

2009 ISSUES - INTERAGENCY GROUP ON INSULAR AREAS

Issues raised by all four U.S. territories:

(American Samoa, Guam, Northern Mariana Islands, U.S. Virgin Islands)

1. **ARRA Funding for the U.S. Territories:** Stimulus funds for the United States territories were appropriated to the Department of Education, to be distributed in consultation with the Secretary of the Interior. The U.S. territories have requested flexibility in interpretation so that the full \$268 million may be made available for infrastructure. (USDOEd & DOI).
2. **White House Co-chairmanship of IGIA:** The U.S. territories ask that the White House Co-Chair the Interagency Group on Insular Areas (IGIA) to help to raise the profile of the IGIA and highlight the territories' needs. The Secretary of the Interior is currently the sole chair of the IGIA. (WH Intergovernmental & DOI)
3. **Free Trade Agreements:** The U.S. territories are seeking inclusion in discussions and negotiations of Free Trade Agreements with countries that directly affect their island economies, i.e. Korea and Japan in the case of Guam. (USTR & DOI)
4. **Regional Representation:** The U.S. territories request that they be allowed to interact more and be observers at regional political forums in the Pacific and in the Caribbean such as the Pacific Island Forum (PIF) and Caribbean Community Secretariat (CARICOM). Membership in these regional political forums are limited to sovereign nations, however they do accept observers. France recently allowed its Pacific territories to participate in the PIF as observers. (DOS)
5. **Data collection in the U.S. Territories:** The U.S. territories have long sought the collection of data and reporting of gross domestic product for their islands. The Bureau of Economic Analysis in the Commerce Department calculates and reports the GDP of the United States incorporating the 50 states and the District of Columbia, but NOT the four U.S. territories. The absence of this critical information hinders effective decision making at both the territorial and federal levels of government. (DOC & DOI)
6. **Medicaid Caps:** The U.S. Congress caps the amounts paid to the U.S. territories (including Puerto) for Medicaid, CHIP (Children's Health Insurance Program) and the Low Income Energy Assistance Program. For decades, the territories have requested elimination of the caps, but to no avail. Puerto Rico's large population is a factor financially. (HHS)
7. **Earned Income Tax Credit Cost Sharing:** The U.S. territories request that the Federal government reimburse them for the Earned Income Tax Credit. (Treasury)

Issues raised only by Guam and the Northern Mariana Islands (CNMI):

1. **Review of Guam-CNMI Visa Waiver Program:** U.S. Public Law 110-229 federalizes immigration in the Northern Mariana Islands as early as June 1, 2009. The new law provides for a Guam-CNMI visa waiver program, but currently published DHS regulations will not allow visa-less entry to visitors from China and Russia until border security processes are strengthened. The visa waiver for Russia and China is critical to the CNMI's tourist economy and would enhance Guam's. (DHS, DOS & DOI)

Issues raised only by American Samoa and Northern Marianas (CNMI):

1. **Study of Impact of Minimum-wage law increases on American Samoa and the CNMI:** U.S. Public Law 110-28 raises minimum-wage levels across the board for states and territories. Early studies show the rate of increase could destabilize economies in the American Samoa and the CNMI. They are requesting new studies that would detail the negative effects of steep minimum wage increases on their economies. In American Samoa, the increases could cause the tuna canneries to leave. They account for 80 percent of the private economy. (DOL & DOI)

Issues raised only by American Samoa

1. Tuna cannery closing – very concerned. (DOL, DOC & DOI)
2. American Samoa is concerned that its military veterans are not receiving proper information on benefits nor proper access to medical care. (VA)
3. American Samoa seeks preferences in procurement policies for companies doing business in the territory. The American Samoa economy relies very heavily on the tuna-canning industry and seeks to have a call-in center upon completion of a currently ongoing fiber-optic installation project. (DOL, DOC, DOI, Small Business Administration)
4. American Samoa is seeking a visa waiver for medical evacuation patients traveling from American Samoa to other countries such as Australia and New Zealand. (DOS, DHS & DOD)
5. American Samoa is seeking assistance on some border issues they are having with the independent country of Samoa. (DHS)

Issues raised only by Guam

1. Guam officials believe that they need to be more involved in Executive Branch planning for the Guam military build-up (\$10 to \$16 billion) slated to begin in 2014. They seek to serve as co-chair with the Department of Defense's Joint Guam Program Office in all planning related activities. (DOD & DOI, Federal Regional Council – Region IX)

Issues raised only by CNMI

1. The CNMI is volcanically active. The CNMI government requests additional Federal assistance in analyzing the potential for geothermal energy exploitation in its islands. (DOE & DOI)

Issues raised only by U.S. Virgin Islands

1. **Removal of cap on Rum-Excise Taxes:** The U.S.V.I. seeks removal of the cap on reimbursement of rum-excise taxes that are returned to the territory. (Treasury)
2. **Establishment of border patrol in the U.S.VI:** They seek establishment of a border patrol unit in the territory. (DHS)
3. The U.S.V.I. has been designated “high risk” for Federal funding by the U.S. Department of Education. A third-party agent has controlled Federal education funding in the territory the past three years. The Virgin Islands seeks replacement of the current agent. (DOEd)