OFFICE OF THE GOVERNOR / OFFICIAL PRESS RELEASE (for immediate release /January 6, 2005)

Contact: Pati Faiai, Chief of Staff Contact Number: 633-4116

Governor Togiola offer condolences to South Asia tsunami victims

(UTULEI) – Governor Togiola Tulafono has offered his condolences to the thousands of victims in countries devastated by the December 26 massive tsunamis-- as a result of a 9.0 earthquake off the Indonesia coast-- that has killed more than 150,000 people around the coastlines in southern Asia and eastern Africa.

"This catastrophe is being felt across the globe and it has brought the world closer together and therefore we share the pain," said Governor Togiola. "I offer the condolences and prayers of the people and government of American Samoa to the tsunami victims as we join our international community in solidarity to demonstrate our commitment to helping each other in times of need."

"Even the disasters that we have experienced in the Territory cannot match the devastation caused in South Asia," said the Governor. "It is overwhelming, but only God know how the force of nature can claim so many lives. This is a true test of our faith."

"We all know, in our very own way, that our celebrations of Christmas and New Year's were very different this year because of this terrible tragedy that has affected so many," said Governor Togiola. "With American Samoa as part of the international community, this appalling tragedy has been in the back of our minds and we knew it was a different feel to our celebrations."

In accordance with President Bush's proclamation, and in respect for the victims of the tsunami disaster, Governor Togiola ordered the United States flag and the Territory of American Samoa flag to be flown at half-mast from sunrise to sunset Monday, January 3, 2005 through Friday, January 7, 2005. A moment of silence will be observed on Friday at the Inauguration festivities at Veterans Stadium in Tafuna to remember the victims of the disaster and appealed to the people of American Samoa, private businesses and community and church organizations to give generously in the spirit of love and goodwill."

"A special tsunami appeal private business and government committee is being set up to co-ordinate relief efforts and channel donations in the most effective way possible and to maximize the impact of the assistance that private businesses and government will be giving. A donation from ASG is in the works," said Governor Togiola. "I wish to commend and say thanks to ANZ Amerika Samoa, Bank of Hawaii, Pago Pago Rotary Club and other community and church organizations for kick-starting our local donations drive to assist in the tsunami relief efforts. Millions of people are without food, water, shelter and medical attention and now is the time for American Samoa to respond to help those in great need as a result of this horrible tragedy. ***END***

OFFICIAL PRESS RELEASE (for immediate release /January 10, 2005)

Contact: Pati Faiai, Chief of Staff

Contact Number: 633-4116

Governor Togiola presents State of the Territory at joint session of Fono

(UTULEI) – Governor Togiola Tulafono presented the State of the Territory to a joint session of the Fono today, where he summed up the overall economic review of the Territory last year as healthy.

The following is Governor Togiola's State of the Territory address on Monday, January 10, 2005:

"Servants of God, Mr. President, Mr. Speaker, members of the Fono, Chief Justice, members of the judiciary, distinguished guests, and fellow citizens, every year, by law and by custom, we meet here to consider the state of the Territory.

This year, I bring you good news again. I am proud to say that our initial FY2004 budget review by off-island auditors, as of January 2005, say that your government is again in the black, with about a \$4 million surplus for fiscal year 2004. This will be the second consecutive fiscal year that ASG has had a surplus, with FY 2003's \$2.5 million surplus.

Last fiscal year's budget spending showed excellent response from government departments on a directive to cut and tighten spending. Additionally, the Treasury Office underwent drastic improvements in revenue collections, especially at the department's Customs Office and Tax Division.

This is great news despite the fact we did not implement any new taxes. Unaudited figures for FY 2004 indicated in the FY 2005 budget, that the government estimated to have collected \$58.5 million in local revenues in FY 2004. We forecast that \$64 million will be collected in FY 2005.

The FY 2004 surplus will also be submitted to the Fono for re-appropriation, which will include some government projects. I call on the Fono, to work together with this Administration, on proposals submitted to the Fono for consideration and approval.

One key area of submission by this Administration is a measure to fund a salary increase across the ASG workforce, to help alleviate the high cost of living currently faced by our Territory. Last year's rise in the cost of living was 6% compared to 2.2% two years ago. The cost of living is on the rise due to factors outside of the Territory and beyond the government's control. The funding source for the salary increases to be submitted to the

Fono will come from the surplus and will target low wage earners. Those making <u>less</u> than \$40K a year will be included in this salary increase.

The off-island auditors are currently on island to work on the government's financial statements, and they have noted that FY 1997 to 2001 have already been completed while FY 2002 is in its closing stages. FY 2003 should start around June this year and final figures for FY 2004, including the surplus amount, should be known once the full audits are carried out.

And more good news for the Territory. Last week, the Office of Insular Affairs at the Department of Interior released \$9.7 million of Capital Improvement Project funds for this fiscal year for projects already approved. The release of these CIP funds is a big boost for all our construction projects, which includes ongoing projects like our roads, school buildings, electricity, water and sold waste, communications, the hospital and government buildings, just to mention a few.

I am happy to report to you that the overall economic review of the Territory last year can be summed up as healthy.

The changes in our local economy and its impact are caused by world economic changes and other elements because American Samoa depends heavily on imported goods. When there is a war or the price of oil goes up, there will be a hike in the cost of living worldwide and affecting us in American Samoa.

Although local farmers are strong in providing local produce, 90% of goods and products are imported from off island. I would like to say thank you to our local farmers for their help in balancing out the high cost of living faced by the Territory and our people.

In October last year, the Department of Commerce released the consumer price index for the 3rd quarter. They noted another rise in the costs of goods and services normally purchased locally, due to global increases in cost of fuel and oil, and the continuous demand for materials and supplies needed for home repairs and improvements.

Despite the hike in cost of living, there is good news coming from local stores and businesses, which shows that people have money to spend, as evidenced through new homes, renovated homes, new church building projects, furniture, cars, equipment and other material conveniences to meet today's lifestyle.

Although there was a decrease in grocery purchases at local stores, the government has received reports of the increase in public patronage of local restaurants, especially at McDonald's, Pizza Hut and KFC.

BUSINESS

There is an increase of new construction projects in local businesses, including the increase of the labor force. A positive sign can be found in the Treasury report, indicating

an increase in new business ventures, as found in the increase of new business licenses issued last year.

