

Renegotiations on COFA Withholds Funds from Hawai'i and US Pacific Territories



Left photo: In Guam, DOI Secretary Haaland (center) met with Gov. Lourdes Leon Guerrero and Lt. Gov. Joshua Tenorio. Right photo: DOI Secretary Haaland (center) in the CNMI with Gov. Arnold Palacios and Lt. Gov. David Apatang. Photos: Guam Daily Post and KUAM News.

The Biden Administration seeks to invest more than \$6.5 billion over 20 years through international agreements between the United States and the Republic of the Marshall Islands (RMI), Federated States of Micronesia (FSM), and the Republic of Palau, collectively known as Freely Associated States (FAS). These Compacts of Free Association (COFAs) provide financial assistance and certain benefits to these nations in exchange for defense and other strategic arrangements, and are seen as key to protecting U.S. allies from the increasing influence of the Chinese government.

Current COFA provisions expire in 2024 for Palau, and Sept. 30, 2023, for the RMI and the FSM. Renegotiations between the U.S. Department of the Interior have been completed and signed by the respective governments of FSM and Palau. A renewed agreement with the RMI has yet to be signed due to a transition of power and change to their negotiator, but discussions continue.

What is not included in the proposed FY2024 budget is reimbursements provided to COFA hosts. This amounts to approximately \$30 million divided amongst the impacted territories.

Guam Council member Dr. Judi Guthertz commented, “The Compact agreements are important to our country and to the Western Pacific Region because of potential future geopolitical conflicts coming from Asia. However, the United States

abandoned the interests of Guam, the CNMI, Hawai'i, American Samoa and various U.S. mainland jurisdictions that have been hosting Compact citizens. Even in the new draft agreements, the U.S. government has scrapped any language providing for reimbursements to impacted communities. Let me be clear—we on Guam welcome our brothers and sisters from our neighboring Western Pacific islands. However, the cost to our local government has been very high. From the very beginning of the Compact agreements, the U.S. government has not treated Guam or other impacted areas fairly and equitably. And the United States has never honored provisions in the original agreements intended to ensure that host communities are not left with a financial burden. The newly drafted agreements do not provide any reimbursement language. This must be rectified by Congress before the Compacts are officially ratified. Fairness to impacted communities must guide this renewal process.”

A recent visit by DOI Secretary Deb Haaland to Guam and the Commonwealth of the Northern Mariana Islands (CNMI) included discussions with government officials on regional issues, such as COFA. She was accompanied by Assistant Secretary of Insular and International Affairs Carmen G. Cantor and Deputy Assistant to the President and Asian American and

Pacific Islander Senior Liaison Erika L. Moritsugu.

The Guam Governor's office, in a press release, said the visit “served as valuable opportunities for our federal partners to gain an understanding of our most pressing issues. From addressing national security to Compact of Free Association negotiations, housing and workforce development and invasive species, our administration is requesting greater support and advocacy in all these areas to increase the quality of life for the people of Guam.” Governor Leon Guerrero stressed the need for Guam to receive “adequate reimbursement for compact impact expenses” as well as support of the Compact Impact Fairness Act (CIFA). The Act allows non-U.S. COFA citizens the same benefits as those across the country. Leon Guerrero explained to Haaland the “CIFA should not replace the \$30 million in compact funds received by the COFA-impacted U.S. territories, as these funds are spent separate from the social benefits.” She also asked Haaland to support Guam Congressman James Moylan's amendment to extend \$16 million for 2024.

Congressman Moylan said, “It is unfortunate the Biden Administration continues to turn a blind eye towards COFA host communities.” The DOI continues to push for allowing COFA migrants who relocate to U.S. states and territories to qualify for social programs not currently permitted. But according to Moylan, “...this option does not address all the costs jurisdictions such as Guam have to endure with the increase of legal migration, especially in areas such as public safety and other social aspects.”

American Samoa Congresswoman Uifa'atali Amata, together with CNMI Congressman Gregorio Kilili Sablan, were recently appointed as co-chairs of the House Committee on Natural Resources' Indo-Pacific

Task Force to address Chinese government influence in the region, including discussion on COFA amendments. Amata noted the RMI negotiations on the \$7 billion Compact deal are stalled over nuclear testing compensation. “The deals are key to US and regional security in the Pacific. The administration is proposing the reauthorizing of the Compact agreements with economic assistance to the FAS in return for U.S. military basing rights.” But Amata said the Biden Administration’s proposal lacked spending offsets for COFA and increased costs for postal and other services. U.S. Special Envoy for Compact Negotiations Joseph Yun said the timeline to complete talks will be “very soon,” adding the U.S. Postal Service approval is the biggest hurdle. 🐟



Congresswoman Amata at the announcement of the bipartisan Indo-Pacific Task force in Washington D.C. Photo: Marianas Variety.

Severe Storm Disrupts Guam’s Small-Boat Fishery

Guam’s artisanal small-boat fishery was devastated by Typhoon Mawar when it passed over the northern tip of Guam May 24-25, 2023, as a Category 4 storm with sustained winds of up to 140 miles per hour.

An institution for fishermen to sell fish and for the community to purchase freshly processed sashimi for more than 40 years, the Guam Fishermen’s Coop was severely damaged and unable to reopen until a temporary facility is completed, which is expected around the end of August 2023. A new facility is already in the planning stage and is expected to open in early 2025.

The storm also sunk or destroyed boats left in their slips at the Agaña and Agat Marinas. Many fishermen were unable to go fishing for weeks after the storm due to spilt oil and fuel from sunken boats, and boats damaged in their yards. This was exacerbated by fuel lines several miles long sparked by fear of a gas and diesel shortage.

Fortunately, there was little damage to the marinas themselves. Only the Malesso Pier suffered some damage due to storm waves.

