



EMBASSY OF THE REPUBLIC OF THE MARSHALL ISLANDS
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September 27, 2024

Honorable Harriet M. Hageman, Chair
Subcommittee on Indian and Insular Affairs
Committee on Natural Resources
U.S. House of Representatives

Dear Hon. Representative Hageman,

I write to thank the Subcommittee on Indian and Insular Affairs for inviting me to testify at the Oversight Hearing held September 10, 2024, on “Examining the Implementation of the Compact of Free Association Amendments Act of 2024”. In response to the important questions raised by the Honorable Representatives during the hearing, I hereby submit enclosed herewith, on behalf of the Government of the Republic of the Marshall Islands our responses.

Please accept the assurances of my highest regard,

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by a horizontal line and a small flourish.

Charles R. Paul
Ambassador

**Questions for the Record of
the United States House of Representatives Committee on Natural Resources
Subcommittee on Indian and Insular Affairs
Hearing Examining the Implementation of
the Compact of Free Association Amendments Act of 2024
September 10, 2024**

Questions from Representative Westerman

1. Can you summarize any issues the RMI government has encountered relating to COFA implementation since the bill passed?

First, thank you, Mr. Chairman, for leading the House and co-leading the Congress in developing and enacting the law. Your efforts contributed to the negotiation of the agreements that the law approved as well as added to it, favorably responding to our requests, in addition to simply approving it. We are also grateful for the assistance that you received from others such as Subcommittee Chair Hageman and Task Force Co-Chair Radewagen.

Second, we greatly appreciate the oversight of implementation of the law, which was finally passed March 8th and signed March 9th, much later than any of us anticipated and hoped for. We hope that this will continue. It is needed.

There has been much to do since the law was enacted. One of the most essential measures was to negotiate the agreement pre-approved by the law for continuing certain U.S. services. These are not most U.S. programs, but are some of the most essential U.S. services, such as the delivery of mail to and from our islands. Negotiations did not begin until after the enactment of the law and were difficult on details. I am pleased to report, however, that the talks have concluded and the final agreement language was initialed September 24th. (The agreement will be signed as initialed when the U.S. Department of State is ready, which we expect will be in a couple of weeks.)

Another immediate task was to prepare an implementation plan for Fiscal Year 2024 financial assistance for education, health, infrastructure and maintenance, public sector capacity building, private sector development, and the residents of irradiated Enewetak Atoll in accordance with the new – and improved – Fiscal Procedures Agreement (“FPA”) approved by the law. My Government did so and the plan obtained concurrence as meeting the requirements of the FPA and the law from the law’s revised – and much improved – Joint Economic Management and Financial Accountability Committee, “JEMFAC” (with new appointments from both governments).

We have also had to draft an Annual Implementation Plan (“AIP”) for the law’s FY 2025 assistance. This has now also been done and submitted to JEMFAC for review of its fiscal soundness. We expect agreement soon.

The U.S. Department of the Interior's Office of Insular and International Affairs has been very helpful in these regards.

The law's also revised and improved joint committee to ensure the fiscal integrity of the repurposed Trust Fund for the People of the Marshall Islands had to be appointed and the Government of the Marshall Islands has had to decide on and develop plans for uses of the distributions, which begin in FY25, in accordance with the requirements of the Trust Fund Agreement. The new committee has met, and my government is finalizing plans for use of Trust Fund Agreement Article 17 distributions for the benefit of the people of the Marshall Islands as a whole. It has also made decisions regarding Article 18 distributions for the people of mutually agreed upon atolls and islands. The 13 are the peoples of 11 atolls affected by U.S. nuclear weapons testing and radioactive waste disposal and an island and an atoll with issues related to U.S. military missile testing at Kwajalein Atoll. Development of plans for these distributions is underway.

We have also made initial plans or are beginning work on plans for the additional funding for health care; education and job-training; infrastructure for the civilian areas of Kwajalein; access to records and education regarding U.S. nuclear weapons testing; the environment, including the impacts of the rising seas; and additional U.S. programs, including Head Start, elementary and secondary schools assistance, vocational and technical education, adult education, the Job Corps, and a program for preschoolers with special needs similar to the U.S. Individuals with Disabilities Education Act Part C program.

Our primary areas of concern have been the Department of Veterans Affairs beginning the law's healthcare for our U.S. military veterans who have returned home or travel to places where they can receive care and the implementation of education and 'social safety net' services available to non-citizen permanent residents of the U.S.

a. How have these challenges impacted RMI government and its citizens?

So far – and, as you know, it is very early in the implantation process – it is that our U.S. military veterans at home have not been able to receive the law's healthcare and travel for healthcare benefits and others who may have wanted to return home have not done so because our veterans still can only receive these benefits in U.S. areas, the Philippines, and Canada. The Veterans Affairs Department, however, has just announced, as you know, its timetable for implementing the law. The timetable seems to be a little slow – conclusion of the required agreement to begin the services as long as a full year after enactment of the law – but we now at least see movement.

Our citizens who have come to work or study in the U.S. are entitled under the law to post-secondary educational assistance, including new eligibility for in-State tuition, and 'social Safety net' programs for which other non-citizen residents have been eligible but from which our citizens were previously excluded. Some U.S. agencies have taken longer than others to

inform Federal officials or States and territories, resulting in some erroneous denial of benefits, but all have now issued the necessary guidance or have issued most of it.

- b. Have you raised these concerns with the administration? If so, what was their response?

Yes. The VA has responded with its timetable. Other agencies have issued or are finalizing guidance regarding provisions of the law.

2. How would the RMI government and its citizens be impacted if the Federal Programs and Services Agreement negotiations are not completed in a timely manner?

Would it be fair to say that it should be a priority for these negotiations to be completed as soon as possible?

Fortunately, you helped lead the Congress in enacting legislation that continued the current FPSA until a new one takes effect. If not, a lapse in postal, weather, aviation and bank deposit insurance would have been devastating.

Additionally, as you now also know, the negotiations have been completed, as evidenced by the initialing of a FPSA September 24th.

3. How has the delay of Department of Veterans Affairs services impacted RMI's veterans?

I addressed this above. U.S. military veterans in the RMI still are not receiving the care that they should under the law in the RMI or up-front financial assistance enabling them to travel to where they can receive that care, primarily, Guam, Hawaii, and the Philippines. Those who can, continue to pay out of pocket for exorbitant travel costs. Some cannot afford to do so. Others remain in the States or territories, primarily Guam, or they could live in the Philippines or Canada, rather than returning home.