

Del. Gregorio Kilili Camacho Sablan

Chairman Wyden, Ranking Member Murkowski, let me start by thanking you for agreeing to introduce the Omnibus Territories Act, S. 1237, and for moving so quickly to hold this legislative hearing.

I'd also like to thank your committee staff from both sides of the aisle, who helped the House territorial offices assemble this bill, so it could be introduced on a bipartisan basis.

Traditionally, Congress has handled territorial issues outside of the partisan arena. Although, recently, when stand-alone, territorial bills have come up for consideration, they have sometimes gotten a party label. That makes passage more difficult. By getting bipartisan sponsorship at the outset, and by identifying a group of legislative proposals as "territorial" in nature – as with S. 1237 – the hope is we can get a lot of work done efficiently and without getting caught up in other concerns.

That said, I acknowledge this Committee already reported two sections of S. 1237 having to do with the Northern Mariana Islands, as a single, stand-alone bill, last month, which I very much appreciate. One section, dealing with the territorial sea, also passed the House last month – for the third time, unanimously. The other section, rescheduling minimum wage increases in the Northern Marianas, is time-sensitive. So, there were special reasons to think those two sections could and should move swiftly to the Senate floor. And I certainly hope the Senate will act this month.

Section 5 of S. 1237 is new, however, and needs brief explanation. This section makes three changes to the Consolidated Natural Resources Act, which extended federal immigration to the Northern Marianas.

First, it provides greater accountability in the use of a training fund intended to help U.S. workers replace foreign labor in the Northern Marianas economy. This is a fee-based fund; and I think that the employers who pay the fee deserve to know the money is spent effectively and for the intended purpose.

Second, Section 5 provides for the immigration transition period, now scheduled to end on December 31, 2014, to continue through 2019. During the transition, which only began two years ago, the Department of Homeland Security has been authorized to allow nonimmigrants to continue to work in the Northern Marianas, until we reach the goal of an all-U.S. workforce.

In September, however, the Government Accountability Office reported that 54 percent of the island workforce is still comprised of foreign labor and noted "[t]he CNMI economy remains dependent on foreign workers." Recent improvements in hotel occupancy rates and the number of in-bound tourists indicate that the demand for service employees, largely filled by foreign workers, will continue strong beyond 2014. So it seems necessary to extend the transition period.

This does not undermine the conversion to a U.S. workforce. Employers must continue to attest that no U.S. worker is available for any given job before hiring a foreign worker. And, as

mentioned, Section 5 also sharpens the training program, so more U.S. workers should be available.

Third, during the transition period nonimmigrants with established investments in the Northern Mariana Islands were also provided status. Section 5 extends the transition period for these investors, just as it does for nonimmigrant workers, keeping investment in place.

Each of these three proposed changes comes from experience implementing the Immigration and Nationality Act in the Marianas. And I should emphasize that these changes will help the implementation no matter what the outcome of the comprehensive immigration reform bill the Senate passed on June 27 — which I strongly support.

I'll close with a word about Section 13, which is not specific to the Northern Marianas, but which will benefit my islands, as well as Guam and American Samoa.

Each of our territories has received nonimmigrants from the Freely Associated States, who are allowed entry to the U.S. under terms of the Compacts. Each of our territories has experienced costs from this influx — providing health care, schooling, public safety services. Congress recognized the federal responsibility to defray these costs in Public Law 108-188. But there is a shortfall between the federal reimbursement that law provides and the costs we bear locally.

Increasing the federal reimbursement is a steep hill to climb in the present fiscal environment. So, Section 13 allows our local governments to use the costs of services to the FAS citizens as in-kind offsets for any local matching funds required by federal formula grants.

Credit for this idea goes to my colleague Ms. Bordallo. It is a creative remedy to a longstanding source of friction between the U.S. insular areas and the federal government. I support it fully. Our local governments will still be spending to provide services to FAS migrants, but, at least, they will have some additional compensation, even if not as new federal dollars.

Finally, with your permission, Mr. Chairman, I ask that the comments of Northern Mariana Islands Governor Eloy Inos, which I have here, be added to the record on S. 1237 for the Committee's consideration.

Thank you, again, for introducing this bill and for holding today's hearing.