The U.S. Obligation to the Republic of the Marshall Islands

- The United States has made a commitment to provide $20 million to the Republic of the Marshall Islands (RMI), a Pacific nation that the U.S. took from Japan after World War II and administered as a territory until 1986. The $20 million is compensation for economic damages suffered by the RMI after the U.S. unilaterally changed terms of the Compact that guides the relationship between the two nations.

- The U.S. Congress and Executive Branch have recognized the $20 obligation:
  - Fiscal Year 2020 appropriations funding included $5 million of the total due, and the accompanying Joint Explanatory Statement noted that this funding was being “provided as an initial payment towards the $20,000,000 in compensation requested by the Republic of the Marshall Islands for adverse financial and economic impacts[.]”
  - The Trump Administration’s FY21 Budget contained $5 million in funding out of the remaining $15 million still owed.
  - The RMI is requesting the remaining $15 million as quickly as possible, preferably during FY21 appropriations consideration.

- Additional Background. In 1986 the U.S. signed a Compact of Free Association with the RMI that gave the nation a unique status as a Freely Associated State (FAS). Under the terms of the Compact, the U.S. Government controls the RMI’s defense and national security and may deny other nations access to its strategically located islands and water.

  - In approving the Compact, Congress nullified previously agreed upon U.S. tax and trade benefits designed to develop the islands’ economy. As an alternative, the Congress added “Compensatory Adjustments” of up to $20 million for the RMI if it could substantiate economic losses due to the voided sections of the Compact (P.L. 99-239).

  - The RMI provided substantiation for $244,268,344 in losses. After an extensive review that included the Departments of the Interior and Treasury, the State Department advised the Senate Committee on Energy and Natural Resources that “the RMI has reasonably demonstrated net adverse impacts . . . in making their request for $20 million.”

  - A 2018 GAO report also reiterated, “In 2009, an interagency group convened by the Department of State concluded that the RMI had reasonably demonstrated net adverse impacts. Per the terms of the amended compact, the $20 million would be deposited into the compact trust fund. In 2010, the department notified Congress of the interagency group findings. However, according to the Department of the Interior, funds have not been appropriated to make such a payment.”

  - The GAO report also found that it was unlikely that the RMI trust fund would have sufficient funds to replace annual U.S. economic assistance by FY24 (in part because of late U.S. contributions). In doing so, it recognized the value of additional contributions in compensation for the unilateral congressional changes to the Compact and implications of late payments that remain outstanding.

- Timing is critical. The current U.S.-RMI Compact of Free Association will expire at the end of 2023. Negotiations are under way now. It is important to wrap up this longstanding obligation as soon as possible and provide the remaining $15 million.

This material is distributed by Akin Gump on behalf of the Embassy of the Republic of the Marshall Islands. Additional information is on file with the Department of Justice, Washington, DC.
November 19, 2019

The Honorable Charles Grassley  
Chairman  
Senate Finance Committee  
219 Dirksen Senate Office Bldg.  
Washington, D.C. 20510

The Honorable Frank Pallone  
Chairman  
House Energy & Commerce Committee  
2125 Rayburn House Office Bldg.  
Washington, D.C. 20515

The Honorable Ron Wyden  
Ranking Member  
Senate Finance Committee  
219 Dirksen Senate Office Bldg.  
Washington, D.C. 20510

The Honorable Greg Walden  
Ranking Member  
House Energy & Commerce Committee  
2322 A Rayburn House Office Bldg.  
Washington, D.C. 20515

Dear Chairmen Grassley and Pallone and Ranking Members Wyden and Walden:

As organizations, businesses and community groups working to remove barriers to healthy living, we urge Congress to fix a legislative oversight that has led to inequitable access to health care for thousands of Pacific Islanders in the United States. Since the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), people residing in the United States under the Compacts of Free Association (COFA) have been categorically ineligible for Medicaid. This has caused thousands of Pacific Islanders to be denied basic access to health care, undermining the U.S. relationship with our COFA allies and causing worse health outcomes for COFA families in the U.S.

The Compacts of Free Association are critical U.S. national security and economic agreements with the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau (collectively referred to as the Freely Associated States or FAS). Under the provisions of these agreements, citizens of the FAS may travel to, live, and work in the U.S. in exchange for the U.S. military’s exclusive use of and access to these nation’s lands, territorial waters, and airspace in the Pacific.

