

LOURDES A. LEON GUERRERO  
GOVERNOR



JOSHUA F. TENORIO  
LT. GOVERNOR

UFISINAN I MAGA'HÅGAN GUÅHAN  
OFFICE OF THE GOVERNOR OF GUAM

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## **Federal Judge Rules in Favor of Governor over A.G. Moylan in Challenge Over Use of ARPA Funds for New Mangilao Medical Campus**

*“The Governor holds supreme executive power for the Government of Guam ... the Attorney General must yield control ... to the Governor.”*

—Federal Magistrate Judge Michael J. Bordallo

Hagåtña, Guam—In a strongly worded 31-page report and recommendation to the Chief District Judge, the federal magistrate is recommending that the entire case filed by Attorney General Douglas Moylan against Governor Lou Leon Guerrero and the Guam Housing and Urban Renewal Authority (GHURA) be thrown out. The case involves the use of American Rescue Plan Act of 2021 funds for a new medical campus in Mangilao.

Citing various federal and local laws, including the Organic Act, Moylan has waged a lengthy and costly challenge to the Governor’s obligation of Rescue Act monies, also known as ARPA funds, for building out the infrastructure that would accommodate a new hospital.

“The court was clear and direct,” said the Governor. “At its core, the Attorney General’s complaint failed to assert a claim that arises under federal law.”

The Governor also said the court’s findings confirm that the lawsuit was improperly brought in federal court and involved matters that are local in nature. The court also ruled that Moylan’s attempt to amend his original complaint to include GWA, GPA, GEDA, and the CCU should be denied.

“After repeated losses in court, it is time to stop,” the Governor said. “Stop the litigation. Stop the delays. And let us build the hospital the people of Guam deserve.”

She emphasized that the lawsuit has had real-world impacts on critical infrastructure and healthcare planning.

“Every day this case dragged on was a day lost for the people of Guam,” she said, adding that when legal overreach delays healthcare, it is not just wrong but reckless.

Magistrate Michael J. Bordallo went on to find that the Attorney General did not have any basis for bringing the case in federal court. He found that Moylan’s claim the Organic Act was being violated did not give him the authority to file suit in federal court.

Moylan has until April 22 to file an objection to the recommendation, after which the Governor’s lawyers will be given an opportunity to respond. It is possible a ruling from District Judge Frances Tydingco-Gatewood could come by the end of May.

Governor Leon Guerrero reaffirmed her administration’s commitment to advancing the Mangilao Medical Campus and other critical investments supported by federal recovery funds.

“This decision allows us to move forward with clarity, urgency, and purpose,” she said. “We will continue to act within the law, grounded in responsibility and focused on results.”

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