



Report to the Chairman of the
Committee on Energy and Natural
Resources, U.S. Senate

June 2020

COMPACTS OF FREE ASSOCIATION

Populations in U.S.
Areas Have Grown,
with Varying Reported
Effects

GAO Highlights

Highlights of [GAO-20-491](#), a report to the Chairman of the Committee on Energy and Natural Resources, U.S. Senate

Why GAO Did This Study

The U.S. compacts of free association permit eligible citizens from the freely associated states (FAS), including Micronesia, the Marshall Islands, and Palau, to migrate to the United States and its territories without visa and labor certification requirements. In fiscal year 2004, Congress authorized and appropriated \$30 million annually for 20 years to help defray costs associated with compact migration in affected jurisdictions, particularly Hawaii, Guam, and the CNMI. This funding ends in 2023, though migration to U.S. areas is permitted to continue and is expected to grow.

GAO was asked to review topics related to compact migration. This report describes (1) estimated compact migrant populations and recent trends in compact migration; (2) reported costs related to compact migration in Hawaii, Guam, and the CNMI; and (3) effects of compact migration on governments, workforces, and societies in these and other U.S. areas. GAO reviewed Census Bureau data to determine the numbers of compact migrants in U.S. areas. In addition, GAO interviewed federal, state, and territory government officials; representatives of private sector and nonprofit groups employing or serving compact migrants; FAS embassy and consular officials; and members of compact migrant communities.

In commenting on a draft of this report, U.S. area governments and FAS Ambassadors to the United States identified areas for additional study related to compact migration and impact. Some also discussed policy considerations, including restoration of Medicaid benefits to compact migrants.

View [GAO-20-491](#). For more information, contact David Gootnick at (202) 512-3149 or GootnickD@gao.gov.

June 2020

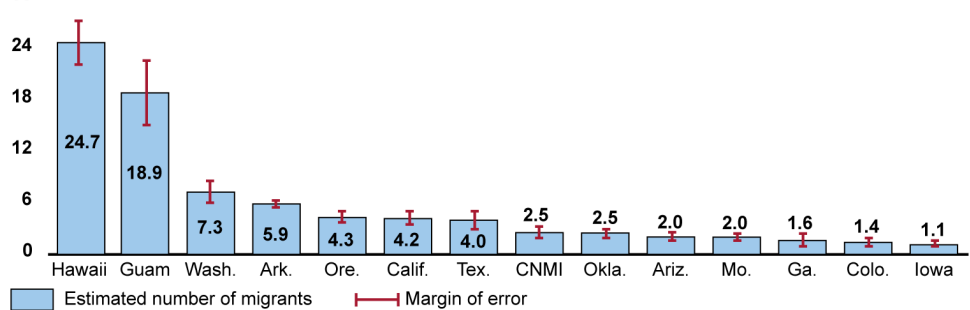
COMPACTS OF FREE ASSOCIATION

Populations in U.S. Areas Have Grown, with Varying Reported Effects

What GAO Found

More than 94,000 compact migrants—that is, citizens of the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau) as well as their U.S.-born children and grandchildren younger than 18 years—live and work in the United States and its territories, according to Census Bureau data. Data from Census Bureau surveys covering the periods 2005-2009 and 2013-2017 and an enumeration in 2018 show that the combined compact migrant populations in U.S. areas grew by an estimated 68 percent, from about 56,000 to about 94,000. Historically, many compact migrants have lived in Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI). From 2013 to 2018, an estimated 50 percent of compact migrants lived on the U.S. mainland.

Estimated Compact Migrant Populations in Selected U.S. Areas, 2013-2018
Number (in thousands)



Source: GAO analysis of a special Census Bureau tabulation of the American Community Survey 2013-2017 data for U.S. states and Census Bureau revised 2018 compact migrant enumeration for Guam and the CNMI. | GAO-20-491

Hawaii, Guam, and the CNMI track and report the financial costs related to compact migration, or compact impact, for their state or territory. These areas reported estimated costs totaling \$3.2 billion during the period fiscal years 2004 through 2018. In fiscal years 2004 through 2019, Hawaii, Guam, and the CNMI received a combined total of approximately \$509 million in federal grants to help defray the costs of providing services to compact migrants.

In the U.S. areas GAO visited—Arkansas, the CNMI, Guam, Hawaii, Oregon, and Washington—state and territorial officials identified effects of providing public education and health care services to compact migrants. Some area governments use a combination of federal and state or territorial funds to extend health care coverage to compact migrants. For example, some states help compact migrants pay for coverage through health insurance exchanges, created under the 2010 Patient Protection and Affordable Care Act, by covering the cost of premiums not covered by advanced premium tax credits available to eligible compact migrants. Effects of compact migration in these U.S. areas also include compact migrants' budgetary contributions through payment of taxes and fees as well as their workforce contributions—for example, through jobs in hotels, manufacturing, the U.S. military, poultry processing, caregiving, and government.

Contents

Letter		1
	Background	3
	Compact Migrant Population Has Grown, with About Half Residing on U.S. Mainland	13
	Hawaii, Guam, and the CNMI Have Reported Compact Impact Costs and Received Annual Grants to Defray Them	21
	Compact Migration Affects Government Programs, Workforces, and Societies	30
	Agency Comments, Third-Party Views, and Our Evaluation	47
	Comments from U.S. Areas	47
	Comments from Freely Associated States	50
Appendix I	Objectives, Scope, and Methodology	53
Appendix II	Estimates of Compact Migrants in U.S. Areas	58
Appendix III	Federal Travel Data Showing Compact Migration to U.S. Areas	65
Appendix IV	Demographics and Characteristics of Compact Migrants in the 50 U.S. States, the District of Columbia, and Puerto Rico	67
Appendix V	Compact Impact Costs Reported by Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands	74
Appendix VI	Compact Migrant Enumeration Methods, Definitions, and Error	76
Appendix VII	Stakeholder Suggestions to Address Challenges Related to Compact Migration	82

Appendix VIII	Nonprofit and Private Sector Organizations Supporting Compact Migrants	89
Appendix IX	Review of Academic Studies of the Workforce Effects of Migration Similar to Compact Migration	94
Appendix X	Compact Migrant Eligibility for, and Access to, REAL ID–Compliant Identification	98
Appendix XI	Comments from the Government of Hawaii	101
Appendix XII	Comments from the Government of Guam	102
Appendix XIII	Comments from the Government of the Commonwealth of the Northern Mariana Islands	105
Appendix XIV	Comments from the Government of Arkansas	107
Appendix XV	Comments from the Government of Oregon	111
Appendix XVI	Comments from the Government of Washington	117
Appendix XVII	Comments from the Government of the Federated States of Micronesia	122

Appendix XVIII	Comments from the Government of the Republic of the Marshall Islands	136
Appendix XIX	Comments from the Government of the Republic of Palau	140
Appendix XX	GAO Contact and Staff Acknowledgements	144

Tables

Table 1: Compact Migrant Eligibility for Selected U.S. Federal Programs as of November 2019	12
Table 2: Estimated Compact Impact Costs Reported by Hawaii, Guam, and the CNMI, by Sector, Fiscal Year 2017	23
Table 3: Compact Impact Grant Funding to Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI), Fiscal Years 2004-2019	25
Table 4: Total Underpayment and Overpayment of Compact Impact Grant Funding to Affected Jurisdictions Resulting from Enumeration Error, Fiscal Years 2015-2020	28
Table 5: Original and Corrected Allocations of Compact Impact Grant Funding and Proposed Grant Amounts for Affected Jurisdictions for Fiscal Years 2021-2023	30
Table 6: Estimated Number of Compact Migrant Students in State and Territorial Public Schools in Selected U.S. Areas	31
Table 7: Examples of Industries Employing Compact Migrants in Selected U.S. Areas	41
Table 8: U.S. Areas and FAS Communities Where We Interviewed Compact Migrants	56
Table 9: Estimated Compact Migrant Populations in Selected U.S. Areas and Percentage Changes in Populations from 2005-2009 to 2013-2018	58
Table 10: Estimated Compact Migrant Populations, by U.S. Area of Residence, 2013-2017	60
Table 11: Estimated Compact Migrant Populations, by U.S. Area of Residence and Freely Associated State (FAS) Birthplace, 2013-2017	62

Table 12: Demographic Estimates of the Compact Migrant Populations in the 50 U.S. States, the District of Columbia, and Puerto Rico, 2013-2017	67
Table 13: Demographic Estimates of Compact Migrants in Hawaii, 2013-2017	70
Table 14: Estimated Compact Impact Costs Reported by Hawaii, Guam, and the CNMI, 1986-2018	74
Table 15: Census Bureau Methods Used to Enumerate Compact Migrants in Affected Jurisdictions, 1993-2018	77
Table 16: Definitions of “Compact Migrant” Used in Census Bureau Enumerations, 1993-2018	79
Table 17: Original and Corrected Enumeration Counts, 2013 and 2018	81

Figures

Figure 1: Locations of the Freely Associated States and Affected Jurisdictions	10
Figure 2: Compact Migrant Populations in U.S. Areas, 2013-2018	16
Figure 3: Estimated Compact Impact Costs Reported by Hawaii, Guam, and the CNMI, Fiscal Years 2004-2018	22
Figure 4: Guam Schools Built through Leaseback Program Funded by Compact Impact Grants	27
Figure 5: States and Territories That Had Extended Coverage to Lawfully Residing Children or Pregnant Women under the Children’s Health Insurance Program Reauthorization Act of 2009 as of February 2020	33
Figure 6: Washington State Health Care Authority Advertisement with Information in English and Six Other Languages Spoken by Compact Migrants	36
Figure 7: Federally Qualified Health Center Offering Services to Compact Migrants in Honolulu, Hawaii	38
Figure 8: Cumulative Monthly Net Migration of Migrants from the Freely Associated States to U.S. Areas, 2017-2019	66
Figure 9: Estimates of Compact Migrant Populations in Hawaii, Guam, and the CNMI, 1993-2018	80
Figure 10: We Are Oceania One-Stop Shop for Compact Migrants in Hawaii	90
Figure 11: Charity Organization That Provides Services to Compact Migrants on Saipan, Commonwealth of the Northern Mariana Islands	92

Abbreviations

ACS	American Community Survey
ADIS	Arrival and Departure Information System
CBP	Customs and Border Protection, Department of Homeland Security
CHIP	Children's Health Insurance Program
CNMI	Commonwealth of the Northern Mariana Islands
DHS	Department of Homeland Security
EAD	employment authorization document
FAS	freely associated state
Interior	Department of the Interior
Marshall Islands	Republic of the Marshall Islands
Micronesia	Federated States of Micronesia
OIA	Office of Insular Affairs, Department of the Interior
Palau	Republic of Palau
PPACA	Patient Protection and Affordable Care Act
PRWORA	Personal Responsibility and Work Opportunity Reconciliation Act of 1996

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.



June 15, 2020

The Honorable Lisa Murkowski
Chairman
Committee on Energy and Natural Resources
United States Senate

Dear Madam Chairman:

In May 2019, the Presidents of the United States, the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau) reaffirmed their countries' commitments to the compacts of free association between the United States and each of the three other nations. These agreements provide, among other things, for U.S. economic assistance to these three freely associated states (FAS), exclusive U.S. military use rights and defense responsibilities in the FASs, and the ability of eligible FAS citizens to enter the United States without a visa and reside indefinitely in U.S. areas—the 50 U.S. states, the District of Columbia, and the U.S. territories. Since the compacts went into effect—in 1986 for Micronesia and the Marshall Islands and in 1994 for Palau—tens of thousands of migrants from these countries have established residence in U.S. areas.

While many compact provisions are ongoing, certain economic assistance to Micronesia and the Marshall Islands ends in fiscal year 2023 and assistance to Palau ends in fiscal year 2024.¹ In addition, certain annual federal grants to designated U.S. areas to defray costs resulting from migration under the compacts (compact migration) from the three FASs to these areas are set to end in fiscal year 2023. Legislation defines these designated areas—Hawaii, Guam, the Commonwealth of the Northern Mariana Islands (CNMI), and American Samoa—as affected jurisdictions.² Migration from the FASs to U.S. areas can be expected to

¹Many compact provisions, including some related to defense and migration, last in perpetuity or until terminated in accordance with the terms of the compacts, according to officials at the Department of State.

²Compact of Free Association Amendments Act of 2003, Pub. L. No. 108-188 (2003). In this report, we refer to the act as “the amended compacts’ implementing legislation.” The act included provisions in addition to those necessary to implement the compacts, including provisions authorizing and appropriating grants for the affected jurisdictions until 2023.

continue beyond the expiration of these grants to the affected jurisdictions. In September 2019, the Deputy Assistant Secretary of State for Australia, New Zealand, and the Pacific Islands testified that the Department of State is coordinating an interagency group to evaluate a range of options to promote the United States' continued relationship with Micronesia, the Marshall Islands, and Palau.³

You asked us to review topics related to compact migration in advance of upcoming discussions regarding the expiration of certain assistance under the compacts in 2023. This report (1) presents estimates of compact migrant populations and describes recent trends in compact migration; (2) summarizes the reported costs related to compact migration (compact impact costs) in three affected jurisdictions—Hawaii, Guam, and the CNMI; and (3) describes effects of compact migration on governments, workforces, and societies in these and other U.S. areas.⁴

As part of this review, we obtained special tabulations of data from the Census Bureau's 2013-2017 American Community Survey for the 50 U.S. states, District of Columbia, and Puerto Rico. For the U.S. territories included in this review that are not covered by the survey (Guam and the CNMI), we used the revised 2018 Census Bureau enumeration of compact migrants in these areas. We also obtained compact impact cost information that the affected jurisdictions reported annually to the Department of the Interior (Interior) and information about grants that they received to defray these costs.

Additionally, we traveled to, and interviewed stakeholders in, six U.S. states and territories with compact migrant populations, including three affected jurisdictions (Hawaii, Guam, and the CNMI) and three mainland states (Arkansas, Oregon, and Washington). We selected these areas on the basis of previously reported compact migrant populations and the locations of consulates or Honorary Consuls for Micronesia, the Marshall

³Sandra Oudkirk, Deputy Assistant Secretary for Australia, New Zealand, and the Pacific Islands, Bureau of East Asian and Pacific Affairs, Department of State, testimony before the U.S. House of Representatives Committees on Foreign Affairs and Natural Resources, Sept. 26, 2019.

⁴Because of American Samoa's small reported FAS population—estimated by the Census Bureau at 25 in 2018—this report does not address compact migrants in American Samoa. For information about American Samoa minimum wage increases, see GAO, *American Samoa: Economic Trends, Status of the Tuna Canning Industry, and Stakeholders' Views on Minimum Wage Increases*, [GAO-20-467](#) (Washington, D.C.: June 11, 2020).

Islands, and Palau. Stakeholders whom we interviewed for this review included federal officials from agencies such as Interior, the Department of State, and the Department of Homeland Security (DHS); state and territorial government officials in areas we visited; representatives of private sector and nonprofit organizations such as chambers of commerce, employers of compact migrants, and nonprofit service providers; FAS embassy and consulate officials or Honorary Consuls; and compact migrants living in the areas we visited.⁵

We also obtained data from DHS Customs and Border Protection's Arrival and Departure Information System to determine net migration to U.S. areas. To assess the reliability of the data, we spoke with DHS officials to identify potential data reliability concerns and other limitations, and we validated the data by checking it against publicly available passenger data from the Department of Transportation. We found that the data were sufficiently reliable to describe net compact migration from 2017 through 2019.

For more details of our objectives, scope, and methodology, see appendix I.

We conducted this performance audit from March 2019 through June 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Micronesia, the Marshall Islands, and Palau are among the smallest countries in the world. In fiscal year 2017, the three FASs had a combined resident population of approximately 175,000 (102,622 in

⁵Consular officials and local community members helped us promote and organize meetings with compact migrants in areas we visited. The approximately 280 individuals we met with do not represent a generalizable sample of compact migrants, and the challenges they discussed are not comprehensive.

Micronesia; 54,354 in the Marshall Islands; and 17,901 in Palau).⁶ Interior's Office of Insular Affairs (OIA) has primary responsibility for monitoring and coordinating U.S. assistance to the FASs, and State is responsible for government-to-government relations.

The U.S. relationship with the FASs began when American forces liberated the islands from Japanese control near the end of World War II. In 1947, the United States entered into a trusteeship with the United Nations and became the administering authority over Micronesia, the Marshall Islands, and Palau.⁷ Voters approved the Constitution of the Federated States of Micronesia in 1978 and approved the Constitution of the Marshall Islands in 1979. Both Micronesia and the Marshall Islands remained subject to the authority of the United States until 1986, when a compact of free association went into effect between the United States and the two nations.⁸ The Palau constitution took effect in 1981, and Palau entered into a compact of free association with the United States in 1994.⁹ Micronesia and Marshall Islands became members of the United Nations in 1991, while Palau joined the organization in 1994.

Compacts of Free Association

Economic Assistance Provisions

Under its compacts with Micronesia, the Marshall Islands, and Palau, the United States provided economic assistance that includes access to certain federal services and programs, among other things, for defined time periods.

⁶These population estimates were developed by the Economic Monitoring and Analysis Program of the Graduate School USA with funding assistance from Interior's Office of Insular Affairs. See Graduate School USA, *Economic Monitoring and Analysis Program, FSM FY 2018 Economic Brief* (August 2019), *RMI FY 2018 Economic Brief* (August 2019), and *Palau FY 2018 Economic Brief* (June 2019).

⁷Under the United Nations trusteeship agreement, the United States was the administering authority for the Trust Territory of the Pacific Islands: Micronesia, the Marshall Islands, Palau, and the Northern Mariana Islands. In 1975, the Northern Marianas became a commonwealth in political union with the United States.

⁸Compact of Free Association Act of 1985, Pub. L. No. 99-239 (Jan. 14, 1986).

⁹See Proclamation 6726, *Placing into Full Force and Effect the Compact of Free Association with the Republic of Palau*, 59 Fed. Reg. 49777 (Sept. 27, 1994) and *Palau Compact of Free Association*, Pub. L. No. 99-658 (Nov. 14, 1986).

-
- **Economic assistance to Micronesia and the Marshall Islands.** The 1986 compact of free association between the United States and Micronesia and the Marshall Islands, respectively, provided about \$2.6 billion in funding for fiscal years 1987 through 2003.¹⁰ In 2003, the United States approved amended compacts of free association with the two countries. According to Interior, economic assistance under the amended compacts is projected to total \$3.6 billion, including payments for compact sector grants and trust fund contributions for both countries in fiscal years 2004 through 2023.¹¹ Funding under the original compact and amended compacts has been provided to Micronesia and the Marshall Islands through Interior.
 - **Economic assistance to Palau.** The compact of free association between the United States and Palau entered into force in 1994 and provided \$574 million in funding through Interior for fiscal years 1995 through 2009 for assistance to the government, contributions to a trust fund, construction of a road, and federal services.¹² In September 2010, the United States and Palau signed an agreement that would, among other things, provide for additional assistance to Palau,

¹⁰See Department of the Interior, Office of Insular Affairs, *Budget Justifications and Performance Information, Fiscal Year 2021*. For more information about the compacts with Micronesia and the Marshall Islands, see GAO, *Foreign Assistance: U.S. Funds to Two Micronesian Nations Had Little Impact on Economic Development*, [GAO/NSIAD-00-216](#) (Washington, D.C.: Sept. 22, 2000). In addition to receiving funding through Interior, Micronesia and the Marshall Islands received funding through other federal agencies. For further information on selected federal programs, loans, and services, see GAO, *Foreign Assistance: Effectiveness and Accountability Problems Common in U.S. Programs to Assist Two Micronesian Nations*, [GAO-02-70](#) (Washington D.C.: Jan. 22, 2002).

¹¹See Department of the Interior, Office of Insular Affairs, *Budget Justifications and Performance Information, Fiscal Year 2021*. For more information about the amended compacts and the sector grants and trust funds, see GAO, *Compacts of Free Association: Actions Needed to Prepare for the Transition of Micronesia and the Marshall Islands to Trust Fund Income*, [GAO-18-415](#) (Washington, D.C.: May 17, 2018). Under the amended compacts with Micronesia and the Marshall Islands, economic assistance includes sector grants in annually decreasing amounts for 2004 through 2023. The amended compacts require that the sector grants be targeted to sectors such as education, health care, the environment, public sector capacity building, private sector development, and public infrastructure or to other sectors as mutually agreed, with priority given to education and health. See [GAO-18-415](#), appendix IV, for information about U.S. grants and programs that end, or do not end, in 2023.

¹²See Department of the Interior, Office of Insular Affairs, *Budget Justifications and Performance Information, Fiscal Year 2021*. For more information about the Palau compact, see GAO, *Compact of Free Association: Palau's Use of and Accountability for U.S. Assistance and Prospects for Economic Self-Sufficiency*, [GAO-08-732](#) (Washington, D.C.: June 10, 2008). In addition to receiving funding through Interior, Palau received funding through other federal agencies; see [GAO-08-732](#), appendix VI.

including contributions to its trust fund.¹³ The 2010 agreement and subsequent amendments entered into force in September 2018.¹⁴ According to Interior, direct assistance to Palau under the compact will total \$229 million for fiscal years 2010 through 2024, including \$105 million that Congress provided in annual appropriations in fiscal years 2010 through 2017.¹⁵

Defense-Related Provisions

Under the compacts, the United States has responsibility for defense and security matters in, and relating to, each of the FASs, and subsidiary agreements pursuant to the compacts provide for U.S. military use and operating rights in these countries. According to the Department of Defense, the compacts have enabled it to maintain a critical strategic position in the Indo–Pacific region.¹⁶ The compact with the Marshall Islands also provided for a separate agreement that constituted a full and final settlement of all claims resulting from U.S. nuclear tests conducted in

¹³The Agreement between the Government of the United States of America and the Government of the Republic of Palau Following the Compact of Free Association Section 432 Review, September 3, 2010. For more information about U.S. assistance to Palau, see GAO, *Compact of Free Association: Proposed U.S. Assistance to Palau and Its Likely Impact*, [GAO-11-559T](#) (Washington, D.C.: June 16, 2011).

¹⁴See Consolidated Appropriations Act, 2018, Pub. L. No. 115-141, Div. G, title I, § 114, 132 Stat. 348, 660 (2018).

¹⁵See Department of the Interior, Office of Insular Affairs, *Budget Justifications and Performance Information, Fiscal Year 2021*. For more information about the 2010 Palau agreement, see GAO, *Compact of Free Association: Proposed U.S. Assistance to Palau for Fiscal Years 2016 to 2024*, [GAO-16-788T](#) (Washington, D.C.: July 6, 2016).

¹⁶See testimony before the House Committees on Foreign Affairs and Natural Resources of Randall G. Schriver, Assistant Secretary of Defense for Indo-Pacific Security Affairs, Office of the Secretary of Defense, September 26, 2019.

the Marshall Islands during the period 1946 through 1958.¹⁷ In addition, a subsidiary agreement with the Marshall Islands secured the United States' access to the U.S. military facilities on Kwajalein Atoll, which are used for missile testing and space tracking activities.

Migration-Related Provisions

Under the compacts, eligible FAS citizens are exempt from certain visa and labor certification requirements of the Immigration and Nationality Act as amended.¹⁸ The migration provisions of the compacts allow eligible FAS citizens to enter the United States (including all states, territories, and possessions) and to lawfully work and reside in the United States indefinitely.¹⁹

The implementing legislation for the 1986 compact with Micronesia and the Marshall Islands stated that it was not Congress's intent to cause any

¹⁷The United States conducted nuclear tests in the Marshall Islands from 1946 to 1958. Under the agreement for the implementation of Section 177 of the Compact (Section 177 Agreement), the U.S. government provided \$150 million to the Marshall Islands to establish a nuclear claims fund and an independent Nuclear Claims Tribunal to adjudicate all claims. While the Section 177 Agreement constituted a full and final settlement of all claims resulting from the U.S. nuclear testing program, Article IX of the Section 177 Agreement, entitled "Changed Circumstances," provides for the government of the Marshall Islands to request the U.S. Congress to consider the provision of additional compensation for injuries resulting from the U.S. nuclear testing program in the circumstances specified. Article IX provides that "[i]f loss or damage to property and person of the citizens of the Marshall Islands, resulting from the Nuclear Testing Program, arises or is discovered after the effective date of this Agreement, and such injuries were not and could not reasonably have been identified as of the effective date of this Agreement, and if such injuries render the provisions of this Agreement manifestly inadequate," the government of the Marshall Islands may request that the U.S. government provide additional compensation for such injuries by submitting such a request to the U.S. Congress. Article IX explicitly states that it is understood that it does not commit the Congress to authorize and appropriate funds. The government of the Marshall Islands submitted such a petition in September 2000. In November 2004, the Executive Branch provided a report evaluating this petition. The report advised that the facts did not constitute changed circumstances warranting compensation beyond the \$150 million contained in the compact.

¹⁸The compacts of free association use the term "immigration" when referring to these provisions. For the purposes of this report, we refer to them as migration provisions.