We have a decrease in major government development projects at this time, with new projects to come in the very near future. Our roads improvement projects will continue along with work for government and private businesses. There will be an increase in the amount of projects in electric utilities and our telecommunication system that continue to improve from year to year. All this work results in improvement in our classrooms and the medical services for our people. So, with the release of the \$9.7 million dollars, we should see an increase in government development projects real soon.

The Territory is making strides on the improvement of tourism. It is imperative that we work together in the planned redevelopment of the hotel in Utulei. We are on a positive path in collaborating with existing businesses in our hospitality industry and villages to assist in the clean up of our Territory to better attract tourists.

CANNERIES

We are working hard to save our canned tuna industry. Every effort is being exhausted to develop a new Section 936 tax incentive program, which will either match or exceed the existing tax structure, which exempts U.S. corporations, such as Chicken of the Sea / Samoa Packing and Star Kist Samoa, from paying federal income tax on profits. This tax credit expires this year. We need the tax credit benefits to make the Territory of American Samoa an attractive forum for new investments by major U.S. companies, and to keep our canned tuna industry.

AIR TRAVEL

The Territory's air transportation problem is far from being resolved. This Administration will continue to seek out carriers to provide air service for American Samoa after Aloha Airlines discontinues its flights to Pago Pago this week. It is important that the Honolulu-Pago Pago route be profitable for interested carriers to serve the Territory. It is good to have two airlines to serve the Hawaii route; however, this is all based on the successful economic development of each airline.

Aloha Airlines filed for Chapter 11 at the U.S. Bankruptcy Court in Honolulu recently. We will continue to talk with other carriers that might be interested in operating flights to Pago Pago. Southwest Airlines will soon fly into Hawaii from California and we would like to talk to them regarding service to our island home.

HEALTH CARE

We have made much progress in our health care system and we will continue to grow and improve. Improvements at LBJ Medical Center are ongoing as well as the Department of Health. The delay in a total facelift of the hospital is due to a lack of funds, especially considering that we continue to enjoy more than affordable hospital fees that we are

fortunate to pay per visit. Now we are faced with a shortage of nurses, so it is of the utmost priority that we offer financial assistance to the nursing program at ASCC by way of new scholarships to aspirants who desire a career in nursing. We are working with the hospital to assist in the completion of medical degrees for current staff.

The Office of the Governor received a grant last year to develop plans to provide affordable health insurance for our uninsured residents. We need this kind of support in our efforts to develop options to provide access to health care and coverage for our residents. We need to work hard and be innovative in helping to get all of American Samoa on health coverage.

Most of the residents of the Territory lack on island or off island health insurance and the government is pursuing a wide range of initiatives to expand coverage to reach more residents who otherwise would go without coverage.

We will begin by conducting studies to identify the uninsured residents and the reasons why they are uninsured. The information will determine the most effective ways to provide high-quality, affordable health insurance, using plans offered to government employees or other benchmark health plans as a model.

EDUCATION

We continue to work on improving our Department of Education and our "high risk" status that was issued by the U.S. Department of Education. I am happy to say that in its last visit, USDOE indicated an improvement in its collaboration with our local department, which resulted in the release of educational funds without penalizing the Territory.

The issues that were of the most concern to USDOE have now been addressed with policies in place so we no longer revisit that "high risk" status. We have completed the requested audits of the six year period, 1997 to 2002, with completion of 2003 this year. For the school year 2004, we have completed that. This is the first year that our fixed assets have been included in the audit and I commend the Treasury, Property Management and the Procurement Office.

This is great news that I am sharing. Our local DOE have addressed the concerns and complied with policies and requirements that have resulted in winning back the confidence of USDOE, assuring maintenance care of equipment and utilizing federal funds for the purposes intended as required by USDOE.

Systems are now in place where our local DOE, along with other government departments, have electronic access to all education department accounts, as posted by the Budget Office, maintaining use of and balance of funds. This service is also being made available now to the Fono, with the rest of ASG departments to have access to it in the very near future. We owe thanks for this link to the hard work of the DELTA Consortium, which was created in 1997 by the late Governor Tauese.

Major improvements continue in our high school campuses and facilities in regards to classrooms and school buildings with addition of new classrooms to accommodate the growth in enrollment. This includes much-needed new classrooms in many of our elementary schools this fiscal year.

The surplus funds that ASG now has will also allow us to address salaries for classroom teachers, as incentive for many of our trained teachers in the department and on island to return to the classroom.

OTHER FOCUSES

We are taking a look at some of the existing services of some departments to assess its functions and determine how to improve and better serve our people. Emphasis will also be placed on service providers relative to the preservation of language and culture.

We are so proud of the progress that has been made in our on island computer training and the field of information technology. It has made the distance not as great with loved ones residing or attending schools off island. Moreover, it has also bridged the gap with parents and young people as well as to provide better access to research in school work and the workplace.

So much focus is placed on minimum wage every year. It is the hope of your government that education and further training will result in good salaries and therefore remove the focus on minimum wages.

PAY INCREASE

We plan to seek assistance with the Fono to earmark funds from our surplus for a pay increase for many of our government employees to go with the increase in the cost of living. This increase <u>will not</u> be for everyone, but for our dedicated and hardworking employees on the lower end of the ASG pay scale, those who, I believe, need it most.

Yes, your government is healthy. And your government needs your help to keep it healthy and strong. And we are strong because our faith runs deep. As we begin this new administration we place our confidence in the Our Loving God.

May God guide us and may God continue to bless American Samoa and our sons and daughters defending the freedom of the world.

Soifua ma ia manuia."

OFFICIAL PRESS RELEASE (for immediate release /January 10, 2005)

Contact: Pati Faiai, Chief of Staff

Contact Number: 633-4116

Governor Togiola presents State of the Territory at joint session of Fono

(UTULEI) – Governor Togiola Tulafono presented the State of the Territory to a joint session of the Fono today, where he summed up the overall economic review of the Territory last year as healthy.

The following is Governor Togiola's State of the Territory address on Monday, January 10, 2005:

"Servants of God, Mr. President, Mr. Speaker, members of the Fono, Chief Justice, members of the judiciary, distinguished guests, and fellow citizens, every year, by law and by custom, we meet here to consider the state of the Territory.

