

OFFICE OF THE SECRETARY Washington, DC 20240

> OCT 3 2014

32-14-2179 Office of the Speaker Judith T. Won Pat, Ed.D.

The Honorable Judith T. Won Pat, Ed.D. Speaker, 32nd Guam Legislature 155 Hesler Street, Suite 201 Hagatna, Guam 96910

Pinre: 9:40am
Received By:

Dear Speaker Won Pat:

Thank you for your correspondence regarding your concerns about the resulting broad impacts to your respective jurisdictions due to the migration of Freely Associated State (FAS) citizens to the United States. We regret the delay in our response and concur with you that this is an on-going challenge with no easy solutions. We value your leadership and thank you for articulating your concerns and views on this important matter.

The Pacific Island Leaders Addressing Compact Impact (PILACI) initiative as noted in your letter is one element in which the Department, through the Office of Insular Affairs (OIA), focused its engagement by working closely with your respective governors and the executive leaders of the FAS on this important issue. Former Assistant Secretary for Insular Areas convened a meeting on Guam in March of 2012 and I followed up with a meeting in December of last year during the Micronesian Chief Executives' Summit in Saipan.

You specifically asked for information on Public Sector Infrastructure projects in the FSM as appropriated by the U.S. Congress in Public Law 108-188. From FY 2004-2014, \$252 million has been made available to the FSM for the infrastructure sector alone. Of that amount, \$150 million has been obligated for projects and \$102 million remains unobligated. Your belief in empowering FSM citizens by creating jobs in their homeland and strengthening their economy through this particular grant and others is one that we all concur with and encourage.

You may be pleased to know that our new Assistant Secretary for Insular Areas, Esther Kia'aina, is very interested in working with Congressional and local leaders to address the issue of Compact Impact. Already she has held meetings in Hawaii in August with the FAS community, FAS officials, federal partners, and State of Hawaii officials to determine how to better coordinate and increase federal resources in providing transitional services to the FAS community and she is highly supportive of a One-Stop Service Center to be established. During her visit to the Northern Marianas and Guam in mid-October, I know that she hopes to discuss these matters with local officials, service providers, and the FAS community as well.

The Assistant Secretary is also looking at what can be done at the federal level to offset Compact Impact costs through the reestablishment of eligibility of FAS citizens in key federal health and social programs or legislation that provides financial relief to affected jurisdictions.

Given the lack of uniformity by affected jurisdictions on Compact Impact reporting, she has also tasked the Office of Insular Affairs staff to work with officials in Guam, Hawaii, and the Northern Marianas to provide guidance and finality of a uniform process. While the current budgetary climate nationally is not conducive for funding increases, it is her belief that, at a minimum, the affected jurisdictions have a uniform process for calculating Compact Impact costs. Again, I appreciate your interest in this important matter and can assure you that our office is committed to working with you on Compact Impact issues.

Respectfully,

Nikolao Pula

Director

Office of Insular Affairs

The Honorable Brickwood Galuteria, Hawaii State Senate cc: The Honorable J. Kalani English, Hawaii State Senate

The Honorable Tony Ada, 32nd Guam Legislature





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The Honorable Brickwood Galuteria Majority Leader, Hawaii State Senate State Capitol, Room 221 Honolulu, HI 96813

Dear Senator Galuteria:

Thank you for your correspondence regarding your concerns about the resulting broad impacts to your respective jurisdictions due to the migration of Freely Associated State (FAS) citizens to the United States. We regret the delay in our response and concur with you that this is an on-going challenge with no easy solutions. We value your leadership and thank you for articulating your concerns and views on this important matter.

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cc: The Honorable Judith T. Won Pat, Ed.D., 32nd Guam Legislature The Honorable J. Kalani English, Hawaii State Senate The Honorable Tony Ada, 32nd Guam Legislature



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OCT 3 2014

The Honorable J. Kalani English Chairman, Transportation and International Affiars Hawaii State Senate State Capitol, Room 205 Honolulu, HI 96813

Dear Senator English:

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The Honorable Tony Ada Minority Leader, 32nd Guam Legislature 140 Aspinall Avenue, Suite 202 Hagatna, Guam 96910

Dear Senator Ada:

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