

**Committee on Natural Resources
& Committee on Foreign Affairs
Joint Oversight Hearing
2172 Rayburn House Office Building
September 26, 2019
10:00 a.m.**

Oversight Hearing on
Sustaining Insular Relationships

Question from Rep. Ed Case for Mr. Nikolao Pula, Director of the Office of Insular Affairs,
U.S. Department of the Interior

1. A critical component of the Compacts is the ability of FAS citizens to live and work freely throughout the United States and to participate in most government programs. This provision has resulted in a highly disproportionate negative financial impacts on those jurisdictions where the bulk of FAS migrants choose to live. Compact impact aid was intended to reimburse those jurisdictions for that cost, but thus far has been limited as to which jurisdictions and severely underfunded at only \$30 million total annually. For the State of Hawai'i as one example, FAS migrant costs for services such as health care and education in FY 2015 were estimated at over \$145 million. For the Territory of Guam in the same year, they were estimated at \$148 million. A very rough ballpark estimate as to current annual costs for Hawai'i alone is in the range of \$300 million. This situation is unacceptable and unsustainable and makes it difficult for our jurisdictions to continue supporting the Compacts. Can the Administration commit to supporting increased Compact impact assistance for affected jurisdictions at the level of their actual costs for this national commitment? Please provide an explanation for your answer.

Questions from Rep. Ed Case for Ms. Sandra Oudkirk, Deputy Assistant Secretary for Australia, New Zealand and the Pacific Islands, U.S. Department of State

2. During the hearing, you mentioned that the State Department is increasing its diplomatic presence in the Pacific. Would you please provide details and documentation of the extent and timeline associated with this increase? Please include a history of State personnel posted to the Pacific Island countries for the last ten years.
3. There are reports that leading supporters of the Chuuk independence referendum in the Federated States of Micronesia may have close ties with citizens of the People's Republic of China. Can the State Department corroborate these claims, and to what extent could this be considered an influence operation conducted by the Chinese government? What are the implications of a successful Chuuk independence referendum on the Compact of Free Association between the United States and the FSM?

Question from Rep. Ed Case for the Honorable Randall Schriver, Assistant Secretary of Defense for Indo-Pacific Security Affairs, U.S. Department of Defense

4. I am concerned with reports that ongoing Chinese investments in infrastructure in the Pacific Islands may have future military applications, including overseas Chinese military bases. What would be the impacts of such potential military bases on our military posture in the Indo-Pacific?

Question from Rep. Ed Case for Dr. David Gootnick, Director of International Affairs and Trade, U.S. Government Accountability Office

5. With regards to the ongoing GAO study on the impacts of FAS migration on affected jurisdictions, including Hawai'i, what challenges, if any, has the GAO encountered in gathering data for assessing and calculating these impact estimates? Has the GAO

identified to date any materially different facts or trends as compared to its last study?