

H-2B

The first issue cited by the governor in her testimony was the Department of Homeland Security's recent decision to remove the Philippines from a list of countries eligible for the H-2B foreign worker visa program, a decision which "affects us greatly," she said.

"It is clear that the ban on foreign skilled labor from the Philippines will have a detrimental impact in Guam," said the governor.

The skilled labor shortage that began in late 2015 with "a seemingly arbitrary decision" by the U.S. Citizenship and Immigration Services to deny nearly all H-2B petitions has "resulted in a severe shortage of skilled foreign labor for the island's construction industry," said Leon Guerrero.

Although Homeland Security cited the problem of human trafficking and the 40 percent overstay rate for its decision to remove the Philippines from the list of H-2B eligible nations, "this is not the case for Guam," said the governor.

"The island's rate of H-2B workers who intentionally overstay is negligible," she said, "and there are no known trafficking cases involving Philippine citizens."

"We possess strategic value and contribute to the national security," said the governor, but "I submit to this Committee that Guam's economic security is equally important."

She asked that Guam and the Northern Mariana Islands be exempted from prohibitions in accessing foreign labor from the Philippines.

Compact impact

The costly burden of the Compacts of Free Association was next on her list.

“While we welcome our neighbors from the outer Micronesian islands,” said the governor, “our local social services and infrastructure have been overly taxed by their influx” and “promises from Congress to cover the costs go unfulfilled.”

She told the senators that since 2004, the government of Guam has spent \$1.4 billion providing services to Compact migrants. In return, the federal government has provided only \$229.2 million in assistance.

EITC

Leon Guerrero told the committee that the second largest unfunded mandate Guam faces is the Earned Income Tax Credit which costs island taxpayers more than \$50 million annually.

In addition, Leon Guerrero pointed out that individual states get reimbursed for EITC payments to citizens from the Freely Associated States living in the mainland. But “Guam has been burdened with paying EITC to eligible FAS citizens from its General Fund.”

Medicaid

Medicaid funding was another issue cited by Leon Guerrero.

Federal Medicaid Assistance provided to the states is calculated annually and uses a formula that takes into account per capita income, but “the calculation for Guam is limited by statute,” she said.

And even though the Affordable Care Act increased available Medicaid funding, Leon Guerrero said, Guam “cannot provide the local match” to take advantage of the additional funding.

As a result, she told the lawmakers, \$268 million in available federal Medicaid funding “will expire on September 30, 2019.”

If that deadline is not extended, she said, “the Guam Medicaid Program could be forced to decrease its income guideline and terminate more than 50 percent of its current eligible population.”

Guam World War II Loyalty Recognition Act

Finally, the governor raised the delay in paying out reparations to the island’s World War II survivors.

She told the senators that the Treasury Department has held up issuing checks to war claim survivors “based on their interpretation” that The Guam World War II Loyalty Recognition Act “does not contain appropriations language.”

She asked the senators to support Guam Del. Michael San Nicolas’ bill which was introduced to correct that problem. The Senate Committee on Energy and Natural Resources is chaired by Alaska Sen. Lisa Murkowski.

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