Congressman Gregorio Kilili Camacho Sablan | Representing the People of the Northern Mariana Islands

Help when needed most
Yutu/Covid: Congress addresses the crises

Typhoon Relief Act: $130m just for the Marianas, $244m CDBG-DR largest grant ever
Legislation to help the Northern Mariana Islands and American communities nationwide struck by typhoons, earthquakes, and other natural disasters in 2018 and 2019 became U.S. Public Law 116-20 on June 6, 2019. Congressman Gregorio Kilili Camacho Sablan was able to include special set-asides for the Marianas worth $130 million and ensured the Marianas was eligible for tens of millions more in recovery grants for schools, utilities, child care, highways, and other essential services. Within days of Super Typhoon Yutu, Congressman Sablan was on the phone, describing the damage to Rep. Nita Lowey, who would chair the appropriations committee in January 2019, when Democrats became the majority in the U.S. House of Representatives.

Under Democratic rules in the new Congress, insular area Delegates could again vote on legislation. And Sablan’s first votes on the House floor were for his own amendments to Lowey’s disaster bill, making $36 million available for the Marianas Medicaid program and $25 million for food aid. He had already secured $56 million for solid waste facilities in the base bill and $104 million for sewer and water infrastructure in the Marianas.

The biggest part of the recovery aid—and the largest single federal grant ever for the Marianas—comes through the Community Development Block Grant—Disaster Recovery program. That $244 million is for long-term; “unmet needs” not covered by the $541 million in aid from the Federal Emergency Management Agency and other first responders.

The Commonwealth’s plan of use for CDBG-DR is now open for public comment and must be submitted for approval to the U.S. Department of Housing and Urban Development by August 31.

Presiding over disaster debate. Congressman Sablan chaired debate on the 2019 disaster relief bill that provides hundreds of millions for typhoon recovery in the Marianas. With Democrats in the majority, Sablan is again able to preside and vote during meetings of the Committee of the Whole House. Afterwards, he returned to the floor to offer amendments making $36 million available for Medicaid and $25 million for food assistance in the Marianas. Both amendments passed and were enacted in Public Law 116-20.

Greetings!
“Help when needed most” is truly the story of the last two years.

Repairing the damage to lives and property caused by typhoons Mangkhut and Yutu began as soon as the storms hit and continues to this day.

Then came the coronavirus crisis, an immediate threat to everyone’s health and an ongoing economic disaster.

In Congress, we responded quickly and forcefully, as this Report to Constituents details for you. The resources of the federal government—and the American people—have never been more generously given to us in the Marianas.

Help never comes quickly enough, however, for those whose lives are at risk and uprooted by disasters. Hundreds of millions of federal dollars Congress made available remain to be used. So, my job is more than getting funding laws enacted. I have to make sure federal officials do all they can to put that money to work, rebuilding what was destroyed and putting the Marianas on the road to a better future.

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House okays permanent status for long-term investors, workers

The House of Representatives has passed H.R. 560, granting permanent status for foreign investors and long-term workers in the United States.

House votes to protect sharks

Following the example of the Northern Marianas and 14 other U.S. states and territories, the House approved legislation to ban the buying and selling of shark fins nationwide by an overwhelming 310-107 vote on November 20, 2019. Congresswoman Sablan’s Shark Fin Sales Elimination Act, co-led by Rep. Michael McCaul of (R-TX), gathered 287 cosponsors—easily the largest number for an ocean conservation bill in the 116th Congress.

The Humane Society Legislative Fund recognized Sablan for his leadership on animal protection issues. The global shark fin trade contributes to the loss of up to 73 million sharks each year. Largely due to this demand for fins some species have declined by 90 percent. As apex predators, sharks play a pivotal role in the health of our oceans. They are also important to the economies of many coastal communities.

A companion bill in the Senate authored by Senators Cory Booker (D-NJ) and Shelley Moore-Capito (R-WV) has 37 cosponsors.