This year, I bring you good news again. I am proud to say that our initial FY2004 budget review by off-island auditors, as of January 2005, say that your government is again in the black, with about a \$4 million surplus for fiscal year 2004. This will be the second consecutive fiscal year that ASG has had a surplus, with FY 2003's \$2.5 million surplus.

Last fiscal year's budget spending showed excellent response from government departments on a directive to cut and tighten spending. Additionally, the Treasury Office underwent drastic improvements in revenue collections, especially at the department's Customs Office and Tax Division.

This is great news despite the fact we did not implement any new taxes. Unaudited figures for FY 2004 indicated in the FY 2005 budget, that the government estimated to have collected \$58.5 million in local revenues in FY 2004. We forecast that \$64 million will be collected in FY 2005.

The FY 2004 surplus will also be submitted to the Fono for re-appropriation, which will include some government projects. I call on the Fono, to work together with this Administration, on proposals submitted to the Fono for consideration and approval.

One key area of submission by this Administration is a measure to fund a salary increase across the ASG workforce, to help alleviate the high cost of living currently faced by our Territory. Last year's rise in the cost of living was 6% compared to 2.2% two years ago. The cost of living is on the rise due to factors outside of the Territory and beyond the government's control. The funding source for the salary increases to be submitted to the

Fono will come from the surplus and will target low wage earners. Those making <u>less</u> than \$40K a year will be included in this salary increase.

The off-island auditors are currently on island to work on the government's financial statements, and they have noted that FY 1997 to 2001 have already been completed while FY 2002 is in its closing stages. FY 2003 should start around June this year and final figures for FY 2004, including the surplus amount, should be known once the full audits are carried out.

And more good news for the Territory. Last week, the Office of Insular Affairs at the Department of Interior released \$9.7 million of Capital Improvement Project funds for this fiscal year for projects already approved. The release of these CIP funds is a big boost for all our construction projects, which includes ongoing projects like our roads, school buildings, electricity, water and sold waste, communications, the hospital and government buildings, just to mention a few.

I am happy to report to you that the overall economic review of the Territory last year can be summed up as healthy.

The changes in our local economy and its impact are caused by world economic changes and other elements because American Samoa depends heavily on imported goods. When there is a war or the price of oil goes up, there will be a hike in the cost of living worldwide and affecting us in American Samoa.

Although local farmers are strong in providing local produce, 90% of goods and products are imported from off island. I would like to say thank you to our local farmers for their help in balancing out the high cost of living faced by the Territory and our people.

In October last year, the Department of Commerce released the consumer price index for the 3rd quarter. They noted another rise in the costs of goods and services normally purchased locally, due to global increases in cost of fuel and oil, and the continuous demand for materials and supplies needed for home repairs and improvements.

Despite the hike in cost of living, there is good news coming from local stores and businesses, which shows that people have money to spend, as evidenced through new homes, renovated homes, new church building projects, furniture, cars, equipment and other material conveniences to meet today's lifestyle.

Although there was a decrease in grocery purchases at local stores, the government has received reports of the increase in public patronage of local restaurants, especially at McDonald's, Pizza Hut and KFC.

BUSINESS

There is an increase of new construction projects in local businesses, including the increase of the labor force. A positive sign can be found in the Treasury report, indicating

an increase in new business ventures, as found in the increase of new business licenses issued last year.

We have a decrease in major government development projects at this time, with new projects to come in the very near future. Our roads improvement projects will continue along with work for government and private businesses. There will be an increase in the amount of projects in electric utilities and our telecommunication system that continue to improve from year to year. All this work results in improvement in our classrooms and the medical services for our people. So, with the release of the \$9.7 million dollars, we should see an increase in government development projects real soon.

The Territory is making strides on the improvement of tourism. It is imperative that we work together in the planned redevelopment of the hotel in Utulei. We are on a positive path in collaborating with existing businesses in our hospitality industry and villages to assist in the clean up of our Territory to better attract tourists.

CANNERIES

We are working hard to save our canned tuna industry. Every effort is being exhausted to develop a new Section 936 tax incentive program, which will either match or exceed the existing tax structure, which exempts U.S. corporations, such as Chicken of the Sea / Samoa Packing and Star Kist Samoa, from paying federal income tax on profits. This tax credit expires this year. We need the tax credit benefits to make the Territory of American Samoa an attractive forum for new investments by major U.S. companies, and to keep our canned tuna industry.

AIR TRAVEL

The Territory's air transportation problem is far from being resolved. This Administration will continue to seek out carriers to provide air service for American Samoa after Aloha Airlines discontinues its flights to Pago Pago this week. It is important that the Honolulu-Pago Pago route be profitable for interested carriers to serve the Territory. It is good to have two airlines to serve the Hawaii route; however, this is all based on the successful economic development of each airline.

Aloha Airlines filed for Chapter 11 at the U.S. Bankruptcy Court in Honolulu recently. We will continue to talk with other carriers that might be interested in operating flights to Pago Pago. Southwest Airlines will soon fly into Hawaii from California and we would like to talk to them regarding service to our island home.

HEALTH CARE

We have made much progress in our health care system and we will continue to grow and improve. Improvements at LBJ Medical Center are ongoing as well as the Department of Health. The delay in a total facelift of the hospital is due to a lack of funds, especially considering that we continue to enjoy more than affordable hospital fees that we are

fortunate to pay per visit. Now we are faced with a shortage of nurses, so it is of the utmost priority that we offer financial assistance to the nursing program at ASCC by way of new scholarships to aspirants who desire a career in nursing. We are working with the hospital to assist in the completion of medical degrees for current staff.

The Office of the Governor received a grant last year to develop plans to provide affordable health insurance for our uninsured residents. We need this kind of support in our efforts to develop options to provide access to health care and coverage for our residents. We need to work hard and be innovative in helping to get all of American Samoa on health coverage.

Most of the residents of the Territory lack on island or off island health insurance and the government is pursuing a wide range of initiatives to expand coverage to reach more residents who otherwise would go without coverage.

We will begin by conducting studies to identify the uninsured residents and the reasons why they are uninsured. The information will determine the most effective ways to provide high-quality, affordable health insurance, using plans offered to government employees or other benchmark health plans as a model.

