a promise meant to live on paper alone.

It meant tax refunds arriving in weeks—not six months by court order. It meant

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

families no longer waiting in fear for a single ambulance, but knowing they are protected by eight ambulances by the end of this month—each already staffed by nationally certified paramedics. And it meant law enforcement officers retiring with dignity under the new retirement age we enacted.

FIRST & LAST

Seven years ago, our people entrusted me with the honor of becoming Guam's first female Governor. And while that distinction is deeply humbling, I am proudest of what I will be the last Governor to do.

No Governor and no future Legislature will again be denied full federal reimbursement for the Earned Income Tax Credit.

No Governor and no future Legislature will again ask our manåmko'—our greatest generation—to wait one more day for war reparations from Congress to recognize their loyalty and sacrifice.

And no one on Guam will again be imprisoned for the simple use of cannabis.

These were not isolated decisions. They were moral determinations—that once dignity is recognized, it is not withdrawn at the next turn of politics.

And that principle does not stop. It determines how we grow.

THE ECONOMY

What comes next for Guam is not simply more recovery. It is a different kind of economy—and a deeper kind of responsibility.

And perhaps nowhere is that difference felt more clearly—more globally—than in tourism.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

Tourism is not just an industry. It is a mirror of the world as it is. And the world Guam faces in 2026 is not the world we knew in 1991, 2007, or 2019.

We, like so many of our competitors, are rebuilding our visitor economy in the face of forces we do not control: federal decisions on immigration and visa policy; tariffs that shape consumer confidence oceans away; and global shifts that have left visitor currencies far weaker than the U.S. dollar.

And yet—despite all of this—Guam's visitor economy is growing. Quietly at first. Then steadily. And now, unmistakably.

Arrivals have risen sharply over the past year, with December closing out with the strongest post-pandemic momentum to date. Japan has regained momentum. Korea has surged. And emerging markets have expanded.

This did not happen because the world became easier. It happened because GVB management worked directly with airline partners, using targeted incentives and coordination to restore and expand air service to Guam.

Because GVB and GHRA engaged the hotel industry around recovery, readiness, and the need to refresh Guam's visitor product.

And because the Department of Labor and Guam Community College strengthened workforce pipelines and training programs to support the return of hospitality workers.

Guam did what it has always done when the world changes—it endured, and then it adapted.

That ability to adapt and respond is critical in an uncertain world.

And while no one can predict what darkness lies in the hearts of others, we can choose how we respond to it.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

Just days ago, visitors from the Republic of Korea—our friends and our largest source market—were victims of a violent crime here at home.

Within hours, arrests were made. And the Guam Visitors Bureau, our hotels, and frontline workers stepped forward to care for those visitors and support them with dignity and compassion.

This is our home. We do not tolerate violence against anyone—but when it happens, we will see justice done.

Tourism has always been fragile.

That's why it must be paired with diversification. With workforce investment. With industries that cushion global shocks rather than magnify them.

That is where the future of our economy is now taking shape.

Guam is experiencing monumental federal investment—at a scale few communities in America will ever see. Billions of dollars in military construction, infrastructure, and housing have already been committed, with more still to come.

Guam stands at the forward edge of our nation's defense—the tip of the spear. Yet, the truth remains: the tip of the spear is only as strong as the community standing behind it.

Runways do not function without roads. Bases do not operate without housing. Missions do not succeed without teachers, nurses, engineers, tradespeople, and families who can afford to live here and build a life.

That is why we pressed for the convening of the Economic Adjustment Committee by the Department of War—a rare forum where the federal government plans with Guam, not simply for Guam. A place where defense growth is matched with civilian investment, and housing, infrastructure, utilities, and workforce pipelines

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

are treated as mission-critical.

We are not asking for special treatment. We are insisting on alignment—on fairness—and on the simple understanding that national security cannot be sustained by overburdening the community that supports it.