¹⁹Under the amended compacts, compact migrants from Micronesia and the Marshall Islands must have a valid machine-readable passport to be admitted into the United States. While the compacts allow eligible FAS citizens to work in the United States, documentation issued by the U.S. government may be required to demonstrate work authorization to employers. For example, an FAS citizen from Micronesia or the Marshall Islands may present an unexpired FAS passport and Form I-94 Arrival/Departure Record (known as Form I-94) to employers to demonstrate identity and employment authorization.

adverse consequences for U.S. territories and commonwealths and the state of Hawaii.²⁰ The legislation further declared that Congress would act sympathetically and expeditiously to redress any adverse consequences. In addition, the legislation authorized compensation to be appropriated for these areas that might experience increased demands on their educational and social services from compact migrants from Micronesia, the Marshall Islands, and Palau.²¹

The legislation required the President to report and make recommendations annually to Congress regarding adverse consequences resulting from the compact and provide statistics on compact migration. In November 2000, Congress made the submission of annual reports about the impact of compact migration in affected jurisdictions—that is, compact impact reports—optional and shifted the responsibility for preparing these reports from the President to the governors of Hawaii and the territories.²²

Legislative Actions to Address Compact Impact

In December 2003, Congress took steps in the amended compacts' implementing legislation to address compact impact in designated U.S. areas. The legislation restated Congress's intent not to cause any adverse consequences for the areas defined as affected jurisdictions—Hawaii, Guam, the CNMI, and American Samoa. In addition, the legislation authorized and appropriated funding for compact impact grants to the affected jurisdictions, to be allocated on the basis of the proportion of compact migrants living in each jurisdiction. Further, the legislation required an enumeration of compact migrants to be undertaken at least every 5 years. The legislation also permitted affected jurisdictions to submit compact impact reports to the Secretary of the Interior.

Compact Impact Grants to Affected Jurisdictions

The implementing legislation for the amended compacts authorized and appropriated \$30 million for each fiscal year from 2004 through 2023 for grants to the affected jurisdictions. According to the legislation, the grants are provided to aid in defraying costs incurred by these jurisdictions as a result of increased demand for services due to the residence of compact

²⁰Compact of Free Association Act of 1985, Pub. L. No. 99-239, § 104(e) (1986).

²¹Financial compensation was provided to Guam and the CNMI in some years during the period 1986 through 2001.

²²See Pub. L. No. 106-504, § 2 (2000).

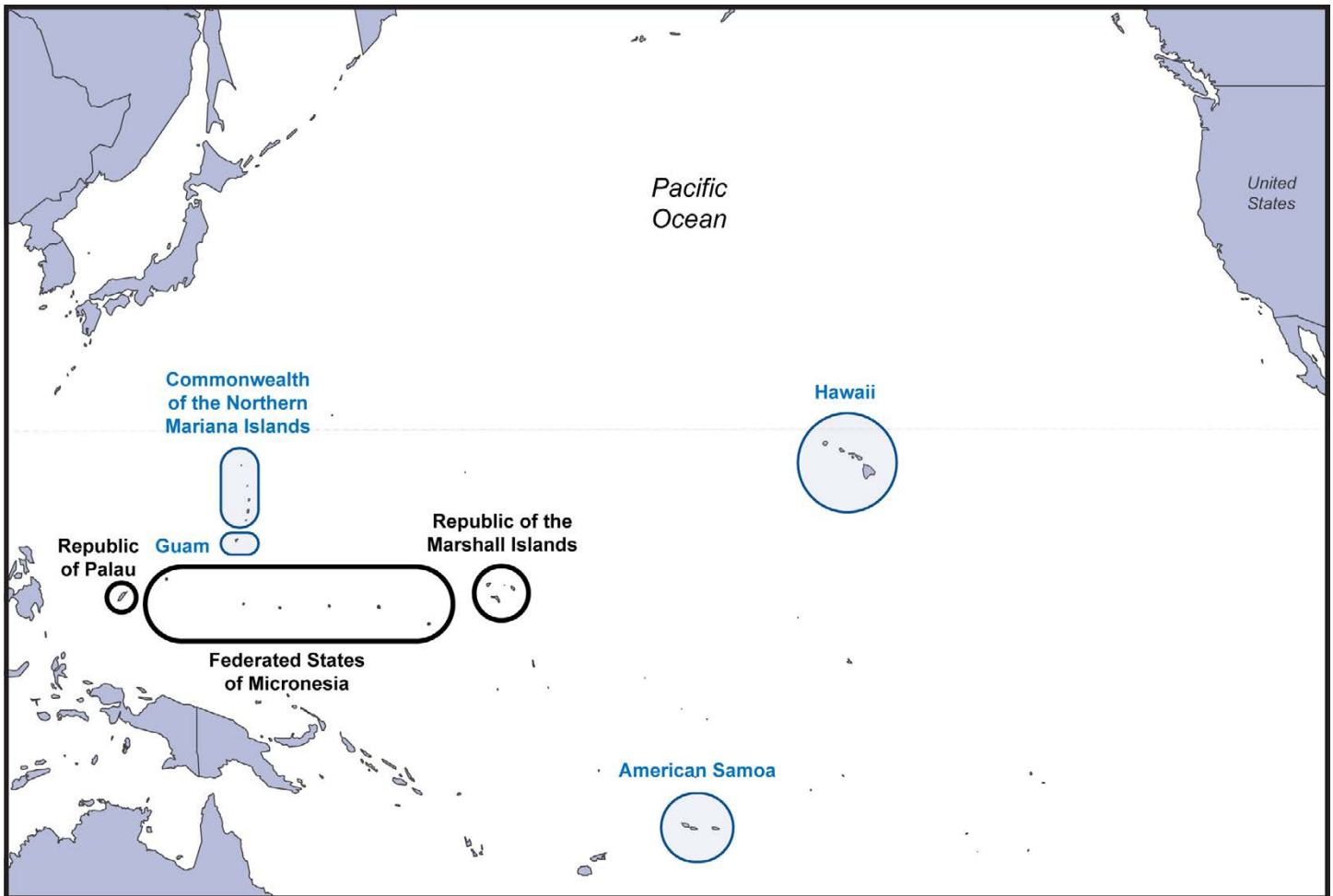
migrants.²³ OIA reviews the affected jurisdictions' annual proposals for the use of the funds and provides the funds to the jurisdictions as compact impact grants. The grants are to be used only for health, educational, social, or public safety services or for infrastructure related to such services.²⁴

Figure 1 shows the locations of the FASs and the affected jurisdictions.

²³The amended compacts' implementing legislation, Sec. 104 (e)(6), also "authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to reimburse health care institutions in the affected jurisdictions for costs resulting from the migration of citizens of the Republic of the Marshall Islands, the Federated States of Micronesia and the Republic of Palau to the affected jurisdictions as a result of the implementation of the [compacts]." The amended compacts' implementing legislation, Sec. 104 (e)(7), requires the Secretary of Defense to make Department of Defense medical facilities available to properly referred citizens of Micronesia and the Marshall Islands on a space-available and reimbursable basis.

²⁴The amended compacts' implementing legislation, Sec. 104 (e)(10), authorized additional appropriations to the Secretary of the Interior for each of fiscal years 2004 through 2023 "as may be necessary for grants to the governments of Guam, the State of Hawaii, the [CNMI], and American Samoa, as a result of increased demands placed on educational, social, or public safety services or infrastructure related to service due to the presence in Guam, Hawaii, the [CNMI], and American Samoa" of compact migrants from the three FASs. Sec. 104 (e)(9) authorized the President to reduce, release, or waive amounts owed by the governments of Guam and the CNMI to the United States to address previously accrued and unreimbursed impact expenses, at the request of the Governor of Guam or the Governor of the CNMI. Guam requested, but did not receive, such debt relief. The authority granted in Sec. 104 (e)(9)(A) expired on February 28, 2005.

Figure 1: Locations of the Freely Associated States and Affected Jurisdictions



 Freely associated states
 Affected jurisdictions

Source: GAO. | GAO-20-491

Note: The line around each freely associated state or affected jurisdiction illustrates the general vicinity of the island area but does not correspond to a territorial boundary or any exclusive economic zone.

Required Enumerations of Compact Migrants

The implementing legislation for the amended compacts requires Interior to conduct an enumeration of compact migrants, which is to be supervised by the Census Bureau or another organization selected by Interior, at least every 5 years beginning in fiscal year 2003. On the basis of these enumerations, each affected jurisdiction is to receive a portion of

the annual \$30 million appropriation in proportion to the number of compact migrants living there. The legislation permits Interior to use up to \$300,000, adjusted for inflation, of the annual appropriation for compact impact to conduct each enumeration.²⁵

The amended compacts' implementing legislation defines a compact migrant, for the purposes of the enumeration, as "a person, or their children under the age of 18, admitted or resident pursuant to [the compacts] who as of a date referenced in the most recently published enumeration is a resident of an affected jurisdiction."

Compact Migrant Eligibility for Selected Federal Programs

Compact migrants have varying eligibility for certain U.S. federal government programs. Eligibility for some federal programs changed as a result of the 1996 Personal Responsibility and Work Opportunity Reconciliation Act.²⁶ For example, when the compacts were signed, FAS citizens were eligible for Medicaid; however, the act removed this eligibility.²⁷ Table 1 shows compact migrants' eligibility status for selected federal benefit programs as of November 2019.

²⁵Under the agreement between the Census Bureau and Interior, Interior reimbursed the bureau for these enumerations. In 2008, the enumeration cost approximately \$1.3 million, including headquarters and field costs as well as the cost of final reporting. In 2013 and 2018, the enumerations cost \$9,700 and \$1.5 million, respectively, according to Interior officials. The officials noted that the costs of the enumerations ranged widely because the Census Bureau used existing 2010 Census data in 2013 but collected new data through special surveys in 2008 and 2018.

²⁶The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Pub. L. No. 104-193, § 401 (1996).

²⁷Section 401 of PRWORA, codified at 8 U.S.C. § 1611, provides that aliens who are not considered "qualified aliens" under the definition provided in section 431 of PRWORA, codified at 8 U.S.C. § 1641, are ineligible for certain federal public benefits. Compact migrants are not considered qualified aliens under that definition.

Table 1: Compact Migrant Eligibility for Selected U.S. Federal Programs as of November 2019

Federal program	Eligible ^a	Ineligible
Old Age, Survivors, and Disability Insurance ^b	✓	
Supplemental Security Income		✓ ^c
Medicaid ^d		✓ ^e
Emergency Medicaid ^f	✓	
Medicare ^g	✓	
Children’s Health Insurance Program (CHIP) ^d		✓ ^e
Temporary Assistance for Needy Families		✓
Supplemental Nutrition Assistance Program		✓
National School Lunch Program/School Breakfast Program ^h	✓	
Housing and Urban Development rental assistance ⁱ	✓	
Federal Emergency Management Agency Individuals and Households Program ^j		✓
Enrollment in Patient Protection and Affordable Care Act (PPACA) exchanges ^k	✓	
Financial assistance through PPACA exchanges ^k	✓	

Source: GAO analysis of relevant laws and regulations and discussions with agency officials. | GAO-20-491

Note: This information applies to compact migrants who are not U.S. citizens.

^aEligibility status shown is based solely on compact migrant status. Other eligibility requirements apply, and a compact migrant may be deemed eligible or ineligible for a benefit on the basis of other criteria.

^bEligibility for Old Age, Survivors, and Disability Insurance (commonly known as Social Security) is based on work history.

^cWhile compact migrants are generally ineligible for Supplemental Security Income, a compact migrant may be eligible if he or she was receiving such benefits on August 22, 1996.

^dSection 401 of The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Pub. L. No. 104-193, § 401 (1996), codified at 8 U.S.C. § 1611, provides that aliens who are not considered “qualified aliens” under the definition provided in section 431 of PRWORA, codified at 8 U.S.C. § 1641, are ineligible for certain federal public benefits, including Medicaid and CHIP. Compact migrants are not considered qualified aliens under that definition. However, the Children’s Health Insurance Program Reauthorization Act of 2009, Pub. L. No. 111-3 permits states to elect to cover children younger than 21 years and pregnant women in both Medicaid and CHIP who are “lawfully residing in the United States”—a definition that includes compact migrants—and who are otherwise eligible under the states’ plans. As of February 2020, 38 states and territories and the District of Columbia had extended coverage under Medicaid or under both Medicaid and CHIP to lawfully residing non-U.S. citizen pregnant women, children, or both, including compact migrants who meet all other eligibility requirements.

^eCompact migrants are generally ineligible for Medicaid and CHIP, although some exceptions apply. See note d for more detail. States can elect to cover children younger than 21 years and pregnant women who are lawfully residing in the United States and otherwise eligible under the state plan.

^fMedicaid provides payment for treatment of an emergency medical condition for a compact migrant if he or she satisfies all other Medicaid eligibility requirements in the state, such as income and state residency standards.

^gCompact migrants are eligible for Medicare parts A, B, C, and D.

^hIn addition to administering the National School Lunch Program and the School Breakfast Program, the Department of Agriculture administers other child nutrition programs, including the Child and Adult Care Food Program, Summer Food Service Program, the Fresh Fruit and Vegetable Program, and the Special Milk Program. While individuals who are eligible to receive free public education benefits

under state or local law may not be deemed ineligible to receive benefits in National School Lunch Program or School Breakfast Program on the basis of citizenship, alienage, or immigration status, states have some flexibility with regard to citizenship requirements for some of the other programs. According to the department, no states limit these other programs' provision of services to U.S. citizens.

^m"Housing and Urban Development rental assistance" refers to public housing, Section 8 Housing Choice Vouchers, Project-based Section 8, and certain other smaller programs (Section 236 and Rent Supplement program).

^lAccording to officials of the Federal Emergency Management Agency, compact migrants are ineligible for disaster assistance programs, such as the Individuals and Households Program, that are considered to be federal public benefits and are thus subject to citizenship requirements; however, they may be eligible to receive certain types of short-term, noncash, in-kind emergency relief. For example, compact migrants may receive Public Assistance Emergency Assistance services such as search and rescue; emergency medical care; emergency mass care; emergency shelter; and provision of food, water, medicine, and other essential needs.

^kCompact migrants are eligible to apply for coverage in qualified health plans through the marketplace. They may also be eligible for financial assistance through the marketplace in the form of premium tax credits or cost-sharing reductions, if they meet the income and other eligibility requirements.

Compact Migrant Population Has Grown, with About Half Residing on U.S. Mainland

Total Compact Migrant Population in U.S. Areas Grew by 68 Percent over 9 Years

From 2009 to 2018, the number of compact migrants living in U.S. states and territories rose by an estimated 68 percent, from about 56,000 to about 94,000.²⁸

- In 2011, we reported that combined data from the Census Bureau's 2005-2009 American Community Survey and 2008 enumeration

²⁸All Census Bureau data in our report have a confidence interval and margin of error at the 90 percent confidence level (i.e., the Census Bureau is 90 percent confident that the true number falls within the given range or margin of error). The estimated increase in the compact migrant population has a margin of error of 11 percentage points. See [GAO-12-64](#).

showed an estimated 56,345 compact migrants²⁹ living in U.S. areas.³⁰

- During the period 2013 to 2018, an estimated 94,399 compact migrants lived in U.S. areas, according to combined data from the Census Bureau's 2013-2017 American Community Survey and 2018 required enumeration in Guam, the CNMI, and American Samoa.³¹ This estimate includes Micronesian and Marshallese citizens who entered the United States after 1986, Palauan citizens who entered the United States after 1994, and certain U.S.-born children younger than 18 years.³²

About Half of All Compact Migrants Resided on U.S. Mainland in 2013-2018

Data from the 2013-2017 American Community Survey and the 2018 enumeration indicate that an estimated 50 percent of compact migrants lived on the U.S. mainland and an estimated 49 percent lived in the

²⁹The Census Bureau's 2005-2009 American Community Survey and 2008 enumeration estimated the total number of compact migrants in U.S. states, the District of Columbia, Puerto Rico, Guam, and the CNMI as ranging from 51,925 to 60,795. Some assumptions differ from our 2011 analysis, which did not include American Samoa's estimated population of 15 compact migrants.

³⁰[GAO-12-64](#). The data we reported in 2011 did not include grandchildren.

³¹These U.S. areas included the 50 U.S. states, the District of Columbia, American Samoa, the CNMI, Guam and Puerto Rico. The American Community Survey does not cover the U.S. Virgin Islands, and the Census Bureau does not perform a special territorial enumeration of compact migrants in that territory. Therefore, this estimate and other data in this report do not count any compact migrants who may live in the U.S. Virgin Islands.

³²This estimate includes FAS citizens who entered the United States after 1986 (from Micronesia and the Marshall Islands) or 1994 (from Palau) and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years. Because the Census Bureau also included grandchildren of compact migrants in this estimate, it may comprise some U.S.-born grandchildren of compact migrants (first- or second-generation U.S. citizens). In contrast to a census, which produces a population count, the American Community Survey is a statistical survey and produces estimates with a range of uncertainty. The Census Bureau's 2013-2017 American Community Survey for the U.S. states, the District of Columbia, and Puerto Rico and its 2018 enumeration for Guam, the CNMI, and American Samoa estimated the total number of compact migrants as ranging from 89,171 to 99,627. According to Census Bureau officials, because of disclosure considerations, after providing us with data that include grandchildren, the bureau could not provide us with data that do not include grandchildren.

affected jurisdictions during this period³³: 26 percent in Hawaii, 20 percent in Guam, and 3 percent in the CNMI.³⁴ This estimate indicates growth in the number of compact migrants on the U.S. mainland since 2011, when we reported that the Census Bureau estimated 58 percent of compact migrants lived in the affected jurisdictions.³⁵

The Census Bureau estimated that 11 states in the U.S. mainland, in addition to three of the four affected jurisdictions—Hawaii, Guam, and the CNMI—had compact migrant populations of more than 1,000, according to the 2013-2017 American Community Survey and the 2018 enumeration (see fig. 2).³⁶

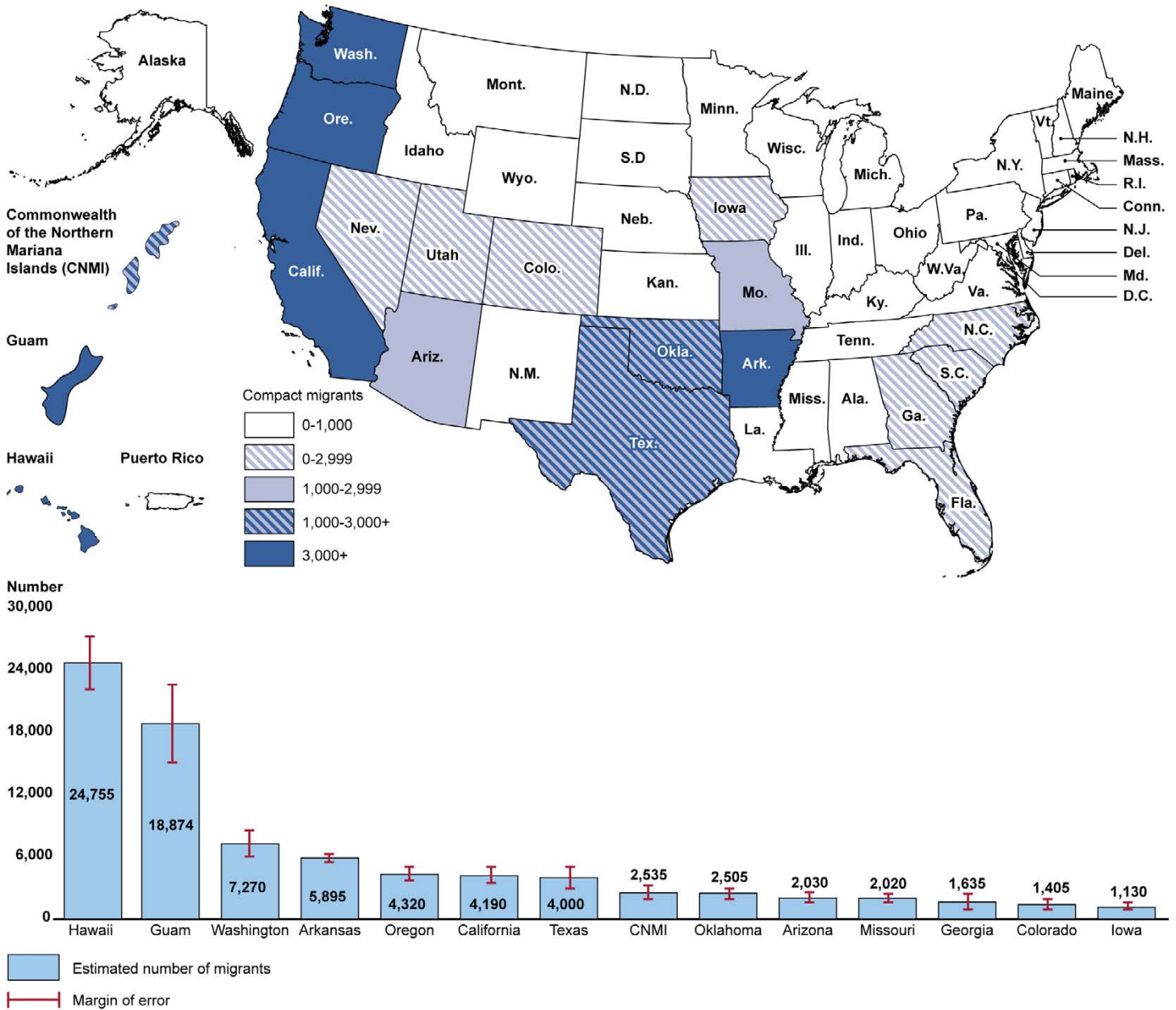
³³All Census Bureau data in our report have a confidence interval and margin of error at the 90 percent confidence level. The estimated percentages of compact migrants living on the U.S. mainland and in the affected jurisdictions each have a margin of error of 4 percentage points. Because of rounding, the percentages do not sum precisely to 100. The U.S. mainland estimate excludes Alaska, Hawaii, and Puerto Rico in addition to Guam and the CNMI.

³⁴Data from the 2013-2017 American Community Survey and the 2018 enumeration indicate that an estimated 25 compact migrants—less than 0.1 percent of all compact migrants—were living in American Samoa, the fourth affected jurisdiction.

³⁵The Census Bureau's estimate had a margin of error of 8 percentage points.

³⁶See appendix II for more information about compact migrant populations by state and territory.

Figure 2: Compact Migrant Populations in U.S. Areas, 2013-2018



Source: GAO analysis of a special Census Bureau tabulation of the American Community Survey 2013-2017 data for U.S. states, the District of Columbia, and Puerto Rico, and Census Bureau revised 2018 compact migrant enumeration for Guam and the CNMI. | GAO-20-491

Notes: For U.S. areas shown with solid shading, the 90 percent confidence interval for the population point estimate falls entirely in one category (i.e., 0-1,000; 1,000-2,999; or 3,000+). For U.S. areas shown with variegated shading, the 90 percent confidence interval for the population point estimate spans the two categories indicated by the shading.

Estimates shown for Guam and the CNMI are from the Census Bureau's revised 2018 compact migrant enumeration. Estimates for U.S. states are from the bureau's 2013-2017 American Community Survey. The estimate for Hawaii, using 2013-2017 data, differs from the revised 2018 compact migrant enumeration, which used 2015-2017 data.

All estimates shown represent citizens of the freely associated states—the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau—who entered the United States after 1986 (from Micronesia and the Marshall Islands) or 1994 (from Palau) and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years.

Stakeholders Expressed Concerns about Undercounting of Compact Migrants

Stakeholders we interviewed—including FAS embassy and consular officials, FAS community members, state government officials, and representatives of private sector and nonprofit organizations—expressed concerns about the Census Bureau's prior estimates of compact migrants. Some Arkansas stakeholders cited other, higher estimates of the FAS population in their state. Moreover, some stakeholders said that compact migrant populations are apprehensive or distrustful about being formally counted through surveys or the census. Stakeholders also noted that some compact migrant communities have felt frustrated at having been encouraged to respond to surveys and be counted but not experiencing any benefit from these efforts, according to a nonprofit official and FAS community members.³⁷ Marshallese consular officials said that they believed the 2010 census undercounted their citizens, noting that the Census Bureau did not employ any Marshallese surveyors in the Arkansas counties with Marshallese populations.

Stakeholders also expressed concern about the decennial census to be conducted in 2020, which, like the 2010 decennial census, will collect information on race.³⁸ Nonprofit organization officials whom we interviewed expressed concern that the 2020 census could result in an undercounting of compact migrants because of language barriers and compact migrants' difficulty accessing the census form online. Arkansas health care and private sector representatives and the Marshallese consulate described plans to address barriers to obtaining a more accurate count of the population in the 2020 census. Hawaii is making a statewide effort to ensure that compact migrants are counted in the 2020 census, according to Hawaii state officials. According to Guam officials, an outreach effort in Guam has leveraged "trusted voices," or parties

³⁷Other sources of federal data on compact migration may be available. For example, Customs and Border Protection's (CBP) Arrival and Departure Information System contains arrival and departure data associated with FAS passports; for more information about these data and estimated net migration to U.S. areas, see appendix III.

³⁸FAS respondents to the 2020 decennial census can select "Other Pacific Islander," among other options, and can also add a race (e.g., Marshallese).

known to compact migrant communities there, to communicate the importance of responding to the 2020 census.

