

# Interagency Group on Insular Areas (IGIA)

Report on 2013 Activities  
(Including 2011 and 2012)

September 24th, 2013

# 1. Organization and Purpose of the IGIA

Pursuant to Executive Order 13537, signed on April 14, 2010, and which superseded Executive Order 13299 (May 8, 2003), the Interagency Group on Insular Areas (IGIA) was organized to focus the attention of the government on Federal policies concerning the insular areas of Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands. With the intention of strengthening the level of attention given to territorial issues, Executive Order 13537 installed the Secretary of the Interior and the Deputy Assistant to the President and Director of Intergovernmental Affairs as Co-Chairs of the IGIA to convene and preside at IGIA meetings. Together the Co-Chairs direct the IGIA's work, and establish such subgroups of the IGIA as they deem appropriate, which consists exclusively of members of the IGIA.

The purpose of the IGIA is not to circumvent existing channels of authority for the formulation of Federal policy, rather, it is to provide a mechanism for ensuring that the circumstances of the insular areas are taken into account in the formulation of Federal policy, and that the various agencies of the Executive branch work together to ensure that Federal policy regarding the insular areas is cohesive and coordinated.

The Executive Order is clear that the IGIA is not to act as a decision-making body. Furthermore, the Executive Order provides that “[n]othing in this order shall be construed to impair or otherwise affect the functions of the Director of the Office of Management and Budget relating to budget, administrative, or legislative proposals.” The IGIA does not, therefore, act as a deliberative body and does not make collective decisions. The IGIA does not take positions on legislation or policy matters on behalf of the Administration, nor on behalf of the insular areas and cannot force action by any member agency.

The IGIA consists of the heads of the Executive departments and the heads of such agencies as the Co-Chairs may designate. A head of a department or agency may designate another official to carry out his or her functions with respect to the IGIA, but that designee must be a presidential appointee or a member of the senior executive service. For continuity, the IGIA has welcomed and includes the participation of senior and mid-level career staff from each of the agencies.

To date, the Interior Office of Insular Affairs (OIA) has coordinated and organized the IGIA meetings in close coordination with and on behalf of the Co-Chairs. OIA has also served to coordinate the solicitation of information and advice concerning the Insular Areas as the IGIA deems appropriate, from Executive departments or agencies, representatives of entities or other individuals in a manner that seeks their individual advice and does not involve collective judgment, or consensus advice or deliberation.

The Executive Order directs the IGIA members to provide from time to time, or as appropriate, recommendations concerning proposed or existing Federal programs and policies concerning the insular areas. The Senior Plenary Session of the IGIA serves as an important tool to “solicit that information and advice” from insular area leadership and is convened annually to coincide with

the winter meetings of the National Governor's Association in Washington D.C. This meeting hosts over one hundred Federal officials, governors, congressional delegates and staff.

The IGIA is also required to submit annually to the President a report containing recommendations regarding the establishment or implementation of policies concerning the insular areas. This IGIA report, covering the last three years from 2011 through 2013 is written to highlight efforts that the Co-Chairs and the IGIA members have taken in support of Executive Order 13537 requirements to solicit information and consider recommendations and concerns of the territories in the formulation of federal policies and the implementation of programs. The IGIA has also served as a platform to bring more awareness to insular area leadership concerning Federal agency projects that may affect the insular areas.

## **2. Issues Identified by Insular Area**

The range of issues which have been brought before to the IGIA are numerous and varied. Some issues are territory specific while some are overarching issues that concern several or all territories as will be highlighted below. For the original letters from the governors and delegates outlining their issues, as well as information from previous years, visit the IGIA webpage at <http://www.doi.gov/oia/igia/archives.cfm>.

### **American Samoa Issues**

Beginning in 2013, economic development was identified as the priority concern for the newly-elected governor in American Samoa. Many of the on-going concerns which American Samoa government officials continue to raise fall under the purview of economic development. As a follow-up to the IGIA senior plenary session and to discuss in more depth concerns raised by American Samoa, several working-level meetings were held to discuss various aspects of economic development and how federal officials might further support economic development in this territory.

The 2013 announcement by Bank of Hawaii to close its only bank in American Samoa led to a visit by the Federal Reserve Bank of San Francisco to help ensure all parties, both government and private sector, were aware of their rights and obligations with respect to the closure. It is anticipated that the Federal Reserve Bank of San Francisco will continue to be involved in the territories generally to assist in issues related to economic development.

The high cost of energy and aging infrastructure continues to be a concern. In 2013, the Office of Insular Affairs has been working closely with the Governor to ensure that their CIP plan reflects the needs and priorities of the territories. The Office of Insular Affairs has also been working closely with the National Renewable Energy Laboratory (NREL) out of Colorado and the American Samoa Government on a renewable energy plan.

American Samoa has long been interested in the issue of cabotage. Cabotage is the carriage of revenue traffic by a foreign air carrier solely between two U.S. points, other than as part of a through trip on that same foreign carrier that involves travel to or from a foreign point. Cabotage has long been banned by U.S. Law (49 U.S.C. §41703(c)), except in certain emergency circumstances. For cabotage purposes, "United States" includes all U.S. territories. Thus, for example, a foreign carrier could not carry a revenue passenger solely within American Samoa or between American Samoa and Honolulu. That would constitute prohibited cabotage. In responding to the American Samoa government on the issue of cabotage, the Office of Insular Affairs, in 2011, issued the territorial government a technical assistance grant for \$600,000 to contract for a study on air transportation issues for the territory. As of the date of this report, the study has yet to be concluded. For more information on the definition of cabotage and standards for emergency exemption as identified under U.S. Law 49 U.S.C. §41703©, please refer to the Dept. of Transportation IGIA briefing paper of 2011 at <http://www.doi.gov/oia/igia/2011/upload/20-AviationCabotageDOT-2.pdf>

