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## **Governor Lemanu Delivers State of the Territory Address at the Opening of the 38th Legislature**



On Monday, January 10, 2023, at the Rex Lee Auditorium in Utulei, Honorable Governor Lemanu P. S. Mauga delivered the State of the Territory Address at the opening ceremony of the First Regular Session of the 38th Legislature.

Governor Lemanu's address included the ASG Financial Update, Substance Abuse & Mental Health, Bipartisan Infrastructure Law, Department of Health, LBJ Hospital, Medicaid State

Agency, Public Safety, Department of Education, Constitutional Convention, Climate Change, and the Trip to Jeju Island, Korea.

Following traditional salutations, Governor Lemanu provided the following updates:

### **ASG Financial Update**

The local fund preliminary FY2022 4<sup>th</sup> quarter YTD expenditures of about \$121.1 million has been documented versus the budget of \$122.8 million, generating a surplus of \$1.7 million. After the Audit is complete, the report will be submitted to the Fono to await legislation to redirect the spending of this surplus. Despite chaotic headwinds within our global market that continue to drive the illusion of a potential recession, our local economy continues to be resilient and thriving.

Our current YTD estimated expenditures for 1st quarter of FY2023 is about \$29 million. Given the current trend, we are projected to attain a \$1 million surplus and achieve our commitment to a balanced budget by year end FY2023.

Like the rest of the world, American Samoa was impacted by the hardships of the COVID-19 Pandemic. The high cost of living has caused deprivation for most low-income families in our territory as they struggle to meet their basic needs. Increase in inflation has been evident in the spike in the cost of food, fuel, and building materials. We experienced shortages in the workforce, hike in the cost of utilities, rentals, traveling fares, transportation, etc. There are also strains on families as they stretch limited resources to meet commitments for church activities, village council, and family faalavelave.

Despite the drastic changes and high cost of living in our daily lives, our government continued to seek ways to support the people of the territory, private businesses, and sustain the government itself. Therefore, I would like to commend the Legislature for their endorsement in passing the following Public laws to aid the people:

1. Public law 37-4, To Amend the Tax Code to Enact the Child Tax Credit Payment Provision of the American Rescue Plan Act (ARPA) of 2021;
2. Public law 37-11, To Amend the Tax Code to Enact the Earned Income Credit (EITC) Provision of the American Rescue Plan Act (ARPA) of 2021.

By doing this, ASG was able to distribute \$50 million to the taxpayers of American Samoa:

1. Child Tax Credit: \$36 million disbursed to taxpayers (\$9 million of local funds and \$27 million of Child Tax Credit)
2. Earned Income Tax Credit: Over \$14 million of EITC to qualified taxpayers

Other benefits distributed to the territory and business owners include the following:

- Department of Human Social Services disbursed about \$32 million in monthly client benefit/payments;
- Department of Education Food Coupon Assistance disbursed \$2.8 million for quarantined families during the community outbreak;
- Department of Commerce Loans and Grants disbursed \$9.8 million for private businesses, rental properties, tenants, etc.
- Department of Human Resources Pandemic Unemployment Assistance disbursed \$2 million to unemployed individuals.

I am happy to announce that we have recently received through DHSS \$6.4 million for the Summer P-EBT to accommodate students during the school closures in Spring 2022. P-EBT will be distributed to 14,000 students at \$455.00 each. Distribution will be some time later this month, January 2023.

### **Bipartisan Infrastructure Law (BIL)**

Another major benefit American Samoa received is through the Bipartisan Infrastructure Law (BIL) signed by President Joe Biden on November 15, 2021. The BIL provided an increase in funding to rebuild America's critical infrastructure and address climate change in the following six areas: ***Built Infrastructure, Nature Based Infrastructure, Broadband, Clean Water, Legacy Pollution and Energy.***

### **Public Health and LBJ Hospital**

As we near the end of the COVID-19 pandemic and enter in the Territory's recovery phase, we avert from the dangers of the virus due to the aggressive response of our healthcare workers in assisting American Samoa to reach herd immunity. This has allowed us to amend legislation and restrictions as we progressed, and ensure the safety of our people.

There is great work in the pipeline from the Department of Public Health. They are as follows:

- New Clinic in Aunu'u
- Renovations to Clinics in Ta'u and Ofu
- Fitiuta Airport Clinic

As the only hospital in the territory, The Lyndon Baines Johnson Tropical Medical Authority's mission is to provide patient focused, comprehensive, high-quality, cost-effective health care and related services to the people of American Samoa. LBJ continues to address challenges faced such as infrastructure maintenance, renovation, critical repairs, and the lack of qualified personnel to meet staffing needs. Investing in a new medical facility and increasing our basic response capacity will provide American Samoa adequate response capabilities.

