

Report to

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SUMMER 2016

Constituents

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

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Sablan adds millions for schools

New law finally fixes island funding formula

Northern Mariana Islands schools can expect \$4.3 million more next year, as the result of the Every Student Succeeds Act, signed into law by President Obama on December 12, 2015.

A change in the annual funding formula for island schools was added to the text of the new law in the final days of debate with bipartisan support.

Sablan's island funding increase was the only change Congress agreed to make in the distribution of the Title I-A federal aid that goes to areas nationwide with a high percentage of students from low-income families.

The Northern Marianas got \$6.8 million from Title I-A in 2016. Under the new law, the Congressional Research Service projects \$11.2 million in 2017.

More school funding was a top goal for the Congressman from his first day in office in 2009. The annual Title I-A grant then was only \$3.6 million.

It was not until the current Congress, however, that the law setting federal education policy



Congressman Sablan's funding increase for schools will help island youth get the education they need to succeed in life and contribute to the prosperity of the community 10, 20, 30 years into the future.

nationwide could be fixed and the annual formula for low-income students in island areas raised.

Every Student Succeeds Act also makes the Northern Marianas eligible for Preschool

Development and Education Innovation and Research grants, previously open only to states.

Sablan used his seniority in Congress to get a seat on the House Committee on Education, where all these

decisions were made.

His work is based on the belief that education is key to the success of the people and economy of the Northern Mariana Islands now and in the years ahead.

5 years added for H visa, investors, asylum bar, CWs

Good through 2019

Special provisions in federal immigration law for the Northern Marianas Islands got a 5-year extension, when the President signed Public Law 113-235 on December 16, 2014. They were originally to end on December 31, 2014 but now continue through 2019.

The policies are crucial for the Marianas economy:

1. Exemption from the national cap on the number of H visas, intended to allow investors to hire temporary workers for resort construction and other new development;
2. Continuation of the E-2C investor program, created under the Commonwealth's own immigration law and still covering as many as 200 island businesses;
3. The bar on claims of asylum, allows for the policy that brings tourists from China and Russia into the Northern Marianas visa free; and
4. The Commonwealth-only Transitional Worker, or CW, program to supply local

businesses with foreign workers, until U.S. workers can be trained or recruited to take their place.

Congressman Sablan started work on the four extensions with the introduction of H.R. 2200 in 2013. He then used the legislative process in the U.S. Senate and House of Representatives to add language from that bill to the larger P.L. 113-235.



To prepare for future economic growth and workforce needs the Congressman has now begun a series of listening sessions with local workers and government and business leaders. The goal is a consensus legislative plan to address the need for workers beyond 2019.

Sablan has also introduced legislation, based on the immigration proposals of Governor Ralph Dlg. Torres, to support the Governor's on-going Covenant Section 902 consultations with the President's Special Representative.

Greetings!



WE HAD FIVE GOALS when the Northern Marianas congressional office opened in 2009:

- Increase school funding,
- Inclusion in SNAP,
- Return of submerged lands,
- Reschedule minimum wage increases,
- Make immigration as least difficult as possible.

Seven years later we can report all these goals have been addressed.

Title I school funding for the islands is being increased.

The SNAP pilot program, funded with \$31.5 million, starts this year.

Submerged lands around most of our islands are now Commonwealth-owned.

Minimum wage increases were stretched out: wages go up to \$6.55/hour in September and to \$7.25 in 2018.

And, though this January's backlog of CW renewals and reaching the CW cap in May were serious problems, we are bringing in over 180,000 Chinese tourists using the parole system and by law we added five more years to the immigration transition period to give us more time to adjust.

Along the way, of course, we have set new goals here in Congress, including extending the earned income tax credit to help working-class families and supporting the Commonwealth in its negotiations with the U.S. military over land use in our islands. We also reenergized our efforts to work with veterans, students, and teachers in the Marianas.

I hope you find this fourth *Report to Constituents* informative. As your first Congressman, I have a responsibility to set a standard for accountability by making sure you can always know about the work I am doing here for you.