AMERICAN SAMOA

TERRITORY	MAJOR THEME	SPECIFIC ISSUE
AMSAMOA	Economic Development	Rising Unemployment and Declining GDP; \$44.5M Debt
		Job Creation & Nurture of Business
		Looming (2015) Minimum Wage Increase
		30A Federal Incentive Scheme (expires)
		Headnote (3a) federal incentive scheme
		Bank of Hawaii departure
	Cabotage	Seek Waiver; Strengthen Tourism and interisland Travel
	Energy	High Cost Shipping and Airfare
		Prohibitive to Tourism and Business
		Explore Renewable Energy - Decrease Fossil Fuel Dependence
	Infrastructure	Roads and Highways
		Manua Islands Air Strips & Harbor Expansion
		Immigration & Customs- Information Management System
	Healthcare	Medical insurance

## Guam Issues

Guam’s primary interest has been to obtain parole authority for Chinese to visit Guam. This issue has been discussed numerous times with officials at the Department of Homeland Security who are aware of Guam’s interest in parole authority and continue to weigh this issue against other national security interests for the nation.

Compact Impact is another priority interest of Guam that has been raised at the IGIA and which Guam officials consider an “unfunded mandate”. Not exclusive to the IGIA, Compact Impact is an issue that the Office of Insular Affairs has worked on extensively to help address. Interior’s Office of Insular Affairs (OIA) has implemented a Compact Impact Initiative in collaboration

with government leaders from the Freely Associated States (FAS), the affected jurisdictions and Federal agencies. As of Fall, 2012, OIA has posted one staff person to Honolulu to focus specifically on Compact impact issues. Through this position, numerous efforts have been spearheaded with the aim of mitigating the costs of migration of FAS citizens to the U.S. jurisdictions such as:

- Federal interagency meetings in Honolulu to discuss various issues of importance and concern to the freely associated states.
- Travel of FAS leaders to U.S. jurisdictions with large FAS migrant populations.
- Convening the first Pacific Island Leaders Addressing compact Impact (PILACI) forum with the FAS Presidents, U.S. Ambassadors, Federal officials, members of Congress and jurisdiction Governors to address compact impact.
- Funding education and orientation efforts in the FAS to inform travelers about rights and responsibilities upon entry to the U.S.
- Collaboration with Homeland Security officials and FAS Embassies in Washington, D.C. towards better outreach and information sharing for FAS citizens in U.S. jurisdictions.
- Funding of \$1.02 million to support engagements related to communicable and non-communicable diseases in the FAS with the Center for Disease Control and Prevention.
- Annual reporting on Compact migration.

The Guam military build-up was first raised to the attention of the IGIA in 2007 by former Executive Director of JGPO, Major General David Bice, USMC (ret.). The U.S. and Japan were expecting to relocate 8,000 Marines and approximately 9,000 dependents at a cost of \$10.27 billion while the U.S. was expected to fund \$4.18 billion. At the time, numerous IGIA meetings were dedicated solely to the discussion of the Guam military build-up. As of 2013, adjustments and changes to the build-up plan will reduce relocated forces to Guam to approximately 5,000 Marines with 1,300 dependents. Guam military build-up issues are now handled by a dedicated interagency group that meets regularly and is led by Department of Defense’s JGPO and OEA. Staff from Interior’s Office of Insular Affairs participates regularly in these meetings.

**GUAM**

TERRITORY	MAJOR THEME	SPECIFIC ISSUE
GUAM	Economic Development	Secure Parole Authority - China Visa Waiver
		Secure Compact-Impact Funding
		Grow the Economy
	Taxes	Earned Income Tax Credit
	Infrastructure	Wastewater and Infrastructure
	Healthcare	Health Care Exchanges
	War Claims	Passage of Guam Loyalty Recognition Act
	Military Build-Up	

## Commonwealth of the Northern Mariana Islands (CNMI) Issues

CNMI officials are concerned about their request for a 5-year extension of the Transitional Worker Program. OIA staff has discussed this request for extension with Homeland Security and Labor officials and continue to advocate for an extension. The CNMI Delegate would like to see the IGIA become more effective in addressing its concerns and also advocates parity with states in most if not all Federal programs. Discussions are on-going within OIA to make the IGIA as effective as possible in coordinating federal policy issues with respect to the territories. It is planned that in September 2013, the White House and Interior Co-Chairs will meet with congressional delegates and their staff to discuss the IGIA and solicit their advice on how to make it more effective.

The CNMI continues to suffer energy and hospital management problems, but is the beneficiary of Federal interagency collaboration respectively between the Office of Insular Affairs, the National Renewable Energy Laboratory and HHS's Centers for Medicaid and Medicare in both areas.

With respect to the CNMI's transition to Federal immigration, Homeland Security heads a special interagency group consisting of Federal officials from Homeland Security, Interior, and Labor which has been meeting regularly to discuss issues connected to the transition from CNMI Immigration to Federal Immigration. One important concern of the CNMI has been to extend the Transitional Worker Program which is currently due to expire on December 31<sup>st</sup>, 2014. OIA joined in an interagency meeting to raise awareness of this concern and has continued to raise this issue with Homeland Security and the Labor Department.

### CNMI

TERRITORY	MAJOR THEME	SPECIFIC ISSUE
CNMI	Organizational	Assess Effectiveness of IGIA
		Retain Interior Asst. Secretary/Insular Areas Position
	Immigration	Extend Commonwealth-Only Transitional Worker Program
	Parity with States	Veteran's Affairs
		Small Business Administration
		Dept. of Agriculture
		HHS Supplemental Nutrition Assistance Program (SNAP)
		Commerce - Tourism Travel Promo Include Territories
		Commerce and Other National Data Programs

## U.S. Virgin Islands Issues

The U.S. Virgin Islands is located in a dynamic region boasting numerous sovereign interests as well as international and regional initiatives such as the Caribbean Basin Security Initiative. The U.S. Virgin Islands would like to participate more in regional affairs and initiatives and has expressed interest in a visa-waiver program for neighboring island countries.