Census Data Provide Additional Information about Compact Migrants in the States, the District of Columbia, and Puerto Rico

Data from the American Community Survey showed an estimated 72,965 compact migrants living in the 50 states, the District of Columbia, and Puerto Rico in 2013 through 2017.³⁹

- An estimated 31,425 compact migrants living in these areas (43 percent) were U.S. citizens.⁴⁰ The remaining estimated 41,540 (57 percent) were not U.S. citizens.⁴¹ The U.S. citizens who were counted included naturalized citizens and minor-age U.S. citizen children of compact migrants, who would no longer be counted as compact migrants after reaching 18 years of age.
- An estimated 25,555 compact migrants living in these areas were born in Micronesia; 20,545 were born in the Marshall Islands; and 3,435 were born in Palau.⁴² These totals do not include compact

³⁹All Census Bureau data in our report have a confidence interval and margin of error at the 90 percent confidence level. The 2018 enumeration of compact migrants did not provide detailed information about Guam, the CNMI, and American Samoa, and the American Community Survey does not cover these three territories. The 2013-2017 American Community Survey estimated the number of compact migrants in the 50 U.S. states, the District of Columbia, and Puerto Rico as ranging from 69,474 to 76,456. See appendix II for the Census Bureau's 2013-2017 American Community Survey estimates of compact migrants, by U.S. area (table 10) and place of birth (table 11). The American Community Survey also collects data on self-identified ethnicity, age, gender, and educational attainment, among other things. See appendix IV for additional demographic information on compact migrants living in the 50 U.S. states, the District of Columbia, and Puerto Rico.

⁴⁰The Census Bureau's 2013-2017 American Community Survey estimated the number of compact migrants living in the 50 states, the District of Columbia, and Puerto Rico who are U.S. citizens (including those born in U.S. areas, born abroad to U.S. parents, or naturalized) as ranging from 29,583 to 33,267. This estimate has a margin of error of 1 percentage point. This estimate may include individuals younger than 18 years who held dual citizenship in the United States and one of the FASs. For example, an FAS official noted that U.S.-born children of Micronesian citizens hold Micronesian citizenship until they reach 18 years of age, at which point they have 3 years to decide whether to retain either their U.S. citizenship or their Micronesian citizenship.

⁴¹The Census Bureau's 2013-2017 American Community Survey estimated the number of compact migrants living in the 50 states, the District of Columbia, and Puerto Rico who are not U.S. citizens as ranging from 39,064 to 44,016. This estimate has a margin of error of 2 percentage points.

⁴²The Census Bureau estimated the number of compact migrants living in U.S. areas who were born in Micronesia as ranging from 23,573 to 27,537; in the Marshall Islands, from 19,074 to 22,016; and in Palau, from 2,728 to 4,142.

migrants born in the FAS and living in Guam, the CNMI, or American Samoa, because the American Community Survey does not cover these territories.⁴³

- An estimated 27,735 compact migrants living in these areas who were 18 years and older (69 percent) were in the civilian labor force.⁴⁴ Of those, 24,540 (89 percent) were employed and 3,195 (12 percent) were unemployed.⁴⁵
- An estimated 1,660 compact migrants living in these areas—4 percent of compact migrants 17 years and older—were on active duty in the U.S. military or had served on active duty in the past.⁴⁶

For additional American Community Survey data on compact migrant demographics, see appendix IV.

Reasons for Migration to U.S. Areas Vary

Compact migrants move to U.S. areas for a range of reasons, including greater economic and educational opportunities, better access to health care, a desire to join family members in the United States, and a wish for greater personal freedom. In some communities we visited, stakeholders noted that FAS citizens had come to the United States for school or work before the compact with Micronesia and the Marshall Islands and the compact with Palau went into effect but that the compacts had opened the option of migration to a broader range of individuals.

- **Economic opportunities.** Compact migrants described moving to U.S. areas for better, more reliable jobs and higher wages. Having a better-paying job in the United States sometimes allows individuals to

⁴³The totals also do not include compact migrants with FAS citizenship born outside the FASs.

⁴⁴The Census Bureau estimated the number of compact migrants 18 years and older in the civilian labor force (which includes people classified as employed or unemployed) as ranging from 26,215 to 29,255. This estimate has a margin of error of 1 percentage point.

⁴⁵The Census Bureau estimated the number of employed compact migrants 18 years and older in the civilian labor force as ranging from 23,168 to 25,912. This estimate has a margin of error of 1 percentage point. The Census Bureau estimated the number of unemployed compact migrants 18 years and older in the civilian labor force as ranging from 2,701 to 3,689. This estimate has a margin of error of 2 percentage points.

⁴⁶The Census Bureau estimated the number of compact migrants 17 years and older who were on active duty at some point as ranging from 1,369 to 1,951, with a margin of error of 0.7 percentage points. The Census Bureau has also estimated that 7.7 percent of the total U.S. population who are 18 years and older have been on active duty at some point. This estimate has a margin of error of 0.1 percentage point.

send remittances or consumer goods to family members living in an FAS. Other compact migrants move to U.S. areas to join the military.

- **Educational opportunities.** Compact migrant families often move to U.S. areas so that their children will have access to improved primary and secondary education, according to compact migrants. Some compact migrants travel to U.S. areas to attend college and choose to stay to work, including to pay off their student loans, according to consular officials and compact migrants.
- **Health care access.** Compact migrants sometimes migrate to U.S. areas to obtain medical treatment for themselves or family members, according to FAS community members and consular officials. Some medical procedures or treatments, such as dialysis or access to specialists, are not available in the FASs, according to federal and nonprofit officials.
- **Family.** Many compact migrants relocate to the United States to join family members and communities already living there, according to consular and nonprofit officials.
- **Personal freedom.** Some compact migrants said that they have more personal, social, and cultural freedom in the United States than in their more traditional home country.

Changes in the natural environment in the FASs have also prompted migration from those areas, according to FAS representatives. Depleted food resources and effects of climate change—including more-frequent typhoons, coral reef bleaching, and depletion of fishing stocks—have contributed to migration, according to an FAS official. In addition, members of Marshallese communities cited rising sea levels and frequent tidal flooding as reasons for migrating from the Marshall Islands to U.S. areas. Some Marshallese community members also noted that the legacy of U.S. nuclear testing had contributed to their decision or need to move.⁴⁷

Compact migrants cited varied reasons for choosing to migrate to specific locations. For example, representatives of FAS communities in Guam and the CNMI noted the FASs' closer proximity to those territories than to the U.S. mainland as well as the similarity of Guam's and the CNMI's island

⁴⁷U.S. nuclear weapons tests were conducted in the Marshall Islands in the 1940s and 1950s. To conduct these tests, the U.S. government moved 167 people from Bikini Atoll and 142 people from Enewetak Atoll to other locations. In addition, during a test code-named Castle Bravo, the residents of Rongelap Atoll and Utrik Atoll were exposed to radioactive fallout and subsequently were moved from their homes.

cultures to those of their home countries. Also, some compact migrants in Arkansas and Oregon cited the lower cost of living and a perception of less discrimination or greater safety there than in Hawaii. Marshallese community members often migrate to Arkansas for jobs in the poultry industry.

Consular officials noted that, because of comparatively lower wages and fewer housing options in the FASs, returning to their countries after living in U.S. areas can be difficult for some compact migrants. Some compact migrants said that it is also difficult to find a good job in their home countries without family or political connections. According to an FAS official, some compact migrants retire to their home countries. However, several compact migrants we spoke with said they planned to stay in U.S. areas to be close to medical care or to children and grandchildren born there.

Hawaii, Guam, and the CNMI Have Reported Compact Impact Costs and Received Annual Grants to Defray Them

The affected jurisdictions of Hawaii, Guam, and the CNMI reported estimated compact impact costs (i.e., costs incurred as a result of increased demands on public services from compact migrants) that totaled \$3.2 billion during the period fiscal years 2004 through 2018 and increased over time for Hawaii and Guam. Interior has provided compact impact grants totaling more than \$30 million annually to the affected jurisdictions, each of which uses the funds differently. In October 2019, Census discovered an error in the 2013 and 2018 enumerations, which Interior had used to determine the distribution of compact impact grant funds and which resulted in misallocation of these funds for fiscal years 2015 through 2020. In February 2020, Interior officials told us that the department had developed a modified plan for compact impact grants in fiscal years 2021 through 2023 that, according to the officials, is intended to correct the misallocation.

Hawaii's and Guam's Reported Compact Impact Costs Have Risen, while the CNMI's Have Varied

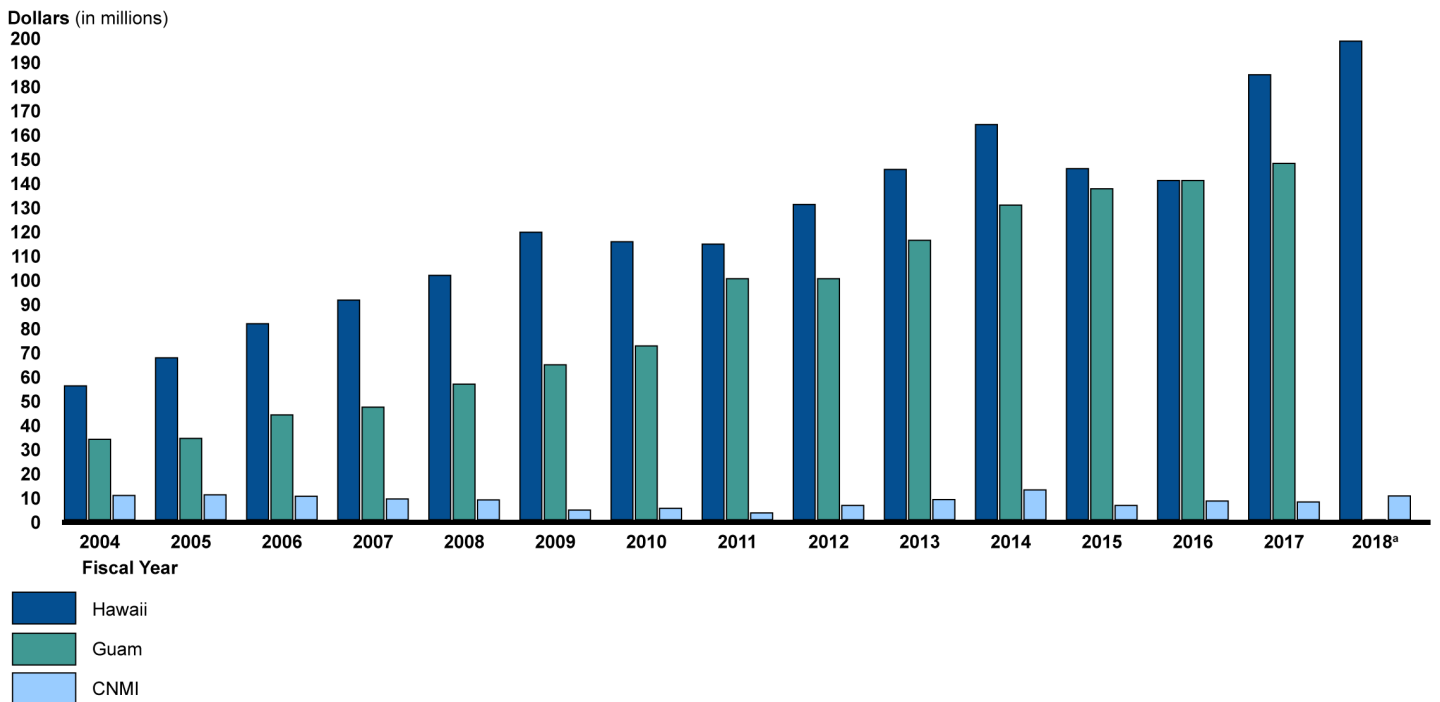
Hawaii, Guam, and the CNMI reported a total of \$3.2 billion in estimated compact impact costs during the period fiscal years 2004 through 2018, with estimated annual costs increasing over time for Hawaii and Guam and fluctuating for the CNMI.

- Hawaii reported \$1.8 billion in total estimated compact impact costs. Hawaii's reported annual costs increased from \$55 million in fiscal year 2004 to \$198 million in fiscal year 2018.

- Guam reported \$1.2 billion in total estimated compact impact costs. Guam's reported annual costs increased from \$33 million in fiscal year 2004 to \$147 million in fiscal year 2017.⁴⁸
- The CNMI reported \$116 million in total estimated compact impact costs. The CNMI's reported annual costs amounted to \$10 million in both fiscal year 2004 and fiscal year 2018 but fluctuated over time, ranging from a low of about \$3 million in fiscal year 2011 to a high of \$12 million in fiscal year 2014.

For a summary of the estimated compact impact costs reported by the three affected jurisdictions, see figure 3.⁴⁹ For more details of their compact impact reporting, see appendix V.

Figure 3: Estimated Compact Impact Costs Reported by Hawaii, Guam, and the CNMI, Fiscal Years 2004-2018



Source: GAO analysis of compact impact reporting and grant proposals to the Department of the Interior from Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI). | GAO-20-491

⁴⁸Guam did not report compact impact costs for fiscal year 2018.

⁴⁹Hawaii's Department of Business, Economic Development, and Tourism separately reported estimated compact impact costs of \$246.1 million to the state for 2017.

Note: Compact impact costs are costs that Hawaii, Guam, and the CNMI reported having incurred as a result of increased demands on public services from compact migrants from the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

^aGuam did not report compact impact costs for fiscal year 2018.

The three affected jurisdictions reported compact impact costs for education, health, public safety, and social services (see table 2). As the table shows, the highest total costs in fiscal year 2017 were for education and health services.

Table 2: Estimated Compact Impact Costs Reported by Hawaii, Guam, and the CNMI, by Sector, Fiscal Year 2017

Dollars				
Sector	Hawaii	Guam	CNMI	Total
Educational services	117,870,113	72,586,977	775,832	191,232,922
Health services	22,954,383	31,718,391	2,818,223	57,490,997
Public safety	1,009,460	35,277,650	3,487,420	39,774,530
Social services	42,028,662	7,749,290	194,061	49,972,013
Total	183,862,618	147,332,308	7,275,536	338,470,462

Source: GAO analysis of compact impact reporting and grant proposals from Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI). | GAO-20-491

In November 2011, we found that Interior’s reporting to Congress on compact impact had been limited, and we identified weaknesses in existing compact impact reporting.⁵⁰ We found that some jurisdictions did not accurately define compact migrants, account for federal funding that supplemented local expenditures, or include revenue received from compact migrants. Our November 2011 report recommended that the Secretary of the Interior disseminate guidelines to the affected jurisdictions that adequately addressed concepts essential to producing reliable impact estimates and that the Secretary call for the use of these guidelines in developing compact impact reports.⁵¹ Although Interior developed a draft of compact impact reporting guidelines in 2014, it had

⁵⁰GAO-12-64.

⁵¹GAO-12-64.

not disseminated such guidelines to the affected jurisdictions as of February 2020.⁵²

In 2019, Interior awarded the Guam government a technical assistance grant for \$280,000 to conduct a cost-benefit analysis to determine compact migrants' economic contribution to the local economy. The effort will reportedly also seek to address weaknesses and methodological concerns related to compact impact costs calculated by Hawaii, Guam, and the CNMI. Guam officials said that the grant application was prepared in response to our prior critique of their compact impact estimation methodology.⁵³ The grant was awarded to the Guam Bureau of Statistics and Plans, which contracted with University of Guam consultants to carry out the work beginning in October 2019. Guam officials expected this work to result in two reports—one identifying economic contributions by compact migrants (expected September 2021) and another proposing a methodology for determining compact impact costs (expected August 2022).

Hawaii, Guam, and the CNMI Have Received Grants to Defray Compact Impact Costs

Compact Impact Grant Funding

During fiscal years 2004 through 2019, Hawaii, Guam, and the CNMI received a combined total of approximately \$509 million in compact impact grant funding. This total includes (1) annual compact impact grant funding allocated from \$30 million authorized and appropriated in the

⁵²Since 2011, Hawaii, Guam, and the CNMI have reported on compact impacts to Interior with varying frequency. For example, Hawaii submitted a report for fiscal year 2010 but combined its reporting for fiscal years 2011 through 2014 in a single document submitted in 2015. Guam submitted a report for each fiscal year through 2017 but did not submit a report for fiscal year 2018. The CNMI did not submit formal reports, instead embedding some compact impact data in annual grant applications to Interior. The amended compacts' implementing legislation permits, but does not require, affected jurisdictions to report on compact migrant impact. These reports, which are made publicly available on OIA's website, do not affect the allocation of compact impact grants, which OIA bases on the most recent enumeration. If Interior receives such reports from an affected jurisdiction, Interior must submit reports to Congress that include, among other things, comments from the jurisdiction's governor and from the administration.

⁵³[GAO-12-64](#).

amended compacts' implementing legislation and (2) additional compact impact grant funding allocated from annual appropriations.

- In fiscal years 2004 through 2019, Interior made annual allocations of the \$30 million of compact impact grant funds authorized and appropriated in the amended compacts' implementing legislation. Interior provided these allocations as compact impact grants to each affected jurisdiction to defray their costs due to the residence of compact migrants. Interior used the four most recent enumerations—conducted in 2003, 2008, 2013, and 2018—as the basis for these annual allocations.⁵⁴
- Since fiscal year 2012, Interior has provided additional compact impact grant funding to the affected jurisdictions from annual appropriations. This additional funding has ranged from approximately \$3 million to \$5 million per year since fiscal year 2012. Interior has allocated the additional funding on the basis of the 2013 and 2018 enumerations.

Table 3 shows the total amounts that Hawaii, Guam, and the CNMI received as compact impact grant funding in fiscal years 2004 through 2019.

Table 3: Compact Impact Grant Funding to Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI), Fiscal Years 2004-2019

Dollars (in millions)			
Affected jurisdiction	Compact impact grant funding ^a	Additional compact impact grant funding ^b	Total
Hawaii	183.5	12.1	195.7
Guam	244.0	15.7	259.7
CNMI	51.8	2.1	53.9
Total	479.3	30.0	509.3

Source: GAO analysis of data from the U.S. Department of the Interior, Office of Insular Affairs. | GAO-20-491

Notes: Numbers in columns and rows may not sum precisely to totals because of rounding. The additional compact impact grant funding was provided in annual appropriations in fiscal years 2012 through 2019. In 2019, the Census Bureau notified the Department of the Interior that the bureau had miscounted the compact migrant population in Hawaii, which would affect the department's allocations based on the 2013 and 2018 compact migrant enumerations.

^aCompact impact grant funding consists of funding authorized and appropriated by the implementing legislation for the amended compacts between the United States and the Federated States of Micronesia and the Republic of the Marshall Islands, respectively.

⁵⁴For more information about the methods and definitions used in compact migrant enumerations, see appendix VI.

^bAdditional compact impact grant funding consists of additional funding authorized by the amended compacts' implementing legislation and appropriated through annual appropriations.

Affected jurisdictions use their compact impact grant funding in varying ways and report on their use of the funds to Interior. Hawaii allocates the entirety of its compact impact grant—approximately \$13 million annually since fiscal year 2015—to the state's MedQuest division to defray costs of providing medical services to compact migrants. Guam has used some of its approximately \$15 million of compact impact funding each year for new schools constructed through leasebacks (see fig. 4 for photos of several schools built by the Guam government with compact impact funds). The CNMI allocates its approximately \$2 million of compact impact funding each year across the education, health care, public safety, and social service sectors. Hawaii, Guam, and CNMI officials have emphasized that compact impact funding does not fully compensate for the expenses associated with compact migration. For stakeholder suggestions related to compact impact funding and other issues, see appendix VII.

Figure 4: Guam Schools Built through Leaseback Program Funded by Compact Impact Grants



Source: GAO. | GAO-20-491

Misallocation of Compact Impact Grant Funding in Fiscal Years 2015-2020

In October 2019, Census Bureau officials discovered an error in the 2013 and 2018 Census Bureau enumerations that caused inaccurate counts of compact migrants in Hawaii and, according to Interior officials, resulted in misallocation of compact impact funding for Hawaii, Guam, the CNMI, and American Samoa in fiscal years 2015 through 2020.⁵⁵ Relative to the proportion of compact migrants in each jurisdiction, allocations to Hawaii were a total of \$16.9 million lower than they would have been without the enumeration error while allocations to Guam, the CNMI, and American

⁵⁵See appendix VI for more information about the enumeration error.

Samoa were higher than they would have been without the error.⁵⁶ Table 4 summarizes the under- and overpayments of compact impact funding to each affected jurisdiction that, according to Interior officials, resulted from the enumeration error.

Table 4: Total Underpayment and Overpayment of Compact Impact Grant Funding to Affected Jurisdictions Resulting from Enumeration Error, Fiscal Years 2015-2020

Dollars

Affected jurisdiction	Compact impact grant funding ^a		Additional compact impact grant funding ^b		Total	
	Underpayment	Overpayment	Underpayment	Overpayment	Underpayment	Overpayment
Hawaii	15,487,644	—	1,457,558	—	16,945,202	—
Guam	—	13,476,739	—	1,266,018	—	14,742,757
CNMI	—	1,991,894	—	189,737	—	2,181,631
American Samoa	—	19,011	—	1,803	—	20,814

Legend: CNMI = Commonwealth of the Northern Mariana Islands.

Source: U.S. Department of the Interior, Office of Insular Affairs. | GAO-20-491

^aCompact impact grant funding consists of funding authorized and appropriated by the implementing legislation for the amended compacts between the United States and the Federated States of Micronesia and the Republic of the Marshall Islands, respectively.

^bAdditional compact impact grant funding consists of additional funding authorized by the amended compacts' implementing legislation and appropriated through annual appropriations.

The enumeration error was discovered in late October 2019, near the beginning of fiscal year 2020.⁵⁷ As of February 2020, OIA officials had developed a modified planned allocation of compact impact funds for

⁵⁶The enumeration errors affected compact impact grant funding to all affected jurisdictions, because OIA uses the proportion determined by the enumeration to allocate both the \$30 million of annual compact impact grant funding as well as any additional compact impact grant funding. The amount of under- or overpayment of the additional compact impact grant funding is included in the totals under- or overpaid.

⁵⁷By the time the Census Bureau discovered the error and notified Interior, OIA had already transferred fiscal year 2020 compact impact grant funding to Guam based on the incorrect enumeration, according to Interior officials. As of February 2020, Guam was the only affected jurisdiction to have received its fiscal year 2020 compact impact grant funding. Each year, Guam receives its funding earlier than the other affected jurisdictions so that it can make required payments for schools built through the leaseback program. As of February 2020, OIA officials had not determined how they would disburse fiscal year 2020 funds to the other affected jurisdictions in light of the enumeration error.

fiscal years 2021 to 2023.⁵⁸ Beginning in fiscal year 2021, OIA plans to divide the \$30 million of annual compact impact grant funding in fiscal years 2021 through 2023 using corrected base allocations from the updated 2018 enumeration from Census Bureau, according to an Interior preliminary assessment. The base allocations will be adjusted upward for Hawaii and downward for Guam, the CNMI, and American Samoa to correct for the erroneous payments in fiscal years 2015 through 2020.⁵⁹ See table 5 for a comparison of the originally planned fiscal year 2020 allocation (based on the erroneous enumeration) and the revised allocation (based on the corrected enumeration) as well as the grant amounts that OIA proposed for fiscal years 2021 through 2023 to correct for the erroneous payments.

⁵⁸A memorandum prepared by Interior's Acting Assistant Solicitor in the Division of General Law asserts that Interior has the legal authority to enact this plan, including by paying lesser amounts to Guam, the CNMI, and American Samoa over the coming years while increasing payments to Hawaii for the purposes of ensuring that each affected jurisdiction receives an amount commensurate with the intentions of Congress when it enacted Section 104(e).

⁵⁹In determining the amount owed to or by each affected jurisdiction, OIA took into account the under- and overpayments of compact impact grant funding as well as under- and overpayments of additional compact impact grant funding that had been provided in annual appropriations. Under this plan, OIA seeks to correct the misallocation of additional compact impact grant funding through allocations of future compact impact grant funding. According to OIA officials, additional compact impact grant funding is not guaranteed to be available in future years and therefore is not part of Interior's proposed plan for the corrective payments.

Table 5: Original and Corrected Allocations of Compact Impact Grant Funding and Proposed Grant Amounts for Affected Jurisdictions for Fiscal Years 2021-2023

Dollars

Affected jurisdiction	Original annual allocation ^a	Corrected annual allocation ^b	Annual adjustment for prior under- or overpayment ^c	Proposed annual grant amount ^d
Hawaii	13,129,034	15,772,320	5,648,401	21,420,720
Guam	14,855,958	12,528,377	(4,914,252)	7,614,125
CNMI	1,995,330	1,682,708	(727,210)	955,498
American Samoa	19,678	16,595	(6,938)	9,657

Legend: CNMI = Commonwealth of the Northern Mariana Islands.

Source: U.S. Department of the Interior, Office of Insular Affairs. | GAO-20-491

Note: Compact impact funding is allocated on the basis of the proportion of total compact migrants in each affected jurisdiction, as determined by the most recent Census Bureau enumeration. Compact impact funding was allocated erroneously in fiscal years 2015 through 2020 because of an error in the 2013 and 2018 Census Bureau enumerations that resulted in undercounting of compact migrants in Hawaii.

^aThe totals shown reflect the amounts that Interior allocated in fiscal year 2020, on the basis of the original 2018 enumeration, before the enumeration error was discovered.

^bThese totals reflect the amount that Interior would have allocated in fiscal year 2020 on the basis of the revised 2018 enumeration that corrected for the error.

^cThese totals include under- and overpayments of both compact impact grant funding and additional compact impact grant funding provided in annual appropriations in fiscal years 2015 through 2020. Amounts shown in parentheses indicate planned reductions in future funding to correct for past overpayments.

^dInterior proposed the annual grant amounts for fiscal years 2021 through 2023 to correct for erroneous payments resulting from prior misallocations of compact impact grant funding and additional compact impact grant funding.

