

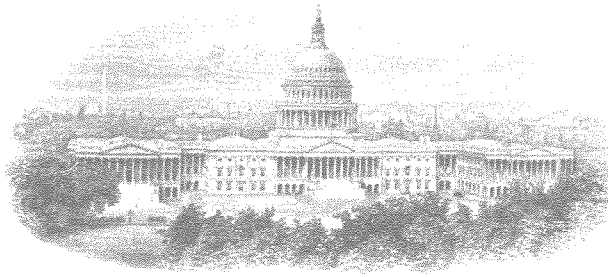
**ENI F.H. FALEOMAVAEGA**  
AMERICAN SAMOA

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January 27, 2009

The Honorable Togiola T.A. Tulafono  
Governor of American Samoa  
Office of the Governor  
Pago Pago, American Samoa 96799

The Honorable Gaoteote Palaie  
President of the Senate  
Legislature of American Samoa  
Pago Pago, American Samoa 96799

The Honorable Savali T. Ale  
Speaker of the House  
Legislature of American Samoa  
Pago Pago, American Samoa 96799

Dear Governor, Mr. President, and Mr. Speaker:

As you may know, Congress is working aggressively to put together a stimulus package to address the serious financial crisis our nation is facing. Due to this urgent need, the House introduced H.R. 1, the American Recovery and Reinvestment Act, making supplemental appropriations for job preservation and creation, infrastructure investment, energy efficiency and science, assistance to the unemployed, and State and local fiscal stabilization, for fiscal year ending September 30, 2009, and for other purposes.

Because the bill was just introduced on January 26, 2009, Members are only now being given the opportunity to fully peruse the contents to determine how their districts, States, and Territories are being treated. While we are still working to get a breakdown of funding per Territory, on Friday, January 23, 2008, prior to the introduction of the bill, the Territorial Delegates learned no funding was set aside for the Office of Insular Affairs (OIA) at the U.S. Department of the Interior, although funding for the Territories is in place across the board in the many programs provided within H.R. 1.

Even as we are appreciative of the funding that has been provided to the Territories in H.R. 1, we are concerned that funding is both formula and competitive based. Formula programs hardly treat the territories equitably, and competitive-based programs often involve an application and award system not

always familiar to the territories and certainly not always sensitive to the under-resourced and over-stretched technical level of expertise in the territories.

This is why the Territorial Delegates believe additional money should be set aside for the OIA, which oversees capital improvement projects for the insular areas. As such, on January 26 we offered an amendment to H.R. 1 before the Rules Committee which had the support of myself, Congresswoman Bordallo, Congresswoman Christensen, Congressman Sablan of CNMI, and Congressman Mike Honda of California. Our amendment requests \$500 million for the OIA to provide for critically needed, high-priority, and shovel-ready capital improvement (CIP) projects for American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands (CNMI).

The Rules Committee was sympathetic to our cause, but the House Appropriations Committee is not supportive at this time so we do not yet know if our amendment will make it to the House Floor for consideration. The Senate, however, has included a mark of \$65 million for OIA to primarily address Guam's military build-up, but we believe money should also be included for the other Territories to fund our critical infrastructure, or capital improvement projects. Whether or not we succeed in this process, I wanted to make you and the Fono aware of our efforts and request ASG's input on what is viewed as high-priority projects for American Samoa. I would be appreciative if you and the Fono would provide my office with a list of CIP projects, in order of priority, which you believe would most benefit our people. Because things are moving so quickly, enclosed is a draft list of projects that I have felt over the years were important to meet our Territory's needs. Included in this draft is the fiber optics program which we have worked on for the past two years.

For your information, if the Territorial Delegates do not succeed in getting a \$500 million set aside for OIA, we have also filed a revision to our amendment to use an off-set to accomplish our goal. This amendment would appropriate \$536 million to the OIA at the Department of the Interior for infrastructure projects and financial stabilization in the territories, namely priority repair and replacement of education, healthcare and public safety facilities; water and wastewater infrastructure; landfill construction; port and airport improvements; harbor and seawall construction; power system infrastructure improvements; telecommunication infrastructure; and support of elementary, secondary, and postsecondary education, and public safety and other government services by offsetting the amount appropriated by removing the territories allocation of \$395 million from the State Fiscal Stabilization Fund in Title XIII of the bill, and by reducing by \$197 million, or one half of one percent, the amount appropriated for the Wireless and Broadband Deployment Grant Programs in Title III based on the premise the territories would otherwise be unable to effectively compete in applying for such funding.