Kilili Sablan

Kilili Sablan
PRSRT STD

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Congress makes Child Tax Credit permanent

The Child Tax Credit puts about \$7.9 million into the pockets of Northern Marianas families every year—and the funds come from the U.S. Treasury, not from CNMI taxpayers.

Now, Congress has made the Child Tax Credit permanent, along with the American Opportunities Tax Credit, worth

\$2,500 per student each year towards college costs, and the \$250 credit to teachers for out-of-pocket classroom expenses.

All three credits were locked in the Protecting Americans from Tax Hikes Act, Public Law 114-113, signed by President Obama on December 18, 2015.

The Child Tax Credit—

up to \$1,000 per child—first became widely available in 2009. The American Recovery and Reinvestment Act that year lowered the eligibility threshold so families with incomes down to \$3,000 qualified.

Now the money helps many households in the Northern Mariana Islands and gives the

economy a boost each year.

The American Opportunity Tax Credit, first set up in the Recovery Act, is also funded by the U.S. Treasury. Worth up to \$2,500 per year for four years, families or independent students can use the credit to offset the cost of college tuition, books, and supplies. If the credit is

greater than the tax the family or student owes, they can get up to \$1,000 as a refund.

For teachers, the \$250 credit pays for supplies they buy for their classrooms. And with passage of the PATH Act teachers can now count on that help year-after-year.

Highway funding up for NMI

Transit and safety programs worth \$1.2 million annually and an additional \$1 million for road construction for the Northern Mariana Islands over the next five years are part of the Fixing America's Surface Transportation (FAST) Act, signed into law on December 4, 2015.

The FAST Act increases annual funding for the Territorial Highway Program from \$40 to \$42 million, which the Northern Marianas shares with three other insular areas. Annual allocations to the Commonwealth will now increase from \$4 to \$4.2 million.

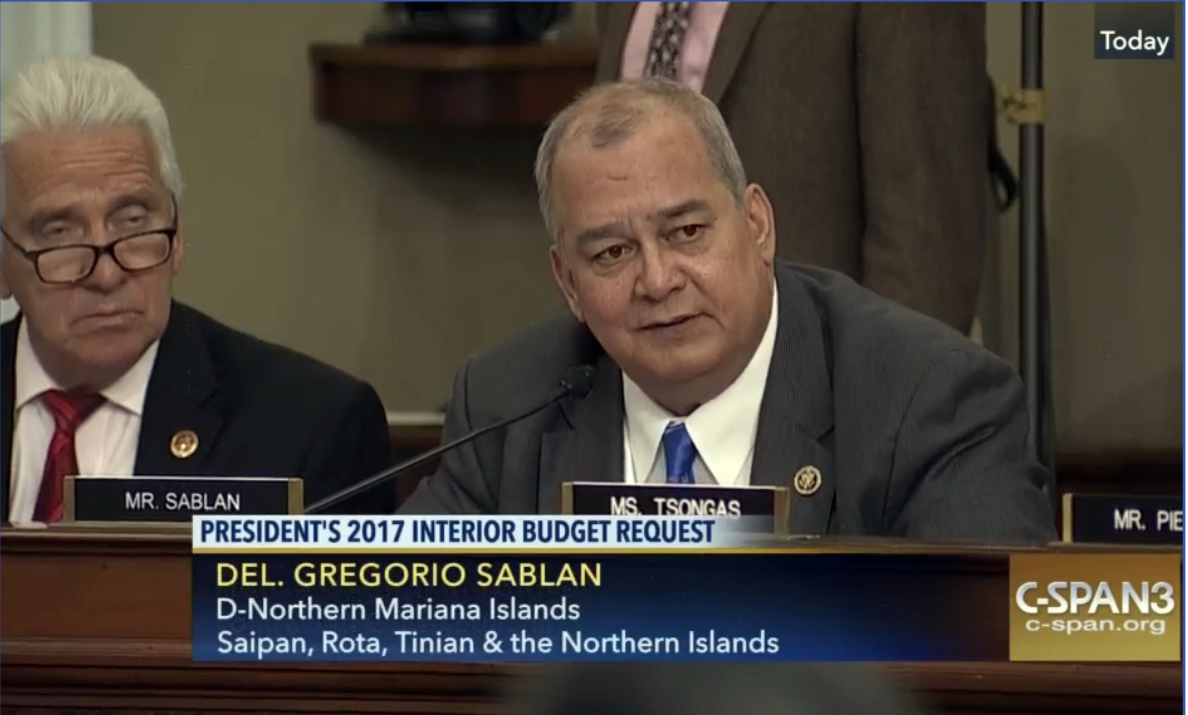
Congressman Sablan worked for an amendment to the FAST Act during floor debate, requiring the Federal Highway Administration to review how the territorial funds are divided.

