



December 3, 2019

The Honorable Doug Domenech
Assistant Secretary of the Interior
for Insular and International Affairs
U.S. Department of the Interior
1849 C Street NW, Room 3136
Washington, DC 20240

Dear Assistant Secretary Domenech:

I am writing to express serious concern regarding information shared with my office that compact impact funding made available to Guam under the Compact of Free Association Amendments Act of 2003, P.L. 108-188, will be reduced by \$4 million annually until 2023. This amounts to a \$12 million loss in expected funding intended for Guam, for the remaining term of the existing Compact agreements between the U.S. and, respectively, the Republic of the Marshall Islands and the Federated States of Micronesia.

I have been made aware that the US Census Bureau erred in its enumeration of FAS citizens living in Hawaii. This error added seven thousand additional FAS citizens residing in Hawaii. As a result, compact impact funding will be redistributed to affected US jurisdictions despite the work of the US Census Bureau having already been reported and accepted by the Department of the Interior which in turn notified affected US jurisdictions as to the amount of compact impact funding each will receive until the Compact of Free Association Amendments Act of 2003 expires in 2023.

The myriad of budgetary challenges that affected US jurisdictions must deal with resulting from the free migration provisions of the Compact and the inability of the US to adequately offset costs makes this US Census Bureau error egregious. Further, the proposed solution to divert \$4 million away from Guam to Hawaii, pitting the interests of our island up against the State of Hawaii, is unacceptable.

This situation is understandably embarrassing, knowing that the expertise of the US Census Bureau to conduct enumerations of FAS citizens was included by Congress in P.L. 108-88 and their count has been relied upon throughout the term of this current Compact. Nonetheless, I feel strongly that their mistake should not result in a \$12 million dollar penalty to Guam.

I am hopeful that we can approach this new discrepancy as an opportunity to discuss the larger picture of the upcoming Compact negotiations. As you know, I have taken a position that the US should develop an acceptable position on continuing future compact impact payments and that funding needs to be increased. I believe that every solution should be discussed, including revisiting federal debt forgiveness to Guam, clarifying Congress's intent to not cause "any adverse consequences" to affected jurisdictions, or defining "offset" as a percentage of an affected jurisdiction's cost.

I look forward to meeting over this issue and to have an understanding as to how Guam's funding will be kept in-tact.

Senseramente,



Lourdes A. Leon Guerrero
I Muga'hagan Guahan
Governor of Guam

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