Following the January 2012 announcement of closure of the HOVENSA refinery, the largest private employer in the U.S. Virgin Islands, the IGIA convened a special IGIA senior-level interagency meeting on Friday, February 24, 2012, to listen to the Governor and several members of his cabinet discuss the primary issues for the USVI. Former Assistant Secretary for Insular Areas Babauta welcomed Governor de Jongh, Delegate Christensen, EPA Regional Administrator Enck, and other Federal partners from Commerce, HHS, Labor, Education, Energy, SBA, USDA, DHS and the IRS. As was announced in that meeting, the Department of Labor was considering a National Emergency Grant application from the USVI which was subsequently approved in the amount of \$7,843,250, to aid the more than 1,200 workers affected.

Early this year, on Monday, February 24, 2013, the IGIA once again convened a meeting to discuss the continuing impacts of the HOVENSA refinery closure and the subsequent increases in the cost of energy throughout the territory. Residents and business pay, respectively, between \$0.50 to \$0.54 cents per kilowatt hour. The Governor and the Delegate continue to seek assistance to help alleviate these current stresses to the territory.

**US VIRGIN ISLANDS**

TERRITORY	MAJOR THEME	SPECIFIC ISSUE
USVI	Parity with States	Medicaid - Extend "j" waiver authority to all territories
		SSA - Extend state-like FMAP to all territories
		Early Education for all Americans - Include territories
	Taxes	Earned Income Tax Credit Cost Sharing
	Regional Collaboration	Propose Special Visa Waiver program
		Include USVI in Caribbean Basin Security Initiative

## Special and Overarching Issues

### Economic Development

Economic Development continues to be of importance to the territories and was identified by the newly-elected American Samoa Governor as his administration's top priority. Recognizing the importance of the issue, the IGIA Co-Chairs have engaged through the IGIA, the expertise and guidance of officials from the Department of Commerce's Economic Development Administration (EDA). In 2012, numerous agencies from within Commerce made several important presentations at the IGIA Senior Level and Working Level Meetings. EDA gave important presentations on the Comprehensive Economic Development Strategy (CEDS), the official document which the Governors use to guide priorities for economic development in the territories which can be used as a guide by other federal agencies. In 2013, Alma Plummer, Regional Program Manager for Region II which includes the U.S. Virgin Islands, presented information on the USVI CEDS in a teleconference hosted by the IGIA Co-Chairs. The CEDS for American Samoa, the Northern Mariana Islands and Guam are due for updates and the IGIA Co-Chairs anticipate partnering again with Commerce EDA to help promote Federal interagency

discussions on the CEDS and how the territories and other Federal agencies can use these documents to guide economic development planning.

The Federal Reserve Bank (FRB) of San Francisco, through Community Development Manager Craig Nolte, has recently been introduced to the work of the IGIA and promises to be an important Federal partner with the Pacific territories in convening meetings and conferences on issues related to economic development. On July 24, 2013, the IGIA hosted a discussion with the Federal Reserve Bank on recent initiatives in Guam, the CNMI and American Samoa, to further discuss ways to help leverage Federal agency expertise and programs in conjunction with the FRB San Francisco. Meeting notes for the IGIA Discussion with the FRB held on July 24, 2013 are attached, for reference, in Appendix #1.

### **Minimum-Wage Law in the Territories**

The USVI and Guam have had federal minimum wage rules for at least two decades and, as such, minimum wage is not an issue in either one. The CNMI is subject to a 50 cents annual increase until its current minimum wage of \$5.55 reaches the federal rate of \$7.25 an hour. The CNMI's minimum wage rate is supposed to go up to \$6.05 on Sep 30, 2013, unless the Congress delays the increase. American Samoa has 16 different wage rates (fish canning is currently at \$4.76) and pursuant to Public Law 110-28, all minimum wages are frozen until September 30, 2015. After 2015, each minimum wage rate increases by 50 cents every three years until the lowest minimum wage rate in American Samoa equals the federal minimum wage rate.

### **Renewable Energy Plan for the Territories**

The importance of energy to the territories has not been lost on officials at the IGIA. Beginning in 2010, the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy announced its international partnership for Energy Development in Island Nations (EDIN) and selected the U.S. Virgin Islands as one of the pilot areas of collaboration for advancing clean energy development. At the 2011 IGIA, the Department of Energy again provided an update on the EDIN project in the USVI, discussed important funding opportunities under the American Reinvestment and Recovery Act in the area of energy, and continues to be an important participant at subsequent IGIA meetings including the most recent meeting in 2013.

Following the selection of the USVI for EDIN, OIA and the National Renewable Energy Laboratory (NREL) in Colorado signed an interagency agreement with the Governors of the 3 Pacific U.S. territories providing a \$750,000 grant, OIA has been helping the Pacific territorial governors assess their own energy infrastructure and review potential renewable energy alternatives in their respective territories. Each Pacific territory established an Energy Task Force Committee that has since been working closely with NREL to produce strategic energy plans for their respective islands and in 2011 NREL produced Technical Energy Assessments for each territory and introduced wedge analyses to enable each user to identify the proper mix of renewable and efficiency measures to achieve particular goals, such as Guam's goal of reducing



fossil fuel usage by 20% by the year 2020. In 2012, NREL was awarded \$2.12M via an Inter-Agency Agreement between the DOI and DOE to expand their work to the Freely Associated States. The work is underway and is expected to be completed by September 30, 2015. It is expected that NREL will have completed Strategic Energy Plans with emphasis on renewable by the end of 2013. Under these plans, the territories have set for goals the following:

- Guam: Reduction in the consumption of fossil fuel by 20% by 2020.
- USVI: Reduction in energy consumption by 60% reduction in fossil fuel energy consumption by 2025.
- CNMI: 40% of its net electricity sales should be from its renewable energy portfolio by December 31, 2012.
- American Samoa: The Renewable Energy Committee (REC) in American Samoa is hoping to meet with the newly-elected Governor and renew American Samoa's energy initiative. They still need to complete their Strategic Energy Plan.