Compact Migration Affects Government Programs, Workforces, and Societies

The governments of some of the U.S. areas we visited identified effects of providing public education and health care services to compact migrants.⁶⁰ Compact migration's effects in U.S. areas we visited also include budgetary contributions from compact migrants' payment of taxes and fees as well as budgetary costs of other government programs and

⁶⁰We visited Arkansas, the CNMI, Guam, Hawaii, Oregon, and Washington. Some programs and services to which compact migrants have access may vary by state and territory. The examples cited in this report do not represent an exhaustive list of all programs and services that compact migrants may access or of states' and territories' efforts to support compact migrants.

services to compact migrants.⁶¹ Stakeholders in the U.S. areas additionally discussed the participation of compact migrants in those areas' workforces and communities in terms of contributions and impacts of compact migration.⁶²

U.S. Area Governments Identify Effects of Providing Programs and Services to Compact Migrants

Education

Children of compact migrants attending U.S. public primary and secondary schools sometimes receive additional or specialized services, such as support for English language learners, according to state and territorial officials. In the U.S. areas we visited, state and territorial departments and school districts have identified and counted compact migrant students by means of one or more criteria, including ethnicity, language, and place of birth. See table 6 for estimated numbers of compact migrant students in the states and territories we visited and the criteria that each state or territory used to count students as compact migrants.

Table 6: Estimated Number of Compact Migrant Students in State and Territorial Public Schools in Selected U.S. Areas

Selected U.S. states and territories	Estimated compact migrant students	School year	Criteria used to count students as compact migrants
Arkansas	4,175	2018-2019	Ethnicity (Hawaiian and Pacific Islander)
CNMI	1,155	2017-2018	Ethnicity (FAS)
Guam	7,797	2016-2017	Ethnicity (FAS) and year of entry into the United States or year of birth in the United States
Hawaii	9,186	2018-2019	Ethnicity (FAS) or place of birth (FAS) or language spoken (FAS)
Oregon	1,814	2018-2019	Ethnicity (Pacific Islander) and language of origin (FAS)
Washington	1,663	2019-2020	Place of birth (FAS)

Legend: CNMI = Commonwealth of the Northern Mariana Islands, FAS = freely associated state.

Source: Documents and GAO interviews with officials from the Arkansas Department of Education, the CNMI Public School System, the Guam Department of Education, the Hawaii Department of Education, the Oregon Department of Education, and the Washington State Office of Superintendent of Public Instruction. | GAO-20-491

⁶¹See appendix VIII for information about nonprofit and private sector organizations that provide separate programs and services or support to compact migrants.

⁶²Examples of contributions by compact migrants and other compact impacts cited in this report do not constitute an exhaustive list.

Compact migrants are eligible for in-state tuition at some U.S.-based colleges and universities, according to university, nonprofit, and state officials. For example, in Guam, compact migrants attending the University of Guam are eligible for in-state tuition. In Oregon, FAS citizens are eligible for in-state tuition after a 1-year residency period in the state, according to nonprofit officials.⁶³ In Arkansas, Marshallese citizens are eligible for in-state tuition after a 3-year residency period in the state, according to state tuition policy and officials.

Health Care

States and territories have reported budget and program effects related to health care for compact migrants who are eligible for federal benefits as well as health care for individuals, including compact migrants, who are ineligible for federal benefits and lack private insurance or other means of payment. U.S. area governments sought to enable compact migrants' access to health care in several ways, including extending access to the federal Children's Health Insurance Program (CHIP) or Medicaid and leveraging federal health insurance tax credits and other federal funding. According to some U.S. area government officials, some of these programs are provided specifically because compact migrants are ineligible for certain programs at the federal level.

Extended Access to Children's Health Insurance Program or Medicaid

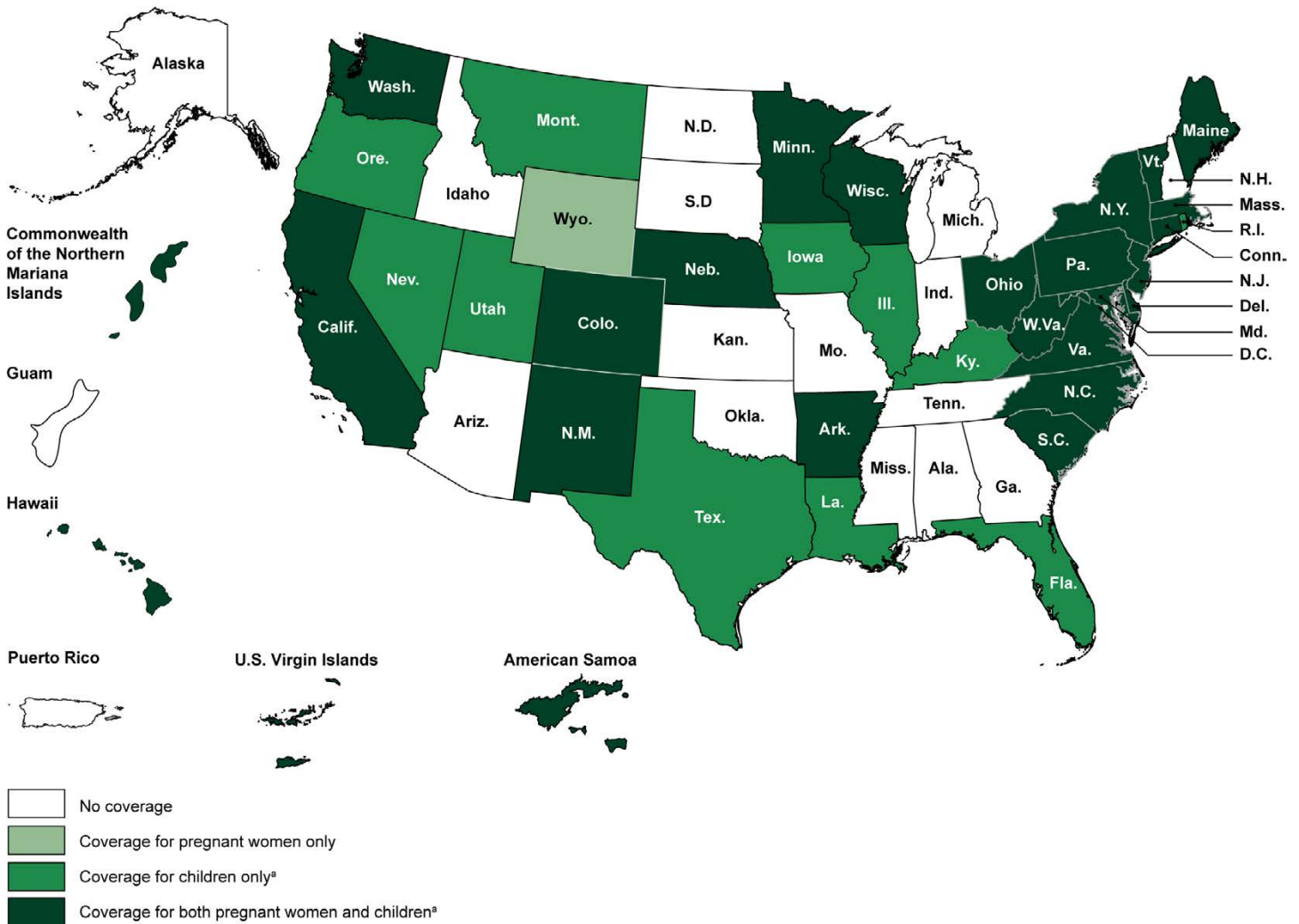
The Children's Health Insurance Program Reauthorization Act of 2009 included an option for states to cover children younger than 21 years and pregnant women in both CHIP and Medicaid who are lawfully residing in the United States—a definition that includes compact migrants—and who are otherwise eligible under the state plan.⁶⁴ Therefore, in some U.S. areas, non-U.S. citizen compact migrants who are children or pregnant may access federal health insurance coverage through CHIP or Medicaid. As of February 2020, 38 states and territories and the District of Columbia

⁶³If an FAS citizen migrates to Oregon expressly to obtain an education, he or she may not meet the residency requirements for in-state tuition, according to an FAS official. State policies may require that individuals reside in Oregon for 12 consecutive months primarily for non-education-related reasons before becoming eligible, according to the FAS official.

⁶⁴This coverage may be applied to pregnant women in Medicaid and CHIP or to children younger than 19 years for CHIP or younger than 21 years for Medicaid (19 years of age in some states) who are eligible for coverage through these programs (i.e., meeting income and state residency requirements) and are lawfully residing in the United States. See Section 214, The Children's Health Insurance Program Reauthorization Act of 2009, Pub. L. No. 111-3 (2009), codified at 1903(v)(4) of the Social Security Act (the Act) and section 2107(e)(1)(N) of the Act.

had extended such coverage to lawfully residing non-U.S. citizen pregnant women or children, including compact migrants, who met all other eligibility requirements (see fig. 5). According to Arkansas officials, their state’s decision to extend this coverage was sought in part to address unmet needs of compact migrants living in Arkansas.

Figure 5: States and Territories That Had Extended Coverage to Lawfully Residing Children or Pregnant Women under the Children’s Health Insurance Program Reauthorization Act of 2009 as of February 2020



Source: GAO analysis of eligibility information provided by the U.S. Centers for Medicare & Medicaid Services. | GAO-20-491

Note: This information applies to lawfully residing children and pregnant women who are not U.S. citizens and who meet all other program eligibility requirements. States may offer coverage through the Medicaid program or through both the Children’s Health Insurance Program and Medicaid. Additionally, states may have other programs providing health insurance assistance.

^aMaximum age of coverage for children varies by state as indicated in each state's Medicaid and Children's Health Insurance Program State Plan.

Subsidized Coverage in Patient Protection and Affordable Care Act Exchanges

Compact migrants are eligible to purchase individual market health insurance plans through health insurance exchanges established under the Patient Protection and Affordable Care Act (PPACA).⁶⁵ Individuals purchasing coverage through the exchanges may be eligible, depending on their incomes, to receive financial assistance in the form of premium tax credits to offset the costs of their coverage. Premium tax credits, which are designed to reduce an eligible individual's premium costs, may be either paid in advance on a monthly basis to an enrollee's issuer (referred to as advance premium tax credits) or received after the individual files federal income taxes for the prior year.

Some state governments have elected to cover the remaining balance of some individuals' exchange plans, leveraging a combination of advance premium tax credits and state funds to fully cover health insurance premiums on certain exchange plans. For example, Hawaii created the Health Care Premium Assistance Program, a special state program that covers the cost of premiums on eligible plans for qualified residents who do not qualify for Medicaid.⁶⁶ While Hawaii's program was not created specifically in response to compact migration and is not limited to compact migrants, most of its enrollees are compact migrants, according to Hawaii government officials. Since its launch in 2015, the program pays the balance of health insurance premiums not covered by advance premium tax credits for those who would otherwise be qualified for federal

⁶⁵See PPACA, Pub. L. No. 111-148, §§ 1311(b), 124 Stat. 119, 173 (2010), as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, 124 Stat. 1029 (2010).

⁶⁶According to Hawaii officials, the state government also covers emergency room expenses for individuals who do not qualify for Medicaid, including some compact migrants, and pays the state's share for compact migrants who qualify for Emergency Medicaid. Covered expenses include emergency services but not follow-up visits. Hawaii officials described seeing an increase in the use of emergency room visits for this purpose. They noted that hospitals in Hawaii are tracking such visits and can identify some bad debt as a result of these services provided to compact migrants.

Medicaid if not for their citizenship status, including compact migrants.⁶⁷ According to state officials, the program covered 3,223 compact migrants residing in Hawaii as of June 2017.

Oregon and Washington developed premium assistance programs specific to compact migrants that leverage advance premium tax credits to eliminate health care premium costs.⁶⁸ In addition to covering premiums, these programs provide for out-of-pocket health care costs, according to the programs' websites and state officials.⁶⁹

- **Oregon COFA Premium Assistance Program.** The Oregon COFA Premium Assistance Program was launched in 2017, expressly to help compact migrants gain access to health care. In Oregon, participants pay for out-of-pocket costs at the time of service and subsequently apply to the program for reimbursement.⁷⁰ Oregon's program covered 780 compact migrants as of October 2019, according to state officials. The officials estimated that this program leverages \$9 of federal funds through advance premium tax credits for every \$1 of Oregon state funds contributed.
- **Washington COFA Islander Health Care.** The Washington COFA Islander Health Care program was launched in 2019, expressly to help compact migrants gain access to health care, and was based in part on the Oregon program, according to state officials. Washington will also cover dental insurance costs for compact migrants beginning in 2021, according to the program's website and state officials. Participants in Washington's program receive a payment card with preloaded funds to use for out-of-pocket costs. The program covered approximately 1,100 compact migrants in 2019, according to state officials. (Fig. 6 shows an example of an advertisement for

⁶⁷Participants in the Hawaii Health Care Premium Assistance Program must enroll in a silver-level plan through the exchange and take the full tax credit available, according to the program's website. The program does not cover deductibles or copays.

⁶⁸Participants in the Oregon and Washington premium assistance plans specific to compact migrants must be enrolled in a silver-level plan through the exchange, according to the programs' websites.

⁶⁹Out-of-pocket health care costs are not reimbursed by insurance. They include deductibles, coinsurance, and copayments for covered services plus all costs for services that are not covered.

⁷⁰Officials said that since its inception, the program had reimbursed \$9,646, as of December 2019, for out-of-pocket costs to compact migrants living in Oregon.

Washington's program, presenting information in six languages spoken by compact migrants.)

Figure 6: Washington State Health Care Authority Advertisement with Information in English and Six Other Languages Spoken by Compact Migrants



Source: COFA Islander Healthcare Program, Washington State Health Care Authority. | GAO-20-491

Note: Languages shown, from top to bottom, are English, Pohnpeian, Palauan, Kosraean, Yapese, Marshallese, and Chuukese.

Additional Federal Health Care Funding in U.S. Territories

All U.S. territories, including Guam and the CNMI, receive federal funding through Medicaid, which is subject to an annual cap. Section 2005 of the PPACA, as amended, increased the funding caps for the territories for the period beginning on July 1, 2011, and ending on September 30, 2019,

and provided a total of \$6.3 billion in additional federal funding for health care to the territories.⁷¹

Guam and the CNMI have used some of this funding, in addition to other federal funding for health care, to partially support compact migrants' health care costs or to alleviate the burden on programs that cover compact migrants.

- **Guam.** PPACA Section 2005 funding partly alleviated the financial shortfall of Guam's Medically Indigent Program, according to a territory official.⁷² The Medically Indigent Program pays for health care costs of primarily non-U.S. citizens living in Guam, including compact migrants, who do not have other health insurance. Most compact migrants in Guam qualify for this program after meeting the 6-month residency requirement, according to Guam officials. In fiscal year 2019, compact migrants participating in the program numbered 8,616, according to Guam officials, and made up 73 percent of the program's total participation. The officials said that the program is also funded through Guam local appropriations and federal Medicaid Undocumented Emergency Services funding.
- **CNMI.** Territorial hospital officials said that PPACA Section 2005 funding available in fiscal years 2011 through 2019 partially covered patient care costs in excess of the territory's annual Medicaid cap, including care for compact migrants. The CNMI Medicaid program uses federal Disaster Relief Assistance funding to reimburse the hospital for emergency services provided to compact migrants, according to CNMI officials.

⁷¹Pub. L. No. 111-148, §§ 1323, 2005(a), 124 Stat. 119, 283 (2010), as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, § 1204(a)-(b), 124 Stat. 1029, 1055 (2010). From the \$6.3 billion provided by Section 2005 of the PPACA, as amended, Puerto Rico received \$5.5 billion, the U.S. Virgin Islands received \$273.8 million, Guam received \$268.3 million, American Samoa received \$181.3 million, and the CNMI received \$100.1 million, according to the Congressional Research Service. Additionally, Section 6009 of the Families First Coronavirus Response Act, Pub. L. No. 116-127 (2020), contained additional federal Medicaid funding for U.S. territories.

⁷²Maria Theresa Arcangel, Chief Human Service Program Administrator, Division of Public Welfare, Guam Department of Public Health and Social Services, testimony before the U.S. House of Representatives Committee on Natural Resources, May 23, 2019.

Other Health Care Services Available to Compact Migrants

Non-U.S. citizens, including compact migrants, may access health care through the U.S. Department of Health and Human Services Health Resources and Services Administration’s Health Center Program and through state government–supported clinics. The Health Center Program was established in the mid-1960s to help low-income individuals gain access to health care services.⁷³ Health centers are responsible for delivering affordable, accessible, high-quality, comprehensive primary health care regardless of recipients’ ability to pay, according to Department of Health and Human Services officials. Figure 7 shows the entrance to Kokua Kalihi Valley, a federally qualified health center in Honolulu that estimates one-third of its patient population to be compact migrants, mostly from Micronesia.

Figure 7: Federally Qualified Health Center Offering Services to Compact Migrants in Honolulu, Hawaii



Source: GAO. | GAO-20-491

⁷³According to the Health Resources and Services Administration, in fiscal year 2018, the Health Center Program supported nearly 1,400 health centers operating service delivery sites in all U.S. states, territories, and the District of Columbia. The agency reported in 2018 that the majority of health center operating funds came from Medicaid, Medicare, private insurance, patient fees, and other resources.

State clinics provide health services such as screening and treatment of certain infectious diseases to compact migrants, among other state residents. For example, the Arkansas Department of Health established the Dr. Joseph Bates Outreach Clinic to provide public health services to Marshallese in the region. As of September 2019, approximately 95 percent of the clinic's patients were Marshallese, according to clinic officials. In addition, the University of Arkansas for Medical Sciences Northwest Campus facilitates research and community health programs in the Marshallese community and has established a clinic focused on diabetes.

Compact Migration Has Other Budgetary Effects

The budgetary effects of compact migration in the U.S. areas we visited include contributions by compact migrants, such as payment of federal and state taxes and fees, and also include several types of government program costs related to compact migration.

- **Budgetary contributions.** Compact migrants pay payroll taxes, including income taxes, and contributions to Social Security and Medicare. They also pay fees associated with state or territorial documentation or licensing, including driver's licenses. In general, reliable data on budgetary contributions of compact migrants are not available, because state and territorial tax filings and related databases do not provide data on citizenship or ethnicity, according to state and territorial officials. However, the Hawaiian government reported that in 2017, compact migrants generated an estimated \$36.6 million in state revenue from fees and taxes, such as the individual income tax, general excise taxes, and taxes generated from state government spending.⁷⁴ According to University of Guam officials and an FAS community member, the presence of FAS communities may have helped Guam institutions obtain funding, including funding for research.⁷⁵
- **Budgetary costs.** State and territorial officials identified budgetary costs related to compact migration. For example, officials cited costs of providing translators or interpreters for government programs and costs associated with compact migrant interactions with police and the

⁷⁴Hawaii Department of Business, Economic Development, and Tourism, Research and Economic Analysis Division, *COFA Migrants in Hawaii* (December 2019).

⁷⁵For example, Micronesian community members noted that they often see grants awarded to Guam on the basis of its population of lower-income residents, including Micronesian communities or compact migrants, and they concluded that Guam was able to leverage the Micronesian population's statistics to apply for, and win, funding.

justice system.⁷⁶ Some states have elected to extend state-level programs for food or cash-based assistance to compact migrants who are ineligible for the federal equivalents. For example, Washington's Cash Assistance and Food Assistance Programs provide financial support to FAS citizens who are ineligible for the federal Supplemental Nutrition Assistance Program and Temporary Assistance for Needy Families.⁷⁷ In Guam, some compact migrants qualify for the federal earned income tax credit, according to officials of Guam's Department of Revenue and Taxation. The officials noted that because Guam's tax system mirrors the federal system, any earned income tax credit paid in Guam is an expense to the territorial government.

Compact Migrants Contribute to Workforces and Face Reported Challenges

Workforce Contributions by Compact Migrants

Compact migrants are eligible to work in U.S. areas and have contributed to the workforces of receiving communities, holding jobs in a range of industries. According to stakeholders we interviewed, compact migrants have encountered challenges while participating in the workforce.

In the U.S. areas where they reside, compact migrants participate in the local economies in part by serving in the workforce in a variety of fields, including manufacturing, service industries, and professional industries, according to stakeholders we interviewed.⁷⁸ See table 7 for examples.

⁷⁶Some public safety or law enforcement departments track compact migrant arrests and incarcerations and calculate associated costs.

⁷⁷In fiscal year 2018, Washington's Food Assistance Program served 3,205 enrollees from the Marshall Islands, 1,878 enrollees from Micronesia, and 112 enrollees from Palau. During that fiscal year, 20 percent of all program enrollees were from the Marshall Islands.

⁷⁸Stakeholders also noted that compact migrants contribute to local economies as consumers who make retail purchases and pay rent.

Table 7: Examples of Industries Employing Compact Migrants in Selected U.S. Areas

U.S. area	Industry and job examples
Arkansas	Meat-processing (poultry), caregiving, airport, retail, hotels
CNMI	Grounds-keeping and maintenance, restaurants, hotels
Guam	Hotels, restaurants, construction, contracted work on military bases, territorial government employees
Hawaii	Hotels, restaurants, security, retail, warehousing, custodial work, teachers, state and local government employees
Oregon	Warehousing, manufacturing, canneries, caregiving (senior care homes, adults and children with intellectual and developmental disabilities), restaurants, airport
Washington	Warehousing, manufacturing, caregiving (senior care homes), restaurants, airport, nonprofits

Source: GAO interviews with government officials and with representatives of private sector and nonprofit organizations, chambers of commerce, freely associated state consulates, and compact migrant communities. | GAO-20-491

The following describes compact migrants’ participation in the areas we visited.

- **Arkansas.** Arkansas private sector representatives described Marshallese workers as essential to poultry plant operations, comprising one-quarter to one-third of some plants’ workers. At one such plant, most Marshallese employed are line workers on the floor of the plant, while others work as trainers and translators. Other compact migrants in Arkansas work at an airport; in hotels; in retail; or as caregivers, including in adult day care, according to FAS consular officials and nonprofit representatives.
- **CNMI.** CNMI officials and a private sector representative described compact migrants as a valuable resource in supplementing the CNMI’s small labor pool.⁷⁹ Officials also noted that without compact migrants, businesses would have to recruit more foreign labor and face more-severe hiring challenges than they do now. Officials and a private sector representative stated that several businesses and franchises were founded by, and employ, compact migrants.
- **Guam.** Guam Chamber of Commerce representatives indicated that compact migrant workers would not be easily replaced if they were no longer eligible to work in Guam and that hiring other foreign workers in Guam involves difficult visa processes. Compact migrants tend to hold entry-level and low-skill jobs in Guam and have high turnover rates, according to representatives from one company. Several businesses

⁷⁹The Northern Mariana Islands U.S. Workforce Act of 2018, Pub. L. No. 115-218 (2018) was enacted to, among other things, encourage the hiring of U.S. workers into the CNMI workforce.

in Guam were founded by, or cater to, compact migrants, according to private sector representatives.

- **Hawaii.** Micronesian officials noted that established communities of compact migrants in Hawaii help other FAS citizens to migrate, network, and find job opportunities. FAS community members in Hawaii identified multiple local businesses that either are owned by compact migrants or employ a large number of compact migrants.
- **Oregon.** In Oregon, some compact migrants work as caregivers or in a plant manufacturing reusable plastic containers for food storage and transport, according to an FAS official and community members. Oregon state government officials noted that compact migrants play an important role in working with adults and children with intellectual and developmental disabilities and in other paid caregiver capacities. The Governor of Oregon noted that compact migrants bring a tremendous amount of value to Oregon communities as educators, social workers, caregivers, and as members of the U.S. military. Other jobs or industries in which compact migrants work include warehousing, fast-food restaurants, and airport jobs, according to FAS officials.
- **Washington.** Some compact migrants work in caregiving, including at senior care homes; in manufacturing, warehousing, fast-food restaurants, or nonprofits; as artisans; or at airports, according to state and FAS officials and FAS community members.

Workforce Challenges Faced by Compact Migrants

Stakeholders reported that compact migrants have encountered various challenges related to participation in the U.S. workforce. See appendix VII for additional challenges experienced by compact migrant communities.

- **Form I-94.** Compact migrants from Micronesia and the Marshall Islands may present an unexpired FAS passport and Form I-94 Arrival/Departure Record (known as Form I-94) to employers to demonstrate their identity and employment authorizations.⁸⁰ Before 2013, compact migrants entering the United States received a paper copy of the form to document their legal entry and their ability to

⁸⁰Compact migrants from Palau are subject to different requirements and may not use Form I-94 as evidence of work authorization. See U.S. Citizenship and Immigration Services, "Federated States of Micronesia, Republic of the Marshall Islands, and Palau," accessed March 23, 2020, <https://www.uscis.gov/i-9-central/complete-correct-form-i-9/who-needs-form-i-9/federated-states-micronesia-republic-marshall-islands-and-palau>.

legally reside indefinitely in the United States.⁸¹ The DHS transition in 2013 from issuing Forms I-94 on paper to issuing them electronically created challenges for compact migrants, according to FAS community members. According to consulate officials, communities were not adequately notified that DHS would maintain these records in publicly accessible databases for only 5 years. As a result, some compact migrants who entered the United States after mid-2013 did not download their Forms I-94 before they became unavailable and thus did not have a Form I-94 to show to employers, according to stakeholders we interviewed.⁸²

- **REAL ID-compliant driver's licenses.** Some employers require employees to have REAL ID-compliant driver's licenses, according to FAS officials and community members. Before September 2019, DHS required compact migrants and other nonimmigrants applying for a REAL ID-compliant driver's license to present an unexpired passport with an unexpired visa and Form I-94 or to present an employment authorization document. However, because compact migrants do not receive a visa and are not otherwise required to obtain an employment authorization document, they were unable to obtain the licenses. In September 2019, DHS changed its requirements specifically to allow compact migrants to receive REAL ID-compliant driver's licenses by presenting an unexpired passport and Form I-94.⁸³ Some compact migrants in Guam said that challenges related to REAL ID before the DHS regulation change had negatively affected their employment because some military base jobs required these

⁸¹CBP has automated Form I-94 at air and sea ports of entry, shifting away from relying on paper forms for many travelers. According to DHS documentation, CBP now gathers travelers' arrival/departure information automatically from their electronic travel records. Because advance information is transmitted only for air and sea travelers, CBP will still issue a paper Form I-94 at land-border ports of entry.

