

ANALYSIS OF COMPACT IMPACT COSTS
Fiscal Year Ended September 30, 1997

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**Analysis of Compact Impact Costs
Fiscal Year Ended September 30, 1997**

Executive Summary

This report considers the impact of those individuals who migrated from the Freely Associated States (FAS) in the Micronesian islands to Guam under immigration provisions of agreements between those states and the government of the United States of America. The FAS consist of the Federated States of Micronesia, Republic of the Marshall Islands and Republic of Palau. Analysis of the impact is specifically confined to the following three GovGuam agencies: Department of Education, Department of Public Health and Social Services and Department of Corrections. The time period of the impact is restricted to the fiscal year ended September 30, 1997.

To determine the impact of the Compacts of Free Association in 1997, baseline population data was developed from the historical data contained within the 1980 Census of Population and Housing, 1990 Census of Population and Housing, and the *1997 Census of Micronesian Migrants to Guam*. After analyzing the data, it was determined that reliable data was not available to determine the impact of migration from Palau for fiscal year 1997. The additional residents from the Federated States of Micronesia and the Republic of the Marshall Islands on Guam in 1997 as a result of the Compact agreements was estimated to range from 6,355 to 6,448. For the school-age population segment from these two jurisdictions, it was estimated that the range would be from 2,048 to 2,406.

The mean costs methodology was utilized for calculating the impact on the three agencies of the additional FAS residents on Guam in 1997 due to the Compact agreements, excluding Palauans. Excluding federal expenditures, the impact in 1997 was estimated to range from \$16,085,010 to \$17,738,781.

Department	Total Local Expenditure	Costs Allocated to FSM/RMI Residents	
		Low	High
Department of Education	\$150,647,572	\$9,029,650	\$10,616,372
Department of Public Health & Social Services	58,091,589	6,756,709	6,819,387
Department of Corrections	15,161,184	298,651	303,022
Total	\$223,900,345	\$16,085,010	\$17,738,781

Summary of Total Expenditures and Allocated Costs