## **HHS – Patient Protection and Affordable Care Act (ACA)**

Director of Intergovernmental Affairs, Paul Dioguardi of the Department of Health and Human Services (HHS) has been an active participant in the annual meetings of the IGIA. Under his leadership, HHS has also conducted numerous intragency meetings across HHS in close collaboration with HHS officials in Region IX and Region II to address territory concerns regarding the Patient Protection and Affordable Care Act which was signed into law on March 23, 2010. HHS presented information on the ACA beginning at the 2011 IGIA Senior Plenary Session. At the 2012 IGIA Working-Level Meeting, Director of Coverage Policy in the HHS Office of Health Reform Chiquita Brooks-LaSure also conducted of the ACA with territorial officials and in December 2012, HHS Secretary Kathleen Sebelius sent individual letters to each Governor providing important updates on implementation of the ACA in the territories.

Beginning in 2013, HHS-IGA has met with numerous government and private industry officials from the territories to answer questions and address concerns. They have also conducted webinars with local government officials to provide guidance and direction. In March of 2013, the HHS IGA also provided information to the National Governor's Association on these important issues.

## **Sequestration**

During his remarks at the IGIA, Interior Deputy Secretary David Hayes, Co-Chair of the IGIA addressed the issue of sequestration which will continue to be a concern for the unforeseeable future. At Interior, sequestration in fiscal year 2013 has meant an across-the-board reduction that has impacted activities and reduced the level of direct services provided to the public. Congress has yet to come to agreement on the 2014 budget, so it is likely that the government will see more of the same budgetary challenges seen in 2013, such as hiring freezes, reduced or restricted overtime, travel, conferences, training, contracts, cooperative agreements and grants.

The Departments of the Interior and Health and Human Services each addressed individual letters to the Governors of each territory regarding the effects of sequestration. Given the Federal sequestration reductions already affecting the States and the territories, it is even more critical that the IGIA continue as a forum to discuss issues and consider options for collaboration on behalf of the territories.

## **Hospital Administration**

At the IGIA's 2013 Senior Plenary Session, the Director of Survey and Certification, at the Centers for Medicaid and Medicare (CMS) gave a presentation on how to help keep the hospitals in each of the territories in good standing. The Director recommended better hospital governance, stronger leadership and management, and more efficient funding and billing systems. The CNMI hospital is currently going through a situation where it has failed to meet numerous requirements as required by the Center for Medicare and Medicaid Services in terms of hospital administration and as recipients of federal funding. HHS has created a task force to address the crisis in the CNMI and has been collaborating closely through the Commissioned Corps Hospital Assistance Team with the Office of Insular Affairs to provide the CNMI hospital the needed assistance.

In January of this year, after receiving additional anonymous complaints about care in the Emergency Department of the St. Croix Governor Juan Luis Hospital in the U.S. Virgin Islands, CMS conducted a compliance investigation, where Condition Level Noncompliance was identified in Governing Body, Medical Staff, Nursing Services, Patient Rights, Utilization Review, and Quality Assessment and Performance Improvement (QAPI). Since the initial complaints were filed there has been subsequent collaboration to improve conditions at the hospital and CMS has reported significant improvement in Emergency Department operations, i.e. better organization; increasing inpatient bed availability; transfers of individuals who no longer need acute care; and better discharge planning. Nursing staff has been adjusting to and facilitating more efficient patient transfers and CMS is hearing from staff who is commenting on improvement in patient care and morale.

## **Tax Administration**

Over the years, the territories have raised concerns related to tax issues. The Office of Insular Affairs (OIA), through its Technical Assistance program, has been providing funding to support the seven insular areas participation in annual All Island Tax Association (AITA) meetings. Each year, OIA funds the travel of two tax officials from each insular area and Internal Revenue Service (IRS) and OIA staff attends these meetings. IRS staff participates to offer their expertise in tax methodology and processes. The annual meeting also provides a forum for insular area officials to share current tax system status and issues and to review best tax practices. As a networking opportunity for insular area tax officials the meetings also allow insular area tax officials to connect with IRS experts and then maintain contact throughout the year, if they

desire. Of the four territories under IGIA jurisdiction, American Samoa is the sole territory that does not mirror the IRS Tax Code. Although the freely associated states do not mirror the IRS tax code, they have comparable challenges in tax administration such as revenue collection procedures and systems issues. Because the AITA is the most appropriate venue for discussions on tax-related issues that are not tax-policy related, the IGIA encourages the territories to utilize this opportunity and to help report back to the IGIA on their collaborative discussions on tax-related issues. It is anticipated that the Internal Revenue Service will deliver a presentation at the 2014 Senior Plenary Session of the IGIA to provide an update on collaborations with the territories on the issues of tax.