EDUCATION

We continue to work on improving our Department of Education and our "high risk" status that was issued by the U.S. Department of Education. I am happy to say that in its last visit, USDOE indicated an improvement in its collaboration with our local department, which resulted in the release of educational funds without penalizing the Territory.

The issues that were of the most concern to USDOE have now been addressed with policies in place so we no longer revisit that "high risk" status. We have completed the requested audits of the six year period, 1997 to 2002, with completion of 2003 this year. For the school year 2004, we have completed that. This is the first year that our fixed assets have been included in the audit and I commend the Treasury, Property Management and the Procurement Office.

This is great news that I am sharing. Our local DOE have addressed the concerns and complied with policies and requirements that have resulted in winning back the confidence of USDOE, assuring maintenance care of equipment and utilizing federal funds for the purposes intended as required by USDOE.

Systems are now in place where our local DOE, along with other government departments, have electronic access to all education department accounts, as posted by the Budget Office, maintaining use of and balance of funds. This service is also being made available now to the Fono, with the rest of ASG departments to have access to it in the very near future. We owe thanks for this link to the hard work of the DELTA Consortium, which was created in 1997 by the late Governor Tauese.

Major improvements continue in our high school campuses and facilities in regards to classrooms and school buildings with addition of new classrooms to accommodate the growth in enrollment. This includes much-needed new classrooms in many of our elementary schools this fiscal year.

The surplus funds that ASG now has will also allow us to address salaries for classroom teachers, as incentive for many of our trained teachers in the department and on island to return to the classroom.

OTHER FOCUSES

We are taking a look at some of the existing services of some departments to assess its functions and determine how to improve and better serve our people. Emphasis will also be placed on service providers relative to the preservation of language and culture.

We are so proud of the progress that has been made in our on island computer training and the field of information technology. It has made the distance not as great with loved ones residing or attending schools off island. Moreover, it has also bridged the gap with parents and young people as well as to provide better access to research in school work and the workplace.

So much focus is placed on minimum wage every year. It is the hope of your government that education and further training will result in good salaries and therefore remove the focus on minimum wages.

PAY INCREASE

We plan to seek assistance with the Fono to earmark funds from our surplus for a pay increase for many of our government employees to go with the increase in the cost of living. This increase <u>will not</u> be for everyone, but for our dedicated and hardworking employees on the lower end of the ASG pay scale, those who, I believe, need it most.

Yes, your government is healthy. And your government needs your help to keep it healthy and strong. And we are strong because our faith runs deep. As we begin this new administration we place our confidence in the Our Loving God.

May God guide us and may God continue to bless American Samoa and our sons and daughters defending the freedom of the world.

Soifua ma ia manuia."

OFFICIAL PRESS RELEASE (for immediate release /January 13, 2005)

Contact: Pati Faiai, Chief of Staff Contact Number: 633-4116

Governor Togiola launches American Samoa Tsunami Relief Effort

(UTULEI) – American Samoa, in global solidarity, is doing its part to assist in the aftermath of the horrible tsunami tragedy in southern Asia.

Governor Togiola Tulafono officially launched the American Samoa Tsunami Relief Effort today in a ceremony at the Office of the Governor in Utulei.

As chairman of the relief appeal, Governor Togiola joined Paramount Chief Galea'i Tu'ufuli, chairman of American Samoa Red Cross, Gene Paul, President of Pago Pago Rotary Club and fellow Rotarians Joe Weilenman, Will Sword and Dave Buehler, who is also the District Manager of Bank Hawaii, Ben Lausen, President of the Lions Club of Pago Pago, Pastor Randy English of KULA-LP-FM and Andrew Fa'asau of KSBS-FM to kick-start the relief donations drive that will go on for two weeks.

"We have watched the shocking images of the devastation in South Asia and East Africa caused by massive tsunamis on December 26th," said Governor Togiola. "We know disasters of nature. We know it well, but nothing of this magnitude. This terrible tragedy has taken the lives of more than 150,000 people and leaving thousands and thousands of people homeless without food, water, shelter and medical attention."

Governor Togiola said the world continues to struggle to understand and make sense of the catastrophic loss of life and damage by the force of nature and he believes in the people's spirit of giving.

"I know as part of the international community, our island home, and as a people, in these trying times, that American Samoa's compassion and concern for others extends beyond our shores," said the Governor. "I am delighted and honored for the invitation by our dedicated community organizations to chair our tsunami relief appeal."

In a joint effort with Pago Pago Rotary Club, Lions Club of Pago Pago, Business and Professional Women of American Samoa, the American Samoa Red Cross, our radio stations 93KHJ, American Samoa Public Radio KULA-LP 95FM, KSBS-FM, KNWJ-Showers of Blessings, KJAL-AM, KVZK-TV, KHJ-TV-10 and Bank of Hawaii and ANZ Amerika Samoa Bank, schools, churches, villages, clubs and associations and

hundreds and hundreds of volunteers, Governor Togiola made a plea to the people of American Samoa to give generously.

"We are a terrritory and people known for our tremendous generosity. I encourage our citizens to make whatever financial contributions you can to our island relief efforts to help in the aftermath. They desperately need our help," said Governor Togiola. "As you prepare to give, I ask that you keep the people of South Asia and East Africa in your daily prayers."

Donation drop-off points across the island will be manned by representatives of the many community organizations that are part of the relief effort. The "Give Booths" will be located at Samoana Gym in Utulei, J-Len Ts in Nu'uuli and Two Dollar Beach in Avaio.

This Saturday from 6am to 4pm, the Tsunami Relief Radiothon is on-air when all local radio stations pool their air and ground waves and unite in simultaneously seeking donations and making the plea to give generously.

"I call on all churches of all denominations to do their part with special collections to help our relief efforts and I also encourage the government and the private sector workforce to do the same," said Governor Togiola. "As we devote the next two weeks to raise funds for the tsunami victims, let it be a challenge to all of us to help the people rebuild their homes and their lives because over 5 million people lack basic necessities such as food, water or sanitation after the disasters."

