

**Testimony of His Excellency, Jesse B. Marehalau
Ambassador of the Federated States of Micronesia
To the United States**

**Before the Committee on Energy and Natural Resources,
United States Senate**

October 25, 2005

S. 1830

Mr. Chairman, distinguished Members, ladies and gentlemen:

The Government of the Federated States of Micronesia (FSM) appreciates this opportunity to express our views on S. 1830, which makes certain important amendments to the Compact of Free Association Amendments Act of 2003.

The Bill incorporates a number of needed changes and clarifications that accurately reflect the intentions of all parties who participated in the negotiation of the Compact Amendments. My Government supports the Bill in every aspect. In fact, we hope that the U.S. Congress can see fit to enact it as soon as reasonably possible. Several of its provisions address situations urgently in need of resolution.

Sections 2 and 3 would implement agreements reached shortly after Congress' action on the Compact Amendments. The language replaces the original Compact arrangement regarding disaster assistance with a redesigned structure. Previously the entire responsibility was borne by FEMA. Under the new arrangement the United States Agency for International Development, FEMA and the Government of the FSM all would play active roles in respect of disaster response.

While we do welcome and support this new arrangement, Mr. Chairman, I would like to take this opportunity to express the deep gratitude of all our people to the FEMA organization and the many fine people within it who, for so many years have faithfully provided generous assistance at our times of darkest need. Sadly, natural disasters in many forms are frequent visitors to our islands, and we remain incapable of adequate response within our own means. We take comfort in knowing that FEMA retains an important place in our disaster response regime.

Section 4 corrects an oversight. The Compact Amendments Act makes FSM and RMI students attending colleges in the US, its Territories, and in the FSM or the Marshalls, eligible to receive BEOG and College work-study assistance for four years. The drafters simply were not aware at the time that there are about 150 FSM students enrolled at the Community College of Palau, or else they would have been included. The Bill extends eligibility to the FSM or RMI students at the Palau Community College.

Section 5 restores the ability of FSM, RMI and Palau citizens in the US to access the Legal Services Corporation by clarifying Compact language. Our citizens received this benefit under the first Compact, as had been intended, until about 5 years ago when LSC unilaterally reinterpreted the Compact language and refused to provide further services. Even though this amounted to a breach of the Compact obligation we have not been able, until now, to rectify it. If budget considerations present problems we would prefer to take such issues head on, rather than see individual US agencies be permitted to resort to expedient, after-the-fact and unilateral revisionism.

Finally, we also fully support the technical amendments set forth in Section 6.

Mr. Chairman, as you know, many if not most needs that are experienced regarding the Compacts of Free Association are felt by all three of the Freely Associated States. Thus, respectfully, I would like to add that the FSM shares the additional concerns raised by Palau and the RMI in their testimonies. We ask that consideration be given to dealing with them in this Bill, but if that is not possible, that a dialogue ensue with an eye toward possible action in the near future.

We remain very grateful to the Congress for having established the Supplemental Education Grant to ease the impact of discontinuance in the Compact Amendments of a number of long-running and important educational programs under Compact I. However, the capacities of our education departments are sorely taxed by the requirement that we justify the continuance of this grant on an annual basis. The essential activities being maintained with this grant are not new, nor are they experimental. This grant is, in any event, subject to the same intensive accountability requirements that apply to all Compact grants. We believe that the additional burden of securing re-appropriation each year should be seen as serving no one's interests. If nothing else, it makes forward planning a roll of the dice. This is not conducive to the sharp focus on education that is a hallmark of the philosophy underlying the Compact Amendments. The FSM joins others in asking the Congress to consider converting the SEG to a long-term appropriation.

The second additional concern we would raise, Mr. Chairman, is the need for a small amendment to Title 17, Section 111 of the United States Code in order to restore the ability of the Freely Associated States to air videotaped broadcasts of US network programming. This has been going on since Trusteeship days, but very recently had to be discontinued when the Micronesian company providing such services was sold to a US company, giving rise to copyright problems. It is easily remedied by putting the FAS on the same footing as Alaska, Hawaii, Guam and the CNMI. Without belaboring the issue, it would hardly seem to serve US interests to cut off US-sourced TV programming in the FAS, leaving the field to Japan, China and other foreign interests.

Next, I wish to call attention to Section 342 of the Amended Compact, which provides to the FAS the opportunity to have one qualified student at all times enrolled at each of the US Coast Guard and the Merchant Marine Academies. This benefit, which was also extended in the original Compact, has proved difficult to utilize, partly because a

Micronesian student, upon graduation, cannot be commissioned in the Coast Guard and cannot receive merchant mariner's licenses and associated documents. We are well aware of the citizenship limitations that our citizens so often have encountered in so many areas of US employment. We realize that the two examples raised here fall into that category. But with our "best and brightest" men and women fighting, being maimed and dying (we have lost two up to now) alongside US citizens in Iraq and elsewhere, we simply ask whether the time has not come at least to open fully the door of opportunity for advancement that is cracked in Section 342 of the Compact. Surely, if nothing else, qualified FAS merchant mariners, Academy graduates or otherwise, should be placed on an equal footing to acquire US papers and pursue beneficial careers upon the sea to which they were born – advancing at the same time progress toward the shared US/FAS objectives under the Compacts.

Lastly, Mr. Chairman, I refer to my letter to you following the Committee's recent hearings that focused on the legacy of nuclear testing in the Republic of the Marshall Islands. As I said in that letter, we too, seek a dialogue with the United States on the effects of those tests upon the health of our citizens. Today I ask to focus on the health problems experienced by the many FSM (then TTPI) citizens who accepted employment by the US Government to go to Bikini and Enewetak to assist in the so-called, "cleanup" operations after the tests concluded. RMI has brought to light the fact that the US Department of Labor is denying eligibility of those cleanup employees, former TTPI citizens, for compensation under the Energy Employees Occupational Illness Compensation Program Act on the basis of a citizenship technicality. We respectfully request the US Congress to look into this situation to determine whether appropriate legislative action is needed to see the right thing done.

In concluding, I wish to advise the Committee of a profoundly difficult situation that our country now faces, that directly impacts our efforts to move forward under the Amended Compact, but which was not anticipated when the Compact amendments were negotiated. I refer to the recent sharp rise in the cost of fossil fuels. As of now, virtually all sectors of our governments and our economy have become significantly more expensive. The assumptions previously applied by economists regarding what we will need in order to advance during the next twenty years stand in need of revision. Our remote island nation is among the most vulnerable on earth to rising fuel costs. Our shipping, our air service, our island power, the cost of our imported goods – all of these and more, are placing heavier demands on limited funds than anyone foresaw. At the very least, Mr. Chairman, the United States Government must take these new burdens into account as it monitors our efforts and passes judgment on our struggle to progress.

As always, Mr. Chairman and esteemed Members of the Committee, the Government of the Federated States of Micronesia places great value on opportunities such as this, for us to continue our dialogue on Compact-related issues. We deeply appreciate the resources you devote to this relationship through your regular staff work and through your periodic trips to our region. We express our thanks for your attention to the needs addressed in S. 1830, and respectfully request the Committee's favorable action on the Bill.