Testimony

The Honorable Gregorio Kilili Camacho Sablan Senate Committee on Energy and Natural Resources Hearing to Examine the Impact of COVID-19 to U.S. Territories June 30, 2020

Madame Chair –

Thanks to you, Ranking Member Manchin, and all the Members of the Committee for taking the initiative to hold today's hearing.

Thanks, also, to your constituents and all the American people for their extraordinary generosity to the people of the Northern Mariana Islands in this time of crisis.

This hearing is about how Congress responds to the pandemic. But even before Congress' response could reach them, the people I represent and Marianas government officials had to take action. They did what was needed to be safe – and they succeeded.

We had two deaths initially but have now gone for 18 days¹ with no new cases. So far, we are keeping COVID at bay. For that, too, I give thanks.

The Marianas have a unique advantage in a pandemic: we can seal ourselves from the rest of the world.

The flipside is the disadvantage we face in reviving an economy that depends almost entirely on high volume tourism. How can we welcome visitors back to the islands, while ensuring those visitors are not bringing disease? Eventually, if there is a vaccine, we could return to the old normal, as long as visitors could reliably certify they were vaccinated. But that is a big "if."

I think we must face the reality that we may never again exclusively base our economy on short-term, mass tourism—and find alternatives. For instance:

- Our robust cable connections and the competitive advantage of our time-zone, just this
 month led Colorado-based InteliSecure, Inc. to begin hiring for a cybersecurity operation
 in the Marianas.
- We could grow our existing educational facilities, which already attract long-term-stay students from Korea and other Asian locations.
- We could obtain new classes of visas that would permit longer-term, second-home owners in the Marianas.

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¹ As of date of submission of testimony, 6/26/20.

Above all, and as I always say, because we have no extractable resources—no oil or gold, as Alaska, Madame Chair—we must relentlessly invest in our human resources. Because the more educated our population, the more likely that entrepreneurial ideas will emerge that will grow wealth and well-being.

And, at the same time we nurture new sources of income, we can also reduce our expenses. We can become more energy independent, more self-sustaining when it comes to food.

Governor Torres has already taken the initiative. He brought Marianas community leaders together in April to begin to answer the question of where we go from here and what steps we need to take. The two action items the Governor initially identified for Congress we are already addressing:

- Direct aid to the Commonwealth government (the CARES Act provided \$36 million to cover unbudgeted pandemic costs); and
- A waiver of the local match for FEMA grants.

But there will be more for Congress to do:

- For the long-term, to facilitate the economic changes the Marianas decides on, whether that means new classes of visas, support for energy independence, or modernizing infrastructure.
- In the near term, to prop up individuals, small businesses, and the local government—
 all of which had incomes shredded by the pandemic.
- And, always, Congress must direct resources to health care—to local providers and to researchers in national labs—so this disease does not overwhelm us.

Congress has already taken extraordinary action in response to the coronavirus crisis. And the territories have not been left behind:

- 414 businesses in the Marianas are receiving \$37 million through the Paycheck Protection Program.
- \$70 million has been initially set aside for Pandemic Unemployment Assistance.
- \$49 million has been credited to Marianas taxpayers in Economic Impact Payments
- Our schools are receiving in excess of \$30 million.
- We are eligible for the range of grants provided by the Families First and CARES
 Acts, for health care, child care, and food aid.
- And, as mentioned, the Commonwealth government received \$36 million to cover unbudgeted costs.

But we cannot be lulled into believing the worst is over. In World War II, America did not declare victory after the battle of Midway. There were still long years of struggle ahead.

There could well be years of struggle before us now to ward of the coronavirus and rebuild economically. That is why the House has already passed the HEROES Act, which builds on policies Congress previously enacted in the Families First and CARES Acts to help American families, businesses, and state and local governments through this crisis.

My fellow Delegates and I were listened to when the HEROES Act was drafted and passed in the House. We made sure our areas are provided for in measure equal to the needs we face.

So, I close by urging the Senate to take up the HEROES Act immediately, because this struggle is far from over.

Thank you for holding today's hearing and for the opportunity to testify. I look forward to working with you to ensure the territories and all of America find our way through this pandemic.