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BEFORE THE

HOUSE SUBCOMMITTEE ON INSULAR AFFAIRS

REGARDING

INTER-AGENCY GROUP ON INSULAR AREAS (IGIA)

JULY 17, 2008

Madam Chair and members of the Subcommittee on Insular Affairs, thank you for the opportunity to discuss the activities of the Inter-Agency Group on Insular Areas (IGIA), which deals with issues of concern in the United States territories of Guam, American Samoa, the U.S. Virgin Islands (USVI), and the Commonwealth of the Northern Mariana Islands (CNMI).

The Commonwealth of Puerto Rico is not included in the activities of the IGIA and is not included under the administrative authority of the Department of the Interior.

The Unique Circumstances of the Insular Areas and the IGIA

As you know, the United States insular areas, or territories, of Guam, American Samoa, the U.S. Virgin Islands (USVI), and the Commonwealth of the Northern Mariana Islands (CNMI) are beautiful isolated island communities, remote from the mainland United States. They are also unique in that they have limited land resources, small populations and, generally, limited pools of experts, especially in professional, technical and scientific fields. They are generally located in areas prone to typhoons, cyclones or hurricanes. They are relatively new to United States-style traditions of democracy and institutions of self-government.

In addition, because these areas are not states, a number of legal issues often set a territory or all territories apart from the 50 states and from one another. This has resulted in different applications of issues like minimum wage requirements, customs and border regulations, census enumerations, trade policy, and Medicaid treatment, to name a few, on the islands. I would add that people born in American Samoa are U.S. nationals, not U.S. citizens.

Insular areas do share common factors as well. For instance, residents of the insular areas do not pay Federal income taxes, cannot vote for President, and do not have full voting rights in the Congress. However, now with the CNMI added in 2009, all four territories will have non-voting delegates to the United States House of Representatives.

The factors I have just enumerated and others relating to the disparate histories and traditions of the territories show that there are important differences among the four territories and with the 50 states. It follows then that there may be unintended consequences when policies designed for the 50 states are applied to the insular areas. Just as Federal policy may produce unintended results, so too the territories may be excluded from Federal policies because they are not states. In addition, the special circumstances faced by the insular areas will sometimes merit policy initiatives designed especially for one or more of them. In view of the peculiar circumstances of the territories, it is important that the various Federal departments and agencies coordinate their activities that affect the insular areas, avoiding the incoherence of policy that may result when different parts of the Federal Government work at cross purposes or do not consider insular issues.

Executive Order -- Interagency Group on Insular Areas

It is for these reasons that President Bush, on May 8, 2003, signed Executive Order No. 13299 to establish the IGIA and provide for deliberation within the Executive branch on issues of consequence for our four territories. The Secretary of the Interior is the chairman. The IGIA consists of the heads of the executive departments and the heads of such agencies as the Secretary of the Interior may designate. The Executive Order directs that the IGIA shall:

- provide advice on establishment or implementation of policies concerning the four U.S. territories to the President (through the Office of Inter-Governmental Affairs in the White House) and the Secretary of the Interior,
- obtain information and advice concerning insular areas from governors and other elected officials in the insular areas through meetings, at least annually, in a manner that seeks their individual advice and does not involve collective judgment or consensus advice or deliberation,
- obtain information and advice concerning insular areas, as the IGIA determines appropriate, from representatives of entities or other individuals in a manner that seeks their individual advice and does not involve collective judgment or consensus or deliberation, and
- at the request of the head of any agency who is a member of the IGIA, unless the Secretary of the Interior declines the request,

promptly review and provide advice on a policy or policy implementation action affecting one of the insular areas proposed by the agency.

The IGIA as a Consultative Body

The Interagency Group on Insular Areas is a consultative and collaborative body with the task of obtaining advice and information on policy issues that the insular areas face individually and as a group. The Executive Order states:

• Nothing 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 was intended to act as a deliberative body and does not make executive, legislative or judicial decisions. It does not take positions on proposed legislation or policy on behalf of the Administration and cannot compel any member agency to take any action or adopt any particular position.

Instead, the IGIA provides a forum and mechanism for the elected leaders of the insular areas to frame issues for and participate in IGIA discussions leading to the formulation of Federal policy and work with Federal agencies that, in turn, work with them. Thus, island leaders have a channel of communication for voicing their concerns.

The provisions of the Executive Order and the fact that the IGIA has no dedicated budget or staff make it clear that the IGIA is intended to be a consultative and collaborative body, not a decision-making body.

Recent Meeting of the IGIA

The last meeting of the IGIA was held on February 26, 2008, in the Secretary's conference room at the Interior Department. Secretary Kempthorne, who has taken great and personal interest in the concerns of the islands, chaired most of the meeting. The Governors of Guam, American Samoa, and CMNI were present along with Delegates to Congress from Guam and the USVI, including the CNMI Washington Representative.

Executive Branch agencies represented, in addition to the Department of the Interior, were the Department of Defense, Department of Justice, State Department, Department of Homeland Security, Department of Labor, Department of Transportation, Department of Education, Department of Agriculture, Department of Energy, Department of Health and Human Services, Office of Management and Budget, Department of the Treasury, Office of the United States Trade Representative, Overseas Private Investment Corporation, Environmental Protection Agency, United States Postal Service, Department of Housing and Urban Development, Small Business Administration, Council on Environmental Quality, and Social Security Administration.

All present expressed appreciation for the productive nature of the meeting.

IGIA Issues

Numerous issues have been the subject of IGIA discussion with the island governors and representatives to Congress. The IGIA meetings have provided a forum for federal agencies to hear directly from elected leaders and, in some cases, provide answers to these issues.

For many of our colleagues across the Federal government, their first encounter with these issues came in an IGIA meeting. Federal agencies address their challenges in the territories as appropriate to its respective agency.

IGIA Working Groups

The IGIA has the flexibility to form working groups on special issues as needed.

One example is related to the planned military build-up on Guam. Working with DOD, other Federal agencies, and the Government of Guam, the IGIA is addressing as many civilian issues as we can so the buildup proceeds in an efficient way.

The IGIA has provided a framework to discuss the many issues and challenges arising from these developments. Recently, the Government of Guam raised concerns about the adequacy of civilian infrastructure to support the many components of the military buildup. Many of these concerns were aired at the November 2007 and February 2008 meetings of the IGIA Working group dealing with the build-up, and were raised in Congressional hearings before this Committee.

One result of these discussions came recently, when OIA staff traveled to Guam with Janet Creighton, Deputy Assistant to the President for Intergovernmental Affairs to meet with Governor Camacho and other leaders and learn first hand the challenges facing Guam related to the buildup.

Conclusion

We believe the IGIA is a useful forum for the leaders of the territories to speak directly and frankly to the leaders of Federal agencies. One of the main advantages of this dialogue is educational. As both the Federal agencies and the territories learn more about each other's issues and how things work in the other's domain, they will be able to develop deeper understanding of each other's needs and how to resolve common problems. The IGIA members have taken on some big issues, and we hope this work will continue.