Before 1996, COFA citizens in the U.S. had access to Medicaid through their designation as legally residing non-citizen nationals. Unfortunately, PRWORA stripped COFA communities living in the U.S. of their eligibility for most means-tested federal benefits, including Medicaid. By all accounts, when passing PRWORA, Congress unintentionally excluded this important population from the category of “qualified immigrants” for purposes of federal benefits eligibility.

As a result, over 61,000 COFA individuals and families living in the U.S. and its Pacific territories have struggled to access essential care, despite paying taxes and serving in the U.S. military at per capita rates higher than most U.S. states. Many face serious chronic conditions and health disparities, due to dependency on the U.S., as well as the effects of military activity in the FAS, including nuclear testing. These conditions, such as elevated rates of cancer and diabetes, grow more severe if left untreated.
In August 2019, Secretary of State Mike Pompeo noted that the COFA nations are “great friends of the United States,” during his visit to the FAS. Given this friendship, it is time for Congress to act to ensure that COFA communities are not excluded from health insurance. We applaud Senators Hirono (D-HI) and Schatz (D-HI), and Representatives Cárdenas (D-CA), Radewagen (R-AS), Gabbard (D-HI), Womack (R-AR), Case (D-HI), and Sablan (D-MP) for introducing S. 2218 and H.R 4821, respectively, the Covering Our FAS Allies (COFA) Act. We also appreciate the actions by some states, including Oregon, Washington, Hawaii, and Arkansas, to use limited state resources to extend health coverage to the community.

To honor the spirit of the Compacts of Free Association and rectify a legislative mistake made nearly 25 years ago, Congress must restore Medicaid eligibility for COFA residents.

Sincerely,

**National Organizations**
Asian & Pacific Islander American Health Forum
Association of Asian Pacific Community Health Organizations
ACCESS
ADAP Advocacy Association
American Cancer Society Cancer Action Network
American College of Nurse-Midwives
American Heart Association
American Lung Association
American Muslim Health Professionals
American Public Health Association
Asian Pacific American Labor Alliance, AFL-CIO
Asian Pacific Institute on Gender-Based Violence
Asian Pacific Partners for Empowerment, Advocacy and Leadership (APPEAL)
Association for Community Affiliated Plans
Association of Schools and Programs of Public Health
Association of University Centers on Disabilities (AUCD)
Autistic Self Advocacy Network
Cancer Council of the Pacific Islands
Caring Across Generations
Catholic Health Association of the United States
Center for Law and Social Policy (CLASP)
CenterLink: The Community of LGBT Centers
Coalition for Disability Health Equity
Coalition on Human Needs
COFA-Community Leadership Advocacy Network
CommonHealth ACTION
CommonSpirit Health
Community Access National Network (CANN)
Community Catalyst
Community Health Network of Washington
Congregation of Our Lady of Charity of the Good Shepherd, U.S. Provinces
Disability Rights Education & Defense Fund (DREDF)
Empowering Pacific Islander Communities (EPIC)
Families USA
First Focus Campaign for Children
Guttmacher Institute
Hep B United
Hepatitis B Foundation
Indivisible
Justice in Aging
March of Dimes
Marshall Islands Ministry of Health and Human Services
Medicare Rights Center
Micronesian Health Advisory Coalition/COFA-CLAN
MomsRising
NAACP
NAPAFASA
NASTAD
National Advocacy Center of the Sisters of the Good Shepherd
National Asian Pacific American Women's Forum (NAPAWF)
National Association of Atomic Veterans
National Association of Atomic Veterans (NAAV)
National Association of Councils on Developmental Disabilities
National Association of Social Workers
National Association of State Long-Term Care Ombudsman Programs
National Center for Transgender Equality
National Council of Asian Pacific Americans
National Council of Asian Pacific Islander Physicians
National Council of Jewish Women
National Disability Rights Network
National Health Law Program
National Immigration Law Center
National Institute for Reproductive Health (NIRH)
National Latina Institute for Reproductive Health
National LGBTQ Task Force Action Fund
National Organization for Women
National Partnership for Women & Families
National Task Force on Hepatitis B Focus on Asian and Pacific Islander Americans
National WIC Association
National Women's Health Network
National Women's Law Center
NETWORK Lobby for Catholic Social Justice
OCA - Asian Pacific American Advocates
Pacific Island Health Officers Association
Papa Ola Lokahi
Partnership for America's Children
Physicians for Social Responsibility
Planned Parenthood Federation of America
PRS Pharmacy Services