⁸²To obtain a new Form I-94 after the 5-year online availability period ends, individuals can apply to DHS, incurring a fee. As of February 2020, DHS imposed a \$445 filing fee for replacing a lost Form I-94 by submitting Form I-102, Application for Replacement/Initial Nonimmigrant Arrival-Departure Document (see U.S. Citizenship and Immigration Services, "I-102, Application for Replacement/Initial Nonimmigrant Arrival-Departure Document," accessed March 23, 2020, <https://www.uscis.gov/i-102>). Alternatively, some compact migrants have replaced their I-94 by exiting and reentering the United States, according to consulate officials and compact migrants. For stakeholder suggestions related to compact migrants and Form I-94, see appendix VII.

⁸³On September 4, 2019, DHS issued a federal register notice providing that compact migrants can obtain full-term REAL ID-compliant driver's licenses or identification cards by presenting an unexpired passport and Form I-94 issued by CBP. See appendix X for a description of compact migrant eligibility for, and access to, REAL ID-compliant identification. See 84 Fed. Reg. 46,556 (Sept. 4, 2019) for the DHS notice.

documents for employment or for base access. In addition, some compact migrants have lost jobs at airports because of difficulty in obtaining REAL ID–compliant identification, according to Marshallese embassy officials. See appendix X for information about legislative and DHS policy changes that affected compact migrants’ ability to access full-term REAL ID–compliant driver’s licenses and identification cards.

- **Commercial driver’s licenses.** Various stakeholders discussed difficulties that compact migrants had encountered in obtaining commercial driver’s licenses required by certain jobs and obtaining standard driver’s licenses that are compliant with REAL ID requirements in some states. Marshallese officials said that compact migrants’ inability to obtain or renew commercial driver’s licenses had prevented them from being able to work in related jobs, such as truck driving.
- **Labor abuse and discrimination.** In September 2019, the government of Micronesia requested that the Department of State provide assistance to investigate abuse and mistreatment of Micronesian citizens who were recruited to move to the United States to work for a U.S. company in Iowa. In addition, compact migrants in Hawaii, Guam, and Oregon told us that they had faced workplace discrimination or were seen as harming the local economy. For example, compact migrants in Guam said that they had experienced discrimination in hiring and pay and sometimes were made to feel like a burden on the community.⁸⁴ Additionally, a March 2019 report by the Hawaii Advisory Committee to the U.S. Commission on Civil Rights concluded that some compact migrants find it difficult to report workplace discrimination because they are concerned about retaliation from employers.⁸⁵ The report found, among other things, that compact migrants face discrimination in access to employment and housing and also face widespread negative public perception in Hawaii.

Compact Migration Has Societal Effects

Stakeholders expressed some concerns about compact migration with respect to public health and law enforcement interactions. In addition to participating in the workforce, compact migrants participate in social

⁸⁴Compact migrant community members in U.S. areas with large proportions of compact migrants relative to the overall population told us that they face social tensions because they are often perceived as being the newest group of migrants.

⁸⁵Hawaii Advisory Committee to the U.S. Commission on Civil Rights, *Micronesians in Hawaii: Migrant Group Faces Barriers to Equal Opportunity*, March 2019.

institutions and create diversity and cultural exchange in their receiving communities.

Public Health

State and territorial health department officials and health care providers in the U.S. areas we visited noted concerns about the prevalence of communicable diseases such as tuberculosis and Hansen's disease in compact migrant communities.

- **Tuberculosis.** State and territorial health departments have worked to identify and treat cases of active and latent tuberculosis in compact migrant communities. About 15 to 20 percent of active, communicable tuberculosis cases in Hawaii have occurred in the FAS community, including several cases of antimicrobial drug-resistant variants of tuberculosis, according to Hawaii government officials. In 2019, 23 communicable tuberculosis cases were diagnosed in compact migrants in Hawaii. In Arkansas, public health officials estimated that they had screened 30 percent of the Marshallese population since 2000 and reported 202 active cases and 500 cases of latent tuberculosis infection between 1997 and 2019. Arkansas officials also said that they screened 1,728 Marshallese and reported five cases of active disease and 95 cases of tuberculosis infection in fiscal years 2018 and 2019. In 2017 and 2018, Arkansas officials traveled to the Marshall Islands to conduct screening for active and latent tuberculosis in addition to diabetes and Hansen's disease.
- **Hansen's disease.** Hansen's disease affects some members of compact migrant communities, according to health care providers and state government officials.⁸⁶ For example, the Hawaii Department of Health has a registry of 281 patients who are on active treatment or monitoring for recurrence of Hansen's disease or complications from the disease. The department manages 10 to 20 new cases of Hansen's disease each year. According to Hawaii public health officials, 95 percent of the individuals diagnosed with Hansen's disease in the state were from the Micronesian or Marshallese communities. From 2003 to 2019, the Arkansas Department of Health reported that 54 individuals, including 42 compact migrants, had been diagnosed with Hansen's disease.

⁸⁶Hansen's disease, also known as leprosy, is a bacterial infection that grows slowly and can affect the nerves, skin, eyes, and lining of the nose. If left untreated, nerve damage can result in paralysis of victims' hands and feet, according to the Centers for Disease Control and Prevention.

Public Order and Law
Enforcement Interactions

Some stakeholders reported concerns regarding public order and law enforcement interactions with compact migrants in Guam, Hawaii, and Washington.

- **Guam.** Guam law enforcement agencies report on crimes committed by, or attributed to, FAS groups in each location. Guam private sector representatives we interviewed expressed a belief that social tension with the FAS communities was driven in part by some compact migrants' public drunkenness or violence. In addition, language barriers can hinder compact migrants' social integration into receiving communities, according to Guam law enforcement officials.
- **Hawaii.** Common offenses for which compact migrants are cited or arrested in Hawaii include quality-of-life or social-order offenses, such as trespassing, disorderly conduct, drinking in public or driving under the influence of alcohol, assault, or harassment, according to state officials. These interactions with the public or with law enforcement officials may contribute to a strained relationship between compact migrants and receiving communities. Hawaii officials estimated that 20 to 25 percent of the population using the state's homeless services self-identify as part of the FAS community. Compact migrants may sleep in public parks, which can lead to legal charges. A lack of affordable housing may be a cause for homelessness among FAS communities.
- **Washington.** Marshallese embassy officials cited sporadic problems with gang activity and drug use among some younger Marshallese community members, particularly those living in Washington. These officials suggested that some migrant children who feel bullied or pressured may band together, resulting in a negative or gang-like situation.

Community and Volunteer
Work

In some U.S. areas we visited, stakeholders we interviewed said that compact migrants seek to contribute to, or engage with, their surrounding U.S. communities through volunteer work, including church activities, environmental work, and other efforts. For example, FAS communities described participating in environmental cleanup efforts, including efforts to control invasive species and leveraging their agricultural knowledge to help Hawaiian farmers grow a more resilient variety of taro. Several community representatives in multiple states noted that some compact migrants spend a significant amount of time supporting their fellow community members as translators or interpreters or volunteering to help others navigate complex systems in U.S. areas. FAS citizens also serve

in the U.S. military. The FAS countries have a high rate of military service, according to FAS officials and State documentation.

Increased Diversity

Stakeholders in some U.S. areas we visited described compact migrant populations as contributing to the diversity of receiving communities and educational institutions. For example, University of Guam officials said that FAS student association groups sponsor cultural events and activities that help to define the character of the university. The officials also noted that FAS students contribute to research portfolios and bring FAS government and community perspectives to classroom discussions. The officials observed that the presence of compact migrants increases the university community's diversity and its cultural awareness and competency. In Arkansas, Marshallese community members said that they had helped to teach local U.S. residents about Marshallese culture and history not otherwise taught in U.S. schools. Marshallese community members in Arkansas also expressed a belief that the community brought a greater emphasis on family and respect for elders to the region.

Agency Comments, Third-Party Views, and Our Evaluation

We provided a draft of this report for review and comment to the Departments of Agriculture, Commerce, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, State, and Transportation; the Social Security Administration; the Governors of Hawaii, Guam, the CNMI, Arkansas, Oregon, and Washington; and the Ambassadors of Micronesia, the Marshall Islands, and Palau to the United States. The Departments of Agriculture, Health and Human Services, Homeland Security, and State and the Social Security Administration provided technical comments, which we incorporated as appropriate. The Departments of Commerce, Housing and Urban Development, the Interior, and Transportation did not provide comments. U.S. areas and the FAS Ambassadors provided written comments that we have summarized below and reproduced in appendixes XI through XIX, and responded to their comments, where appropriate, at the end of those appendixes.

Comments from U.S. Areas

- **Hawaii.** The government of Hawaii commented that the health and economic impacts of the coronavirus pandemic, in addition to Hawaii's high cost of living and public charge concerns, affect the state's compact migrant communities in particular. The government also observed that racial disparities and other determinants of health and well-being are exacerbated for compact migrants. Noting that compact migrants lack access to Medicaid and the Supplemental Nutrition Assistance Program, the government urged that compact migrants'

access to health care and food nutrition programs be treated as a federal priority.

- **Guam.** The government of Guam advocated, in the context of the coronavirus pandemic, for restoring debt relief provisions associated with compact migration to offset unreimbursed compact expenses.⁸⁷ The government noted that from the time the compacts went into effect until 1996, FAS citizens maintained access to federal health coverage. The government also commented that in 2017, Interior's Office of Insular Affairs reported to Congress that restoring this eligibility would be in line with Congress' intent to never cause adverse consequences to the territories and Hawaii. In addition, the government observed that moving compact migrants from Guam's locally funded Medically Indigent Program to Medicaid would help Guam provide government services to all residents who need them. The government of Guam noted that the ongoing absence of an agreed definition for compact migrant for the purposes of data collection creates confusion.
- **CNMI.** The government of the CNMI commented on the importance of compact migrants' contributions to the territory's workforce needs and noted that they enrich the cultural makeup of the CNMI. Separately, the government stated that the response to the enumeration error discovered by the U.S. Census Bureau that led to a misallocation of compact impact funds has penalized the territories. According to Interior's modified plan, future allocations to the CNMI (in addition to Guam and American Samoa) would be adjusted downward to account for past overpayment. The CNMI commented that reducing the future amounts of compact impact funds because of an error of the federal government does not recognize the present needs of the CNMI. The CNMI government also noted that the territories receive less data collection support from the American Community Survey, the U.S. Bureau of Economic Analysis, and the U.S. Bureau of Labor Statistics than other U.S. areas receive.
- **Arkansas.** The government of Arkansas commented that it considered the Census Bureau data in our report to underestimate the compact migrant population in Arkansas, and it cited several higher

⁸⁷Our report notes that the amended compacts' implementing legislation authorized the President to reduce, release, or waive amounts owed by the governments of Guam and the CNMI to the United States to address previously accrued and unreimbursed impact expenses at the request of the Governor of Guam or the Governor of the CNMI. Previously, Guam requested, but did not receive, such debt relief. The President's authority was provided by Pub. L. No. 108-188, §104 (e)(9)(A), and expired on February 28, 2005.

estimates. The government noted that the state does not receive compact funding, despite its high population of Marshallese, because it is not an affected jurisdiction as defined in the Compacts of Free Association Amendments Act of 2003. The government projected that approximately 12,000 compact migrants reside in Arkansas and estimated its annual costs related to compact migration at about \$72 million. We believe that the Census Bureau data are sufficiently reliable for our purposes of estimating the number of compact migrants in U.S. areas. However, our report includes a discussion of stakeholder concerns that the compact migrant population in Arkansas may have been undercounted. We reported that the Census Bureau had estimated the compact migrant population in Arkansas during the period 2013 to 2017 at 5,895 on the basis of the definition of “compact migrants” used for its enumerations—citizens of Micronesia, the Marshall Islands, and Palau who entered the United States after 1986 (from Micronesia and the Marshall Islands) or 1994 (from Palau) and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years.

- **Oregon.** The government of Oregon advocated for more reporting on the effects that U.S. military access to, and U.S. testing of 67 nuclear weapons in, the Marshall Islands has had on compact migration, citing the devastating impact of nuclear fallout on inhabitants’ health and the environment. The government of Oregon also cited a need to report on compact migrants’ positive contributions to receiving areas. Our report provides qualitative descriptions of compact migrants’ contributions, including budgetary, workforce, and social contributions, and also provides high-level data on estimated mean and median incomes among compact migrants. We have incorporated additional statements by the government of Oregon about compact migrant contributions in our report. The government noted that it has taken steps at the state level to provide health care access to compact migrant populations while also urging Congress to restore this populations’ access to federal programs such as Medicaid and Temporary Assistance for Needy Families. Further, the government called on Interior to expand the definition of “affected jurisdiction” and appropriate grant funds equitably. As we note in our report, this definition and the associated grant funding were established by Congress in the amended compacts’ implementing legislation.
- **Washington.** The government of Washington commented that our report did not provide a detailed history of U.S. military nuclear testing in the FASs and subsequent impacts on them and their citizens. The government noted that such information is necessary to explain FAS citizens’ current challenges and why additional resources are required

to meet their needs. Further, the government commented that our report omits the personal narratives that are critical to a holistic account of the FAS experience in the United States, including the struggles many compact migrants face. Our report incorporates information that we obtained through our interviews with members of compact migrant communities, including those in Washington, such as reasons for migration, workforce and other challenges they faced, and stakeholder suggestions for improving experiences or outcomes of compact migration (see app. VII). The government of Washington stated that it hoped our report would prompt the federal government to make additional resources available to U.S. areas with sizeable compact migrant populations, and it called for inclusion of Washington among affected jurisdictions receiving compact impact grant funding.

Comments from Freely Associated States

- **Micronesia.** The Embassy of the Federated States of Micronesia emphasized the importance of quantifying not only costs but also economic benefits of compact migration, including job creation, taxes paid, and community contributions. The embassy also called for guidelines and enumeration methods that better capture actual costs and revenue. The embassy noted the relationship between FAS citizens' ineligibility for federal programs such as Medicaid and the costs borne by local governments and communities in the absence of these federal programs. According to the embassy, the continuing challenge of Micronesian citizens' ineligibility for Medicaid since 1996, compounded by the effects of relevant social determinants of health, make their successful integration in U.S. areas more difficult. Noting that these circumstances have a direct effect on Micronesian migrants' ability to contribute positively in receiving areas and become less reliant on public assistance programs, the embassy expressed support for the restoration of FAS citizens' eligibility for Medicaid and for expanded veterans' health care in Micronesia. The embassy commented that compact impact grant funding is a domestic issue and that discussions related to this issue should not diminish the priority of ongoing U.S. assistance to Micronesia under the compact. The embassy also raised concerns about challenges facing compact migrants, including the challenges described in our report.
- **Marshall Islands.** The Embassy of the Republic of the Marshall Islands described the migration rights provided in the compact as fundamental and essential to its country's relationship with the United States. Additionally, the embassy observed that restoring Medicaid eligibility for its citizens living and working in the United States would greatly benefit its citizens and substantially reduce impact costs to certain areas. The embassy noted that, although Marshall Islands

citizens living in the United States are eligible to purchase individual market health insurance plans through exchanges established under the Patient Protection and Affordable Care Act, many who are employed lack access to affordable health care because of the limited insurance benefits offered by most service industries or the high cost of covering family members. Furthermore, the embassy called for an objective accounting of revenue received from compact migrants and depiction of their contributions to, for example, the health and food security of the United States through employment in the food processing industry and other essential work. Last, the embassy commented that the addition of Marshallese workers to the 2020 census effort may remedy the potential undercounting of its citizens in the previous census.

- **Palau.** The Embassy of the Republic of Palau observed that it would be helpful to know the number of compact migrants from each FAS country who are able to access the federal programs for which they are eligible. This question was outside the scope of our review. Further, the embassy commented that it would like the U.S. federal government to inform and educate state departments of motor vehicles regarding the special status of FAS citizens in the United States, and it highlighted the difficulties that compact migrants historically have faced in obtaining REAL ID-compliant identification.

We are sending copies of this report to the appropriate congressional committees and to the Departments of Agriculture, Commerce, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, State, and Transportation; the Social Security Administration; and the Governors of Arkansas, the CNMI, Guam, Hawaii, Oregon, and Washington; and the Ambassadors of Micronesia, the Marshall Islands, and Palau. In addition, the report is available at no charge on the GAO website at <https://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-3149 or gootnickd@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix XX.

Sincerely yours,

A handwritten signature in black ink, appearing to read "David Gootnick". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Gootnick".

David Gootnick
Director, International Affairs and Trade

Appendix I: Objectives, Scope, and Methodology

We were asked to review topics related to migration to U.S. areas from the freely associated states (FAS)—the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau)—under those countries’ compacts of free association with the United States. This report (1) presents estimates of compact migrant populations and describes recent trends in compact migration; (2) summarizes the reported costs related to compact migration (compact impact costs) in three affected jurisdictions—Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI); and (3) describes effects of compact migration on governments, workforces, and societies in these and other U.S. areas.

Migration Data

To present estimates of compact migrant populations in U.S. areas and describe recent trends in compact migration, we obtained special tabulations of data from the U.S. Census Bureau’s 2013-2017 American Community Survey (ACS) for the 50 U.S. states, the District of Columbia, and Puerto Rico.⁸⁸ For Guam and the CNMI—U.S. territories that are not covered by the ACS—we used the Census Bureau’s revised 2018 enumeration of compact migrants in these areas.⁸⁹ The special tabulations of ACS data and the Census Bureau’s 2013 and 2018 enumeration reports defined compact migrants as individuals residing in U.S. areas who were born in the FASs and entered the United States after 1986 (for Micronesia and the Marshall Islands) or 1994 (for Palau) and their U.S.-born children (biological, adopted, step-) and grandchildren younger than 18 years.⁹⁰ We calculated percentage changes in states and territories that had more than 1,000 estimated compact migrants (or were designated as affected jurisdictions by the 2003 compacts’

⁸⁸The ACS estimates numbers of compact migrants in U.S. states, the District of Columbia, and Puerto Rico if they are present in sufficient numbers to protect respondent confidentiality. However, the Census Bureau suppresses the number and location of compact migrants in areas with fewer than 50 responses.

⁸⁹In 2019, the Census Bureau identified a coding error that resulted in undercounts of compact migrants in Hawaii in the bureau’s 2013 and 2018 enumeration reports. We received revised numbers from the Census Bureau that corrected this error, and we reflected these revisions in our report. In addition to not covering Guam, the CNMI, or American Samoa, the ACS does not cover the U.S. Virgin Islands, and there is not a special territorial enumeration of compact migrants residing there. Therefore, our population estimates do not include compact migrants who may live in the U.S. Virgin Islands.

⁹⁰The Census Bureau included U.S.-born grandchildren of compact migrants in its 2013 and 2018 enumeration reports but not in the enumeration reports that it issued in 2008 or earlier. See table 16 for a summary of compact migrant definitions that the Census Bureau has used over time.

implementing legislation) by comparing 2005-2009 ACS data and the 2008 enumeration with 2013-2017 ACS data and the revised 2018 enumeration.

To identify and describe changes in Census Bureau methods and definitions for enumerating compact migrants over time (see app. VI), we reviewed the definitions of “compact migrant” in the bureau’s enumeration reports for tabulations before and including 2018. We also interviewed Census Bureau and Department of the Interior (Interior) officials. For example, we asked when and where grandchildren were counted among compact migrants younger than 18 years.

To estimate net arrivals to U.S. areas by travelers with FAS passports (see app. III), we analyzed data from the Department of Homeland Security’s (DHS) Customs and Border Protection’s (CBP) Arrival and Departure Information System (ADIS). According to CBP officials, ADIS consolidates data from several DHS systems to create unique, person-centric travel records for all travelers regardless of citizenship. We calculated monthly FAS net arrivals to U.S. areas from 2017 through 2019 by using ADIS data that DHS provided, showing numbers of individuals with FAS-issued passports entering and exiting U.S. ports of entry each month during the period.

To assess the reliability of ADIS data, we spoke with DHS officials to identify potential data reliability concerns and other limitations of ADIS. Officials said that any compact migrant who enters on an FAS passport and holds U.S. citizenship will be masked or not appear in the ADIS system. Officials also said that compact migrants who become U.S. citizens after arrival or are later discovered to be U.S. citizens are removed from the data; CBP officials believed these numbers to be small. We also conducted statistical checks for consistency and completeness of the ADIS data, including validating the ADIS data against publicly available passenger data from the U.S. Department of Transportation Air Carrier Statistics (TranStats) T-100 database for 2015 to 2019 (data for 2019 were partial). We used flight segment data from the T-100 database containing total passenger counts reported by both U.S. and foreign air carriers for flights that compact migrants take to U.S. areas. We found that data from ADIS and the T-100 database were positively correlated for 2015, 2017, 2018, and 2019 but were not correlated for 2016. According to CBP officials, ADIS was significantly changed in 2016 and may contain duplicate entries for that year. As a result, we determined that ADIS data for 2017 and later were sufficiently reliable for our intended use.

Reported Costs Related to Compact Migration

To quantify costs related to compact migration that were reported by the affected jurisdictions included in our review—Hawaii, Guam, and the CNMI—we reviewed documents that they had published or provided to Interior, such as compact impact reports submitted by Hawaii and Guam and grant documents submitted by the CNMI. We used the most recent data available for 2004 through 2018. To identify the amount of funding distributed by Interior as compact impact grants to the affected jurisdictions, we interviewed Interior officials and reviewed relevant documentation.

Effects of Compact Migration on Governments, Workforces, and Societies

To identify and describe effects of compact migration on governments, workforces, and societies of receiving U.S. areas, we reviewed relevant documentation and conducted interviews with stakeholders in six U.S. areas that we visited.

- Documentation that we reviewed included program information and counts of compact migrants using state-level benefits programs, treated by state or local health clinics, enrolled in public schools or higher-education institutions, or using interpreters. Because various sources may define compact migrants by ethnicity, place of birth, language of origin, or other metrics, we noted the definition used for each count in this report. To identify the eligibility of compact migrants for selected federal programs, we reviewed relevant statutes and regulations and held discussions with officials from the U.S. agencies that oversee the programs. We selected the programs included in table 1 on the basis of those we included in a prior report, and we added other selected programs that we learned about in the course of interviews for our current report.⁹¹
- We traveled to, and interviewed stakeholders in, six U.S. states and territories where compact migrants live, including three of the U.S. areas designated in the 2003 amended compacts' implementing legislation as affected jurisdictions—Hawaii, Guam, and the CNMI—and three mainland states—Arkansas, Oregon, and Washington.⁹² We selected these areas on the basis of previously reported compact migrant population distributions in U.S. areas⁹³ and of the locations of

⁹¹GAO, *Compacts of Free Association: Improvements Needed to Assess and Address Growing Migration*, GAO-12-64 (Washington, D.C.: Nov. 14, 2011).

⁹²For more information about affected jurisdictions, see Compact of Free Association Amendments Act of 2003, Pub. L. No.108-188, § 104(e)(2) (2003).

⁹³GAO-12-64, p. 14.

consulates or honorary consuls established by Micronesia, the Marshall Islands, and Palau.⁹⁴ Stakeholders we interviewed included officials from nine federal agencies; state and territorial government officials in areas we visited; private sector and nonprofit organization representatives such as chambers of commerce, employers of compact migrants, and nonprofit service providers; officials from the FAS embassies and consulates or honorary consuls in areas we visited; and compact migrants living in areas we visited (see table 8).⁹⁵ FAS embassy officials in Washington, D.C., connected us with local community members who helped us promote and organize the local community meetings in areas we visited. Participants whom we interviewed in the meetings do not represent a generalizable sample of compact migrants, and the challenges they discussed are not comprehensive (see app. VII for a discussion of challenges faced by compact migrants, according to stakeholders we interviewed).

Table 8: U.S. Areas and FAS Communities Where We Interviewed Compact Migrants

U.S. area	FAS communities
Arkansas (Springdale)	Marshall Islands
Commonwealth of the Northern Mariana Islands	Micronesia, Palau
Guam	Micronesia, Marshall Islands, Palau
Hawaii (Honolulu and Waipahu)	Micronesia, Marshall Islands, Palau
Oregon (Portland and Salem)	Micronesia, Marshall Islands, Palau
Washington (Auburn)	Micronesia, Marshall Islands

Legend: FAS = freely associated state, Marshall Islands = Republic of the Marshall Islands, Micronesia = Federated States of Micronesia, Palau = Republic of Palau.