Improving healthcare remains a priority for the Lemanu-Talauega Administration, and the ARPA allocation funding to the American Samoa Government to design and build a new hospital in Tafuna; continuing with upgrades and expansions of the existing LBJ Hospital is a monumental step forward in improved healthcare as promised to our people. These funds represent an important and much-needed development in what will be a lengthy and ongoing effort.

Services that will be provided in the new hospital:

1. Cardiology
2. Urology
3. Orthopedic
4. Neurosurgery
5. Oncology

Having these services readily available in American Samoa will aid and reduce the cost of off-island referrals and medical appointments.

### **Medicaid State Agency**

The Federal Medical Assistance Percentage for American Samoa and three other smaller territories is now 83% coverage, an increase from 55% passed in 2019. I would like to recognize our Congresswoman Aumua Amata and her colleagues for making this possible. The FMAP rate

The Centers for Medicare and Medicaid (CMS) approved the Prescription Eyeglasses State Plan Amendment (SPA) in May 2022 and later rolled out to the public in September. The program initially served all children and youth under 21 (including non-US. Nationals who legally reside in American Samoa as their primary residence and permanent resident). In October 2022, the program was opened to adults.

The Off-Island Medical Referral data show us that much of the costs of MedEvacs and referrals could have been avoided if patients had engaged in consistent medical check-ups, early detection and staying in compliance with following doctors' orders. To help manage our limited local match, we must invest in strategies that, if executed timely, will decrease the need for costly and unplanned emergency services.

This Administration will invest in preventative care that cannot be done locally. The Medicaid program will administer the Health and Wellness Amerika Samoa initiative to provide comprehensive wellness visits in New Zealand and Hawaii, for employed individuals in the public and private sector. Permanent residents will also be included for eligibility in the health and wellness program.

### **Department of Public Safety and Security**

Public Safety is a collaborative effort between government and the community, village and family leaders, particularly in this fight against the growing threat of illegal drug use and substance abuse in our territory. One of the strongholds in this area is the Controlled Substance Abuse Council (CSAC), a task force led by Lieutenant Governor Talauega E. V. Ale who are working diligently to provide awareness, develop policies, and assist law enforcement to eliminate substance abuse and its impact to our people.

I am proud to report that the Real ID for American Samoa was launched on December 5, 2022. I highly encourage you all to get your Real ID Driver's License and ID cards to ease the burden of traveling and will allow our citizens access into federal buildings and facilities.

### **Department of Education**

Strides have been made to improve the quality of education in American Samoa for both teachers and students, through increased pay raise and implementing more STEAM courses. Other improvements will include the expansion of trade and skills classes to individual schools at both the high school and college level. There is a need for more specialized employees such as mechanics, pilots, chef, computer technicians, carpenters, cosmetologists, dental hygienists, electricians, graphic designers, massage therapists, nurses, paralegals, pharmacy technicians, plumber, welders, seamstresses and more.

Many of these specialized work is being done by outside aid. Although their work is appreciated, we need to utilize and certify our own people. There are those who choose to further their educational endeavors, there are those who enlist into the US Military after high school, and those who wish to enter the workforce right away. With the skill set they would have obtained in these trade classes early on, will better equip them when entering the workforce.

### **Constitutional Convention**

From August 29th to September 2nd, 2022 we gathered to converse, examine, and share on the Constitutional Review Committee's proposed amendments as well as other amendments proposed by the constitutional delegation, which consists of 129 community-appointed members from the 15 districts. The constitutional delegation approved eleven amendments to the Revised Constitution of American Samoa and it was included in the referendum ballot on the November 8 Election for the people to vote on. Our territory collectively approved five amendments, and we have transmitted the Election results to the Secretary of Interior, Honorable Deb Haaland for her review, and it will be sent to the U. S. Congress upon her approval.

The message here is that the people have spoken, and we want to express the importance of this process because this is a Government of the People, where our citizens can exercise their rights to shape the political framework of American Samoa. The five proposed amendments are:

1. ***Swains Island Vote.*** This amendment would grant the delegate from Swains Island the right to vote in the House of Representatives (Amending Article II Section 2).
2. ***Impeachment.*** This amendment provides an impeachment process of the Governor and Lt. Governor (Adding Article II Section 26).
3. ***American Samoa Government.*** This amendment will insert “American Samoa Government” in place of “Government of American Samoa.” (Amending Article I Sections 3, 11, 12; Article II Section 20, Article III Section 2; Article IV Sections 7, 8, 11).
4. ***Ma’oputasi.*** This amendment changes “Ma’uputasi” to “Ma’oputasi.” (Amending Article II Section 2 & 4; Article V Section 10).
5. ***Leasina ma Aitulagi.*** The amendment adds “ma Aitulagi” to “Leasina” to read as “Leasina ma Aitulagi.” (Amending Article II Section 2 and Article V Section 10).