At the same time, we are not waiting. We are laying the groundwork for industries aligned with the global economy.

Through GEDA, we launched the Guam Additive Materials and Manufacturing Accelerator—connecting defense needs with local talent, supporting ship repair and logistics, and positioning Guam to participate directly in advanced manufacturing.

This effort is part of a larger plan. GEDA is no longer just marketing Guam—we are preparing Guam: preparing sites, clearing permitting pathways, and aligning utilities, infrastructure, and workforce development.

GEDA is creating an industrial park that matters. Because in today's economy, investment does not wait for readiness—it demands it.

Following my delegation to Taiwan and meetings with President Lai Ching-te and senior ministers, Guam is advancing concrete partnerships across tourism, agriculture, aquaculture, education, medical collaboration, pharmaceutical manufacturing, advanced semiconductors, and data centers—alongside ongoing conversations with investors from Japan, Korea, and beyond.

But none of this works unless our people are prepared to build it. That is why education itself has become one of our most important economic investments.

The new Student Center at UOG is not just a building—it is a signal. So too is the University's new School of Engineering. These are not campus projects; they are economic pillars, ensuring Guam produces engineers and problem-solvers rather

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

than importing them.

And partnerships with institutions like the Colorado School of Mines ensure our students can earn world-class credentials without leaving home—and without leaving Guam behind.

By aligning education with industry, industry with national strategy, and ensuring local people are participants—not spectators—we all win.

Yes, families are still feeling pressure. Growth does not erase that overnight...

But real growth—the kind that diversifies, modernizes, and upgrades an economy—is the only path that bends affordability toward working people instead of away from them.

And if we remain disciplined—if we match tourism recovery with diversification, federal investment with local capacity, and opportunity with inclusion—then Guam will not just be the tip of the spear. It will be the strength behind it.

A BUDGET THAT SERVES

Each year, the law requires the Governor of Guam to submit an executive budget. I did so mindful that a budget is not just numbers—it is a statement of values.

This Legislature has already determined that the Business Privilege Tax should move from 5 percent to 4.5 percent. And under current law, the next step would reduce it further, from 4.5 percent to 4 percent.

The budget I submitted asks you to keep the BPT at 4.5 percent.

That decision reflects my legal and moral responsibility to submit a budget I believe is in the best interest of the people of Guam. One that protects essential services and preserves our ability to respond when circumstances change.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

Reducing the BPT to 4 percent would have resulted in an additional loss of more than \$40 million dollars in revenue to the people of Guam—at a time when corporations nationwide, and here at home, already enjoy the largest permanent tax cut in modern American history. That would not have been a relief. It would have been a windfall.

But to whom?

Nearly ninety percent of Guam's businesses already pay less than 4% in BPT—because that's one of the first things we did.

The primary beneficiaries of a further rollback will be large corporations, many of them off-island, that already built the cost of the 5 percent BPT into long-term contracts years ago.

And what did this Legislature's recent tax break do for Guam's working families? Did it lower your prices at the store? Did you get a raise? Did you save when they did?

Or, "Were millions taken from health care, when we have one public hospital and a limited margin for error?

Did it take millions from public safety, when readiness depends on stable funding?

Did it take millions from education, when progress remains fragile?

And millions more from infrastructure, when village roads and utilities must be maintained?

We all know the answer.

That is why this and previous legislatures relied so heavily on excess revenues collected in prior years—drawing down from balances that cannot be relied on year

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

after year—funding permanent costs with temporary money. So we ask plainly:

When that revenue is gone—and Washington once again decides to reduce support for disaster recovery, food assistance, child care, or help for the sick—what will our response have to be then?

A budget is how the government protects people when outside support is uncertain.

The budget we submitted does exactly that. It prioritizes working families, safeguards essential services, and refuses to trade long-term stability for short-term giveaways.

EDUCATION MATTERS

History also tells us that when revenue is reduced without replacement, education is where the strain appears—not always immediately, but inevitably.