The Marianas receives only ten percent of the total.

In 2012 Transportation Secretary Ray LaHood turned down Sablan's request to increase the Marianas' share, because Commonwealth spending lagged behind other territories.

After the FAST Act debate Transportation and Infrastructure Committee Ranking Member Peter DeFazio (D-OR) agreed to help Sablan. But FHA again reported the Marianas lagged, with \$6.7 million in unobligated funds, compared to Guam's \$64,000.

Administrator Gregory G. Nadeau did agree, however, that the Commonwealth was doing better and, if that continued, FHA would then look at adjusting territorial highway funding.



Congress decides and oversees how federal funds are spent. At this year's budget hearing with Interior Department Secretary Sally Jewell, Congressman Sablan voiced concern about the slow pace of typhoon recovery at American Memorial Park and got a status report on the Rota National Park study. He also made clear Congress intended funding should go to Close Up, the program that brings Marianas students to Washington each year to learn about their government.

\$61M from Obamacare keeping CHCC open; \$48M more available

The Affordable Care Act—or Obamacare—has helped keep the Commonwealth's only public hospital open since the law's enactment over six years ago.

Obamacare added an extra \$109 million to the Northern Marianas Medicaid program. \$61,150,332 was drawn down as of April. The remaining \$48,109,346 is expected to sustain the Commonwealth Healthcare Corporation through 2019.

Obamacare also provided the \$3 million needed to open the Kagman Community Health Center, which serves people in Kagman, Dandan, San Vicente, As Teo, and surrounding areas.

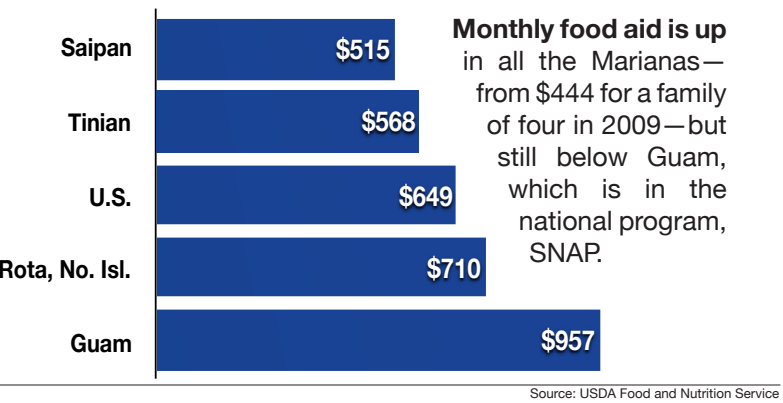
Passage of Public Law 114-10 in 2015 locked in funds for the Kagman Health Center through 2017. That law also extended the CHIP program with \$1.4 million in health insurance for Marianas children in fiscal 2016.

\$13.5 million to boost food stamps, launch pilot program

The Agricultural Act of 2014 set aside \$32.5 million at Congressman Sablan's request to increase food stamp benefits—mostly for children, man'amko, and the disabled—and to get the Northern Marianas ready to join the national Supplemental Nutrition Assistance Program.

\$13.5 million of that money is available right now, but Commonwealth and federal officials have not decided how to use it. Another \$8 million is available on October 1.

The Agricultural Act funds



are on top of the regular annual appropriation of \$12 million for food stamps in the Northern Marianas.

Benefits have gone up in the Marianas, but they need to be the same as Guam, which is part of SNAP. The money is there.