More money for veterans cemetery upkeep

Congressman Sablan’s bill received broad bipartisan support, when the House voted on February 27, 2020. Permanent resident status does not provide a pathway to U.S. citizenship or convey any right to public services, such as food stamps or Medicaid. But ending the year-to-year uncertainty for the E-2C visa investors is good for the economy. And moving long-term workers out of the CW program stabilizes the labor market, as the number of permits shrinks each year.

Governor gets requested loan legislation

At a meeting on May 20, 2020, Governor Ralph Torres asked Congressman Sablan for a change in the Stafford Act, so the Commonwealth could borrow 90 million through the Federal Emergency Management Administration’s Community Disaster Loan program. And Sablan fulfilled that request with language in Section 312 of the FY21 appropriation for the Department of Homeland Security.

Current law allows municipalities to receive Community Disaster Loans, not a state-level government like the Commonwealth. Current law also caps the loans at $5 million. The language Sablan had added to the appropriations bill removes those two barriers.

The Commonwealth suffered significant lost revenues and increased operations expenses as a result of the back-to-back typhoons in 2018, and the loan is intended to cover that difference. Sablan’s bill language also gives three years to apply, rather than the usual two, so the Commonwealth can reach back and claim the 2018 losses.

1,039 saved from deportation

Up to 1,039 people were saved from deportation with enactment of Congresswoman Sablan’s Northern Marianas Island’s Long-Term Legal Residents Relief Act on June 25, 2019. Over 800 spouses and parents of U.S. citizens in the Marianas, 50 in-home caregivers, 5 individuals born in the islands before Covenant citizenship provisions went into effect, and persons who had been given permanent resident status under Commonwealth law in the early 1980s are now eligible to apply to live and work permanently in the Marianas under U.S. Public Law 116-24.

The five groups have been living in the Marianas under humanitarian parole originally granted during the Obama administration and renewed every two years. The Trump administration, however, vowed to end their parole and work authorizations on December 14, 2018, and gave everyone six months to find another status or leave the islands.

Bipartisan agreement.

One thing House Speaker Nancy Pelosi and President Donald Trump could both agree on was Congressman Sablan’s bill saving 1,039 individuals from deportation. They have been living in the Marianas under humanitarian parole, which the Trump administration canceled in December 2018. U.S. Public Law 116-24 creates a new, Marianas-only permanent resident legal classification, so these stateless, in-home caregivers, and immediate relative of U.S. citizens can stay.
New money for Medicaid. Using his new authority as Vice Chair for Insular Affairs, Congressman Sablan called a hearing of the House Natural Resources Committee on May 23, 2019 to focus attention on the Medicaid funding “cliff” faced by the Marianas and the U.S. territories. Commonwealth Healthcare Corporation CEO Esther Muna and Ms. Helen Sablan and the Medicaid Directors from all the insular areas testified, a first. The Directors described the life and death choices they faced with limited funding. Congress quickly responded with $120 million in new funding and by lowering the local match, temporarily, to zero.

Just in time: Millions more for Medicaid

Healthcare for those in the Marianas who cannot afford the high cost of insurance became more certain in the 116th Congress. $120 million in new federal funds for Medicaid were made available for fiscal years 2020 and 2021 in Public Law 116-94.

The money came just in time, as the $150 million, secured for Marianas Medicaid in the Affordable Care Act in 2010, was gone by early 2020. And the Marianas was left with just $6.9 million in annual formula funding.

Medicaid is critical to the 17,337 U.S. citizens in the Marianas who earn too little to pay private insurance premiums. But everyone benefits, because Medicaid is almost half the revenues of the Commonwealth Healthcare Corporation. And, according to CHCC, without that Medicaid income the Marianas’ only hospital would close.