The current budget does not appropriate what education actually asked for—but this isn't new. And larger tax breaks will not improve that reality. It will narrow options. Reduce flexibility. And leave fewer resources available when needs arise. That is not happening in a moment of failure.

Graduation rates are at 90 percent. Dropout rates are below 1 percent.

We kept our promise to teachers to restore respect and stability to the profession. We secured meaningful, significant pay raises for them, real increases that recognize the work they do and the responsibility they carry. We did this because no education system can improve if the people we rely on most are asked to carry the load without support.

To weaken education funding now is not fiscal restraint. It is to kneecap progress itself.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

And we have seen this pattern before.

For years, the need to reform Guam's procurement system—particularly the automatic stay provision—was clear. I repeatedly called on this Legislature to act. Nothing was done.

And the cost of that inaction became painfully visible with Simon Sanchez High School. After years of delay, after planning and preparation, after a groundbreaking was finally scheduled, the automatic stay provision was invoked just days before construction was to begin, halting progress once again because of a procurement protest. Not because the need was unclear. Not because the project was unworthy. But because one provision of law halts progress immediately, whether or not it is justified.

Following a full administrative review, the Department of Public Works recently determined that further delaying the reconstruction of Simon Sanchez High School would materially harm the interests of the Government of Guam and the community.

These include impacts to educational delivery, ongoing safety and facility concerns, and escalating construction costs.

In simple terms, upon the OPA's confirmation, the determination would allow the project to proceed even while a protest is pending.

I am glad to note that the Guam Department of Education, and Attorney General Doug Moylan concurred with that determination.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

PUBLIC SAFETY

As we work to safeguard the progress we have made in education, we must be just as clear-eyed about another pillar of a functioning society.

Public safety is defined by readiness—by whether help arrives when it is needed, whether systems hold under pressure, and whether people trust that their government will show up when it matters most.

When we took office, that trust was fragile. Emergency systems were strained. Equipment was outdated. And coordination across agencies was too often reactive rather than deliberate.

Today, Guam is safer because capacity has been rebuilt and resources restored. We focused relentlessly on recruitment, strengthened the leadership bench, and restored morale, dignity, and respect to professions that carry extraordinary responsibility. We backed our public safety professionals with the equipment, facilities, and resources they need—leveraging local and federal funds to open a new central precinct, break ground on a new GPD substation in Talofofo, and deliver police vehicles, ambulances, and life-saving tools to those who protect our communities.

Today, police presence is visible across Guam.

And for the first time in our history, we have a nationally certified paramedics program—bringing advanced critical-care skills directly into the field and giving our people faster, better chances of surviving their worst moments.

In public safety, equipment matters. Training matters. But coordination matters just as much.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

Early in this administration, we confronted a hard truth: a growing share of methamphetamine and other illicit drugs were entering Guam not by sea, but through the mail. That threat demanded immediate action.

We worked with federal partners to deputize local law enforcement personnel, giving them legal authority to operate alongside federal inspectors inside postal facilities. That single step transformed limited oversight into a sustained, coordinated presence—closing gaps traffickers were actively exploiting. Those operations were targeted, lawful, and effective—keeping more than 1,000 pounds of meth off our streets since 2019.

When critics claimed drugs were instead pouring through our seaports, we did what responsible leadership requires: we tested the theory. A focused operation at the Port of Guam examined those assertions directly. The results were clear. No drugs. No contraband. The evidence did not support the claim.

Today, Guam's drug-interdiction strategy reflects that discipline. Postal operations and port enforcement are distinct efforts—each evaluated on evidence, not assumption—and strengthened through joint local-federal task forces.

Our response to Guam's drug epidemic is comprehensive—spanning prevention, treatment, and rehabilitation. We strengthened Drug Treatment Courts, detox services, women's rehabilitation programs, residential treatment centers, and community outreach. We invested in prevention because stopping addiction before it starts is as critical as confronting it after it takes hold.