## **Climate Change**

Climate change is an ever-growing existential reality. Its impacts have global, regional and local ramifications. The biggest threats to our region's stability are our climate and weather changes. Inevitably, the growing number of village communities and residents are burdened by negative impacts and costs-related to rising sea-level, massive land and coastal erosion, food and water scarcity, pollution, diseases and health issues.

We continue to explore renewable energy options for American Samoa, including wind turbine technology and solar photovoltaic panels (PV). With limited flowing water for Hydro, these two Renewable Energy resources are the only proven technologies that will fit within our island's landscape.

The completion of future projected ASPA’s Renewable Energy projects, namely the 42MW Wind Farm, the 20MW Solar PV Farm and the 1.0MW Waste to Energy Gasification plant will enable ASPA to reduce the cost of electricity by approximately thirty (30) percent. This alone will have a positive effect on the cost of local production and the welfare of society.

## **Infrastructure**

Although not mentioned in Governor Lemanu’s address, below is a list of **completed** buildings, roads, seawalls, and other projects. Please refer to the STA report for on-going projects.

COMPLETED			
ROADS	BUILDINGS	SEAWALLS	OTHER
Amanave to Poloa Village	Manulele ES Gymnasium	Tula/Alao	Tafuna Correctional Facility- Maximum Security Isolation Building
Poloa - Fagamalo Village	Lupelele ES Gymnasium	Alega (Laulii)	Labor Delivery, Nursery, OR Suite Renovation
Malaeloa	Leone Midkiff ES Gymnasium	Amouli	Futiga Landfill Expansion and Upgrades
Fagaima/Malaeimi	Alatau II Two-Story Classroom Building	Asili	Turtle and Shark Lookout
Vaitogi Loop	Fagaitua HS Two-Story Classroom Building	Nuuuli	Futiga Landfill Expansion and Upgrades
Golf Course Pavement Parking Lot	Samoana HS Two-Story Classroom & Administration Office	Ofu	Maritime Cultural heritage Center (DMWR)
Aua ES Parking Lot and Drainage	Earlt Childhood Education (Tafuna)		Ofu Runway Rehabilitation Project
Construction of Sidewalk (Aua Elementary)	First Community Learning Center		Faleasao Wharf Dredging
Vatia Road Maintenance	Aua Restroom Renovation		
Access Road Governor's Mansion			
Fogagogo Access Road #1			
Fogagogo Access Road #2			
Cost-U-Less Road			
Kanana Fou Road			
Ilili Road (Back Road)			
Ilili Road Back Road			
Vaitogi Access Road			
Mapusaga Fou Access Road #1			
Mapusaga Fou Access Road #2			
Leone Village Road			
NVTHS Access Loop Road			
Fatu- O- Aiga Access Roads			
TSM Back Road			

## Trip to Jeju Island, Korea

Our visit to Jeju Special Self Governing Province was an effort to learn more about the critical infrastructural development of Jeju Island with respect to sustainability and adaptation. Jeju is a world-leading small island nation in the areas of renewable energy, electrical vehicles, and information technology. Jeju was once like American Samoa but on a larger scale, and currently, they rely solely on their own resources. Lieutenant Governor Talauega and I hope to apply the same concepts and successes of Jeju Province to our territory, and to move towards becoming more self-sufficient.

This trip also afforded us the golden opportunity to meet with fellow Toa o Samoa soldiers and their families who are stationed at Camp Humphrey. It was a moving experience and I was reminded of the difficulties and struggles of being away from Samoa, especially from family.

## Nomination of Directors

Three directors nominees will be submitted for confirmation:

- Search and Rescue: Fa'amasino Galoia
- Corrections: Tauanu'u Semu Tauanu'u
- Port Administration: Falenaoti Loi-On Fruean

## **Closing**

The Lieutenant Governor and I want to congratulate the Representatives who succeeded in this past Election. We congratulate Honorable Savali Talavou Ale who is continuing his tenure as Speaker of the House. We also take the opportunity to commend the Legislature for their partnership while we had faced the many hardships of 2022. We look forward to continuing our synergistic efforts as we dive into the new year.

I want to recognize our former leaders for their guidance and support to the Administration: Former Governor Lolo Moliga and Former First Lady Cynthia Moliga, Former Governor Togiola and former first lady Maryann Tulafono.

In moving forward, Lieutenant Governor Talauega and I believe that we need to reinforce collaboration between the government and the people to unify our efforts towards the advancement of our territory. We must consider the fast-changing world we live in. How will we excel if we continue to do the same things? As the saying goes, 'Progress is impossible without change.'

May God bless our Government and people of American Samoa.

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