Working with NMC on higher ed legislation. In preparation for reauthorization of the Higher Education Act, Congressman Sablan is working with Northern Marianas College officials to gather their ideas for improvements that would benefit the students, faculty, and staff at the college. Pictured at this listening session in May (from Sablan's left): Regent and Chair Frank Rabauliman, Regent Michaela Sanchez, Distance Learning Education Director Amanda Dunn, Regent Elaine Orilla, Dean of Students Leo Pangelinan, External Relations Director Frankie Eliptico, Regent Liz Rechebei, and Acting President Dave Attao.

Rota National Park study enacted, work begins

President Obama signed Public Law 113-291, authorizing study of a national park for Rota, in December 2014. Funding for the study was included in Public Law 114-113 in December 2015. And National Park Service personnel have already met with Rota officials and started work on the three-year project.

Having its own national park could be a game-changer for Rota's economy. U.S. national parks are famous worldwide and attract over 275 million visitors each year.

Rota leaders have long envisioned the island as an ecotourism destination. In 2004 then-Senator Diego Songao asked for an exploratory study by the Parks Service. That review confirmed Rota's unique tropical plants and animal species, as well as ancient



A capstone and half-finished pillar in the Rota latte quarry are among the unique cultural artifacts that would draw visitors to a Rota National Park, now under study.

Chamorro cultural sites, are of national significance and worthy of protection.

Congressman Sablan continued the work, getting a study bill through the House in 2010, 2011, and 2013, only to have it stall in the Senate. The Rota park study finally became law after he was

able to add it to a larger lands bill that was then made part of the annual defense authorization.

The study now underway will advise Congress whether to move ahead with a national park and will recommend boundaries after extensive consultation with the people of Rota.

Troop store expansion underway

Construction of the 5,000 square foot expansion of the troop store at the Army Reserve Center on Saipan has finally begun. The Army & Air Force Exchange Service awarded the \$1.8 million project to RNV Construction, a local contractor.

The existing 1,120 square-foot facility, built in 1987 and last renovated in 2003, has long needed a major overhaul.

Congressman Sablan began working to improve the store in his first term in Congress, when he included a feasibility study in the 2011 National Defense Authorization Act. That study determined the project to be viable, but concerns about possible unexploded ordnance at the site caused delay.

Construction is now expected to be complete by early next year; and the 4,000 active and reserve service members, retirees, and their families in the Northern Marianas will be able to enjoy a new and improved AAFES Troop Store on Saipan.

Rota, Tinian harbor projects funded

The Rota and Tinian harbor projects were singled out for \$1,300,000 each at the request of Congressman Sablan in Public Law 114-113, signed December 18, 2015. This is the second year of direct funding for the two projects, which will eventually cost about \$3 million each.

In addition, the Commonwealth will save \$910,000 on its local match for the harbors. Sablan added a requirement to the Water Resources Reform and Development Act of 2014 that the U.S. Army Corps of Engineers increase a waiver of local matching funds for insular governments to account for inflation over the 28 years since the law was first enacted.

Before WRRDA became law, the Northern Marianas waiver was \$200,000. After Sablan's inflation adjustment, the waiver more than doubled to \$455,000 for each project.



