



**Office of the Governor
American Samoa Government**

GOVERNOR LEMANU P.S. MAUGA TESTIMONY

United States Senate Committee on Energy and Natural Resources

February 9, 2023

Introduction

On behalf of the people of American Samoa, I wish to say “Talofa and greetings!” to this esteemed Committee on Energy and Natural Resources. Thank you Chairman Manchin, Ranking Member Barrasso and the distinguished members of this Committee for the opportunity for the US territories to appear before you. This is truly an occasion to celebrate in recognition of our nation returning to our new normal with holding Congressional hearings again.

Thank you for the chance to share with you some of the challenges facing our territory and the needs of the people of American Samoa. I also want to commend you for your role in passing the American Rescue Plan Act, the Inflation Reduction Act and the Bipartisan Infrastructure Bill. Funding provided by these laws helped address many of our issues in American Samoa and the other US Territories. I also want to thank our Congresswoman High Chief Uifa’atali Radewagen for her work, not only for our territory, but for all of the US territories—our gratitude further extends to the Delegates of the other territories who work collectively on our issues common to all our territories. But before I get into the issues, I would like to say something about COVID, as this is my first time to personally be here in Washington, DC, since the COVID virus upended our way of life and closed our territorial borders for nearly one year.

COVID-19 Response

American Samoa survived COVID after more than two years of adopting and exercising some of the strictest COVID restrictions in the world. We closed our borders March 2020 for 11 months and there was no travel in or out of our territory. It stranded thousands of our residents off-island and others on-island. Upon taking the helm as the new Governor in January 2021, we

immediately began a stringent six-month process of repatriating our residents back home, in February 2021. Returning residents were subject to multiple COVID testing, pre-travel quarantine in the State of Hawaii and post arrival quarantine upon arrival in American Samoa. After keeping COVID out of our territory for nearly two years, we had our very first community outbreak in February 2022. While the rest of the world had learned to live with COVID, our small island of 50,000 people was just facing a COVID outbreak in 2022. By the outbreak, we had a near 90% full vaccination rate for eligible individuals thanks to the vaccines we received from the US federal government. We lost 34 people whose deaths could be attributed to COVID. It was at this moment that truly showed the tremendous role the United States federal government played in our territory's ability to respond to a global pandemic. The US Federal Government with its multiple agencies from FEMA, to CDC, to the US Army and others, was instrumental in supporting us, sustaining us and helping us recover. While I have this honor to testify before this Committee, I feel it only proper that on behalf of our people and our government, I would like to personally express my heartfelt gratitude to this US Congress. The federal laws you pass that have supported COVID vaccinations, our small businesses, our employees, our health care system, had a real impact on the lives of our people. We owe so much to all of our federal partners who had feet on the ground during this outbreak, before and after. Thank you.

Census 2020 Population Count

American Samoa's 2020 population count and other data products weren't officially released until late 2021 and late 2022, and the significant drop in our population count does not reflect the actual number of residents in American Samoa today. The Coronavirus pandemic led the Territory to close its borders in 2020 to 2022 where numerous American Samoa residents could not return home immediately and within the enumeration period. Accordingly, I humbly request an opportunity to recount or consider another population census method on a quinquennial basis for US Territories.

American Samoa Constitutional Amendments

The US flag was first raised on the islands of American Samoa on April 17, 1900. Every year the people of American Samoa celebrate "Flag Day" to recognize the historical significance of the raising of the American flag over the islands. In 2023 we will acknowledge 123 years of American Samoa's loyalty and service to the United States. We are proud of our service to the US military. We are proud to defend this great nation.

American Samoa is an unorganized territory because Congress has never established an organic act for American Samoa. However, American Samoa enjoys governmental institutions based on the American Samoa Constitution which was first approved by the Secretary of Interior in 1960 and revised in 1967. After the Revised Constitution of 1967 was approved, a constitutional convention was held in 1973. Since then, Governor Peter Tali Coleman, Governor A. P. Lutali, and Governor Togiola T. A. Tulafono called constitutional conventions by executive order in 1984, 1986, and 2010 respectively.

On November 8, 2022, the voters of American Samoa approved five amendments to the Revised Constitution of American Samoa. The people of American Samoa formed and convened a representative deliberative body, reached out and informed the public on the proposed amendments, and sought the will of the people by referendum in a democratic process of self-determination.

In my December 14, 2022 letter to the Honorable Secretary of Interior Deb Haaland, I respectfully requested that she support these amendments and take such actions as may be necessary and appropriate to bring them into effect.