### 3. Federal Agency Presentations to the IGIA

In response to issues raised by the territorial leaders and in anticipation of potential areas of concern for the territories, the IGIA has, over the past three years, invited officials from Federal agencies to present information on a wide variety of issues. This is been done in an effort to provide more transparency and share sharing of information and to encourage discussion with the Governors and Delegates of the territories. The IGIA has served as a platform to raise issues and amplify any concerns experienced by the territories that need consideration as Federal policies are developed. The IGIA’s Senior Plenary Session has been used pro-actively not only to hear concerns from territorial leaders, but also to bring other issues of importance to their attention. For the first time in recent IGIA history, and beginning with the 2011 IGIA Senior Plenary Session, Federal officials have made presentations on a wide variety of issues that are listed below:

<b>2011 Federal Presentations</b>
Commerce/Interior - GDP Data for Territories
Education - ARRA Funding Projects and Status
Energy – ARRA Funding
Energy/Interior – Assessment of Renewables
Small Business Administration – Programs
Commerce - Island Areas 2010 Census
Homeland Security – CNMI Federal Immigration Implementation
USDA - Rural Development Models for Economic Development

The 2012 IGIA Senior Plenary Session saw a strong participation from the Department of Commerce with all offices presenting on various programs directly related to business, promotion and development issues for each of the territories. Commerce participation was in response to territorial concerns regarding their respective economies. The table below includes the complete list of presentations in 2012.

<b>2012 Federal Presentations</b>
Commerce - EDA - Comprehensive Economic Development Strategies
Commerce – SelectUSA
Commerce - Travel and Tourism
Commerce – BusinessUSA
Commerce/Interior - GDP Data for Territories Update
Treasury - State Small Credit Business Initiative (SSBCI)
Army Corps of Engineers/Interior - Assess Buildings and Classrooms
Energy/Interior – Update Renewable Energy Initiatives
Housing and Urban Development – Programs
Health and Human Services - Affordable Care Act Implementation
National Invasive Species Council - Micronesia Initiatives

In 2013, three Federal presentations from the National Science Foundation (NSF), FEMA and the National Institute of Food and Agriculture (NIFA) were provided as introductory subjects for territorial leadership consideration at the IGIA. Although newly presented at the IGIA, two of these programs, the NIFA and NSF programs had already provided numerous programs of assistance to the territories and provided impetus for further review and discussion. FEMA’s Team Leader, Michael Byrne, described experiences from Hurricane Sandy, which although not directly related to the territories, again provided the IGIA an opportunity to discuss territorial needs and concerns with respect to emergency management and disaster preparedness issues. The table below shows all presentations made in 2013. Copies of presentations to the IGIA are included in the IGIA Briefing Book and are also posted online for reference at <http://www.doi.gov/oia/igia/2013/index.cfm>.

<b>2013 Federal Presentations</b>
Commerce - Formulating Economic Policy with the GDP
Health and Human Services - CMS Hospital Surveys
USDA - Leveraging Rural Utilities for Infrastructure and Development
National Science Foundation - Programs in the Territories
Federal Emergency Management Agency - Lessons from Sandy
USDA - National Institute of Food and Agriculture - Health & Nutrition

## 4. Tools of the IGIA

### Senior Plenary Session of the IGIA

Currently, the most important tool the IGIA uses to solicit information and advice concerning the Insular Areas from the Governors and other elected officials is through the Senior Plenary Session. Prior to coming to this meeting, the Governor’s are asked to submit their priority issues

in advance to the IGIA to help inform and guide the meeting's agenda. Copies of the letters submitted by the Governors and Delegates for 2013 may be found on the IGIA webpage at: <http://www.doi.gov/oia/igia/2013/index.cfm>. The Senior Plenary Session coincides with the winter meetings of the National Governor's Association in Washington D.C. and provides an important opportunity to hear further from the Governors and the Delegates in-person on their areas of concern. This meeting hosts over one hundred Federal officials, governors, congressional delegates and staff.

## **Working-Level Meetings**

In 2012 and 2013, numerous working-level meetings were held to provide continuation of discussions on the variety of issues that were raised by territorial leadership at the IGIA. Those working-level meetings are detailed below.

### **Commerce, HHS, HUD, Education Infrastructure and Environmental Issues**

On Wednesday, February 29, 2012, one working-level meeting was hosted at the Office of Personnel Management so that Federal and territorial officials could discuss issues in more depth on Commerce's Comprehensive Economic Development Strategies, SelectUSA and BusinessUSA Initiatives to improve investment and business, the assessment school infrastructure in the insular areas, issues in housing, implementation of the Affordable Care Act and regional initiatives of the National Invasive Species Council. This meeting also provided webcasting capabilities to allow participation from the territories and was held late in the afternoon in consideration of the time differences with the Pacific territories.

### **Discussion with OMB on economic development challenges**

Another IGIA meeting was held on June 29, 2012, which allowed Federal officials to discuss territorial issues with the OMB insular areas budget analyst. The issues discussed with OMB were driven by the agencies which were able to participate in the meeting and were primarily from Commerce, SBA, Treasury, MBDA and the State Department. The focus of discussions was on challenges with ensuring SSBCI's appropriated funds are utilized fully to promote small business development and investment in the territories. The participants also discussed the potential of holding financial literacy workshops in the territories to further support initiatives related to economic development.

### **Federal and Territorial Education Officials Discussion**

On Tuesday, April 16, 2013, the Department of Education's Office of Elementary and Secondary Education co-hosted with the IGIA, a discussion with Ministers of Education from the Territories. Representatives from different offices in Education attended and provided

information on their respective programs to some of which the territories were already subscribing and others which the territories were eligible but hadn't explored as of yet.

### **Discussion on USVI Comprehensive Economic Development Strategies (CEDS)**

On Thursday, May 9, 2013, the IGIA hosted a teleconference with Alma Plummer, Commerce EDA manager of the USVI portfolio to discuss the new Comprehensive Economic Development Strategy (CEDS) of the U.S. Virgin Islands and where there might be opportunities for collaboration with other federal and non-government agencies. The CEDS is prepared in close collaboration with the Governor of the U.S.VI to provide an economic roadmap to diversify and strengthen regional economies.