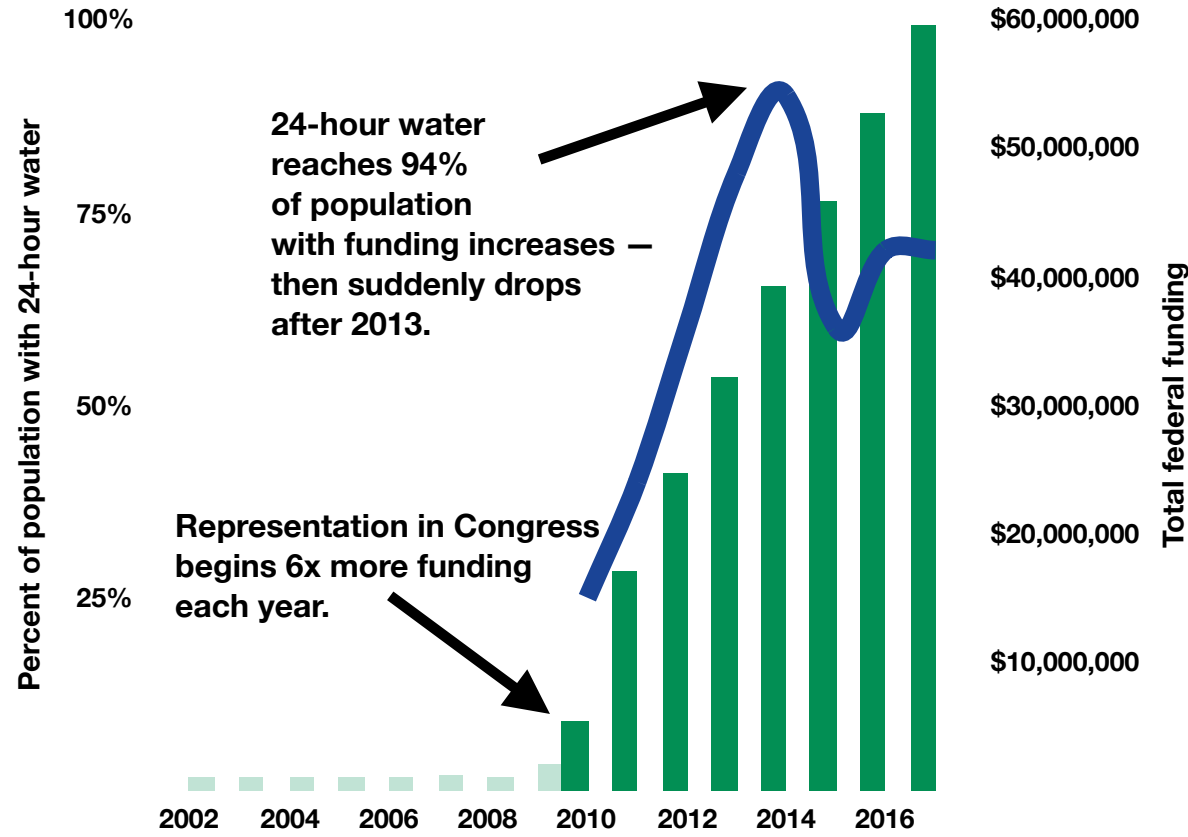
The U.S. Army Corps of Engineers has begun the planning stage of work on Rota West Harbor and Tinian Harbor with \$2,600,00 appropriated at Congressman Sablan's request.



Each harbor project will cost the Commonwealth \$255,000 less because of Sablan's change in the Water Resources Reform and Development Act.

\$59 million in new federal water funds

24-hour delivery for Saipan still a top goal



Because having water around the clock is so important to good health and quality of life, starting in 2009 Congressman Sablan has worked to increase water infrastructure funds going to the Northern Mariana Islands.

As a result, in every fiscal year since then annual funding to the Marianas has always exceeded \$6 million, compared to just \$1 million previously.

This makes a total of \$59 million over the past eight years—or the equivalent of \$40 per month that would otherwise be added to customers' bills.

And, until 2013, the extra money from Congress meant more and more families on Saipan were getting 24-hour water. Then, water delivery dropped. (see chart, above)

Responding to an inquiry from Sablan, Gov. Ralph DLG Torres wrote in May to explain there are enough wells in operation to provide 24-hour water but “60 percent of water pumped is lost during the transmission from the wells to users.”

The Governor said CUC is using the federal funds to repair “collapsed wells, damaged water storage tanks, and transmission pipes” that are the major problem.

He also commended Sablan “for your superior work in Washington, DC to provide CUC the additional funding to continue working toward the goal of 24 hour water access.”

IN BRIEF

Report: Marianas National Guard doable

In May, the House Armed Services Committee directed the Secretary of Defense to lay out all the steps necessary to set up a Northern Mariana Islands National Guard unit. Typhoon Soudelor showed the need for the Marianas to have its own National Guard for the Governor to call up in an emergency.