1. The “Swains Island Vote”

This amendment grants the delegate from Swains Island the right to vote in the House of Representatives.

2. The “Accountability Amendment”

This amendment provides an impeachment process of the Governor and Lt. Governor.

3. The “American Samoa Government Amendment”

This amendment inserts “American Samoa Government” in place of “Government of American Samoa”.

4. The “Ma’oputasi County Amendment”

This amendment inserts “Ma’oputasi” in place of “Ma’uputasi”.

5. The “Leasina ma Aitulagi County Amendment”

This amendment adds “ma Aitulagi” to “Leasina” for the name “Leasina ma Aitulagi”.

Health Care

Two significant Congressional Acts have transformed the American Samoa health care delivery system. The Further Consolidated Appropriations Act of 2020 increased the annual Medicaid allotments to American Samoa from \$11 million to \$84 million and the Consolidated Appropriations Act of 2023 that increased our Federal Matching Assistance Percentage (FMAP) from the standard 55% to 85%. The increase in federal funding has allowed our government to expand Medicaid beneficiary benefits to include increased off-island referrals for specialized care not available on island, coverage of MedEvacs, eyeglasses and durable medical equipment and assistance for Medicare dual eligibles—services not available previously to our people.

Federal Medicaid Match (FMAP)

I want to thank you for the recent passage of the Consolidated Appropriations Act of 2023 that permanently increased the federal Medicaid match to 83% for American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the U.S. Virgin Islands. This monumental change has brought equity to the matching issue for the territories Medicaid

programs. This will help make programmatic improvements to our Medicaid programs and increase provider payment rates for the U.S. Territories. American Samoa has a unique Medicaid model that does not allow us to claim the full 83% FMAP, but we are working on addressing this complex issue with the Centers for Medicare and Medicaid Services (CMS). Like all federal programs that require local matching funds, as a small territory with a limited economic base, American Samoa continues to face challenges in generating local revenues to meet the matching requirements in order for our territory to fully expand our Medicaid benefits.

New Healthcare Facility

We are now in the planning stages for a new healthcare facility that will improve the delivery of health care in American Samoa and will help to provide specialized medical services for our people. Our goal is to reduce our reliance on off-island medical referrals and build our local capacity to provide quality and comprehensive medical care for our population on island. Expanding the medical services available in the territory will also improve access to medical services needed by our sizeable veteran population that are forced to seek medical attention off-island. We need to attract and hire medical doctors and specialists, nurses, and staff to help serve our people. I hope we can more effectively tap into the workforce that may be available through the Public Health Service program. Currently many specialty medical cases must be flown off island for treatment but a new hospital would help address many of the gaps in our health care system by providing, for example, state-of-the-art diagnostic and operating theatres and oncology services currently not available on island. The Lyndon B. Johnson Tropical Medical Center is the only hospital in American Samoa and was built in 1968. We will need help from the Federal Government to construct a new facility and respectfully seek your assistance in providing Federal dollars for the construction.

American Samoa Permanent Residents

American Samoa is the only US jurisdiction that has a certain population category referred to as American Samoa Permanent Residents. Unlike US permanent residents, these residents are required to have lived continuously in American Samoa for 20 years to gain permanent residency status. These residents are ineligible for Medicaid except on a limited basis for emergency services. A change in the Medicaid law would allow our government to provide needed medical care for this group who have contributed 20 years of their lives living in our US territory, paying taxes and contributing to the welfare of our community—a US territory. They need to be treated equally like US permanent residents that are eligible for Medicaid, but only require five years in the US to become eligible for Medicaid under federal law.

Climate Change

Natural disasters continue to impact American Samoa at an alarming rate. It is clearly evident that we live in a period of rapidly changing climate conditions. The ripple effects of climate change to American Samoa's economy and overall quality of life due to weather and climate related phenomena calls for immediate action and emergency response. American Samoa is in a climate crisis.

This past year, sea level rise and stronger wave action created more coastal erosion and flooding than compared to 20 years ago. These severe weather events create conditions that threaten life and property and cause millions of dollars in damages. Our infrastructure is at risk due to extreme weather events that are exacerbated by sea level rise and American Samoa's subsidence rate of 6-9mm/year. A recently published report in the Geophysics Research Letters reported that the Pago Pago International Airport and Pago Pago Harbor were identified as critical infrastructure most affected by the subsidence.

In American Samoa we do not yet know to what extent the other major consequences of climate change will affect us. What we do know is that extreme changes in precipitation patterns will impact our food security through agriculture and drinking water resources. Ocean acidification and rise in water temperature will impact fish stocks and the productivity of coral reefs. These impacts are known to occur in other tropical areas of the world and we must face that they will eventually happen.