Source: GAO. | GAO-20-491

To describe academic studies of workforce and fiscal impacts of new migrants (see app. IX), we conducted a search, using keywords relevant to the economic impact of migration, in American and European economics academic journals published during the period 2015 to 2019. We reviewed a subset of these articles that we deemed most relevant to

⁹⁴These consulates and honorary consuls included the Micronesia, Marshall Islands, and Palau consulates in Honolulu, HI; the Micronesia and Palau consulates in Guam; the Micronesia and Palau Honorary Consuls in the CNMI; the Marshall Islands consulate in Springdale, AR; and the Micronesia consulate in Portland, OR.

⁹⁵We interviewed officials from the following federal agencies: the Social Security Administration and the Departments of Agriculture, Commerce, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, State, and Transportation.

the context of compact migration, including articles that related to migration of lower-skilled workers and that included empirical analysis of the impact of this migration on various economic aspects. We also reviewed survey articles reviewing the conclusions of prior relevant publications.

We conducted this performance audit from March 2019 through June 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Estimates of Compact Migrants in U.S. Areas

Table 9 presents Census Bureau data for U.S. states and territories that had estimated compact migrant populations of more than 1,000 in 2013 through 2018 and shows percentage changes in these populations from 2005-2009 to 2013-2018. Data for U.S. areas not covered by the American Community Survey, including Guam, the Commonwealth of the Northern Mariana Islands (CNMI), and American Samoa, are from compact migration enumerations that the Census Bureau performed on behalf of the Department of the Interior.⁹⁶

Table 9: Estimated Compact Migrant Populations in Selected U.S. Areas and Percentage Changes in Populations from 2005-2009 to 2013-2018

U.S. area	Estimated population, 2005-2009 ^a	Estimated population, 2013-2017 ^a	Estimated percentage change in population from 2005-2009 to 2013-2017 ^a (confidence interval) ^b	Percentage of all compact migrants living in this U.S. area in 2013-2017 ^a (confidence interval) ^c
American Samoa	15 (2008)	25 (2018)	+67 percent (2008-2018) ^d	<1 percent (2018)
Arizona	1,030	2,030	+97 percent (±54 percentage points)	2 percent (±1 percentage points)
Arkansas	1,155	5,895	+410 percent (±88 percentage points)	6 percent (<1 percentage point)
California	2,920	4,190	+44 percent (±37 percentage points)	4 percent (±1 percentage points)
Colorado	NA ^e	1,405	NA	1 percent (±1 percentage points)
CNMI	2,100 (2008)	2,535 (2018)	+21 percent (2008-2018) (±39 percentage points)	3 percent (2018) (±1 percentage points)
Georgia	NA ^e	1,635	NA	2 percent (±1 percentage points)
Guam	18,305 (2008)	18,874 (2018)	+3 percent (2008-2018) (±28 percentage points)	20 percent (2018) (±4 percentage points)
Hawaii	12,060	24,755	+105 percent (±21 percentage points)	26 percent (±2 percentage points)
Iowa	NA ^e	1,130	NA	1 percent (<1 percentage point)
Missouri	1,090	2,020	+85 percent (±47 percentage points)	2 percent (<1 percentage point)

⁹⁶The American Community Survey does not cover the U.S. Virgin Islands, and the Census Bureau does not perform a special territorial enumeration of compact migrants in that territory.

Appendix II: Estimates of Compact Migrants in U.S. Areas

U.S. area	Estimated population, 2005-2009 ^a	Estimated population, 2013-2017 ^a	Estimated percentage change in population from 2005-2009 to 2013-2017 ^a (confidence interval) ^b	Percentage of all compact migrants living in this U.S. area in 2013-2017 ^a (confidence interval) ^c
Oklahoma	1,190	2,505	+111 percent (±41 percentage points)	3 percent (±1 percentage points)
Oregon	2,210	4,320	+96 percent (±32 percentage points)	5 percent (±1 percentage points)
Texas	NA ^e	4,000	NA	4 percent (±1 percentage points)
Washington	2,800	7,270	+160 percent (±33 percentage points)	8 percent (±1 percentage points)

Legend: CNMI = Commonwealth of the Northern Mariana Islands, NA = not available.

Source: GAO analysis of data from a special Census Bureau tabulation of the American Community Survey 2005-2009 and 2013-2017 for U.S. states and a revised Census Bureau 2018 compact migrant enumeration for Guam, the CNMI, and American Samoa. | GAO-20-491

Notes: Each U.S. area shown is either an affected jurisdiction or a state with a population of more than 1,000 compact migrants in 2013 to 2018. Of the four affected jurisdictions—American Samoa, the CNMI, Guam, and Hawaii—three had populations of more than 1,000 compact migrants during this period.

The estimates shown are for citizens of the freely associated states—the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau)—who entered the United States after 1986 (for Micronesia and the Marshall Islands) or 1994 (for Palau) and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years.

^aData shown are for 2005-2009 except where noted.

^bThe estimated percentage changes have a 90 percent confidence interval.

^cThe estimated percentages of compact migrants living in the given U.S. areas in 2013-2017 or in 2018 have a 90 percent confidence interval.

^dThe Census Bureau's revised 2018 enumeration used 2010 Census data for American Samoa and did not include margins of error.

^eThe Census Bureau suppressed some locations and numbers of migrants for privacy reasons. Suppression is a method of disclosure avoidance used to protect individuals' confidentiality by not showing (i.e., suppressing) the cell values in tables of aggregate data for cases where only a few individuals are represented or dominate the cell value to protect the confidentiality of individual respondents.

According to 5-year data from the Census Bureau's 2013-2017 American Community Survey, 72,965 compact migrants resided in the 50 U.S. states, the District of Columbia, and Puerto Rico. (The American Community Survey does not cover American Samoa, the CNMI, Guam, or the U.S. Virgin Islands.)

For estimates of the number of compact migrants in each of the 50 U.S. states, the District of Columbia, and Puerto Rico, see table 10.

**Appendix II: Estimates of Compact Migrants in
U.S. Areas**

Table 10: Estimated Compact Migrant Populations, by U.S. Area of Residence, 2013-2017

U.S. area	Estimated number of total compact migrants	Margin of error
Alabama	325	±176
Alaska	555	±242
Arizona	2,030	±545
Arkansas	5,895	±425
California	4,190	±795
Colorado	1,405	±484
Connecticut	Not reported by Census ^a	Not reported by Census ^a
Delaware	Not reportable ^b	Not reportable ^b
District of Columbia	Not reportable ^b	Not reportable ^b
Florida	985	±414
Georgia	1,635	±833
Hawaii	24,755	±2,537
Idaho	580	±327
Illinois	170	±100
Indiana	230	±65
Iowa	1,130	±301
Kansas	525	±295
Kentucky	640	±266
Louisiana	130	±120
Maine	Not reported by Census ^a	Not reported by Census ^a
Maryland	Not reported by Census ^a	Not reported by Census ^a
Massachusetts	40	±38
Michigan	210	±141
Minnesota	555	±205
Mississippi	Not reportable ^b	Not reportable ^b
Missouri	2,020	±377
Montana	85	±69
Nebraska	270	±241
Nevada	755	±374
New Hampshire	Not reported by Census ^a	Not reported by Census ^a
New Jersey	245	±183
New Mexico	Not reported by Census ^a	Not reported by Census ^a
New York	685	±303
North Carolina	840	±325
North Dakota	Not reportable ^b	Not reportable ^b

Appendix II: Estimates of Compact Migrants in U.S. Areas

U.S. area	Estimated number of total compact migrants	Margin of error
Ohio	475	±193
Oklahoma	2,505	±530
Oregon	4,320	±699
Pennsylvania	225	±147
Puerto Rico	Not reportable ^b	Not reportable ^b
Rhode Island	Not reportable ^b	Not reportable ^b
South Carolina	780	±385
South Dakota	Not reportable ^b	Not reportable ^b
Tennessee	525	±301
Texas	4,000	±1,045
Utah	990	±473
Vermont	Not reported by Census ^a	Not reported by Census ^a
Virginia	285	±169
Washington	7,270	±1,158
West Virginia	Not reported by Census ^a	Not reported by Census ^a
Wisconsin	410	±291
Wyoming	Not reportable ^b	Not reportable ^b

Source: Census Bureau special tabulation of American Community Survey 2013-2017 data for U.S. states, the District of Columbia, and Puerto Rico. | GAO-20-491

Note: The estimates shown represent citizens of the freely associated states—the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau)—who entered the United States after 1986 (for Micronesia and the Marshall Islands) or 1994 (for Palau) and their U.S.-born children (biological, adopted, step-) and grandchildren younger than 18 years.

^aThe Census Bureau suppressed some locations and numbers of migrants for privacy reasons. Suppression is a method of disclosure avoidance used to protect individuals' confidentiality by not showing (i.e., suppressing) the cell values in tables of aggregate data for cases where only a few individuals are represented or dominate the cell value.

^bBecause the 90 percent margin of error exceeded the value of the estimate, we view the estimate as unreportable.

The American Community Survey captures, among other things, respondents' place of birth (by country) and state of residence. Table 11 provides Census Bureau estimates, using 2013-2017 American Community Survey data, of the numbers of compact migrants born in the freely associated states—the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau—and residing in each of the 50 states, the District of Columbia, and Puerto Rico.

**Appendix II: Estimates of Compact Migrants in
U.S. Areas**

Table 11: Estimated Compact Migrant Populations, by U.S. Area of Residence and Freely Associated State (FAS) Birthplace, 2013-2017

U.S. area	FAS birthplace		
	Federated States of Micronesia	Republic of the Marshall Islands	Republic of Palau
Alabama	80 (±69)	155 (±136)	Not reported by Census ^a
Alaska	245 (±148)	Not reported by Census ^a	Not reportable ^b
Arizona	580 (±256)	750 (±271)	Not reportable ^b
Arkansas	Not reported by Census ^a	4,345 (±458)	Not reported by Census ^a
California	940 (±309)	1,240 (±396)	430 (±142)
Colorado	260 (±156)	495 (±280)	185 (±122)
Connecticut	Not reported by Census ^a	Not reported by Census ^a	Not reported by Census ^a
Delaware	Not reported by Census ^a	Not reported by Census ^a	Not reported by Census ^a
District of Columbia	Not reportable ^b	Not reportable ^b	Not reportable ^b
Florida	315 (±170)	315 (±222)	Not reported by Census ^a
Georgia	885 (±398)	35 (±34)	Not reportable ^b
Hawaii	11,440 (±1,461)	5,355 (±1,100)	390 (±224)
Idaho	210 (±153)	115 (±71)	Not reportable ^b
Illinois	Not reported by Census ^a	Not reported by Census ^a	65 (±53)
Indiana	Not reportable ^b	125 (±64)	Not reportable ^b
Iowa	275 (±106)	350 (±116)	Not reportable ^b
Kansas	235 (±181)	Not reported by Census ^a	110 (±82)
Kentucky	285 (±106)	Not reported by Census ^a	Not reported by Census ^a
Louisiana	90 (±75)	Not reportable ^b	Not reportable ^b

**Appendix II: Estimates of Compact Migrants in
U.S. Areas**

U.S. area	FAS birthplace		
	Federated States of Micronesia	Republic of the Marshall Islands	Republic of Palau
Maine	Not reported by Census ^a	Not reported by Census ^a	Not reported by Census ^a
Maryland	Not reported by Census ^a	Not reported by Census ^a	Not reported by Census ^a
Massachusetts	Not reported by Census ^a	Not reported by Census ^a	Not reported by Census ^a
Michigan	80 (±65)	30 (±25)	Not reportable ^b
Minnesota	385 (±215)	50 (±49)	80 (±62)
Mississippi	Not reportable ^b	Not reportable ^b	Not reportable ^b
Missouri	1,300 (±282)	55 (±51)	Not reportable ^b
Montana	Not reportable ^b	Not reportable ^b	Not reported by Census ^a
Nebraska	25 (±23)	Not reported by Census ^a	Not reported by Census ^a
Nevada	375 (±245)	Not reported by Census ^a	Not reported by Census ^a
New Hampshire	Not reportable ^b	Not reported by Census ^a	Not reportable ^b
New Jersey	220 (±163)	Not reportable ^b	Not reportable ^b
New Mexico	Not reported by Census ^a	Not reported by Census ^a	Not reportable ^b
New York	420 (±245)	50 (±36)	Not reported by Census ^a
North Carolina	400 (±186)	60 (±34)	Not reported by Census ^a
North Dakota	Not reported by Census ^a	Not reportable ^b	Not reportable ^b
Ohio	95 (±79)	120 (±38)	Not reportable ^b
Oklahoma	565 (±158)	1,185 (±274)	50 (±39)
Oregon	1,350 (±426)	1,030 (±287)	395 (±191)
Pennsylvania	80 (±75)	Not reported by Census ^a	Not reported by Census ^a
Puerto Rico	Not reportable ^b	Not reportable ^b	Not reportable ^b
Rhode Island	Not reportable ^b	Not reportable ^b	Not reportable ^b
South Carolina	465 (±228)	85 (±46)	Not reportable ^b
South Dakota	Not reportable ^b	Not reportable ^b	Not reportable ^b

Appendix II: Estimates of Compact Migrants in U.S. Areas

U.S. area	FAS birthplace		
	Federated States of Micronesia	Republic of the Marshall Islands	Republic of Palau
Tennessee	135 (±92)	Not reported by Census ^a	Not reported by Census ^a
Texas	1,475 (±334)	425 (±223)	720 (±606)
Utah	175 (±102)	555 (±239)	Not reportable ^b
Vermont	Not reported by Census ^a	Not reported by Census ^a	Not reported by Census ^a
Virginia	50 (±44)	120 (±81)	Not reported by Census ^a
Washington	1,635 (±477)	3,010 (±648)	440 (±220)
West Virginia	Not reported by Census ^a	Not reported by Census ^a	Not reported by Census ^a
Wisconsin	320 (±231)	Not reported by Census ^a	Not reported by Census ^a
Wyoming	Not reportable ^b	Not reportable ^b	Not reportable ^b
Total	25,555 (±1,982)	20,545 (±1,471)	3,435 (±707)

Source: Census Bureau special tabulation of American Community Survey 2013-2017 data for U.S. states, the District of Columbia, and Puerto Rico. | GAO-20-491

Notes: The estimates shown represent individuals born in the FASs—the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau)—who entered the United States after 1986 (for Micronesia and the Marshall Islands) or 1994 (for Palau).

The individual U.S. area estimates shown do not sum precisely to the estimated totals because of margins of error. In addition, the numbers shown for each U.S. area do not sum to total estimated compact migrants in the area because the numbers do not include individuals born outside the FASs, such as compact migrant children born in the United States.

^aThe Census Bureau suppressed some locations and numbers of migrants for privacy reasons. Suppression is a method of disclosure avoidance used to protect individuals' confidentiality by not showing (i.e., suppressing) the cell values in tables of aggregate data for cases where only a few individuals are represented or dominate the cell value.

^bThe 90 percent margin of error exceeded the value of the estimate, and we therefore view the estimate as unreportable.

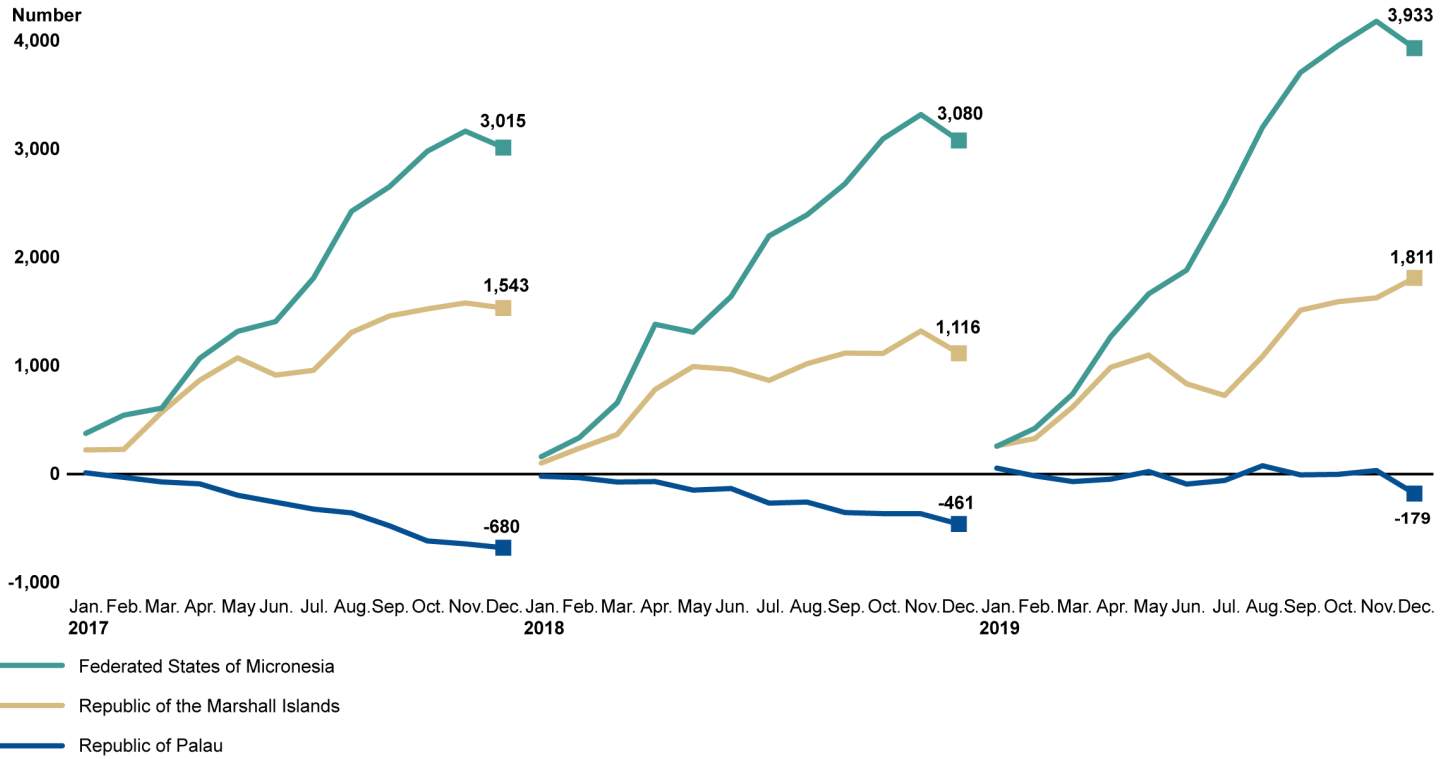
Appendix III: Federal Travel Data Showing Compact Migration to U.S. Areas

From 2017 through 2019, an average of about 366 more migrants from the Federated States of Micronesia (Micronesia), Republic of the Marshall Islands (Marshall Islands), and Republic of Palau (Palau) arrived in U.S. areas per month (4,390 per year) than departed, according to the Department of Homeland Security's Customs and Border Protection's Arrival and Departure Information System (ADIS).⁹⁷ As figure 8 shows, this trend was driven by migrants from Micronesia and the Marshall Islands (3,343 and 1,487 per year on average, respectively). Each year during this period, an average of about 440 more Palauan citizens departed from the United States than arrived.

⁹⁷According to DHS officials, the ADIS database consolidates data from several DHS systems to create unique person-centric travel records for all travelers regardless of citizenship. ADIS tracks entry and exit data at U.S. airports and some land border crossings, including passenger arrival or departure class and passport by country of issuance. We validated the data by checking them against publicly available passenger data from the U.S. Department of Transportation Air Carrier Statistics (TranStats) T-100 database and found the sources were sufficiently reliable for 2017 through 2019. (See app. I for more information about the ADIS and TranStats databases and how we used them.)

Appendix III: Federal Travel Data Showing Compact Migration to U.S. Areas

Figure 8: Cumulative Monthly Net Migration of Migrants from the Freely Associated States to U.S. Areas, 2017-2019



Source: GAO analysis of data from U.S. Department of Homeland Security Arrival and Departure Information System. | GAO-20-491

Notes: The freely associated states are the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. U.S. areas include the 50 states, territories, and the District of Columbia.

Appendix IV: Demographics and Characteristics of Compact Migrants in the 50 U.S. States, the District of Columbia, and Puerto Rico

The Census Bureau’s American Community Survey is an ongoing survey that provides information on a yearly basis, including employment status, educational attainment, veteran status, and age of survey respondents, among other topics. The survey covers the 50 U.S. states, the District of Columbia, and Puerto Rico. (The survey does not cover American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, or the U.S. Virgin Islands.)

Some data for compact migrant populations are available through the American Community Survey. See table 12 for demographic information about compact migrant populations in the 50 U.S. states, the District of Columbia, and Puerto Rico in 2013 to 2017.

Table 12: Demographic Estimates of the Compact Migrant Populations in the 50 U.S. States, the District of Columbia, and Puerto Rico, 2013-2017

Category	Estimated number of compact migrants^a (margin of error)	Estimated percentage of compact migrants^a (margin of error in percentage points)
Citizenship status		
U.S. citizen, born in the United States, Puerto Rico, or U.S. Island Areas	23,105 (±1,597)	31.7 percent (±1.6 percentage points)
U.S. citizen, born abroad of American parent(s) or by naturalization	8,320 (±918)	11.4 percent (±1.1 percentage points)
Not a U.S. citizen	41,540 (±2,476)	56.9 percent (±2.0 percentage points)
Age		
0-4 years	10,225 (±920)	14.0 percent (±1.1 percentage points)
5-9 years	9,820 (±892)	13.5 percent (±1.0 percentage points)
10-14 years	8,045 (±756)	11.0 percent (±0.9 percentage points)
15-19 years	5,320 (±622)	7.3 percent (±0.8 percentage points)
20-24 years	4,440 (±549)	6.1 percent (±0.7 percentage points)
25-29 years	7,440 (±729)	10.2 percent (±0.9 percentage points)
30-34 years	7,830 (±782)	10.7 percent (±0.9 percentage points)

**Appendix IV: Demographics and
Characteristics of Compact Migrants in the 50
U.S. States, the District of Columbia, and
Puerto Rico**

Category	Estimated number of compact migrants^a (margin of error)	Estimated percentage of compact migrants^a (margin of error in percentage points)
35-39 years	6,425 (±682)	8.8 percent (±0.8 percentage points)
40-44 years	5,020 (±605)	6.9 percent (±0.8 percentage points)
45-49 years	2,730 (±363)	3.7 percent (±0.5 percentage points)
50-54 years	2,210 (±408)	3.0 percent (±0.5 percentage points)
55-59 years	1,325 (±284)	1.8 percent (±0.4 percentage points)
60-64 years	865 (±258)	1.2 percent (±0.3 percentage points)
65 years and older	1,265 (±300)	1.7 percent (±0.4 percentage points)
Educational attainment, individuals 25 years and older		
Less than 9th grade	3,545 (±479)	10.1 percent (±1.3 percentage points)
9th-12th grade, no diploma	5,635 (±620)	16.0 percent (±1.6 percentage points)
High school diploma or alternative	13,420 (±1,124)	38.2 percent (±2.6 percentage points)
Some college, no degree	8,150 (±848)	23.2 percent (±2.1 percentage points)
Associate's, bachelor's, or graduate/professional degree	4,365 (±483)	12.4 percent (±1.2 percentage points)
Employment status, individuals 18 years and older		
In labor force	27,735 (±1,520)	69.2 percent (±1.4 percentage points)
Employed	24,540 (±1,372)	61.0 percent (±1.4 percentage points)
Unemployed	3,195 (±494)	8.0 percent (±1.2 percentage points)
Not in labor force	12,325 (±973)	30.8 percent (±1.9 percentage points)
Armed forces status, individuals 17 years and older		
Yes, on active duty now or in the past	1,660 (±291)	4.0 percent (±0.7 percentage points)

**Appendix IV: Demographics and
Characteristics of Compact Migrants in the 50
U.S. States, the District of Columbia, and
Puerto Rico**

Category	Estimated number of compact migrants^a (margin of error)	Estimated percentage of compact migrants^a (margin of error in percentage points)
No, never served or in training only	40,325 (±2,044)	96.1 percent (±1.1 percentage points)
Health insurance coverage, noninstitutionalized individuals		
No health insurance coverage	15,595 (±1,526)	21.7 percent (±1.8 percentage points)
One type of health insurance coverage	52,860 (±2,727)	73.4 percent (±1.3 percentage points)
Private coverage only (employer based, direct-purchase, or TRICARE/military)	26,255 (±1,602)	36.5 percent (±1.4 percentage points)
Public coverage only (Medicare or Medicaid)	26,460 (±2,073)	36.7 percent (±2.3 percentage points)
Public coverage only (Veterans Affairs Health Care or other local or federal government assistance plan)	140 (±111)	0.2 percent (±0.2 percentage points)
Two or more types of health insurance coverage	3,560 (±515)	4.9 percent (±0.7 percentage points)
Public assistance or Social Security income in past 12 months, individuals 15 years and older		
With public assistance or Social Security income	3,160 (±517)	7.0 percent (±1.1 percentage points)
No public assistance or Social Security income	41,715 (±2,139)	93.0 percent (±1.1 percentage points)
Personal income (in 2017 inflation-adjusted dollars), individuals 15 years and older		
No income or loss	13,465 (±1,130)	30.0 percent (±2.0 percentage points)
1-999	995 (±210)	2.2 percent (±0.5 percentage points)
1,000-4,999	3,465 (±597)	7.7 percent (±1.3 percentage points)
5,000-9,999	3,215 (±414)	7.2 percent (±0.9 percentage points)
10,000-14,999	3,890 (±485)	8.7 percent (±1.0 percentage points)
15,000-19,999	4,255 (±627)	9.5 percent (±1.3 percentage points)
20,000 or more	15,590 (±975)	34.7 percent (±1.3 percentage points)

**Appendix IV: Demographics and
Characteristics of Compact Migrants in the 50
U.S. States, the District of Columbia, and
Puerto Rico**

Category	Estimated number of compact migrants^a (margin of error)	Estimated percentage of compact migrants^a (margin of error in percentage points)
Median personal income (in 2017 inflation-adjusted dollars), individuals 15 years and older with income^b		
Total	19,874 (±678)	Not applicable
Mean personal income (in 2017 inflation-adjusted dollars), individuals 15 years and older with income^b		
Total	23,924 (±982)	Not applicable
Aggregate personal income (in 2017 inflation-adjusted dollars), individuals 15 years and older with income^b		
Total	751,462,200 (±48,685,965)	Not applicable

Source: Census Bureau special tabulation of American Community Survey 2013-2017 data. | GAO-20-491

^aThe estimates shown are for citizens of the freely associated states—the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau)—who entered the United States after 1986 (for Micronesia and the Marshall Islands) or 1994 (for Palau), and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years.

