



**EDDIE BAZA CALVO**  
*Governor*

**RAY TENORIO**  
*Lieutenant Governor*

*Office of the Governor of Guam.*

February 13, 2014

The Honorable Lori Faeth  
Acting Deputy Assistant Secretary for Insular Areas  
Office of Insular Affairs  
Department of Interior  
1849 C Street NW  
Washington, DC 20240

Hafa Adai, Ms. Faeth:

Thank you for hosting the 2014 Senior Plenary Session of the Interagency Group on Insular Areas. We appreciate the opportunity to share with you some federal policies that surround the issues facing the people of Guam.

Building a better infrastructure and developing and supporting a strong independent economy are both opportunities that Guam can enhance with the assistance of the Interagency Group on Insular Areas. But, to succeed, we must have the cooperation of the federal partners to create promising solutions that work for the people in the insular areas.

Most pressing, due to deadlines and requirements, the Affordable Care Act has differing ramifications between the states and territories. With unequal reimbursements between the states and territories, the insular areas have a higher burden and a catastrophic impact on the island's health insurance industry and, consequently, its overall economy. Without a solution that fits the needs of the insular areas, health care for the Guamanian people will be anything but affordable.

The Clean Water Act and the Clean Air Act strains the Government of Guam with deadlines and restrictions required for Guam's aging infrastructure. The costs of complying with these acts without taking into consideration the limited number of utility ratepayers places a disproportionately high burden on the ratepayers of Guam, who, for example, are already incurring a charge of \$0.31 per kilowatt hour.

The finalization of a master plan for the Marine Realignment of these forces is crucial to Guam's economy, but with this project looming for seven years, progress is slow. With the recent approval of the 2014 NDAA, there is some promise of an increase in military construction supporting the Marine realignment, but financial support for a local infrastructure built to support this realignment remains uncommitted.



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Of course, we still heed the difficulties of the Compact of Free Association which has allowed migrants from the Freely Associated States to make Guam home, but Guam is still not reimbursed for full impact of this compact agreement.

Visa waiver or parole entry for Chinese visitors under the Guam-CNMI Visa Waiver Program will enable Guam to increase its economic opportunity without relying solely on the re-deployment of the Marines from Japan. But with recent staffing changes at both the Department of Defense and the Department of Homeland Security have both left years of progress at a standstill.

Once again, thank you for the time and attention you have devoted to the insular areas and collaborating with our federal partners to develop the Interagency Group. I remain committed to building a better economy for Guam but to do so we must work to develop policies for the insular areas that help us to do so rather than impede that growth.

Sincerely,



**EDDIE BAZA CALVO**