The additional $120 million might not have been enough, except that Congress also reduced how much local money the Commonwealth government needed to match the federal funds. The Affordable Care Act, or “ObamaCare,” had lowered the local match from 50 percent to 45 percent. At that rate the Commonwealth needed $98.2 million to access the new federal money—difficult in the best of times, impossible with the revenue losses after Super Typhoon Yutu and the coronavirus crisis.

Public Law 116-94 lowered the local responsibility to 17 percent, or $24.6 million. As it became clear even that was too much for the Commonwealth, however, Public Law 116-127 lowered the local match again to 10.8 percent, or $14.4 million.

Although the 116th Congress produced these significant improvements for Medicaid in the Marianas, the changes are temporary. The real goal remains permanent inclusion in national healthcare programs on the same basis as any U.S. state. That means unlimited Medicaid funding each year and a local match based on per-capita income.

The $120 million the Marianas has for FY20 and FY21 is very close to what we would use, if funding were unlimited. And the 10.8 percent local match is actually better than the 22.24 percent match of the poorest state, Mississippi, pays.

Congressman Sablan’s bill, H.R. 6499, doing away with the Medicaid cap, currently has 38 cosponsors, including senior members of the Democratic leadership. He was also able to add the Marianas as a U.S. state for purposes of Medicaid in the Health Equity and Affordability Act, H.R. 6637, which is now supported by 96 Members of Congress.

Locking in water funding

The House passed a sweeping infrastructure bill on July 1, 2020; and Congressman Sablan used it to lock in a formula for water and wastewater funding that has brought 24-hour water to most Saipan households.

Sablan has pushed the set-asides of Clean Water Act and Safe Drinking Water Act for the insular areas from 0.25 and 0.33 percent, respectively, to 1.5 percent in annual appropriations laws ever since being elected in 2009. That brought $85 million to the Marianas. And as the graph, below, shows, the more funding the more households get 24-hour water.

During debate on the infrastructure bill, Sablan offered an amendment that makes the 1.5 percent set-aside of Safe Drinking Water Act funds permanent. The bill also makes permanent 1.5 percent for Clean Water Act funds.

“Locking in the increase means we will continue to improve our water systems,” Congressman Sablan said, “Ultimately, we want everyone to have access to drinkable water in their homes and end the discharge of sewage into the waters around our islands.”

Sablan was also able to add $10.4 million for Marianas water systems to the massive disaster relief bill, U.S. Public Law 116-20, enacted in 2019.

Tools for economic recovery

The Marianas and all of the United States face a long period of economic recovery. Providing more tools for worker training and small business growth is one way the Congress can help that recovery from the pandemic.

Grant consolidation: less overhead/more training

The Marianas, American Samoa, Guam, U.S. Virgin Islands, and the Republic of Palau could consolidate Adult, Dislocated Worker, and Youth formula grants they get from the Workforce Innovation and Opportunity Act thanks to language included in Congressman Sablan’s request in the FY21 Labor-Health-Education appropriation bill.

Marianas access to SBA grants/microloans

Women and people from economically disadvantaged backgrounds could get up to $125,000 from the Small Business Administration as seed money for business startups. Up to $60,000 would be available to the Marianas to provide free or low-cost services, such as help with loan application, business planning, and marketing. Both are grant programs not currently available to the Marianas. But Congressman Sablan’s H.R. 2603 changes that.

Small businesses would also have access to the SBA’s microloan program, providing up to $50,000 for loans not typically offered by banks.

FAST eligibility

An amendment to the National Defense Authorization Act by Congressman Sablan makes the Marianas eligible for the SBA’s Small Business Development Center and Federal and State Technology (FAST) programs.

Why it matters. Medicaid accounted for 44 percent of funding last year, the Commonwealth Healthcare Corporation reports. Without those federal dollars the hospital could not stay in operation; and even those with health insurance or able to self-pay would have nowhere to turn in the Marianas for hospital care.