^bAccording to American Community Survey data for 2013-2017, there were an estimated 31,410 compact migrants (±1,738) aged 15 years and older with income.

See table 13 for demographic information about the compact migrant population in Hawaii only.

Table 13: Demographic Estimates of Compact Migrants in Hawaii, 2013-2017

Category	Estimated number of compact migrants^a (margin of error)	Estimated percentage of compact migrants^a (margin of error in percentage points)
Citizenship status		
U.S. citizen, born in the United States, Puerto Rico, or U.S. island areas	7,570 (±1,070)	30.6 percent (±3.0 percentage points)
U.S. citizen, born abroad of American parent(s) or by naturalization	1,125 (±273)	4.5 percent (±1.0 percentage points)
Not a U.S. citizen	16,060 (±1,771)	64.9 percent (±2.6 percentage points)
Age		
0-4 years	3,145 (±458)	12.7 percent (±1.3 percentage points)
5-9 years	3,180 (±521)	12.8 percent (±1.6 percentage points)
10-14 years	2,920 (±548)	11.8 percent (±1.9 percentage points)

**Appendix IV: Demographics and
Characteristics of Compact Migrants in the 50
U.S. States, the District of Columbia, and
Puerto Rico**

Category	Estimated number of compact migrants^a (margin of error)	Estimated percentage of compact migrants^a (margin of error in percentage points)
15-19 years	1,620 (±315)	6.5 percent (±1.1 percentage points)
20-24 years	1,290 (±314)	5.2 percent (±1.2 percentage points)
25-29 years	2,440 (±425)	9.9 percent (±1.4 percentage points)
30-34 years	2,510 (±420)	10.1 percent (±1.3 percentage points)
35-39 years	2,070 (±377)	8.4 percent (±1.3 percentage points)
40-44 years	1,575 (±282)	6.4 percent (±0.9 percentage points)
45-49 years	1,225 (±279)	4.9 percent (±1.0 percentage points)
50-54 years	940 (±276)	3.8 percent (±1.0 percentage points)
55-59 years	470 (±160)	1.9 percent (±0.6 percentage points)
60-64 years	515 (±195)	2.1 percent (±0.8 percentage points)
65 years and older	850 (±256)	3.4 percent (±1.0 percentage points)
Educational attainment, individuals 25 years and older		
Less than 9th grade	1,400 (±269)	11.1 percent (±1.8 percentage points)
9th-12th grade, no diploma	2,160 (±400)	17.1 percent (±2.7 percentage points)
High school diploma or alternative	4,920 (±705)	39.1 percent (±4.0 percentage points)
Some college, no degree	2,620 (±520)	20.8 percent (±3.6 percentage points)
Associate's, bachelor's, or graduate/professional degree	1,495 (±319)	11.9 percent (±2.2 percentage points)
Employment status, individuals 18 years and older		
In labor force	8,980 (±981)	63.4 percent (±2.3 percentage points)

**Appendix IV: Demographics and
Characteristics of Compact Migrants in the 50
U.S. States, the District of Columbia, and
Puerto Rico**

Category	Estimated number of compact migrants^a (margin of error)	Estimated percentage of compact migrants^a (margin of error in percentage points)
Employed	7,875 (±894)	55.6 percent (±2.6 percentage points)
Unemployed	1,105 (±234)	7.8 percent (±1.4 percentage points)
Not in labor force	5,185 (±800)	36.6 percent (±4.2 percentage points)
Armed forces status, individuals 17 years and older		
Yes, on active duty now or in the past	245 (±112)	1.7 percent (±0.8 percentage points)
No, never served or in training only	14,265 (±1,464)	98.3 percent (±1.2 percentage points)
Health insurance coverage, noninstitutionalized individuals		
No health insurance coverage	3,405 (±770)	13.9 percent (±2.8 percentage points)
One type of health insurance coverage	19,405 (±2,035)	79.0 percent (±1.5 percentage points)
Private coverage only (employer based, direct-purchase, or TRICARE/military)	6,155 (±863)	25.1 percent (±2.4 percentage points)
Public coverage only (Medicare or Medicaid)	13,200 (±1,621)	53.8 percent (±3.6 percentage points)
Public coverage only (Veterans Affairs Health Care, or other local or federal government assistance plan)	Not reportable ^b	Not reportable ^b
Two or more types of health insurance coverage	1,740 (±386)	7.1 percent (±1.4 percentage points)
Public assistance or Social Security income in the past 12 months, individuals 15 years and older		
With public assistance or social security income	1,865 (±376)	12.0 percent (±2.1 percentage points)
No public assistance or social security income	13,645 (±1,506)	88.0 percent (±3.8 percentage points)
Personal income (in 2017 inflation-adjusted dollars), individuals 15 years and older		
No income or loss	4,810 (±775)	31.0 percent (±3.9 percentage points)
1-999	360 (±130)	2.3 percent (±0.8 percentage points)
1,000-4,999	1,305 (±327)	8.4 percent (±1.9 percentage points)

**Appendix IV: Demographics and
Characteristics of Compact Migrants in the 50
U.S. States, the District of Columbia, and
Puerto Rico**

Category	Estimated number of compact migrants^a (margin of error)	Estimated percentage of compact migrants^a (margin of error in percentage points)
5,000-9,999	1,705 (±329)	11.0 percent (±1.8 percentage points)
10,000-14,999	1,755 (±383)	11.3 percent (±2.2 percentage points)
15,000-19,999	1,625 (±398)	10.5 percent (±2.3 percentage points)
20,000 or more	3,950 (±523)	25.5 percent (±2.2 percentage points)
Median personal income (in 2017 inflation-adjusted dollars), individuals 15 years and older with income^c		
Total	15,930 (±1,651)	Not applicable
Mean personal income (in 2017 inflation-adjusted dollars), individuals 15 years and older with income^c		
Total	20,104 (±1,357)	Not applicable
Aggregate personal income (in 2017 inflation-adjusted dollars), individuals 15 years and older with income^c		
Total	215,010,400 (±26,099,177)	Not applicable

Source: Census Bureau special tabulation of American Community Survey 2013-2017 data. | GAO-20-491

^aThe estimates shown are for citizens of the freely associated states—the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau)—who entered the United States after 1986 (for Micronesia and the Marshall Islands) or 1994 (for Palau), and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years.

^bBecause the 90 percent margin of error exceeded the value of the estimate, we view the estimate as unreportable.

^cAccording to American Community Survey data for 2013-2017, there were an estimated 10,695 compact migrants (±1,064) with income in Hawaii.

Appendix V: Compact Impact Costs Reported by Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands

Since 1986, Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI) have submitted to the Department of the Interior (Interior) intermittent compact impact reports and other documents that include descriptions of, and estimated costs for, education, health, public safety, and social services that local government agencies provided to compact migrants. Hawaii and Guam have submitted compact impact reports, which are available on Interior’s Office of Insular Affairs’ website.⁹⁸ The CNMI has not submitted a compact impact report since fiscal year 2003 but reports compact impact costs to Interior in the CNMI’s annual plan for the use of compact impact grants. Table 14 shows the estimated costs that these affected jurisdictions reported to Interior or provided to us for 1986 through 2018.

Table 14: Estimated Compact Impact Costs Reported by Hawaii, Guam, and the CNMI, 1986-2018

Dollars (in millions)				
Year	Hawaii	Guam	CNMI	Total
1986-1995	23.4	60.6	43.7-71.7 ^a	127.7-155.7
1996	6.4	16.1	11.0	33.5
1997	12.2	19.1	13.7	45.0
1998	12.4	19.1	15.1	46.6
1999	14.1	18.9	12.3	45.3
2000	17.5	24.5	9.2	51.2
2001	21.5	23.4	4.6	49.5
2002	30.4	23.3	4.6	58.3
2003	47.4	30.9	4.2	82.5
2004	55.3	33.2	10.0	98.5
2005	66.9	33.6	10.3	110.8
2006	81.0	43.3	9.7	134.0
2007	90.8	46.5	8.6	145.9
2008	101.0	56.0	8.2	165.2
2009	118.8	64.0	4.0	186.8
2010	114.9	71.8	4.7	191.4
2011	113.9	99.6	2.8	216.3
2012	130.3	99.6	5.9	235.8
2013	144.8	115.5	8.3	268.6
2014	163.3	130.0	12.3	305.6

⁹⁸Department of the Interior, Office of Insular Affairs, “Compact Impact Reports,” accessed January 13, 2020, <https://www.doi.gov/oia/reports/Compact-Impact-Reports>.

**Appendix V: Compact Impact Costs Reported
by Hawaii, Guam, and the Commonwealth of
the Northern Mariana Islands**

Dollars (in millions)				
Year	Hawaii	Guam	CNMI	Total
2015	145.1	136.8	5.9	287.8
2016	140.2	140.2	7.7	288.1
2017	183.9	147.3	7.3	338.5
2018	197.8	Not reported	9.8	207.6
Total	2,033.3	1,453.3	234.0-262.0	3,720.6-3,748.6

Source: GAO analysis of compact impact reporting, grant proposals, and documents from the governments of Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI). | GAO-20-491

Notes: Amounts shown are rounded and unadjusted for inflation.

Not all local government agencies in affected jurisdictions reported compact impact every year, although costs may have been incurred.

^aThe CNMI's range of estimated costs for 1986 through 1995 was provided in a 2000 CNMI congressional testimony.

Appendix VI: Compact Migrant Enumeration Methods, Definitions, and Error

The Census Bureau, working under an interagency agreement with the Department of the Interior (Interior), has conducted six sets of enumerations of compact migrants in affected jurisdictions for the purpose of allocating compact impact grant funding and has performed the enumerations every 5 years. Enumeration methods and definitions have changed over time. During the course of our work, an error was discovered that affected the accuracy of the 2013 and 2018 enumerations and also affected Interior’s allocations of compact impact grants for several fiscal years.

Compact Migrant Enumeration Methods

Census Bureau methods of gathering new data or analyzing existing data for compact migrant enumerations on behalf of Interior have changed over time. In 1993, 1998, and 2003, the bureau used the “snowball” technique; in 2008, 2013, and 2018, the bureau employed a two-pronged approach.

- For enumerations in 1993, 1998, and 2003, the Census Bureau employed a survey method known as snowball sampling to count compact migrants in Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI).⁹⁹ Because the surveys relied on referrals by respondents to identify new respondents, they were likely to undercount compact migrants who were not referred.¹⁰⁰
- For the enumerations in 2008, 2013, and 2018, the Census Bureau used a combination of existing and new survey data to count or estimate the numbers of compact migrants in Hawaii, Guam, and the CNMI. However, for the enumerations in Hawaii, the bureau used a different approach than it used for the enumerations in Guam and the CNMI. Also, for the enumerations in Guam and the CNMI, the bureau used a different approach in 2013 than it used in 2008 and 2018. To estimate the number of compact migrants in Hawaii, the Census Bureau used existing American Community Survey data. To estimate the numbers of compact migrants in Guam and the CNMI, the bureau

⁹⁹The initial survey was conducted in 1992 in Guam and 1993 in the CNMI; Hawaii was not surveyed at that time. The second survey was conducted in Guam and Hawaii in 1997 and the CNMI in 1998. In addition to these surveys, a 1995 survey of Palauans on Guam identified 2,276 Palauans, 1,014 of whom were born in Palau.

¹⁰⁰Because snowball sampling is a nonprobability method, it produces a count of survey subjects, rather than a statistical estimate with a determined level of precision, and is likely to undercount them. The Census Bureau surveys in 1993, 1998, and 2003 provided counts of compact migrants and demographic information such as employment, occupation, education, and reasons for migration.

Appendix VI: Compact Migrant Enumeration Methods, Definitions, and Error

used existing decennial census data in 2013 and gathered new survey data in 2008 and 2018.

See table 15 for a summary of the enumeration methods that the Census Bureau has used over time.

Table 15: Census Bureau Methods Used to Enumerate Compact Migrants in Affected Jurisdictions, 1993-2018

Affected jurisdiction	Method					
	1993	1998	2003	2008	2013	2018
Hawaii	Not surveyed	Survey using referrals to count migrants	Survey using referrals to count migrants	Existing data from the ACS (2005-2007)	Existing data from the ACS (2009-2011)	Existing data from the ACS (2015-2017)
Guam and CNMI	Survey using referrals to count migrants			Block sample probability survey ^a	Existing data from the 2010 Census	Block sample probability survey ^a

Legend: ACS = American Community Survey, CNMI = Commonwealth of the Northern Mariana Islands.

Source: Census Bureau. | GAO-20-491

Note: From 1993 through 2003, the Census Bureau used a survey method known as snowball sampling, relying on respondent referrals to identify and count compact migrants. From 2008 through 2018, the bureau estimated, rather than counted, compact migrants.

^aIn 2008 and 2018, the Census Bureau conducted a block sample probability survey in Saipan, CNMI. For areas of the CNMI outside Saipan in 2008 and 2018, the Census Bureau produced estimates of compact migrants using 2000 and 2010 Census data.

Definitions of “Compact Migrant” Used in Enumerations

The definition of “compact migrant” that the Census Bureau used for the enumerations has changed over time. Each enumeration has counted as a compact migrant any individual, of any age, who was born in the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), or the Republic of Palau (Palau) and who entered the United States after the effective date of their country’s compact. However, the enumerations in 2003, in 2008, and in 2013 and 2018 used various criteria for counting U.S.-born (U.S. citizen) individuals as children of compact migrants and therefore as compact migrants.

2003 enumeration. The definition of “compact migrant” in the 2003 amended compacts’ implementing legislation indicates that the children of compact migrants were to be considered compact migrants until 18 years of age. Interior interpreted the legislation’s definition of “compact migrant” as including all children younger than 18 years who were born to a compact migrant or migrants in the United States, thus including some U.S. citizens.

2008 enumeration. For the 2008 enumeration, the Census Bureau, on behalf of Interior, counted as compact migrants all children (biological, adopted, and step-) younger than 18 years who were born in the United States to a compact migrant head of household or to his or her spouse, were adopted by a compact migrant head of household or by his or her spouse, or were stepchildren of a compact migrant head of household or of his or her spouse.

2013 and 2018 enumerations. Starting with the 2013 enumeration, the Census Bureau also began counting as compact migrants

- all children (biological, adopted, and step-) younger than 18 years who were born in the United States to a compact migrant or to his or her spouse, regardless of whether they were the children of the head of household or of his or her spouse,¹⁰¹ and
- all grandchildren¹⁰² of a compact migrant who were younger than 18 years, regardless of whether they were the grandchildren of the head of household or of his or her spouse.

Also starting with the 2013 enumeration, the Census Bureau introduced a requirement that to be counted as a compact migrant, a child or grandchild of a compact migrant must never have been married.¹⁰³ For a summary of “compact migrant” definitions used for the enumerations over time, see table 16.

¹⁰¹A compact migrant household may consist of several family groups. Starting with the 2013 enumeration, U.S.-born children of, for example, a compact migrant head of household’s brother who was also a compact migrant would be counted as compact migrants until 18 years of age.

¹⁰²For example, a U.S.-born child of a compact migrant is counted as a compact migrant for the purpose of the enumeration only until 18 years of age. If that individual continues to share a household with his or her compact migrant parent or parents and gives birth to a child in the United States, that grandchild inherits the compact migrant grandparent’s status. Under the current Census Bureau definition, the grandchild, a second-generation U.S. citizen by birth, is counted as a compact migrant until 18 years of age as long as he or she remains in the same household as the grandparent.

¹⁰³The Census Bureau’s programming associated with marital status caused an error in the American Community Survey results for Hawaii for the 2013 and 2018 enumerations.

**Appendix VI: Compact Migrant Enumeration
Methods, Definitions, and Error**

Table 16: Definitions of “Compact Migrant” Used in Census Bureau Enumerations, 1993-2018

Citizenship and age	“Compact migrant” definition			
	1993-2003 Enumerations	2008 Enumeration	2013 Enumeration ^a	2018 Enumeration ^a
FAS citizen of any age	Any individual who <ul style="list-style-type: none"> • was born in Micronesia and entered the United States after 1986, • was born in the Marshall Islands and entered the United States after 1986, or • was born in Palau and entered the United States after 1994. 			
Compact migrant’s child who is a U.S. citizen and younger than 18 years	Child of a compact migrant ^b	Child (biological, adopted, and step-) of a compact migrant head of household or his or her spouse	Never-married child or grandchild (biological, adopted, and step-) of a compact migrant, regardless of the child’s or grandchild’s relationship to the head of household.	

Legend: FAS = freely associated state, Micronesia = Federated States of Micronesia, Marshall Islands = Republic of the Marshall Islands, Palau = Republic of Palau.

Source: Department of the Interior (Interior) and Census Bureau enumerations of compact migrants and related documentation; GAO interviews with Interior and Census Bureau officials. | GAO-20-491

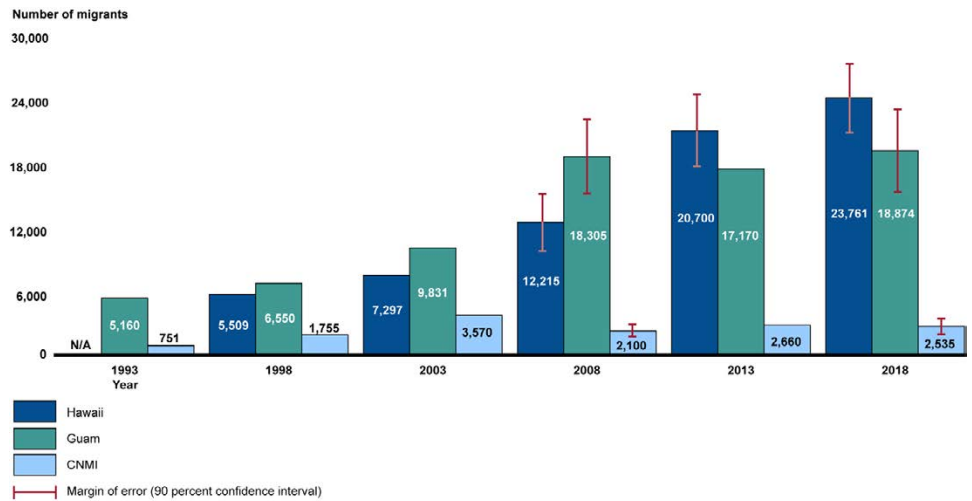
^aAccording to Census Bureau officials, because of coding rules introduced in the 2013 enumeration, the 2013 and 2018 enumerations in Hawaii may have counted a small number of great-grandchildren of compact migrants as compact migrants.

^bIt is unclear whether the 2013 and 2018 enumerations explicitly instructed enumerators or participants to include biological or adopted children or stepchildren.

Compact Migrant Enumeration Results, 1993-2018

The six sets of enumerations of compact migrants that the Census Bureau conducted on behalf of Interior in affected jurisdictions from 1993 through 2018 showed these populations growing in Hawaii and Guam and fluctuating in the CNMI. During our work with the Census Bureau to obtain American Community Survey data related to compact migrant populations, bureau officials discovered a programming error in the 2013 and 2018 enumerations of compact migrants that had resulted in an underestimate of certain compact migrants in Hawaii. The bureau revised these estimates in October 2019 to correct for the error in Hawaii. Figure 9 shows the Census Bureau’s revised estimates of compact migrants in the affected jurisdictions as of October 2019.

Figure 9: Estimates of Compact Migrant Populations in Hawaii, Guam, and the CNMI, 1993-2018



Source: GAO analysis of Census Bureau compact migrant enumerations. | GAO-20-491

Note: In October 2019, the Census Bureau notified the Department of the Interior that it had identified a coding error in the 2013 and 2018 enumerations that excluded from the enumerations all U.S.-born children younger than 15 years in Hawaii who had compact migrant status through a parent or other family member. The totals shown reflect the revised enumeration totals, which include this population for Hawaii and therefore differ from the 2013 and 2018 enumerations previously published on the Department of the Interior’s website.

In February 2020, Interior requested that the Census Bureau further revise its estimates for 2013 and 2018 to no longer count grandchildren. As of March 2020, the results of this revision were not yet available.

2013 and 2018 Enumeration Error

According to Census Bureau officials and Interior documentation, a programming error affected the 2013 and 2018 estimates of compact migrants in Hawaii that were generated for the bureau’s enumerations. Starting with the 2013 enumeration, the Census Bureau introduced a requirement that, to be counted as a compact migrant, a child of a compact migrant must never have been married. In implementing this requirement, the Census Bureau used an incorrect marital status variable that caused the omission of all U.S.-born compact migrant children in Hawaii who were younger than 15 years from the 2013 and 2018

**Appendix VI: Compact Migrant Enumeration
Methods, Definitions, and Error**

enumerations.¹⁰⁴ As a result, those enumerations did not count as compact migrants 6,000 to 8,000 individuals who were U.S.-born children of compact migrants. Table 17 shows the originally published enumeration estimates and the corrected estimates:

Table 17: Original and Corrected Enumeration Counts, 2013 and 2018

	2013 Enumeration		2018 Enumeration	
	Original	Corrected	Original	Corrected
Hawaii	14,700	20,700	16,680	23,761
Guam	17,170	17,170	18,874	18,874
Commonwealth of the Northern Mariana Islands	2,660	2,660	2,535	2,535
American Samoa	25	25	25	25
Total	34,555	40,555	38,114	45,195

Source: Department of the Interior, Office of Insular Affairs. | GAO-20-491

¹⁰⁴The error occurred when the American Community Survey variable “married, spouse present or absent” or “MSP” was used instead of “marital status” or “MAR.” Because the MSP field is not used for individuals 15 years and younger, none of these individuals were counted in Hawaii when the MSP field was used in the 2013 and 2018 enumerations. The corrected, revised enumerations used the correct MAR field to include unmarried individuals 15 years and younger in the count of compact migrants in Hawaii.

Appendix VII: Stakeholder Suggestions to Address Challenges Related to Compact Migration

In the U.S. areas we visited, stakeholders from state and territorial governments, private sector and nonprofit organizations, and freely associated state (FAS) consulates and communities made suggestions for improving experiences or outcomes of compact migration for both the receiving areas and the migrants themselves.¹⁰⁵ Stakeholders recommended that some actions be taken in both the United States after compact migrants' arrival and in the FASs before the migrants' departure.

Federal Policies, Operations, and Funding

Provide more information and education about the compacts.

Several stakeholders said that U.S. agencies should better understand the compacts and coordinate their related work. These stakeholders, including members of compact migrant communities, noted that U.S. government officials in some cases have seemed uncertain or unaware that compact migrants are able to live and work in U.S. areas without a visa or other documentation and have asked them to present immigration documents they do not possess or are not required to obtain.¹⁰⁶ An FAS official and community members noted a need for more education of employers and state government officials regarding the migration terms of the compacts and the migration status of FAS citizens in the United States.

Restore Medicaid eligibility and expand benefits access. State government officials and health care providers advocated restoring Medicaid access to FAS populations.¹⁰⁷ An FAS Consul General

¹⁰⁵We traveled to, and interviewed stakeholders in, six U.S. states and territories where compact migrants live, including three of the U.S. areas designated as affected jurisdictions (the Commonwealth of the Northern Mariana Islands, Guam, and Hawaii) and three mainland states (Arkansas, Oregon, and Washington).

¹⁰⁶For example, when compact migrants applied for a full-term driver's license or identification card compliant with federal requirements under the REAL ID Act of 2005, some state government agencies asked them to show documents that they were not required to obtain, such as visas or employment authorization documents, according to compact migrants. We generally heard this from FAS community members and consular officials before September 4, 2019, when the Department of Homeland Security ended its requirement that compact migrants present a visa or employment authorization document to receive a REAL ID-compliant license.

¹⁰⁷Eligibility for some federal programs changed as a result of the 1996 Personal Responsibility and Work Opportunity Reconciliation Act, Pub. L. No. 104-193, § 401 (1996). For example, when the compacts were signed, FAS citizens were eligible for Medicaid; however, the act removed this eligibility. State government officials and health care providers noted that Medicaid covers transportation costs to medical appointments, which are often a barrier to compact migrants seeking treatment.

advocated restoring Medicaid eligibility to its pre-1996 status for compact migrants.¹⁰⁸ FAS community members suggested extending Supplemental Nutrition Assistance Program benefits and expanding federal student loan access to compact migrants.

Provide more information and guidelines about federal programs and policies. State government officials suggested that changes to federal government policies should include specific information about the applicability of the changes to FAS citizens. Health care providers suggested that the federal government should share more data about compact migration and noted a need for federally established guidelines to support accurate, rather than exaggerated, cost reporting. The providers noted that compact impact estimating was chaotic and had a negative effect on the community. FAS community members expressed interest in federally provided educational sessions and clear eligibility criteria for federal benefits.