The commonwealth, which has already enacted a law authorizing a militia, does have the population and capacity to support its own Guard unit, according to a National Guard Bureau report issued in August 2015, just as Soudelor struck.

Congressman Sablan supported the inclusion of this feasibility report in the National Defense Authorization Act in 2014 and was responsible for the request for an implementation plan included in this year's Defense bill. He also introduced H.R. 3649 in this Congress, directly authorizing a Marianas unit. The commonwealth is one of only two U.S. jurisdictions without its own Guard, which would contribute to security in the Asia-Pacific region and provide jobs.

Earned income tax credit bill rewards work

Making the Earned Income Tax Credit available to low-income households in the Northern Marianas is the goal of H.R. 4309, introduced by Congressman Sablan in December 2015. The EITC—up to \$6,242 for a family with 3 or more children— rewards work. It is only available to those who have a job, and only to U.S. citizens or permanent residents. This tax policy thus addresses both poverty in the NMI and the need to bring more local workers into the labor market to offset the need for foreign labor.

H.R. 4309 requires the U.S. Treasury to cover the cost as it does for the Child Tax Credit and the American Opportunity Tax Credit. The Commonwealth once offered the EITC to local taxpayers, but ended the program in the 1990s because it was too expensive.

Shark fin trade ban introduced



Congressman Sablan spoke at a press briefing on his bill to prohibit shark fin trade in the United States. Actor Morgan Freeman (right) was the guest of honor at the event.

Congressman Sablan is the lead sponsor on a bipartisan bill to ban the buying and selling of shark fins in the United States. The “Shark Fin Trade Elimination Act of 2016,” or H.R. 5584, mirrors a law enacted by the Commonwealth Legislature in 2011 that prohibits the possession, sale, and distribution of shark fins in the islands.

The Northern Marianas was the first U.S. insular area to enact legislation banning the sale of shark fins. In 2016 three U.S. insular areas and 11 states have laws on the books to protect sharks.

Although shark finning is already banned in U.S. waters, the sale, purchase, and distribution of shark fins is not. Sablan's bill would enact a national ban on the shark fin trade and remove the U.S. market for this destructive, inhumane, and wasteful business.

An estimated 73 million sharks are caught each year for their fins, and in most cases these sharks are thrown back into the water to drown. Largely as a result of the fin trade, shark populations are in serious decline worldwide.

Six EB-5 investment centers okayed in NMI

Four EB-5 investment centers already approved for Saipan, one for Tinian, and one for Rota are expected to create hundreds of jobs for U.S. workers and bring millions of dollars into the Northern Mariana Islands economy over the coming years.

Federal immigration law provides conditional lawful permanent resident status, “green cards,” to each foreign citizen who invests \$500,000 in a commercial project in a rural or high-unemployment area, such as the Marianas. The investment must also produce 10 full-time jobs for U.S. workers.

One investment center, American Northern Marianas Regional Center, is building a 300-room hotel and resort at Tinian harbor. Another, Marianas EB-5 Regional Center, LLC is behind the Surfrider Resort Spa & Beach Club development in Chalan Kanoa. A third, Invest CNMI, LLC, plans to renovate the Plumeria Resort. The EB-5 Program ends this year, but efforts are underway in Congress for a multi-year extension.



Marianas resilience shines after Soudelor

Typhoon Soudelor will be remembered by the people of the Northern Marianas as one of the most ferocious in the islands’ history—for the staggering damage it wreaked over one night in August 2015 and for the suffering it caused to tens of thousands of people on Saipan over the months that followed. But the storm and its aftermath will also be remembered as a time when people pulled together

and showed resilience and grace in the face of adversity. First responders, government workers, volunteers, and neighbors answered the call to aid fellow survivors, even as they struggled themselves to fix their homes and care for their families. The federal government was, and continues to be, an important partner in the disaster recovery. Before the storm struck and in the weeks after, the congressional

office worked closely with the Federal Emergency Management Agency, the U.S. military, and other federal agencies to ensure that vital aid got to the people who needed it as quickly as possible, and that the Commonwealth government received the resources it needed to restore public services. Altogether, the Northern Marianas is expected to receive over \$100 million in

federal disaster aid to repair and strengthen infrastructure and public facilities, get local businesses back on track, and help survivors rebuild their homes and replace lost income and property. On December 15, 2015, to honor all who contributed to the restoration of the island, Congressman Sablan entered a commendation into the Congressional Record.