Today, the impacts of climate change in American Samoa is real. The effects are visible today and will continue to increase in the future. Our efforts to protect life, property and critical infrastructures are often hindered and stalled by lengthy federal permitting processes, funding restraints – local match, life of funding, and the NEPA process to name a few. These are obstacles that further delays time sensitive projects such as shoreline protection and stabilization to protect life and property and our critical infrastructures.

The Justice40 Initiative within the Department of Transportation will help us tackle the climate crisis and develop solutions to clean energy and energy efficiency, training and workforce development, clean water, and wastewater infrastructure.

NEPA (National Environmental Policy Act) Requirements/ Permitting

This is a recommended solution that would go a long way in delivering a more effective partnership with NEPA. For all US Department of the Interior (USDOI) federal awards, there is a designated point of contact handling the NEPA process for all DOI projects. In addition to USDOI, other federal funding agencies have selected environmental POCs that provide assistance on the federal environmental review and approval process. However, not all federal agencies provide an environmental POC and we hope OJA would consider a request to establish a local Army Corp of Engineers (ACOE) office or representative to assist with this matter. Providing training or technical assistance will also benefit the Territory by ensuring ASG is compliant with the NEPA process. A local ACOE office would also assist with environmental permits that present challenges for strict project timelines. Some federal agencies recommend that we seek permits for similar projects that may have been completed previous years. As a small island, many project sites will share the same coordinates or location therefore it would be prudent for environmental permits for project sites that have been approved the previous year, receive an expedited review and approval.

American Samoa Economic Development Credit (ASEDC)

One of the biggest issues facing American Samoa is the American Samoa Economic Development Credit. The tax credit was designed to encourage investment in the U.S. insular areas and create jobs by reducing the federal taxes on income earned by qualifying U.S. Corporations. During the last Congress, there were a number of tax provisions that did not get completed by the end of last year, and one of those was the American Samoa Economic Development Tax Credit. This tax credit is crucial to the employment and economy of American Samoa. We respectfully ask that this tax provision be acted upon, as soon as possible, and made permanent so that yearly extensions are no longer necessary.

Bipartisan Infrastructure Law

The Bipartisan Infrastructure law provided critical funding to American Samoa and the other US Territories, but it also presented major challenges due to the non-federal local matching requirements outlined in the legislation. This requirement disadvantaged our Territory. Due to our small populations and the struggling local economy, it is difficult to meet these matching requirements. We requested and were granted a waiver of the matching requirement from the Department of Interior's Office of Insular Affairs. This waiver opened up major funding opportunities for American Samoa. We continue to ask for waivers for other federal funding grantors to alleviate the matching burdens on U.S. Territories and ask for your assistance in waiving current matching requirements and eliminating that requirement in future legislation.

We also need your assistance to modernize and rebuild our transit systems, roads, bridges, seaports, and airports to make them more accessible, affordable, and sustainable. Sea transportation service to our outer islands is limited due to the lack of vessels and shipyard maintenance services. With the help of our Congresswoman Uifa'atali Amata Radewagen and the U.S. Army, we are on our way in securing two landing crafts to service our neighboring islands and our shipyard services are improving but still needs more funding assistance.

Transportation Infrastructure Finance And Innovation Act

I also want to thank you for the flexibility in the Transportation Infrastructure Financing Innovation Act which is crucial to seeing our infrastructure projects from design to completion. This legislation will help to close funding gaps with low-cost, long-term financing and speed the delivery of infrastructure projects, to help our territory get the financing necessary to improve the transportation systems in our communities.

Broadband Equity, Access, And Development (Bead) Program

The funds from the Broadband Equity, Access, and Development Program, will help to expand high-speed internet access to American Samoa and the other US Territories. American Samoa lags behind in the development of telecommunications and these grants from the Federal Communications Commission, will help identify underserved areas and build an infrastructure to provide affordable and accessible connectivity for all.

Department Of Interior Grants

We also rely on American Samoa Operation Grants, through the Department of Interior and request continued support for those grants that are critical to the operation of our territory. I want to thank you and ask for your continued support for the Department of Interior Insular Affairs - Assistance to Territories grants that are essential in helping with financial management; economic development; education; energy production; natural and cultural resources; and invasive species management.