"I express my sincere gratitude to all of our island community organizations, clubs, associations and businesses, and also a special thanks to all the schools that have begun relief effort fundraising. Let us join in one spirit in giving because it is life-giving. Be it small or large, your donations will show that island compassion in time of need."



OFFICIAL PRESS RELEASE

(for immediate release /January 14, 2005)

Contact: Pati Faiai, Chief of Staff

Contact Number: 633-4116

Governor Togiola gives belated Inauguration Address on TV

(UTULEI) – Governor Togiola Tulafono went on government television KVZK today to give the Address that was prepared for Inauguration Day, last Friday, January 7th at Veterans Stadium in Tafuna.

Due to the rainy conditions of the day at the inauguration festivities a week ago, Governor Togiola decided not to give the Inauguration Address because of his great concern for the safety and health of the young people that braved the downpour while assembled on the stadium malae, which included elementary school students and high school JROTC cadets.

-0-

Governor Togiola and First Lady Mary Ann Tulafono will depart the Territory tonight for Washington DC to take part in the festivities leading up to the Inauguration of President George W. Bush on Thursday, January 20th.

The following is the Inauguration Address:

"Today is not the culmination of any aspiration; nor the realization of any dreams, or the achievement of any lofty goals set by Ipulasi and I for ourselves. No. These offices, and this honor, is much greater and higher than any aspirations, dreams, or goals we could ever envisioned or entertained.

Ipulasi and I were simply inspired by your aspirations; your dreams, and your goals – to make sure that the successes and great achievements in our government, and our land, will continue, and will be made better.

My dear American Samoa, I stand here today to make one promise to you. The successes of your government to this point will continue for American Samoa. You have my promise that our better days are still ahead.

We are a people and a government in transition. And today, we have come together to celebrate the promise and reaffirm the commitment of "Bridging the Generations."

This is not just a self-imposed promise for Ipulasi and I. It is our God-given duty to nurture and implement, so that we make sure that there is a smooth transition from the generations of our parents and their parents, and the generations of our children and their children, will share all that is excellent from one generation to the next. That is why we must endeavor to forge a government that will assure not just a smooth transition, but also passing on the mantle to a generation that is prepared to receive it in order to continue that great heritage.

I submit, therefore, it is our obligation to re-examine our political status and our governance stature. I proposed last year to empanel a political status commission, and I will be submitting in this session of the Fono legislation to authorize and fund such a commission.

Second to that, I also proposed last year to call a constitutional convention so that we can re-examine our constitution and make modifications to be consistent with the advent of our political and social development. I will be submitting to this session of the legislature proposed legislation to authorize funds for a constitutional convention.

In our endeavor to bridge the generations of our country, we must commit to building strong families that emphasize Christian values. Building the core family unit requires us to strengthen our commitments to our God and our religion. I do not propose in here to support any particular religion. Rather, I am simply urging our people to renew your commitment to our God, and your own religion.

Like you, I believe in the providence of our Heavenly Father that has made all these blessings possible for our land and our people. It is our duty, therefore, to acknowledge it; and to obey His will. And in the words of President George Washington: "To be grateful for His benefits, and humbly to implore His protection and favors."

Strengthening our families also require us to deliver the best education to our children. Ipulasi and I are committed to major improvements to the educational system that will assure the presence of qualified teachers in every classroom, with all the necessary tools to deliver their instructions.

We are calling for the establishment of appropriate credentialing and certification of our teachers, and to re-structure the compensation of teachers so we are able to keep our best and brightest in American Samoa.

We are also committed to finding ways to assure the delivery of the best health care for our people that is affordable and more than just adequate. We received money to try and find a way to implement a health insurance program to help us pay the rising cost of health care.

In this endeavor to appropriately Bridge the Generations of our people, we are committed to government service to all our people with the highest degree of integrity and transparency to assure the confidence of the people in their government, and to assure the passage to our children of a worthwhile government that they can be proud of. In appointing my directors for departments, I am insisting on honest people who manage with compassion, and will assist on great moral character on and off the job. This is a must as far as I am concerned. I will not hesitate to clean out those who choose not to follow these high standards.

My dear American Samoa, I pledge to you the continuation of all other government services to our people with the highest degree of integrity. We will continue to improve the customer relations of the government, and we will not tolerate any deviations at all.

In conclusion, I want to congratulate the Fono leadership for their successful elections, and wish them well in their work throughout this term. I look forward to working with you all in the service of our people.

I thank also all our distinguished citizens and guests. Especially the school children who came to honor us with their participation in the march and parade. Thank you so much for honoring us today. To the Department of Public Safety and Army Reserve, we thank you. To all other organizations, bands and associations – thank you kindly for your blessings and participation.

May God bless American Samoa. God bless our "Toa o Samoa" soldiers and their families. God bless all of you. Soifua."

OFFICIAL PRESS RELEASE

(for immediate release - January 19, 2005)

Contact: Pati Faiai, Chief of Staff

Contact Number: 633-4116

Governor Togiola issues statement on death of His Eminence Cardinal Pio Taofinu'u

(UTULEI) - Governor Togiola Tulafono today released the following statement regarding the death of His Eminence Cardinal Pio Taofinu'u in Apia:

"I am deeply saddened by the death of His Eminence Cardinal Pio Taofinu'u. Cardinal Pio was beloved and adored throughout Samoa, American Samoa and our Pacific community. Mere words cannot describe the impact his example and actions have had on God's people across the Samoan archipelago. He touched countless lives.

His Eminence was an example of moral conviction to people of all faiths in both Samoas, who used his influence to promote individual dignity and respect for every human life.

Cardinal Pio truly inspired all Samoans, regardless of religious denomination, to embrace harmony in religion and collaboration of churches.

I mourn the great loss of this humble servant of God, but know that the legacy of Cardinal Pio's conviction and inspiration will endure far into the future.

Mary, Lieutenant Governor Ipulasi, Mrs. Elisapeta Sunia, the people and government of American Samoa join me in expressing our sincere condolences to Archbishop Alapati Mataeliga of the Diocese of Samoa - Apia and Tokelau, and to Bishop John Quinn Weitzel of the Diocese of Samoa - Pago Pago, and all Roman Catholics of both Samoas, on the passing of this great man who has come to be a symbol of peace and humility.

We give thanks and praise to God for giving us such a humble and fearless man, a son of all of Samoa, to lead His church for so many years.