### **Discussion on CNMI CEDS and Upcoming Economic Development Conference Hosted by FRB**

On Wednesday, May 29, 2013, the IGIA hosted another teleconference with Commerce EDA, only this time with Richard Manwaring, regional director with jurisdiction over the Pacific territories to discuss the CNMI CEDS. The CNMI CEDS report is dated and they have been working directly with Gail Fujita, Commerce EDA's program manager based in Honolulu to bring the CNMI CEDS plan up-to-date.

### **Discussion with the Federal Reserve Bank of San Francisco**

On Wednesday, July 24, 2013, the IGIA co-chairs hosted a discussion with Craig Nolte, Outreach Manager of the Federal Reserve Bank of San Francisco to hear more about some of the FRB-led initiatives being held in the territories. Mr. Nolte of the FRB visited American Samoa this year following the announcement of the Bank of Hawaii in the territory. The FRB also helped convene the 6<sup>th</sup> annual Housing Summit on Guam this year and the first summit on economic development in the CNMI. Summary notes of this meeting are attached to this report as Appendix#1.

### **Treasury's State & Small Business Credit Initiative**

Under the Small Business Jobs Act of 2010, the SSBCI was created and has been able to provide each territory with \$13M to support and strengthen small business lending and investment. Treasury officials travelled to Guam and the CNMI in February of 2013 and met directly with local lending partners and government officials to help strengthen and build collaboration toward those efforts. It is anticipated that a working-level meeting will be held in either September or October of 2013 so that the SSBCI may provide an update on their recent activities in the territories.

## The IGIA Briefing Book

Started as a new initiative in 2011, the IGIA Briefing Book is a new “tool” for the IGIA. The IGIA Briefing Book allows each Federal agency to provide current information on programs and initiatives in the insular areas<sup>1</sup>. Due to time limitations during the IGIA meetings, the briefing book also allows every Federal agency the opportunity to update information on old and new programs. The IGIA Briefing Book also provides important benchmarks with respect to programs and issues in the territories and supports continuity for each issue. Most briefing papers are updated annually, however, some issues such as the Declaration on the Rights of Indigenous Peoples was only reported on in the year that it was relevant. A sample page of the contents of the 2013 Briefing Book are listed on the next page. Briefing Book issues for 2011 and 2012 are listed as Appendix #2 and #3 and may also be found on the IGIA page of the OIA website at: <http://www.doi.gov/oia/igia/archives.cfm>.



### 2013 Senior Plenary Session of the Interagency Group on Insular Areas IGIA Federal Briefing Book

#### FEDERAL BRIEFING PAPERS

1. Commerce – BEA Bureau of Economic Analysis, Survey of Territorial Economic Accounts Nov. 2012
2. Commerce – Census Release Schedule for the 2010 Island Areas Decennial Census Data Products
3. Commerce – EDA IGIA Progress Report
4. Defense – ACE Army Corps of Engineers Interior Collaboration Insular ABCs
5. Education – Education Funds Status Report to the IGIA
6. Energy – NREL, FAS and Territories 2013 February IGIA Briefing
7. Energy – WIP US Territories, Final Brief
8. EPA – Support for US Pacific Insular Areas
9. GAO – Compilation of Recent GAO Reports on the Insular Areas and FAS
10. HHS – Affordable Care Act Information for the Territories Sebelius Letter
11. Homeland Security – IGA Overview
12. Homeland Security – Customs and Border Protection – USVI and CNMI Activities
13. Homeland Security – FEMA Region 9 Pacific Territories
14. Homeland Security – Infrastructure Protection Activities
15. Homeland Security – Parole Initiatives
16. Homeland Security – Transportation Security Administration
17. Homeland Security – USCIS Clarifications on Employment
18. Homeland Security – USCIS CNMI
19. Housing and Urban Development – IGIA Report on the Insular Areas
20. Housing and Urban Development – Pacific Insular Areas Briefing
21. Housing and Urban Development – USVI Briefing
22. Housing and Urban Development – ~~Novogradac~~ JTC Article Feb. 2012
23. Interior – Coral Reef Task Force Highlights
24. Interior – National Park Service Historic Preservation Fund Grants and Programs
25. Interior – OIA 2012 Technical Assistance Highlights to U.S. Territories
26. Labor – Insular Area Briefing Paper
27. National Science Foundation – Abstract Awards to the Pacific Jurisdictions and the U.S. Virgin Islands
28. Region IX – Federal Regional Council Outer Pacific Committee
29. Small Business Administration – The Insular Areas
30. Social Security Administration – Factsheet and SSI 101
31. Transportation – Overview of Territorial Programs at DOT
32. USDA – Rural Development, IGIA Briefing Report
33. USDA – NIFA1 Programs for Insular Areas and Factsheet
34. USDA – NIFA2 Strengthening Ag-Food Science Choices 2012
35. USDA – NIFA3 Childhood Obesity
36. USDA – NIFA CHL Program Brochure
37. USDA – NIFA CHL Program Newsletter

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<sup>1</sup> Although Micronesia, the Marshalls and Palau are not named in Executive Order 13537, some briefings do include them, depending on the jurisdiction of the various agencies.

## Press Release and Video

In addition to the traditional press release that is distributed to Pacific and Caribbean media outlets immediately following the IGIA Senior Plenary Session, the Secretary's Office of Communication conducted interviews at the 2013 IGIA Senior Plenary Session and compiled a short video release highlighting the IGIA and its purpose. This was a new tool introduced to the IGIA in 2013 and may be continued regularly each year to help amplify the concerns and needs of the territories.



## IGIA Webpage on OIA Website

The IGIA webpage is an internet-based tool that provides public access to all important IGIA presentations, briefing papers, agendas and published reports. The IGIA webpage is nested in the OIA website through the Department of the Interior and is available for public access 24/7. Access is available through <http://www.doi.gov/oia/igia/index.cfm>.

It is important to note that the IGIA webpage also provides links to the Outer Pacific Report, an important compilation of Federal grants provided to the Pacific insular areas each year. This document is compiled by the Region IX Federal Council and is supported and promoted by the IGIA on behalf of the Pacific insular areas.