For 25 years American Samoa's annual allocation of \$10 Million remains unchanged despite the steady rise of costs for materials needed to complete projects. The overall cost of completing a project has increased for various reasons, namely the cost of fuel, materials, labor and supplies. Increasing American Samoa's allocation to reflect the increasing costs as well as address the lack of planning funds would efficiently make a concept ready project into a shovel ready one.

DOI has taken the lead in waiving local cost matching for all of its current funding opportunities available. We hope this initiative can be extended to other federal agencies providing funding to the territories. The waiver of local cost matching will relieve fiscal strain on our limited local funding.

Further, we request assistance from OIA in establishing and improving our Solid Waste Infrastructure for Recycling and to identify potential sources of funding to support the following:

- ASPA MSW Gasification Plant
- Transfer Stations
- Recycling Equipment (balers, scrap metal and tire shredders, etc.)
- Seed money to launch Governor's Recycling Program

Department of Education funding extensions

The American Samoa Department of Education is grateful for the funds we received under the American Rescue Plan Act and the Education Stabilization Fund. However, due to the long delivery times and shipping of materials, we will be unable to fully utilize all of the funds in the time limits imposed. We respectfully request that that a waiver be granted to permit us to spent all of the funds that were allotted to American Samoa.

Interagency Cooperation and other Federal Issues

We continue to work with our associations of Western and National Governors to address workforce development, cybersecurity, disaster preparedness and response, transportation infrastructure, and energy and water quality that require interagency collaboration with Congress and the federal government for our territory and the Insular Areas. Other issues listed below affect our ability to plan for a more sustainable future.

Build America Buy America Act (BABA) / Buy American Clause

Often times, meeting the Build America Buy America Act is not feasible to procure American made materials and supplies because American Samoa is so isolated from the rest of the nation, and they are not readily available. As such, the cost of shipping required materials is high due to our remote location. Having the flexibility of procuring materials and supplies elsewhere would not only lower costs, but will cut down on lead time. The Territory's geographic location is closer to New Zealand, Australia, the Pacific Island nations and Asian countries where similar products are manufactured at slightly lower costs. Shipping of these materials and supplies to the Territory is also more time efficient.

Air Traffic Control Tower and certain funding limitations in BIL

American Samoa has difficulty in competing with the rest of the nation for project funding because often times there are too many elements we do not qualify for- ex: there is funding in BIL for Air Traffic Control Tower projects - which the American Samoa Government desperately needs; yet we do not qualify as it is meant for airports that have existing towers and are part of the FAA tower program. American Samoa does not have an Air Traffic Control Tower at the main airport, the Pago Pago International Airport. American Samoa needs funding opportunities to allow for the initial construction of an Air Traffic Control Tower.

Equity In Competing for Grants

There is a lack of fairness as a Territory to compete with other states, tribes and local governments. The funding requirements, review and approval process are the same across the board. These scoring tools must be separated between territories, states, tribes and local governments. They should not be graded on the same criteria. There is a need to separate funding requirements for territories alone. This is done for tribal communities where they have their own tribal federal grants separate from states, local and territorial governments. The bottom line is to provide flexibility to the insular areas so it will only be fair and practical for territories to compete. The territories are underserved and unserved communities.

Geographical location makes it even more challenging to ship recyclables off island due to shipping and freight cost. Unfortunately, this has hindered our ability to grow the recycling industry in American Samoa as there is very little return for recyclers to pay for labor and overhead cost.

American Samoa being a "containerized society", is almost entirely dependent on goods to be shipped to the islands. Consequently, all these items at the end of their life cycle end up at either in the landfill, scrap metal yard or strewn about across the

islands. Only a few of these items end up being recycled based on their value as recycled items.

China

The challenge I see in the work before Congress, is that in the laws it passes for this great nation of ours, please, I implore you as our federal law makers, do not forget about the US territories. American Samoa may be small in population numbers, but our location, as the southern-most jurisdiction of the United States based in the South Pacific region, is critically important to our strategic defense and national security. Our territory is well known to be the most successful recruiting station for the US military. China over the years have steadily made inroads in establishing its presence in the Pacific region through economic investment or incentives among small island developing states (SIDS). It is necessary for the US to become more visible in the Pacific region and it can start doing that by investing in climate change impact funding to assist American Samoa and small island developing states. Helping to build the physical, technological and workforce infrastructure of American Samoa can only strengthen the United States resilience and presence in the South Pacific.

Closing

I thank you once again for this opportunity for American Samoa to address this distinguished committee and for your ongoing efforts to improve the quality of life for the peoples of the US territories. May God guide and bless you in the work that you do for this great nation. May God Bless the United States of America and its US territories.

Fa'afetai Tele Lava, Soifua.