God bless His Eminence Cardinal Pio Taofinu'u. O le Toa o le Tala Lelei."

OFFICE OF THE GOVERNOR / OFFICIAL PRESS RELEASE

(for immediate release / January 20, 2005)

Contact: Pati Faiai, Chief of Staff

Contact Number: 633-4116

Governor Togiola announces the Territory qualifies for Universal Service Funding

(UTULEI) - Governor Togiola Tulafono has announced that American Samoa now qualifies to receive rural health care discounts of 50% for advanced telecommunication services.

In his announcement, Governor Togiola said the Federal Communications Commission (FCC) amended its rules on December 15, 2004 to specifically enable health care providers in the Territory, and other Pacific Insular Areas, to receive the health care discounts. The benefit is in accordance with the universal service provisions of the Telecommunications Act of 1996.

"This is a benchmark in the history of ASG," said the Governor. "The rule changes have been long overdue and after five years of effort, our health care providers now qualify. This is great and wonderful news and is a great way to start the new year."

Governor Togiola said the FCC support to health care providers in states that are entirely rural equal to 50 percent of the monthly cost of advanced telecommunications and information services reasonably related to health care need of the facility. According to the Governor since all other states have urban areas, the rule primarily applies to American Samoa and the other Pacific Insular areas.

"This means our LBJ Tropical Medical Center will qualify for 50 percent funding from the Rural Health Care Division for services such as the off-island internet connection that the ASTCA has graciously provided to health and education at no cost since 1998," said Governor Togiola. "Prior to this decision, American Samoa and other Insular Areas were excluded from the universal service funding due to provisions in the Act that provides telecommunications support only for rural-urban telecommunications within a state."

Governor Togiola expressed his appreciation to the many people and organizations that helped the FCC to understand the special problems that warranted change for American Samoa and the Insular Areas.

"Thank you to the many people and organizations across the Pacific that have supported our inclusion in the universal service," said Governor Togiola. "On island I wish to thank Executive Director Aleki Sene of the American Samoa Telecommunications Authority, Congressman Faleomavaega Eni, Christina Higa and Dr. Norman Okamura of the UH PEACESAT Program, Andra Samoa of the ASG DELTA Consortium, Taufete'e John Faumuina, CEO of LBJ Hospital Authority, Dr. Tamasoaali'i J. Tufa, former Director of Health. Thank you for a job well done."

Governor Togiola also expressed his sincere appreciation to Cathy Wasem of the Health Resources and Services Administration, U.S. Senator Conrad Burns; U.S. Senator Daniel K. Inouye; Congressman Neil Abercrombie; Congresswoman Patsy Mink; CNMI Resident Representative to the U.S. Pete Tenorio, the CNMI Legislature, the Commissioner of Education of the CNMI, the Guam Legislature, the Pacific Island Health Officers Association, the PEACESAT Program of the University of Guam and, of course the FCC, and many others.

"This is one of the major accomplishments American Samoa took the lead in, with regards to articulating Congress' intent to ensure that rural areas such as American Samoa receive support for the high cost of providing telemedicine to rural health care providers," said Governor Togiola.

Background

The Telecommunications Act of 1996 established a competitive telecommunications environment. The Act also created a universal service fund for education and health care administered by the FCC. The fund is supported through universal service fees charged to providers of telecommunication service. These charges have been passed on to consumers. The FCC administers the funding and programs through the Universal Service Administrative Company (USAC).

The educational program -- known as "Erate"-- supports the interconnection of all public and private schools in American Samoa, and the Library. Erate has enabled American Samoa to interconnect its schools to a high-speed network that extends to the Manu'a islands and Aunu'u, and obtain off-island Internet connections. Erate has paid for the networking equipment and maintenance. Although the program does not pay for end-user computers, Erate has literally been the backbone of educational telecommunications for the Department of Education.

Health care providers in American Samoa were not as fortunate as the Department of Education or health care providers in other states such as Hawaii. In Hawaii, the rural health care program established by Congress has been used by health care providers in the Aloha State to interconnect rural hospitals to other health care providers in Honolulu and elsewhere.

For example, the cost to interconnect a hospital to another hospital in urban Honolulu is about \$300 per month. However, the cost to interconnect a hospital in Kauai to a hospital in Honolulu or to the University of Hawaii is about \$3,300 per month.

Since the cost of the interconnection within urban Honolulu is \$300 per month, the universal service fund will pay \$3,000 per month for the rural to urban link. The rural health care provider pays the same amount as the health care provider in the urban area even though their T1 connection is much more. Since a significant portion of the costs are

paid for by the Rural Health Care fund, 36 hospitals and clinics have connected to each other through the State of Hawaii Telehealth Access Network (STAN).

Although ASTCA was designated an Eligible Telecommunications Carrier (ETC), the rural health care program was structured in such a way that American Samoa and other insular areas were excluded. American Samoa is considered "rural." However, the FCC's designation of the main island of Tututila as the "urban" area, for purposes of the rural health care program, had prevented the rural health care program from operating as intended. This is especially true given that Tutuila includes 95% of the population and all of the health care providers in the Territory.

American Samoa has been interconnected to STAN, but only through a contribution telecommunications capacity by ASTCA.

ASTCA has not received discounted funding because American Samoa has not received any discounted services for advanced telecommunications.

For more information, contact:

Andra Samoa, Coordinator ASG DELTA Consortium (684) 733-1740

OFFICIAL PRESS RELEASE

(for immediate release / Thursday, January 27, 2005)

Contact: Pati Faiai, Chief of Staff

Contact Number: 633-4116

Governor Togiola and American Samoa Tsunami Relief Effort group announce \$150,000 collected in fundraising drive

(UTULEI) – Governor Togiola Tulafono and the American Samoa Tsunami Relief Effort group of community service organizations announced this morning the total amount collected in the relief drive is \$150,000.

The announcement was made at the Office of the Governor in Utulei, and those that joined Governor Togiola, who is the chairman of the relief drive, were Mr. Gene Paul, President of the Pago Pago Rotary Club and fellow Rotarians, Mr. Ben Lausen, President of the Lions Club of Pago Pago and fellow Lions, Ms. Merrilee May, President of Business & Professional Women of American Samoa, Mr. Greg Walsh, Vice President and Chief Operating Officer of ANZ Amerika Samoa Bank, Pastor Randy English of American Samoa Public Radio KULA-LP 95.1 FM and Mr. John Summers of 93KHJ.