RESULTS
Samoana Integrated Learning Initiative
Shriver Center on Poverty Law
Southeast Asia Resource Action Center (SEARAC)
SPLC Action Fund
Treatment Action Group (TAG)
UnidosUS
Union of North American Vietnamese Student Associations
URGE: Unite for Reproductive & Gender Equity
Young Invincibles

State and Local Organizations

Arizona (AZ)
Asian Pacific Community in Action
Chuuk Christian Church of Arizona
Islands Community Fellowship
Hellan EyeCare, LLC
Physicians for Social Responsibility, Arizona Chapter

Arkansas (AR)
ACOM
Arkansas Advocates for Children and Families
Arkansas Coalition of Marshallese
Community Clinic NWA
Community Pharmacy of Springdale
Faith Full Gospel Church
La Prensa Libre
Marshallese Educational Initiative
Mercy Arkansas
Northwest Medical Center- Springdale
NWA African American Heritage Assn
OurPharma LLC
Rinamu
St Francis House NWA, Inc DBA Community Clinic
UAMS
University of Arkansas for Medical Sciences

California (CA)
Alameda Health Consortium
API Equality-LA
APLA Health
Asian Americans Advancing Justice - Los Angeles
Asian Pacific Islander Forward Movement
California Immigrant Policy Center (CIPC)
California Pan-Ethnic Health Network
California Health+ Advocates
Community Action Board of Santa Cruz County, Inc. (CAB)
Kern Family Healthcare
Korean Community Center of the East Bay
Latino Coalition for a Healthy CA
LifeLong Medical Care
Maternal and Child Health Access
North East Medical Services
Orange County Asian & Pacific Islander Community Alliance (OCAPICA)
Pacific Asian Counseling Services
Physicians for Social Responsibility, San Francisco Bay Area Chapter
Physicians for Social Responsibility-Los Angeles
Regional Pacific Islander Taskforce
San Francisco AIDS Foundation
Taulama for Tongans
United Cambodian Community
Western Center on Law & Poverty

Colorado (CO)
Asian Pacific Development Center

Florida (FL)
Asian American Federation of Florida
Emgage
eMgage Foundation
Florida Asian Services
Florida Chinese Federation
NANAY CEDC
North Miami Beach Chinese Senior Club
OCA South Florida Chapter

Georgia (GA)
Center for Pan Asian Community Services, Inc.

Hawaii
AlohaCare
Catholic Charities Hawaii
Chuukese Catholic Community of Hawaii
Hawai‘i Children’s Action Network
Hawaii Health & Harm Reduction Center
Hep Free Hawaii
IHS, The Institute for Human Services
Kokua Kalihi Valley
Lanai Community Health Center
Mālama I Ke Ola Health Center
Maui Economic Opportunity
Micronesian Health Advisory Coalition
Micronesians United Big Island (MU-BI)
Nations of Micronesia Committee
Pacific Islands Primary Care Association
Parents And Children Together
Partners in Development Foundation
Progressive Democrats of Hawaii
St Elizabeth’s Episcopal Church
The Queen's Health Systems
Waimanalo Health Center
Waipahu Safe Haven Immigrant/Migrant Center
We Are Oceania

Idaho (ID)
Idaho Voices for Children

Illinois (IL)
Asian Americans Advancing Justice | Chicago
Center for Asian Health Equity

Iowa (IA)
Monsoon Asians & Pacific Islanders in Solidarity
PSR Iowa

Kentucky (KY)
Kentucky Equal Justice Center

Louisiana (LA)
NOELA Community Health Center

Maine (ME)
Physicians for Social Responsibility Maine Chapter

Maryland (MD)
Chesapeake Physicians for Social Responsibility
Public Justice Center
Massachusetts (MA)
Pioneer Valley Physicians for Social Responsibility
Massachusetts Immigrant and Refugee Advocacy Coalition

Michigan (MI)
APIA VOTE MI

Minnesota (MN)
Immigrant Law Center of Minnesota

Mississippi (MS)
Boat People SOS Inc.