Just weeks ago, Guam came within hours of losing more than six million dollars in federal funding for drug treatment and prevention—support reversed only after national outcry. That moment revealed how fragile progress can be, and why choices about revenue matter.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

At its core, public safety is about trust—trust that help will come, that systems will function, and that progress, once achieved, will not be undone. That trust is stronger today than when we began, and it is a responsibility we must continue to protect.

HOSPITAL & HEALTH CARE

We must also protect a once-in-a-generation opportunity to build a new hospital for the people of Guam.

If we do nothing, Guam will lose \$104 million in American Rescue Plan funding this December—just ten months from now. That loss will not be rhetorical. It will be felt in delayed care. In patients forced off-island, traveling thousands of miles at the worst moments of their lives.

The people of Guam deserve better. They deserve to see those dollars put to work—either to build a new hospital itself, or, if a full facility cannot yet be built, to build the electrical and wastewater infrastructure that makes a modern hospital possible.

Because when that infrastructure is in place, a hospital does not stand alone. A community grows around it—housing, childcare, training, and opportunity—strengthening not only health outcomes but also the island itself.

I fight for this so hard because I see it clearly. I see the modern, state-of-the-art hospital our people deserve. A place worthy of the doctors and nurses we ask to serve here. A place that treats patients with dignity, keeps families together, and reduces the need to send our loved ones away when they are most vulnerable.

I only hope you see it too.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

And let me be clear—we are not standing still. Guam Memorial Hospital is strengthening its partnership with Keck Medicine of USC, one of the nation's leading academic medical institutions. That partnership is already expanding specialty care on the island. We are increasing access to clinical training. And we are building a pipeline for future physicians and specialists who can train here, practice here, and serve our people here.

I know there is always some skepticism out there, but this is my response.

Years ago, when we proposed a GovGuam self-insurance health plan, some—including members of this body—said it could not be done. They were wrong.

After three years of a government self-insurance program, benefits expanded, premiums held steady, and on average nearly \$10 million in medical inflationary costs were avoided each year.

We saw an opportunity to deliver affordable healthcare—and we took it. We looked past fear and refused to retreat from responsibility.

If we allow \$104 million meant for healthcare recovery and resilience to slip away, history will not ask who won the argument. It will ask why, when the opportunity was ours, some chose to let it pass.

The Attorney General has chosen obstruction and denial—denying with every passing day the opportunity to begin the work of building a new hospital.

With the exception of Senators Tina Muna Barnes and Will Parkinson, this Legislature passed on this same opportunity.

But what do you win by being on the wrong side of history? No new hospital for our people. No new infrastructure on which a new hospital and community can grow. Nothing except a question that will last generations—why?

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

And yet, healthcare isn't just about infrastructure, it's about information.

Guam is working alongside our fellow Territories and our Federal Partners to build a unified digital health ecosystem — integrating electronic health records, health information exchanges, and telehealth — so that care can follow patients seamlessly across providers, and patients can interface quickly with our social services such as Medicaid and SNAP.

HOUSING

Our island is changing in other ways. Growth is outpacing housing, and the cost is felt in real life—families are doubling up, young people delaying independence, and working families asking whether they can afford to keep building their lives here.

Today, the average price of a single-family home on Guam has risen above five hundred thousand dollars.

At the same time, wages—especially for working families—have not kept pace with the cost of living.

This is not a failure of effort. It is the result of pressure: limited land, rising construction and material costs, infrastructure that did not grow fast enough, and population increases that arrived before housing supply could respond.

Throughout our history, defense investment and relocation have brought thousands of service members and their families to Guam. We are proud of our role in our nation's security.

But growth at this scale places real strain on a small housing market. And when growth is unmanaged, housing becomes scarce—and scarcity drives families out.

That is not a future we accept. So our focus is clear.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

First, we are expanding supply with tools that work.