Transferring and bundling money from the State Fiscal Stabilization Fund to the OIA will provide our local governments with greater flexibility in the way they can use stimulus funds, and will ensure that the Territories will have a better chance of receiving these funds than they otherwise would have if we left the decision to the discretion of other federal agencies that do not understand the unique needs of the Territories. No formula funding will be transferred given that the Territorial Delegates agree that each of our Districts should receive the formula funding to which we are entitled. Again, we do not know whether or not we will be successful in this effort either but we are doing all we can at the federal level to provide maximum flexibility to our local governments so that they can best address the needs of our people.


So far, what we know about the funding that will be coming to the Territories is that, according to the House version of the stimulus bill, we will receive a 20% increase in Medicaid caps, and American Samoa will receive a 13.6% increase in its food stamp program. American Samoa will also receive \$5.3 million in the clean water state revolving fund, \$500,000 in the EPA's drinking water fund, and additional funding for highways and bridges.

Collectively, the Territories will receive over \$1.25 billion for State Fiscal Stabilization; \$624 million for Economic Recovery and Reinvestment, \$128 million for Individuals with Disabilities; \$41 million for Technology; over \$1.3 billion for education modernization, renovation and repair; over \$1 billion for Pell Grant awards; \$30 million for Head Start funding, \$83 million for Child Care and Development Block Grants; \$7 million for employment and training; \$54 million for Community Services Block Grants; \$1.3 million for Low Income Energy Assistance; \$4.1 million for Elderly Nutrition Services; and nearly \$7 million for Preventive Health and Health Services Block Grants. How this money will be distributed among the Territories is unclear at this point but it is certain that a portion will be distributed according to formula, the competitive grant process, and by discretionary means.

The Territories will receive additional funding for transportation. Provisions are also being included, like last time, to make sure that the Territories will not be held liable for federal cover-over funds necessary to payout tax credits or rebates that may be made part of the bill.

As more information becomes available, I will keep you updated. Until then, I hope this information is useful to you, and I look forward to continuing to work with your offices and the Fono concerning this important matter.

Soifua,

  
ENI F.H. FALEOMAVAEGA  
Member of Congress

Enclosure

cc:

Senator Daniel K. Inouye

Lt. Governor

Senators

Representatives

**AMERICAN SAMOA**  
**“SHOVEL-READY” CAPITAL IMPROVEMENT PROJECTS**

<u>Project</u>	<u>Cost</u>
<b>1. Manu'a District</b>	
a) Ta'u Harbor Renovation	\$15 million
b) Faleasao Harbor Renovation	\$2 million
c) Ofu Harbor Renovation	\$3 million
d) Seawalls for Ta'u, Ofu and Olosega	\$5 million
e) Freight-passenger vessel for Manu'a (MV Sili class)	\$5 million
f) School Improvements (Fitiuta, Olosega and Faleasao Elementary and Manu'a High School)	\$5 million
g) Ofu Airport extension	\$10 million
<b>SUBTOTAL:</b>	<b>\$45 million</b>
<b>2. Eastern District</b>	
a) Seawalls	\$10 million
b) Aunu'u Harbor Renovation	\$5 million
c) Au'asi Harbor Renovation	\$5 million
d) Wastewater Sewage Improvement Projects	\$5 million
<b>SUBTOTAL</b>	<b>\$25 million</b>
<b>3. Western District</b>	
a) Tualauta County Road, wastewater, and drainage water Improvement System	\$30 million
b) Seawalls	\$10 million
c) Leone Marine Harbor Facility	\$3 million
d) High School facilities improvements (Leone, Tafuna, Nu'uuli)	\$7 million
<b>SUBTOTAL</b>	<b>\$50 million</b>
4. Fiber Optic Telecommunications	\$5million
<b>SUBTOTAL</b>	<b>\$5million</b>
5. Aquaculture/Fish Farming/Ornamental Marine Program	\$5million
<b>SUBTOTAL</b>	<b>\$5million</b>
6. Hospital Renovations and Repair	\$10million
<b>SUBTOTAL</b>	<b>\$10million</b>
<b><u>GRAND TOTAL</u></b>	<b><u>\$140 million</u></b>