FY2019 Citizen-Centric Report

Congressman Sablan’s request in the FY21 Appropriations Act gives for the first time $2.1 billion in federal funds for the Marianas, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands. The majority of CCC revenue comes from Medicaid and SBA programs, which represent 46% of total revenue for FY2019. Why it matters. Medicaid accounted for 44 percent of funding last year, the Commonwealth Healthcare Corporation reports. Without those federal dollars the hospital could not stay in operation; and even those with health insurance or able to self-pay would have nowhere to turn in the Marianas for hospital care.
The Marianas gets over $2.9 billion to help with the health and economic crisis caused by coronavirus in the relief act the U.S. House of Representatives passed on May 15, 2020.

Congressman Sablan’s priorities—education, health services, and the Commonwealth government, more relief for individuals and households, and CIP funds for health-related infrastructures—were all included in the Health and Economic Recovery Omnibus Emergency Solutions, or HEROES Act.

$2B protects retirees, government jobs

The House-passed bill gives the Commonwealth $2.14 billion to “replace forgone revenues ... stemming from the public health emergency, or its negative economic impacts.”

Retirees and government jobs would be safe, until the islands’ tourism-based economy recovers.

To make sure the money gets where it is needed, the HEROES Act includes $29 million for the Saipan, Tinian, Rota, and Northern Islands municipalities, which provide many public services.

Money for teachers, schools through 2022

The HEROES Act adds $81 million for Marianas schools to the $28 million in the CARES Act Education Stabilization Fund. Together with the schools’ share of the $12.4 billion that replaces Commonwealth general revenues, this should cover the costs of school years 2020-21 and 21-22 for the Public School System, Northern Marianas College, and Northern Marianas Trade School.

Funding can cover teacher and staff pay, distance learning technology, sanitation of schools, transportation, and other emergency services.

There is, also, $10 billion in the HEROES Act just for colleges, which NMC qualifies for.

$1,200 recovery rebate, new family tax credits

The HEROES Act includes a second round of recovery rebates—$1,200 for individuals, $2,400 for joint filers—that most Marianas taxpayers already received.

Children, including full-time students below age 24 could also qualify for $1,200.

Federal funding for the Earned Income Tax Credit, which Congressman first proposed in H.R. 4309 in 2019, was added to the HEROES Act. Taxpayers can use the credit to offset CNMI income tax they owe or get a cash refund—the average nationwide is $2,476.

The HEROES Act makes the Child Tax Credit $3,000, $3,600 for children under 6. There is $30 million to help cash-strapped Marianas families pay for utilities and other homeowner expenses.

And $1.82 million is set aside for the Marianas Nutrition Assistance Program.

Unemployment benefits through January 2021

For those laid off because of the coronavirus, Pandemic Unemployment Assistance of $345 weekly and Federal Pandemic Unemployment Compensation of $600 continues through January 2021.

What’s Next...

HEROES Act: $2.9 billion for Marianas

Together, CARES Act and HEROES Act unemployment benefits could put $174 million into the Marianas economy.

$945 million for insular infrastructure

Congressman Sablan made infrastructure a priority, as the HEROES Act was drafted, and got a set-aside of $945 million for insular areas.

The Environmental Protection Agency told Congress that amount is needed to get to a U.S. standard that maintains public health, protects the environment, and helps rebuild tourism.

The HEROES Act also supports hardening infrastructure by allowing the use of disaster funds as a local match for FEMA grants, as the CNMI Fiscal Response Task Force recommended.

The Marianas’ tourism-based economy needs infrastructure improvements

Sабlan’s goal of state-like terms for financing Medicaid in the Marianas is addressed. The HEROES Act reduces the local match requirement from 11 percent to 3 percent. And there is no cap on how much the federal government will grant to the Commonwealth as a result of that change.

The cap would also be removed for care to citizens of the Freely Associated States, if the Marianas Governor so chooses.

Medicaid is the federal health insurance program for low-income persons, and demand has increased during the coronavirus crisis from 15,970 to 17,537, according to the Commonwealth Medicaid Agency.

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