It was revealed at the presentation that \$135,589.82 was collected during the two week relief drive. Then Governor Togiola announced that the American Samoa Government will chip in \$14,410.12 to make the American Samoa donation a total of \$150,000.

Before the announcement, Governor Togiola said:

"We have been blessed by the outpour of love and support from our island community family in giving relief to the victims of the massive tsunamis more than a month ago.

"Thank you for generously giving money to our relief efforts and I want you know we're very thankful for your donations. Please believe and know the deep satisfaction of having made a difference with your kindness. This is what true family is all about."

(The complete statement from Governor Togiola is as follows:)

"About a month ago on December 26 the world heard the horrible news of the massive Tsunamis in southern Asia and Eastern Africa. More than 200-hundred-thousand people are dead or missing.

Two weeks ago we launched the "American Samoa Tsunami Relief Effort" where we called out to all of American Samoa for help by making a donation to raise funds to support disaster relief efforts for the Tsunami victims.

I am happy and proud to say that American Samoa as an island community has again responded to those in need with open hearts and tremendous generosity. The Radiothon and Telethon on January 15th was a huge success and we are all here to say thank you to all the citizens, residents and business community of American Samoa for lending a hand in the tsunami relief fundraiser. Thank you for your donations. Thank you for your love and support.

On behalf of all the good people here that took part in this wonderful Good Samaritan joint effort --Pago Pago Rotary Club, Lions Club of Pago Pago, Business and Professional Women of American Samoa, American Samoa Red Cross, our radio stations 93KHJ, American Samoa Public Radio KULA-LP 95FM, KSBS-FM, KNWJ-Showers of Blessings, KJAL-AM, KVZK-TV, KHJ-TV-10 and Bank of Hawaii and ANZ Amerika Samoa Bank, schools, churches, villages, clubs and associations and hundreds of volunteers, we say thank you very much for coming together in one spirit of giving because your donation is life-giving. As a people and as a country, you have again displayed your island compassion in time of need.

As chairman of the relief appeal, I am honored to have with me today Gene Paul, President of Pago Pago Rotary Club and fellow Rotarians, Ben Lausen, President of the Lions Club of Pago Pago and fellow Lions, Ms. Merrilee May of the Business & Professional Women of American Samoa, Greg Walsh of ANZ Amerika Samoa Bank, Pastor Randy English of KULA-LP-FM and John Summers of 93KHJ to present the total amount collected in the American Samoa Tsunami Relief Effort. The donations total is \$135,589.82. This is your hard-earned money that you kindly give from the heart.

I am also happy to say that the American Samoa Government will donate \$14,410.18 to the fund to make it an even \$150,000 as the donation from the People of American Samoa, to be used to help the tsunami victims who need our help. Thank you for your kindness and compassion. Thank you for your donations to help rebuild the lives of our brothers and sisters and children in southern Asia and east Africa.

To all of our dedicated and hardworking community organizations that spearheaded this relief drive, thank you very much. You truly come together as community service organizations to rally our island community to be a part of the global family. Thank you again.

For the Tsunami victims, may those who mourn for their loved ones find comfort in their pain, and hope in their helplessness.

For those who found a way to survive, may they now find sufficient strength and healing to reassemble the pieces of their shattered lives.

And for all of us in American Samoa and across the world who unite in compassionate service and support of mankind, thank you and God bless you all for your love and compassion. Thank you. And thank you for being a part of The Giving. Soifua."

OFFICIAL PRESS RELEASE (for immediate release) January 28, 2005

Contact: Pati Faiai, Chief of Staff

Contact Number: 633-4116

Governor Togiola breaks ground for new building at Tafuna High School

(UTULEI) – Governor Togiola Tulafono broke ground on a new school building at Tafuna High School today.

Governor Togiola said the two storey building at Tafuna High will house 10 classrooms, an administration office, two science labs, a staff room and a conference room, and is very much-needed due to the annual rise in enrollment at the school.

"Tafuna is the fastest growing high school on island, not just because Tualauta County is the fastest growing area," said Governor Togiola. "It is a reflection of the quality of education the students are receiving at Tafuna and I highly commend the school administration and faculty for maintaining the quality of learning that our children deserve."

The cost of the new 26,000 square foot building will be \$1.6 million, with the Capital Improvement Project funding from the Department of Interior.

Governor Togiola said the government's efforts in literacy and teacher preparation can only succeed if students are being educated in safe and modern classrooms.

"Investing in additional school building construction provides our children with the tools they need to succeed, and the CIP funds for this project is going directly to our children's education," said the Governor. "We continue to make progress and this is just another way we will continue to inspire our children and promote success in the classroom."

The building contract has been awarded to APECS and is scheduled for completion by the start of the new school year in August.

"This new addition to Tafuna is another example of our commitment to ease the overcrowding of our high schools. If we continue to prepare our children for a challenging and rapidly changing world, then we need to accommodate the growth in population and provide better school facilities for teachers and students," concluded Governor Togiola.

OFFICIAL PRESS RELEASE (for immediate release) January 31, 2005

Contact: Pati Faiai, Chief of Staff

Contact Number: 633-4116

Governor Togiola to attend National Education Summit in DC on Feb 26th

Bill Gates to Join Nation's Governors, Education and Business Leaders to Focus on Better Preparing Young People for College and Work

(WASHINGTON DC) - Governor Togiola Tulafono announced today that he will travel to the nation's capital at the end of February to take part in the 2005 National Education Summit on High Schools, which will take place during the first two days of the National Governors Association (NGA) Winter Meeting.

Bill Gates, co-founder of the Bill & Melinda Gates Foundation, will deliver the keynote address at the upcoming summit, hosted by Achieve, Inc. and NGA in Washington, D.C. on February 26-27, it was announced recently.

"This summit on high school education fits in with our Administration's efforts to invest in every stage of education from early childhood to elementary to high school to the university level," said Governor Togiola. "As our Administration focuses on supporting higher education, we also will continue efforts to ensure high school students are ready to move successfully into the next level of education and into the workforce."