## Report on Federal Grants to the Outer Pacific

Another tool that has become a regular part of the annual IGIA meetings is the Federal Regional Council's Region IX Outer Pacific Committee's (OPC) Report on Federal Grants to the Outer Pacific.



This annual report captures funding information provided primarily by the Federal programs that are active in the Pacific jurisdictions and that are based in Region IX, with some input from central offices on the East coast. The report is organized by Federal department and includes descriptions of programs, points of contact, and funding awarded to Pacific jurisdictions. Charts at the beginning of the report provide a summary of funding by jurisdiction and by department. The OPC is pleased to be an integral part of the Federal Regional Council, proving that Federal agencies working together result in improved working relationships, stronger partnerships, and better communications and outcomes.



The OPC and the Federal Regional Council have worked hard in recent years to ensure that publication of this report coincides with the annual Senior Plenary Session of the IGIA to further support information sharing and collaboration among federal officials on behalf of the U.S. Insular Areas. Copies of the report from 2006 to 2012 may be found at <http://www.doi.gov/oia/reports/outer-pacific-grants.cfm>.

This annual OPC grant report is a compilation of only the Pacific insular areas; however the Federal Regional Council (FRC) and the Office of Insular Affairs (OIA) are collaborating to compile the same data from the various Federal agencies and departments on the U.S. Virgin Islands in the near future.

## 5. IGIA Annual Timeline



**END OF REPORT**

**Appendix #1 – Meeting Notes IGIA Discussion with FRB**  
IGIA Senior Plenary Session & Report on 2013 Activities

MEETING NOTES

IGIA Discussion with the Federal Reserve Bank of San Francisco  
Wednesday, July 24, 9 a.m. - 11 a.m.  
North Penthouse  
U.S. Dept. of the Interior, 1849 "C" Street, NW  
Washington, D.C.

On Wednesday, July 24, 2013, the Interagency Group on Insular Areas (IGIA) hosted a discussion with Craig Nolte of the Federal Reserve Bank (FRB) of San Francisco to discuss what were primarily economic development issues and concerns in American Samoa, Guam and the Northern Mariana Islands. The Federal Reserve Bank has regional offices that focus on community development in distressed and less-developed communities across the U.S., including in Indian country and in the U.S. territories. The FRB of San Francisco handles the Pacific territories.

Co-hosted by Insular Affairs Director Nikolao Pula and White House Associate Director for Intergovernmental Affairs Charlie Galbraith, the meeting included over 20 officials from HUD, Education, DHS, USDA, GAO, DOI and representatives of the Delegates and Governors of the CNMI, Guam and American Samoa. The group discussed concrete ways to further strengthen federal collaboration through subgroup meetings, specific area assignments and more deliberate information sharing. The IGIA and the FRB are exploring ways to improve that process.

Issues raised at this meeting centered on the following:

American Samoa

- Cabotage Waiver
  - Inter-island flights to Manua, Flights to W. Samoa, Increase competition to Honolulu
  - Victor Salazar to share Air Travel Study (Results: Hawaiian Airlines sole provider - not feasible for other airlines to enter market)
- Broadband – High Cost (AS-H; Research Southern Cross as other provider)
- Economic Development
  - Project Management & Implementation
  - Tourism Boardwalk – Gives Cruise Customers Spending Opp's
  - Grant Proposals
  - Remove High-Risk Designee Status
  - Tuna Canneries
- Departure of Bank of Hawaii - Mr. Nolte travelled to American Samoa to meet with government and private sector officials on the announced closure of Bank of Hawaii (BOH) in the territory. BOH has since extended its date of closure for one year to March 2014.
- Conference in American Samoa - There is a possibility that the FRB will be able work closely with the Governor in convening a conference in American Samoa similar to ones held recently on Guam and Saipan. It is hoped that

**Appendix #1 – Meeting Notes IGIA Discussion with FRB**  
IGIA Senior Plenary Session & Report on 2013 Activities

through collaborating with the FRB, there can be strengthened federal collaboration and planning to assist the territories as they need.

Guam

- Land Issues
  - Jay Rojas – Office of Governor of Guam, Angie Williams – OIA, and Craig Nolte – FRB to discuss this further
- Jones Act
  - Angie Williams - OIA, Adam Carbullido – Office of Congresswoman Bordallo, and Brianna McCullough – DHS to discuss this further
- Workforce Development – Skilled Labor
  - Jenelle Leonard - Education and Tanya Joshua – OIA to discuss further perhaps with Labor.
- Trans-Pacific Partnership
- FRB Convened with Guam Governor the 5<sup>th</sup> Guam Affordable Housing Symposium from June 5–6

Northern Mariana Islands

- CNMI CEDS is dated and at present the CNMI DOC has not yet applied for EDA funds to work on a new CEDS
- Coordinate with EDA Regional Manager, CNMI Economic Development Council and Commerce EDA (HQ & Regional) to host discussion targeting CNMI CEDS akin to discussion on USVI CEDS.
- FRB Convened with CNMI Governor and Commerce Secretary June 4 Saipan Economic Development Forum. Meeting recommendations and summary available upon request and attached to original email.

Office of Insular Affairs

- Technical Assistance from OIA may be leveraged to address issues Territories raise at IGIA. For example: Air Transportation Study for American Samoa and the Commerce/BEA-OIA/Interior collaboration on GDP for the Territories – OIA TA should be coordinated through the Governors to ensure best use of TA funds for Governor priorities.