Missouri (MO)
Springfield Marshallese community

Nevada (NV)
Asian Community Development Council
Southern Nevada Health District

New Mexico (NM)
New Mexico Asian Family Center
New Mexico Center on Law and Poverty

New York (NY)
Amida Care
Center for Independence of the Disabled, NY
Children's Defense Fund - New York
Chinese-American Planning Council
Coalition for Asian American Children and Families (CACF)
Kalusugan Coalition
Philippine Nurses Association of New York Inc.

North Carolina (NC)
Western North Carolina Chapter Physicians for Social Responsibility

Northern Mariana Islands (MP)
Commonwealth Healthcare Corporation

Ohio (OH)
Asian Services in Action, Inc.

Oklahoma (OK)
Enid Oklahoma New Hope Marshallese
Micronesian Coalition
Oklahoma Institute for Child Advocacy
Oklahoma Micronesian Coalition
Rural Health Projects, Inc.

Oregon (OR)
APANO (Asian Pacific American Network of Oregon)
COFA Alliance National Network
Micronesian Islander Community
Northwest Islanders Club
Oregon Association of Atomic Veterans (OAAV)
Oregon Physicians for Social Responsibility
Salem Keizer Coalition for Equality
The Insurance Coach, LLC

Pennsylvania (PA)
SEAMAAC, Inc.

Rhode Island (RI)
Center for Southeast Asians
Neighborhood Health Plan of Rhode Island

Tennessee (TN)
Physicians for Social Responsibility - TN Chapter

Texas (TX)
Asian American Health Coalition
Austin Asian Community Health Initiative
Center for Public Policy Priorities
Light and Salt Association

Utah (UT)
Healthy West Valley Task Force
Hui Hawai‘i O Utah Hawaiian Civic Club
New Hope Marshallese
OCA Asian Pacific Islander American Advocates Utah
Southern Utah Pacific Islander Coalition
The National Tongan American Society
United Micronesian Women
University of Utah Pacific Islander Medical Student Association
Utah Marshallese Association
Utah Pacific Islander Civic Engagement Coalition
Utah Pacific Islander Health Coalition
Virginia (VA)
Korean Community Service Center of Greater Washington
NAKASEC VA
Virginia Poverty Law Center

Washington (WA)
AFT Washington
Arcora Foundation
Asia Pacific Cultural Center
Asian Counseling and Referral Service
Asian Pacific Islander Coalition of Washington State
Children's Alliance
COFA Alliance National Network of Washington
Community Health Board Coalition
Community Health Plan of Washington
Everett Marshallese Association
Everett Marshallese Ministry United Church of Christ
Faith Action Network - Washington State
Health Care Is a Human Right WA
IDIC Filipino Senior & Family Services
International Community Health Services
Islamic Civic Engagement Project
League of Women Voters- WA State
Marshallese Community Of Washington
Marshallese New Hope Church
No More Bombs
Northwest Harvest
Northwest Health Law Advocates
OneAmerica
P.I.C.A.- Pacific Island Community Association
Pacific Island Health Board
Pacific Islander Community Association
Pacific Islander Health Alliance North West(PIHA NW)
Pacific Islander Health Board of Washington
Peace & Justice Action League of Spokane
Physicians for a National Health Program Western Washington Chapter
Puget Sound Advocates for Retirement Action
Seattle Marshallese Community
South Puget Sound Asian Pacific Islander Coalition (APIC)
Statewide Poverty Action Network
Thanks Country Doctor Community Health Centers
The Charis Clinic
U.T.O.P.I.A. Seattle
United for Single Payer
Veterans For Peace Spokane Chapter #35
WA CAPAA Commission
Washington Against Nuclear Weapons Coalition
Washington Community Action Network
Washington Physicians for Social Responsibility

Wisconsin (WI)
Children's Community Health Plan
End Domestic Abuse Wisconsin
Physicians for Social Responsibility Wisconsin

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