The Summit will bring together governors from the 55 U.S. states and territories along with top business executives and prominent K-12 and higher education leaders to address the urgent need to improve America's high schools so student s can meet the demands of today's challenging economy.

"Too many high school students drop out before earning a diploma, and too many of those who graduate are unprepared for the realities of the 21st century economy," said Gates. "This failure of our high school system has dire consequences for our economy, but even more important, it is simply wrong."

Nearly one of three eighth graders in America does not graduate from high school, and half of African-American and Hispanic students do not make it to graduation day. Colleges and employers report that many of those who do graduate lack basic skills. Only a small fraction of those who go on to postsecondary education succeed in earning a degree. Half of those who enter two-year institutions, for example, never return for their second year.

"For most students, high school graduation now marks not the terminus of their education but a way station on the road to college or a job," said Washington Mutual Chairman and CEO Kerry Killinger, the Summit's co-chair and vice-chair of Achieve, Inc. "The Summit will present an ambitious agenda to ensure that states are requiring that students complete more challenging course work to earn a meaningful high school diploma that signals to colleges and employers that American graduates are not just proficient but prepared."

The global economy has placed a higher premium on workers' ability to formulate new ideas and solve problems, rather than produce tangible goods. A solid education is increasingly important for young people and the nation to maintain competitive in the job market. The summit comes at a time when momentum is building nationwide to redesign America's high schools so all young people can receive the education they need to be successful.

"During the last decade, efforts to improve public education have focused on earlier grades, to set standards and define end-of-course and graduation requirements. This year, states will begin to implement changes in high schools themselves and to rethink expectations for postsecondary education and workforce success," said NGA Chairman Virginia Gov. Mark R. Warner, the Summit co-chair.

Other architects of the Summit agenda include Ohio Gov. Bob Taft and Arthur R. Ryan, CEO of Prudential Financial, co-chairs of Achieve, and NGA Vice Chairman Arkansas Gov. Mike Huckabee, and Maine Gov. John E. Baldacci, members of the NGA Redesigning the American High School Task Force. Gov. Taft is also a task force member.

Previous Summits—held in 1989, 1996, 1999 and 2001—were instrumental in creating political momentum and public support for raising academic standards and performance in the nation's schools. This year, participants will address such core issues as strengthening requirements for rigorous coursework, bringing colleges and universities together with K-12 education to set common expectations, improving teaching and principal leadership, and expanding options and support for students to achieve high standards.

The 2005 National Education Summit on High Schools is sponsored by NGA and Achieve, Inc. in partnership with the Business Roundtable, the James B. Hunt Institute and the Education Commission of the States. It will be held February 26-27 at the JW Marriott Hotel, 1331 Pennsylvania Ave., NW.

OFFICIAL PRESS RELEASE (for immediate release)

February 4, 2005

Contact: Pati Faiai, Chief of Staff

Contact Number: 633-4116

Governor Togiola welcomes 12 newly confirmed directors at swearing in ceremony

(UTULEI) – Governor Togiola Tulafono welcomed the 12 newly confirmed government directors at a swearing in ceremony this morning.

In welcoming the recently confirmed directors -Apefa'i Taifane - Agriculture, Talia Fa'afetai I'aulualo - Human & Social Services, Nu'utai Sonny Thompson -Administrative Services, Alaalamua Filoiali'i - Criminal Justice Planning Agency, Magalei Logovi'i - Planning and Budget, Utoofili Asofa'afetai Maga - Health, Paolo Sivia Sivia - Public Information/KVZK-TV, Ta'amu Iakopo – Park & Recreation, Taeaotui Punaofo Tilei - Public Works, Ufagafa Ray Tulafono - Marine & Wildlife Resources, Sialega Malaetasi Mauga Togafau - Attorney General, Seui M. La'au Sr. -Procurement– Governor Togiola told the directors that he was entrusting the stewardship of their respective departments and agencies because of his firm belief in their experience and capabilities.

"You have been selected because I believe that you can do the job and raise the level of performance in the functions of your departments," said Governor Togiola. "I remind you of your commitment to be of service to the people of American Samoa and that you proudly display that dedication through hard and honest work."

Governor Togiola referred to the Samoan proverb "A sa'a le vae matua o le pa'a, o le a sa'a fo'i ma vae o pa'a laiti" (If the lead crab drags its claws, so will the small crabs that follow) in offering encouragement to the directors as they take up their new posts.

"Be honest and be good leaders," said Governor Togiola. "Be good to your staff and all the people that utilize your departments and offices because good morale of an effective office is only a reflection on the kind of leadership that you are utilizing in your department. God has heard you take the oath today, so let Him continue to be priority in offering good counsel for all our actions in our daily lives. Congratulations."

OFFICIAL PRESS RELEASE (for immediate release)

February 3, 2005

Contact: Pati Faiai, Chief of Staff

Contact Number: 633-4116

Governor Togiola starts weekly radio show on KNWJ-FM Showers of Blessings

(UTULEI) – Governor Togiola Tulafono went on the airwaves last Saturday to start his weekly radio show on KNWJ-FM Showers of Blessing.

The hour long radio program begins at 7am, and according to Governor Togiola, is all part of making information on government activities available and delivering the news to the people.

"The need for transparency and accountability has always been a part of my vision for good government," said Governor Togiola. "The public must be fully and well informed, so the importance of public information and public knowledge of the government's activities is the main reason for the radio program."

Governor Togiola is on air live Saturday mornings at 7'oclock on KNWJ Showers of Blessing 104.7FM and the program will include a call-in segment where listeners may ask the Governor questions. A portion of the program that he embraces because, he says, "accessibility is also important."

"The strength of any democratic government is founded on a public fully informed about their government," said Governor Togiola. "Without that information, they cannot make sound decisions on public issues. This radio program allows us to offer factual, accurate and complete information in a clear and timely manner."

Governor Togiola expresses his sincere gratitude to Pastor Gary Sword of Showers of Blessing and his staff for providing the free radio time for the government to deliver its message. The Governor says it is his hope to distribute a recording of his program to other radio stations so that they may also have access to airing it.

Lieutenant Governor Ipulasi Aitofele Sunia will host the radio program when Governor Togiola is off island on government business.