Federal Reserve Bank of San Francisco

- Will Help Convene Conferences with Publishing Support.
- May be doing a health care needs assessment relative to ACA.
- Is it possible for the FRB to do Economic Research on:
  - Cabotage Issue
  - Jones Act
  - Trans-Pacific Partnership

Small Business Administration can do:

- Advocacy for Business in the Territories
- Financial Literacy Workshops

**Appendix 2 – 2011 IGIA Briefing Book**  
IGIA Senior Plenary Session & Report on 2013 Activities



**2011 Senior Plenary Session of the Interagency Group on Insular Areas  
IGIA Federal Briefing Book**

**All Islands – Cross-Cutting Issues and Highlights**

1. [Coral Reef Task Force Highlights – Interior](#)
2. [OIA Energy Initiatives in the Pacific Territories - Interior](#)
3. [Executive Summary Substantially Underserved Trust Areas \(SUTA\) – USDA](#)
4. [USDA RDA Economic Development Loans and Grant Programs in the Pacific Territories \(2 documents\)](#)
5. [NPS Historic Preservation Fund Grants in the U.S. Pacific Territories – Interior](#)
6. [Medicaid in the Territories, Current Law – HHS](#)
7. [Re-Emerging Communicable Diseases – HHS](#)
8. [Crisis with Non-Communicable Diseases in USAPI – HHS](#)
9. [Customizing HHS Support for the USAPI – HHS](#)
10. [Accountability and Audit Trails](#)
  - a. [Reliable Financial Data Increases Accountability and Audit Trails – Interior](#)
  - b. [Increasing Accountability One Island at a Time – The Public Manager, Winter 2010 1 Volume 39, Number 4 Article](#)
11. [Maritime Cabotage Laws Administered by U.S. Customs and Border Protection as applied to the U.S. Territories – DHS](#)
12. [Aviation Cabotage - Transportation](#)
13. [Guidance on U.S. Support for the Declaration on the Rights of Indigenous Peoples \(DRIP\) – Interior/State](#)
14. [U.S. Tuna Treaty in the Pacific – State](#)
15. [Energy EEBCG Grants – Energy](#)
16. [Energy SEP Grants to the Territories - Energy](#)
17. [Commerce – EDA Grants to the Pacific Territories](#)

**AMERICAN SAMOA**

1. [Financial Assistance Highlights to American Samoa, FY2010 – Interior/OIA](#)
2. [Appointments of Justices to the High Court of American Samoa](#)
3. [Energy Recovery Act Energy Efficiency Memo](#)

**COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS (CNMI)**

1. [Financial Assistance Highlights to the Northern Mariana Islands FY2010 – Interior/OIA](#)
2. [Energy Recovery Act Energy Efficiency Memo](#)
3. [Federal Programs Affected by CNMI Austerity Measure](#)
4. [Immigration Implementation - CNMI](#)

**Appendix 2 – 2011 IGIA Briefing Book**  
IGIA Senior Plenary Session & Report on 2013 Activities

**GUAM**

1. [Financial Assistance Highlights to Guam in FY2010 – Interior/OIA](#)
2. [Guam Military Buildup – Defense Office of Economic Adjustment](#)
3. [Guam Military Buildup – Defense, Joint Guam Program Office](#)
4. [Energy Recovery Act Energy Efficiency Memo – Energy](#)
5. [Brown Treesnake Control and Elimination on Guam – Interagency efforts](#)

**U.S. VIRGIN ISLANDS**

1. [Financial Assistance Highlights to the U.S. Virgin Islands in FY2010 – Interior/OIA](#)
2. [Rum Excise Tax Cover-Over for the U.S. Virgin Islands](#)
3. [Fifth Proposed Constitution Under the Organic Act of the U.S. Virgin Islands](#)
4. [Caribbean HealthCare Servicing System –Veterans’ Affairs](#)
5. [St. John School Land Exchange](#)
6. [Application of U.S. Coastal Laws to the U.S. Virgin Islands](#)
7. [Lion Fish Invasion](#)
8. [Salt River Bay Federal-State-Territorial Partnership](#)
9. [Energy Recovery Act Energy Efficiency Memo – Energy](#)
10. [Energy Development in Island Nations \(EDIN\) Update– Energy](#)
  - a. [Quarterly Newsletter November 2010](#)
  - b. [EDIN Progress Update January 2011](#)

**Appendix 3 – 2012 IGIA Briefing Book**  
IGIA Senior Plenary Session & Report on 2013 Activities



**2012 Senior Plenary Session of the Interagency Group on Insular Areas**  
**IGIA Federal Briefing Book**

1. BusinessUSA First Initiative – Commerce
2. Census 2010 Data Products of the Island Areas - Commerce
3. Education Recovery Act Awards - Education
4. Environmental Protection Agency Support for Insular Areas, March 2012  
Environmental Protection Agency Support for the Freely Associated States  
Environmental Protection Agency – Region II Activities Surrounding Closure of HOVENSA Petroleum Refinery in the USVI
5. Homeland Security (DHS) Overview of Programs in Insular Areas
6. DHS Highlights on Parole Initiatives
7. DHS - USCIS Guidance on Employment Eligibility for Hiring in the Northern Mariana Islands  
DHS – USCIS Guidance for Employing Freely Associated State (FAS) Citizens in the U.S
8. Coral Reef Task Force Highlights – Interior and Commerce
9. Salt River Bay Marine Research and Education Center - Interior and JICMS
10. Historic Preservation Programs in Pacific West Region, National Park Service, Interior
11. Insular Affairs Ensuring Compliance with Federal Grant Program Requirements  
Insular Affairs Financial Assistance Highlights in 2011 to American Samoa, Guam, the Northern Mariana Islands, the U.S. Virgin Islands including Maintenance Assistance Program Highlights
12. Insular Plan for Alternative and Renewable Energy (IPARE) – Office of Insular Affairs
13. Social Security Administration SSI Fact Sheets
14. Small Business Administration Offerings in the Insular Areas
15. Treasury - State Small Business Credit Initiatives
16. USDA – Briefing Report and Overview