We are accelerating the rehabilitation of existing public housing, bringing long-idle units back online faster than building from scratch. We are investing in first-time homeownership assistance so families who can afford a mortgage are not blocked by closing costs alone. And we are prioritizing multi-family and mixed-use housing.

Second, we are lowering the cost of building.

That means aligning land use, permitting, and infrastructure so projects move forward without years of delay. It means coordinating utilities early so housing does not stall because basic systems are missing. And it means focusing public dollars where they unlock private construction, rather than where they simply subsidize scarcity.

Third, we are protecting working families.

Housing policy must serve our people—by supporting attainable rentals, strengthening pathways to ownership, and ensuring affordability is built into growth, not treated as an afterthought.

HOMELESSNESS

For years, Guam approached homelessness as a condition to contain, rather than a problem to confront.

This administration chose a different path.

For the first time, Guam brought this work under one department—creating a Division of Homelessness Assistance and Poverty Prevention so responsibility was clear and no one could look away. We began building a system focused on housing stability, mental health, addiction services, and prevention.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

We did so knowing the reality.

Homelessness on Guam remains real and painful. Hundreds of individuals and families face housing insecurity each year—many struggling with mental illness, substance abuse, disability, or the simple truth that housing costs have outpaced wages.

Since standing up this division, we strengthened coordination among outreach providers, expanded case management, improved access to behavioral health care, and shifted our focus toward stable housing—not endless crisis response.

At the same time, we began closing gaps that too often leave people behind. We strengthened coordination between education and human services so children do not lose support when systems change. We expanded services for adults with disabilities, invested in adult day care, and grew in-home caretaker programs—supporting individuals with disabilities and seniors who deserve to remain safely at home.

We still have more to do.

But today, Guam is no longer turning away—and we are no longer responding without a plan.

STABLE MORE AFFORDABLE POWER

We have also done more to make living at home a little easier.

For many years, Guam's energy system operated with little margin for error. Limited reserves meant higher costs, greater volatility, and ongoing exposure to disruption.

But it didn't stay that way.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

Today, Guam Power Authority reports that the system is more stable, with sufficient generation capacity and reserves to meet projected peak demand.

The Ukudu power plant, which came fully online in December, played an important role in this transition. It reduced dependence on older, higher-cost oil generation, improved system efficiency, and allowed greater use of alternative energy already in place.

Those operational improvements have lowered fuel costs and eased pressure on ratepayers. Between January 2025 and January 2026, average energy rates declined by approximately 25 percent — about one hundred dollars less per month for the average household.

The work continues. But stability is vital for ratepayers, for businesses, and for long-term economic confidence.

**FEDERAL PARTNERSHIP — PROGRESS MADE,
RESPONSIBILITIES THAT REMAIN**

We have also changed the posture of Guam's relationship with the federal government. Not with noise. Not with outrage. But with credibility earned over time.

Because when a government keeps its word at home, it gains the standing to demand fairness abroad.

That credibility produced results once thought unattainable—results that reshaped how Washington engages with Guam.

Nowhere is that clearer than in health care.

For decades, Medicaid support for Guam was inadequate and structurally unjust.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

We changed that.

Annual Federal Medicaid funding rose from \$18 million to more than \$145 million. The federal share increased from 55 percent to 83 percent.

Those numbers represent more than dollars.

They represent recognition—hard-won recognition—that Guam's people deserve parity, dignity, and seriousness.

These outcomes required persistence and determination. They required partnership when mistrust was the default. And they required a government capable of sitting across the table and being taken seriously.

In this new century—defined by geopolitical competition, resource security, and environmental risk—the federal approach to Guam must evolve as well.

If the federal government looks to Guam as a watchtower of freedom and security, then Guam has every right to ask something in return. Fairness. Partnership. And a seat at the table where consequences are decided.

Because federal policy does not succeed when it is imposed from afar, it succeeds when it is shaped by the communities who bear its weight—communities who have proven, time and again, that they will meet responsibility with resolve.

