

American Samoa Legislative Report 159th Council Meeting

Fiesta Resort, Saipan Tuesday, March 18th, 2014

American Samoa supports Congressman Faleomavaega's efforts in opposing a provision of the Consolidated Appropriations Act for Fiscal Year 2014

American Samoa's Representative to Congress, Faleomavaega Eni Hunkin has partnered with other US legislators to urge the USDA not to weaken the 100% Buy American Tuna provision for the school lunch program that would allow canning companies such as Bumblebee and Chicken of the Sea to sell tuna to the USDA while operating canneries on foreign soil. Support from the territory has grown. The American Samoa Government has made its support of Congressman Faleomavaega's efforts clear. The Fono (American Samoa Legislature) and the Governor have signed a joint concurrent resolution, showing their support for the Congressman's efforts. The communities of American Samoa have also stepped up to make their voices heard as a petition. Former governor, Togiola Tulafono has joined local longline owners to begin a petition to gather community support in opposition of the USDA's required reporting language.

The USDA has since responded to the Congressman's inquiries reaffirming that they will not weaken the 100% Buy American Tuna provision of the Act. This news was very well received by the local government and communities, as well as the two canneries that operate in American Samoa – Starkist and Tri Marine.

President Obama's minimum wage increase proposal will not adversely affect American Samoa economy

President Obama recently raised the minimum wage for the US and Territories. While this was met with a great deal of support nationwide, there was worry in the American Samoa that the President's decision to increase the minimum wage would present problems for American Samoa as the ripple effects of the Chicken of the Sea canning facility closing are still being felt. Congressman Faleomavaega Eni Hunkin provided clarification to the upcoming Executive Order, pointing out that the wage increase will only apply to federal contractors and not to local government or the private sector. There is a bill pending which would raise American Samoa's minimum wage by 2015. The Congressman will be working with the President to find the best minimum wage solution, taking into account GAO findings and still be fair for local workers and industries.

There is much concern in passing a minimum wage increase in the Territory which aligns with the US. Many fear that having the minimum wage match US standards would cripple the economy and potentially devastate the private sector. The Congressman has argued that many considerations must be taken before a reasonable wage hike can be implemented for the territory and has referenced the GAO data as being essential to that process.

The American Samoa Department of Commerce has completed an analysis of the impact of minimum wage increases for ASG. They found the average annual salary for ASG employees is just over \$19,000 (not including fringe benefits). Findings point out that the hike to \$4.91/hour and any subsequent raises to get on par with the federal minimum of \$10.10/hour. The report states that such an increase would result in "substantial curtailment of employment and cause budget constraints for ASG by significantly increasing the ASG personnel and related costs." This information supports Congressman Faleomavaega's assertions that minimum wage increases are not the answer to American Samoa's economic woes at this time.

Rosie Fuala'au Tago Lancaster announces plans to run for Congress again

Rosie Fuala'au Tago Lancaster will be running for Congressional delegate from American Samoa in the upcoming election. She also ran in the '08 and '12 elections, losing to the current Congressman and finishing behind Amata Coleman. Lancaster is a retired US Army veteran.

House of Representatives co-sponsors resolution calling for Executive Branch to begin planning for the construction of a Pago Harbor boardwalk

With the goal of economic growth, seven faipule of the Fono's House of Representatives cosponsored a resolution calling for the governor construct a boardwalk in the Pago harbor area complete with supporting structures for business development. The resolution has Public Works and DOC preparing plans for this project immediately to make American Samoa the first island in the region to have a boardwalk. This plan would supposedly attract tourists and stimulate the economy. This plan calls for construction of a seawall which would be built under the boardwalk. The plan is for the construction site to be from the shoreline behind the Fono building in Fagatogo all the way toward the canneries in the village of Satala (near the shipyard slipway and Starkist plant). The report talks about billions of dollars the recreational boating and maritime industry contribute to global economies and how the project would also solve the territory's docking space issues. The resolution calls for the governor to utilize FEMA mitigation funds from the '09 tsunami and from block grant funds to complete this project. It seems that they have been looking at the 20 year old harbor master plan. There has been no official response from the governor yet on the resolution.

Senate Committee for Communications and Fisheries questions Shipyard Services Chairman and Board Members about cost-cutting plan submitted to the Governor

Senator Afoa Lutu called a hearing of the Fono's Communications and Fisheries Committee, calling in the board for the shipyard services to explain cost saving measures submitted to the governor's office including the removal of an employee who was recommended by the governor, and shrinking the number of board members from its current 9 to 5 which would save about

\$20K/year (stipends of \$5 and \$6K are given annually to board members). Afoa called the hearing after learning that five employees were laid off by the shipyard services chairman David Robinson. The committee was also questioned the hiring of an ASG retiree who earns a high salary while rarely being at work. Robinson stated that the moves were part of the cost cutting measures and that there isn't enough repair work coming in to justify the amount of employees. The shipyard also lost its engineer who returned to New Zealan (\$75K/year salary). Robinson said little money is made from longline repairs and the big money is in purse seiner repairs. He also reported that TriMarine has committed to using the shipyard to service and repair its purse seiner fleet, a move that would generate quite a bit of money for the territory. The shipyard is an important piece of our local fishery infrastructure and we should monitor the updates as they could directly affect our plans to develop fisheries in the territory.