More military academy slots open for NMI youth

One way to expand opportunity for young people in the Northern Marianas is to increase their ability to attend one of the U.S. military academies, earning a college degree in return for serving their country. Since entering office in 2009, Congressman Sablan has tripled the number of academy slots available for Northern Marianas students at the academies from just three to nine. The latest increase was added to the



National Defense Authorization Act enacted in December. At Congressman Sablan’s session on applying for the military academies (pictured

above), students learn about the congressional nomination process and about the qualities and qualifications the academies are looking for, such as academic

excellence, proven leadership, and a commitment to civic service. The congressional office is also hosting a series of presentations and Q&A sessions for high school juniors and seniors to help them answer the question What’s Next? after graduation and to encourage them to go on to college, the military, vocational training, or volunteer service after high school. To apply go to: www.sablan.house.gov.

Strong turnout at Rota grants workshop

More than 25 community members and government representatives attended a grants workshop on Rota the May. Representatives from the U.S. Department of Agriculture and from the Commonwealth Office of Grants Management were on hand to hear from the

community and explore how USDA programs and services might benefit Rota. The congressional office set up the workshop after Rota Mayor Efraim M. Atalig asked for help finding more federal resources to support the municipality’s development goals.

Veterans share their stories for Library of Congress

Veterans in the Northern Mariana Islands have begun adding their stories of wartime service to the Veterans History Project of the Library of Congress. The congressional office identified the opportunity and, since January, staff have been interviewing local veterans, who want to participated, and gathering their photographs, letters, memoirs, essays, and military records to add to the Library. Congress established the Veterans History Project to honor America’s war veterans by

collecting their remembrances of service and preserving their original memorabilia. The Project relies on volunteers, who can be family or friends, to interview the vets and collect materials. More than 100,000 stories have been gathered so far nationwide, but 2016 marks the first year that stories of veterans in the Northern Marianas have been added to the archive. To learn more, visit www.loc.gov/vets or contact the congressional office.



The Marianas has sent its first-ever participants to the Library of Congress Summer Teacher Institute.

PSS teachers go to Washington

This year for the first time, through the outreach efforts of the congressional office, teachers from the Northern Marianas Public School System applied and were accepted to the Library of Congress Summer Teacher Institute in Washington, DC. (pictured above). Teachers Elaine Cabrera from Dandan Middle School, Joey San Nicolas from Chacha Oceanview Middle School, and Dora Miura from Saipan Southern High School were chosen for the highly competitive program.

The Institute gives educators the training they need to use the Library’s rich collection of primary sources in their classrooms. Participants are also taught to share what they have learned with their colleagues, when they return home. Public School System Commissioner Rita Sablan gave her support to this professional development opportunity and identified federal grant funds to cover the teachers’ travel and accommodations for the week.

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The congressional office provides a wide array of services for constituents in the Northern Mariana Islands. These include assisting active duty personnel and veterans in following up with inquiries about their benefits, records, or service medals; helping students obtain information about federal financial aid; and assisting senior citizens with questions about Social Security or Medicare.

The congressional office also organizes tours of the White House, U.S. Capitol, and other places of interest in Washington, DC for visiting constituents, and provides flags flown over the Capitol in honor of special persons or occasions.

The **Let’s Read!** project continues sending books home to the Marianas. Since 2009, the congressional office has delivered more than 38,000 books hand-chosen from the surplus book supplies of the Library of Congress. Among many recipients: Joeten-Kiyu Public Library, Tanapag Middle School, Tinian Junior Senior High School, Tinian Elementary School, the Rota Public Library, Empty Vessel Ministry Foundation’s summer youth program, the Department of Corrections and other island libraries, schools, and youth centers, wherever people read.

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