Yes, progress is visible in many areas. But it is not permanent. It does not sustain itself. It does not defend itself. And it does not endure simply because it was once achieved. Progress lasts only when it is carried forward—deliberately, courageously, and with a clear understanding of what is at stake.

And that understanding brings me here...

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

A PEOPLE'S CABINET

Before I continue, I want to slow this moment down—just for a bit—and speak from a quieter place.

Public life is often noisy. It rewards certainty and speed. But, governing is something else entirely. It happens in the still hours, when the lights are low, when the doors are closed, when the choice before you carries weight—and the people it will affect may never know how close it came to going the other way.

I have stood in those moments with our Lieutenant Governor. And I have never wondered what guided him. It was judgment, shaped over time. It was character, steady under pressure. And it was a deep, abiding sense of responsibility to the people of Guam—not only as they are today, but as they will be tomorrow.

He has spoken hard truths when they needed to be spoken. He has held firm when it would have been easier to yield. And through every season of this work, he has kept faith with a belief as simple as it is demanding—that Guam is strongest when we move forward together, and that no one should be asked to carry our future alone.

Thank you, Josh.

Mr. Speaker, no one who stands at this podium stands by themselves.

Behind every Governor is a cabinet—people who know the weight of the work but agree to do it anyway. At a time when public life too often lifts the self above the common good, they chose the discipline of service—accepting scrutiny, enduring criticism, and making decisions with real families, real workers, and real lives at the center of every choice.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

Along the way, we lost colleagues who shared that burden. Public servants whose names may not all be remembered, but whose work is still felt—in the safety of our communities, in the steadiness of our institutions, in the trust people place in their government.

We honor them best by remembering what guided them: not ambition, not applause, but a simple devotion to others.

We are all human. We are all imperfect. But whether Republican, Democrat, or somewhere in between, there is a truth that stands above all of us: service is not about standing taller than others. It is about standing for them.

I ask our Cabinet members to please stand and be recognized. Thank you...

PRICE OF POLITICS

I also know this.

In a year like this, nothing I say tonight will be good enough for at least nine people in this hall.

That's not a complaint. It's just an observation—born of experience.

In an election year, press releases are written, and reactions are decided well before these words are spoken. And for some, the only comfort in tonight's State of the Island Address is knowing I won't be delivering another one.

I understand that. I accept it with humility.

But what I would ask us to remember—honestly—is this: When progress is dismissed out of hand, it does not diminish me. It does not undo this Administration. What it risks overlooking is something far more important—the work done by your friends, your families, and your neighbors.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

Because the government is not just a staffing pattern. It's people. People who showed up when circumstances were hard. People who carried responsibility without recognition. People who believed that this island was worth the effort, even when the effort went unseen.

To ignore how far we have come is, in the end, to ignore them.

And whatever politics may require in a season like this, we should never allow it to erase the progress made by ordinary people who did not ask to be noticed—only to be counted.

CLOSING

Finally, let us see Guam as it truly is—

A place shaped by quiet sacrifice and steady hope.

Where the day begins before the light arrives.

Where service is given without asking who is watching.

Where tomorrow is still imagined.

That is the Guam I believe in.

And before I step away from this podium, I want to speak directly to the people of Guam.

Thank you for the trust you placed in me.

Thank you for the faith you kept—especially when the work was hard, and the choices were not easy.

LOURDES A. LEON GUERRERO
GOVERNOR



JOSHUA F. TENORIO
LT. GOVERNOR

UFISINAN I MAGA'HĀGAN GUĀHAN
OFFICE OF THE GOVERNOR OF GUAM

We are not finished. Not with this island. Not with one another. Not with the future we owe those who come after us.

As long as the people of Guam keep choosing each other, the work will go on.

And Guam will endure—

safe, strong, prosperous, and free.

Serving you has been the greatest honor of my life.

God bless you.

God bless Guam.

###