Simplify Form I-94 access for compact migrants. FAS consular officials and community members said that compact migrants entering the United States should receive information about the importance of their Form I-94 Arrival/Departure Record (Form I-94) and how to retrieve it online.¹⁰⁹ Because compact migrants have had difficulty in accessing these forms, and given the cost of replacing them, FAS community members requested that federal agencies be enabled to retrieve migrants' Forms I-94 for them. FAS consular officials recommended that compact migrants' Forms I-94 be made accessible on the Customs and

¹⁰⁸Compact migrant eligibility for some federal programs, including Medicaid, changed with the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, § 401 (1996).

¹⁰⁹According to Customs and Border Protection (CBP) officials, if an individual's Form I-94 is not publicly available, the individual may report to a local CBP Deferred Inspection Site to obtain a copy of his or her Form I-94. (For a list of deferred inspection sites, see U.S. Customs and Border Protection, "Deferred Inspection Sites," accessed March 2, 2020, <https://www.cbp.gov/contact/ports/deferred-inspection-sites>.) Officials at the Deferred Inspection Site in Honolulu said that they would correct an individual's Form I-94 if CBP made an error on the original form but that they do not provide replacement copies of Forms I-94. According to a CBP official in Guam, Deferred Inspection Site officials will not generate replacement copies for forms older than 5 years. The official said that, on a case-by-case basis, Deferred Inspection Site officials may be able to locate and provide the I-94 number or to print a form if they can locate it, but replacement of a form older than 5 years must be requested through U.S. Citizenship and Immigration Services.

Border Protection website indefinitely, not only for the current 5-year period, since compact migrants' forms do not expire.¹¹⁰

Provide more and broader funding to U.S. states and territories.

State government officials, nonprofit representatives, and FAS community members said that more federal funding and resources were needed to accommodate the compact migrant population or to support the receiving states and territories. State government officials also said that the federal government should increase compact impact funds to a “reasonable amount,” even if the full costs cannot be covered. They noted that the compacts represent a federal obligation and expressed a belief that the federal government should take care of compact migrants. According to some health care providers, the United States’ treatment of the compact migrant population in U.S. areas could affect the FASs’ compact negotiations with the U.S. government. State government officials also suggested that allowing compact migrants access to more federal benefits would help alleviate compact impact on states and territories.

Clarify immigration provisions under the compacts of free

association. FAS community members in some locations we visited expressed a need for clarification about the status of migration provisions of the compacts. Specifically, they expressed concern that they might have to leave the United States in 2023. For example, in one FAS community we visited, community members registered confusion about whether provisions of the compacts (including migration provisions) are scheduled to end in 2023 and whether FAS citizens in U.S. areas can become U.S. citizens. One community member expressed concern that compact migrants would be “chased” out of U.S. areas after 2023 and that “all of their rights” under the compacts would be revoked. FAS community members also sought clarification about the implementation of the DHS rule for considering public charge while determining admissibility

¹¹⁰Some compact migrants have replaced their Forms I-94 by driving to the U.S. southern border, according to consulate officials and compact migrants. By crossing into Mexico and reentering the United States, they are able to obtain a new I-94 without paying U.S. Citizenship and Immigration Services’ \$445 replacement fee.

to U.S. areas.¹¹¹ According to community members and other stakeholders, the rule has caused uncertainty in compact migrant communities, which may result in some compact migrants' not enrolling in, or unenrolling from, public benefits programs. FAS community members said that they are uncertain whether and how the rule change will apply to them and whether enrolling in public benefits or enrolling eligible children will make them ineligible to reenter the United States.¹¹² FAS consular officials and community members also suggested revising certain immigration provisions—for example, changing compact migrants' nonimmigrant status to allow them access to a wider range of jobs, including law enforcement and military officer positions.

Health Care

Expand health care access and clinics in U.S. areas. State government officials said they believed that more health education and outreach to FAS communities were needed. A nonprofit representative noted that FAS communities lack vision care and that the extension of postpartum care to FAS communities would improve maternal and child health. FAS community members suggested the creation of a Pacific Islander-specific health clinic in the Pacific Northwest, with translators on staff and on-site enrollment for health insurance. Representatives of a nongovernmental organization in Hawaii that is led and staffed by compact migrants noted that a series of changes in compact migrants' eligibility for the Hawaii state health care program, Med-QUEST, had caused confusion about compact migrants' eligibility for public health care benefits.¹¹³

¹¹¹See Final Rule for Inadmissibility on Public Charge Grounds, 84 Fed. Reg. 41,292 (Aug. 14, 2019). The final rule defines the term “public charge” as an alien who receives one or more designated public benefits for more than 12 months in the aggregate within any 36-month period (such that, for instance, receipt of two benefits in 1 month counts as 2 months). In considering whether an alien is likely to become a public charge under 8 C.F.R. § 212.22, DHS considers a number of factors, including age, health, family status, assets, resources, financial status, education, and skills. See U.S. Citizenship and Immigration Services, *Public Charge Fact Sheet*, accessed March 2, 2020, <https://www.uscis.gov/news/fact-sheets/public-charge-fact-sheet>.

¹¹²According to the DHS final rule, compact migrants entering the United States under the terms of the compacts of free association are not exempt from the public charge ground of inadmissibility. According to CBP officials, the public charge inadmissibility regulation does not change how CBP will inspect applicants for admission.

¹¹³Some compact migrants may fail to enroll in health insurance plans, through the federal exchange or state marketplaces or by other means, because of such confusion or because of the insurance premiums or out-of-pocket costs. Additionally, some stakeholders noted that compact migrants may lack access to reliable transportation, which can be a barrier to arriving timely for appointments or reaching health care facilities.

Address preventative care, dialysis needs, and communicable diseases in the FASs. State and territorial government officials and health care providers said that greater access to in-country care, including more resources for primary care, was needed in the FASs. They recommended making more preventative treatment available in the FASs, including diabetes prevention, and establishing clinics in the FASs to potentially reduce the number of individuals moving to the United States for health care. Health care providers suggested that the Department of the Interior (Interior) should produce or fund a study on dialysis in the FASs, including an analysis of whether high-quality dialysis services in the FASs would decrease migration solely for access to dialysis. Territorial government officials suggested that compact migrants should receive health screenings before departing for the United States to identify any serious conditions or communicable diseases. Some health care providers and state government officials proposed that the U.S. federal government focus on reducing or eliminating the transmission of tuberculosis in the FASs.

Compact Migrant
Orientation and Services

Offer predeparture education to compact migrants in the FASs. State government officials and nonprofit representatives suggested that videos be aired on television in the FASs to support predeparture education, to explain differences they would find in the United States, and to reduce culture shock after arrival. Some state government officials and health care providers suggested that FAS citizens be encouraged to gather documentation, such as immunization and medical records, school records, and anything necessary to obtain a U.S. driver's license, before departing for the United States. State government officials also suggested that lists of community-based organizations, by U.S. state or territory and city, be provided to FAS citizens before their departure.

Offer orientation and information to compact migrants arriving in the United States. State government officials said that U.S. areas should offer and fund location-specific orientations for FAS citizens after arrival. The officials suggested that these orientations should cover how health care eligibility works, what resources are available to compact migrants, and how they can contact interpreters. State government officials also said that proactive education about U.S. laws could help compact migrants avoid behavior or circumstances that might cause them to run afoul of the law, given cultural differences and misunderstandings. Health care providers noted that compact migrants could be given more information to encourage better nutritional choices and more exercise.

Expand and professionalize translation and interpretation resources. Compact migrants who are not fluent in English may experience challenges accessing or navigating health care, the judicial system, and educational institutions, according to state government officials, FAS consulate officials, private sector and nonprofit organization representatives, and compact migrant communities.¹¹⁴ State government officials reported frequent difficulty in finding interpreters and translators for the multiple languages spoken by compact migrants.¹¹⁵ State government officials recommended that grants be made available to help pay for interpreters until more FAS community members graduate from college and become qualified. The officials also said that interpreters should be encouraged to develop greater proficiency in fields such as law and medicine so that they can serve in multiple capacities. In addition, the officials identified a need for more in-person interpreters in hospitals and medical facilities. State government officials noted that FAS communities speak many different languages, and they acknowledged the need for a culturally-specific approach for each group. They said that, in addition to translating content, interpreters should fully explain the context of programs to ensure compact migrants' understanding. FAS community members proposed the creation of a group of paid, full-time interpreters and a language certification requirement to guarantee the availability and quality of language services.

Create “one-stop shops” with information and resources for compact migrants. State government officials and health care providers identified a need for one-stop shops—centers that serve compact migrant populations—in areas that do not currently have them. According to

¹¹⁴Compact migrants may speak one or more languages, for which an interpreter may not be available in person or on demand in every U.S. area. Various stakeholders said that the lack of interpreter services limits compact migrants' ability to access and navigate state government services and programs and may result in compact migrants' foregoing medical treatment or delaying judicial proceedings. Languages spoken by compact migrant populations include, but are not limited to, Chuukese, English, Kapingamarangi, Kosraean, Marshallese, Palauan, Pohnpeian, and Yapese.

¹¹⁵Stakeholders said that high certification costs and standards—or conversely, a lack of testing and certification in some FAS languages—for interpreters working in medical or legal environments (such as hospitals and courts) further contribute to this challenge. In Washington, compact migrants said that interpreters for compact migrant languages are often underpaid because some languages cannot be officially certified in the state or because institutions have become accustomed to compact migrants' translating on a volunteer basis. According to Washington state officials and documentation, the state government can test languages for interpreters for medical and social services in Kosraean, Marshallese, and Pohnpeian.

stakeholders in a U.S. state without such a center, a one-stop shop could reduce duplication and increase coordination among the many groups that serve the FAS community. Other stakeholders suggested that each state government establish a single point of contact for compact migrants. FAS community members and nonprofit representatives identified a need for a cultural center or other physical space that could be used to hold events and provide centralized communication and resources for the FAS community in the Pacific Northwest, in particular.

Emphasize community-based approaches to supporting compact migrants. State government officials noted the importance of community-based approaches to supporting compact migrants. For example, stakeholders recommended hiring community health workers from the FAS population to engage with their communities in U.S. areas. According to the officials, community health workers, as known and trusted entities, are better sources of information for FAS communities than any government agency. The officials also acknowledged the importance of engaging with FAS community leaders (including embassy or consular officials and church leaders) in U.S. areas to successfully connect with FAS community members.

Provide compact migrant–dedicated housing. State government officials, FAS consulate officials, and nonprofit organization representatives discussed discrimination that compact migrants experienced in housing. For example, stakeholders in some areas we visited described landlords who failed to maintain or repair housing leased to compact migrants, who targeted compact migrants for evictions, or who avoided renting units to compact migrants.¹¹⁶ Officials in one state suggested that FAS communities need access to dedicated housing options that align with their community traditions and cultural norms, such as units that can accommodate large or multiple families.

¹¹⁶Compact migrants' cultural practice of living with many extended family members in large households sometimes is associated with housing challenges.

Appendix VIII: Nonprofit and Private Sector Organizations Supporting Compact Migrants

Nonprofit organizations provide compact migrants with a range of assistance, such as assistance with housing or rent, food, documentation and legal matters, and enrollment in health insurance. Some organizations, such as “one-stop shops” (i.e., centers serving compact migrant populations), serve only compact migrants, while other organizations serve compact migrants among other members of the receiving community. Additionally, some companies that employ compact migrants offer programs intended to help them adjust to life in the United States.¹¹⁷ The information presented in this appendix is based mainly on documentation provided by the organizations and interviews with their representatives.

Nonprofit Organizations That Serve Compact Migrants Only

Several nonprofit organizations in U.S. areas that we visited target their services to compact migrants. Two of these organizations—one-stop shops in Hawaii and Guam—aim to support the compact migrant communities by connecting the migrants to existing resources and, in some cases, creating new programs and services to support freely associated state (FAS) communities, according to nonprofit and government officials and documentation.¹¹⁸ These one-stop shops receive funding from the U.S. Department of the Interior (Interior) as well as other governmental and nongovernmental sources.

- In Guam, the Micronesian Resource Center One-Stop Shop was developed with input from various communities in Guam and government agencies and launched in October 2015, according to one-stop shop officials and Interior documentation. The one-stop shop has received an Interior grant each year starting in fiscal year 2016. The amount of the grant has steadily increased, rising from \$210,000 in fiscal year 2016 to \$217,000 in fiscal year 2017, \$250,000 in fiscal year 2018, and \$267,000 in fiscal year 2019, according to Interior documentation and officials. The one-stop shop employs both case workers and cultural mediators and uses a mobile van to bring services directly to FAS communities, according to one-stop shop officials. These services include outreach to communities, including youths; workshops for parenting and driving; and assistance with lost or replacement documentation. For example, when conflict escalated

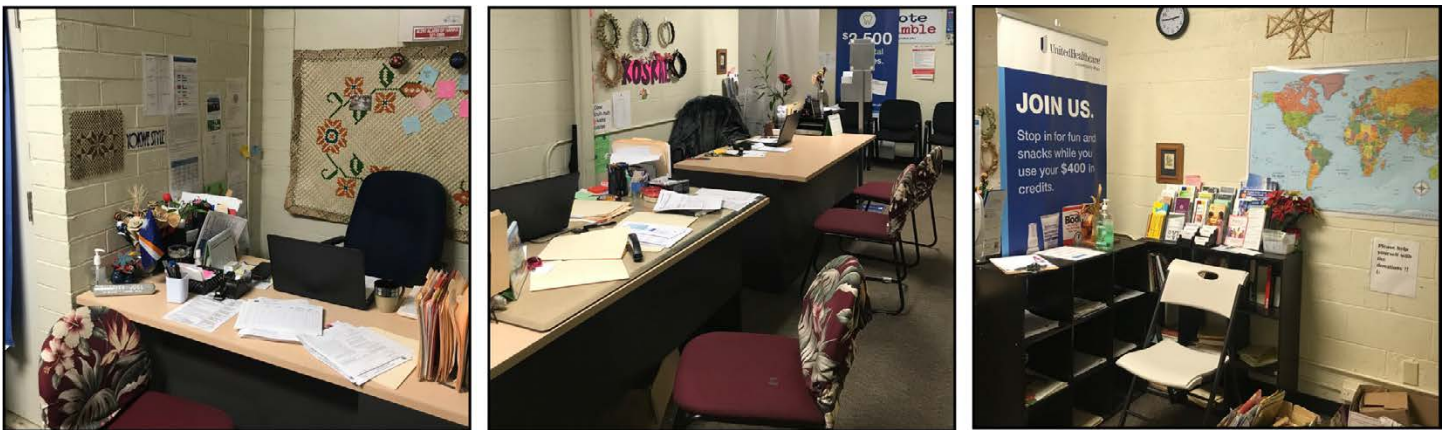
¹¹⁷Examples of nonprofit and private sector efforts to support compact migrants cited in this appendix do not constitute an exhaustive list.

¹¹⁸The FASs are countries that entered into compacts of free association with the United States and include the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

among compact migrants living in a Guam apartment complex, Interior and Guam officials noted that the one-stop shop worked with police to facilitate meetings and participation in neighborhood watch programs. The one-stop shop has hosted “Welcome to Guam” orientations to educate compact migrants about finding housing, setting up utilities, and opening a bank account in Guam; employees’ rights; medical insurance; deportable offenses; and the danger of human trafficking, according to one-stop shop officials.

- In Hawaii, the one-stop shop We Are Oceania was established with Interior funding in 2015. The organization provides case management, helping compact migrants to find jobs, address housing or legal issues, and enroll in health insurance through Hawaii’s Premium Assistance Program, according to one-stop shop officials and documentation. We Are Oceania has also provided cultural consultations and trainings to Hawaii public school teachers and service providers to educate them about cultural differences and potential challenges that compact migrants may face, according to nonprofit representatives and documentation. The officials also said that the organization hosts a youth summit and helped open a newcomer welcome center at a middle school. Figure 10 shows photos of the We Are Oceania facility, including desks where compact migrants can apply for health insurance and other services.

Figure 10: We Are Oceania One-Stop Shop for Compact Migrants in Hawaii



Source: GAO. | GAO-20-491

Other nonprofit organizations were also founded specifically to assist the compact migrant community in navigating various U.S. systems, such as education and health care, and obtaining documentation such as driver’s licenses or Forms I-94 Arrival/Departure Records.

- The Arkansas Coalition of Marshallese in Springdale, Arkansas, according to representatives of the organization, helps local compact migrants with tasks such as retrieving new Forms I-94 from Customs and Border Protection; translating state driver's license applications into Marshallese; providing education about diabetes prevention and management; and enrolling compact migrant children in ARKids, the state's public health insurance program that extends federal health insurance coverage for children younger than 19 years.¹¹⁹
- In 2018, the Micronesian Islander Community Organization in Oregon announced a study among local compact migrants to identify barriers that they faced in the region, such as a lack of certified health care interpreters. Additionally, the Oregon-based COFA Alliance National Network conducts policy and advocacy work aimed at supporting compact migrant communities, according to representatives of the organization.¹²⁰

Nonprofit Organizations That Serve Compact Migrants

Charities, legal services, and other programs assist compact migrants and other eligible individuals in selected U.S. areas. For example:

- In Hawaii, the Salvation Army of the Hawaiian and Pacific Islands provides assistance with rent, utilities, and food; interpreters to assist non-English speakers with accessing health and legal services; and digital literacy training (e.g., how to use email), according to Salvation Army officials. In Guam, the Salvation Army Guam Corps provides assistance with rent, utilities, food, and clothing and also provides case management services, according to Guam officials.
- In the Commonwealth of the Northern Mariana Islands (CNMI), Karidat provides a food pantry, clothing assistance, rental assistance, and victim advocacy, among other services. (Fig. 11 shows a public bulletin board and donated clothing in Karidat's offices.) In 2018, compact migrants made up 20.4 percent of individuals accessing Karidat's food pantry and 39.5 percent of individuals receiving clothing assistance, according to Karidat estimates.

¹¹⁹Arkansas Coalition of Marshallese representatives estimated that they enrolled more than 1,000 compact migrant children in the program from January 2018 to September 2019.

¹²⁰The COFA Alliance National Network supported work on Oregon state legislation enacted to open nonfederal law enforcement jobs in Oregon to FAS citizens and to initiate a study of the costs of providing dental coverage to FAS citizens in Oregon, among other efforts, according to representatives of the organization. The organization has chapters in Arizona, Texas, and Washington.

Figure 11: Charity Organization That Provides Services to Compact Migrants on Saipan, Commonwealth of the Northern Mariana Islands



Source: GAO. | GAO-20-491

- The Hawaii and Arkansas chapters of the Legal Aid Society provide legal services to local residents, such as victims of crime, according to Hawaii and Arkansas officials. According to Hawaii chapter officials, they served 569 compact migrants (8.5 percent of their total clients) in fiscal year 2019.
- The Asian Family Center within Oregon's Immigrant and Refugee Community Organization provides similar services, including defense for parties engaged in deportation removal proceedings, according to representatives of the organization.¹²¹

Private Sector Organizations

Some employers with compact migrant workers provide employee services, programs, or accommodations specific to these workers' needs. In Arkansas, Tyson, Inc., provides written materials in Marshallese and operates a program that appoints chaplains to help the company's Marshallese workers, as well as other non-U.S. citizen employees, navigate life in the United States generally and in Arkansas specifically, according to private sector representatives. Additionally, the

¹²¹According to U.S. Immigration and Customs Enforcement's *Fiscal Year 2019 Enforcement and Removal Operations Report*, 91 Micronesian citizens, 32 Marshallese citizens, and 10 Palauan citizens were deported from the United States in fiscal year 2019.

**Appendix VIII: Nonprofit and Private Sector
Organizations Supporting Compact Migrants**

representatives told us that the company provides free classes in financial literacy and English as a second language to its employees, including compact migrants. Another company in the region, Cargill Protein, has partnered with local nongovernmental organizations to educate its compact migrant employees about U.S. driving laws and help prepare them for driver's license tests.

Appendix IX: Review of Academic Studies of the Workforce Effects of Migration Similar to Compact Migration

We examined academic studies published from 2015 through 2019 to determine what is known about the likely effects of migration similar to compact migration on the workforces of receiving countries. Because we were unable to identify articles published during this period that focused specifically on compact migration, we focused our search on studies examining the effects of migration by other groups with relatively few skills.

Studies that we reviewed sometimes reached differing conclusions about whether migration is associated with a negative, neutral, or positive effect on the employment and earnings of nonmigrant workers in the receiving countries.¹²² Some studies found that migration may result in worsened employment prospects or wages—particularly in the short term and if the influx of migrants is sudden—for nonmigrant workers who are most similar to the migrants in terms of demographics and skills.¹²³ If the migrant workers are close substitutes for nonmigrants, they may intensify competition for jobs, increasing unemployment and lowering wages for such nonmigrant workers as well as for similar prior migrants. In the case of compact migration, this might include younger and less educated nonmigrants.

However, according to other studies and survey papers that we reviewed, nonmigrants, both low and high skill, could benefit as a whole from migration. For example, one study of the effects of migration on 20 countries found that both low- and high-skill nonmigrants clearly benefited

¹²²For examples of studies that found neutral-to-positive effects of migration see G. Basso, “Introduction: The Association between Immigration and Labor Market Outcomes in the United States,” in *The Economics of International Migration*, ed. Giovanni Peri, World Scientific Studies in International Economics, vol. 49 (February 2016); and Frédéric Docquier, Çağlar Ozden, and Giovanni Peri, “The Labour Market Effects of Immigration and Emigration in OECD Countries,” *The Economic Journal*, vol. 124 (September 2013). For an example of a study finding a negative effect of migration on employment, see Olof Åslund and Mattias Engdahl, “Open Borders, Transport Links, and Local Labor Markets,” *International Migration Review*, vol. 53, no. 3 (2019): pp. 706-735. For an example of a study finding a negative effect of migration on wages, see Joan Llull, “The Effect of Immigration on Wages: Exploiting Exogenous Variation at the National Level,” *Journal of Human Resources*, vol. 53, no. 3 (2018): pp. 608-662. For an example of a study finding negative effects of migration on employment and wages, see Christian Dustmann, Uta Schönberg, and Jan Stuhler, “Labor Supply Shocks, Native Wages, and the Adjustment of Local Employment,” *Quarterly Journal of Economics*, vol. 132, no. 1 (2017): pp. 435-483.

¹²³For example, see Anthony Edu, “The Impact of Immigration on the Labor Market,” *Journal of Economic Surveys*, vol. 33, no. 3 (2019): pp. 922-948.

from an influx of migrant workers about two-thirds of the time.¹²⁴ Nonmigrant workers may benefit from migration if the migrant workers specialize in different skills and vocations than the nonmigrant population, leading to complementary effects from scale and specialization.¹²⁵ For example, larger numbers of construction workers may result in greater efficiency and quality in the building of more restaurants and bars, benefitting workers in nonconstruction trades as well as nonmigrant investors and business owners.

Institutions may play an important role in determining the effects of migration on the receiving country's workforce. For example, a study estimating the effect of migrant workers in European Union countries and controlling for institutional and noninstitutional factors showed that the effect of migrants varied between countries, driven in part by differences in their institutional environment, such as the extent of unemployment insurance, fiscal redistribution, and government spending on services and public goods.¹²⁶ This study found that, while fiscal redistribution to migrant workers through taxation and unemployment benefits somewhat worsens outcomes for nonmigrants, this effect is often outweighed by the economic contribution of these migrants.

Distinctions in statistical methodologies and assumptions may explain studies' seemingly contradictory conclusions about the effects of migration on the workforce of receiving countries. According to a survey paper reviewing other previously published work, the statistical controls selected for studies of the impact of migration can result in subtle but economically important distinctions in what the studies attempt to measure, such as the total effects of migration on a given region or the effects of migration on a specific group (e.g., a particular education or skill group).¹²⁷ According to this and a second survey paper we reviewed,

¹²⁴Michele Battisti, Gabriel Felbermayr, Giovanni Peri, and Panu Poutvaara, "Immigration, Search and Redistribution: A Quantitative Assessment of Native Welfare," *Journal of the European Economic Association*, vol. 16, no. 4 (2018): pp. 1137–1188.

¹²⁵G. Basso, "Introduction: The Association between Immigration and Labor Market Outcomes in the United States."

¹²⁶Battisti et al., "Immigration, Search and Redistribution."

¹²⁷Christian Dustmann, Uta Schönberg, and Jan Stuhler, "The Impact of Immigration: Why Do Studies Reach Such Different Results?" *Journal of Economic Perspectives*, vol. 30, no. 4 (2016): pp. 31-56.

contradictory conclusions may also result from differing assumptions about factors such as the extent to which migrants “downskill” (compete for jobs for which they may be overqualified) and, therefore, about the nonmigrants that should be used as a comparison group to examine the effect of migrants of a particular skill and education level.¹²⁸ According to a third survey paper we reviewed, studies also vary in whether they measure the shorter- or longer-term effects of migration; the survey found that negative effects are more often reported when studies measure migration’s shorter-term effects.¹²⁹

Academic journal articles that we examined also discuss the potential fiscal effect of migration. Several studies argue that evaluations of migration’s fiscal effect should consider the potential effects over multiple generations and should also consider the indirect fiscal effect of migrants’ influence on native workers. For example, a panel discussion report of the National Academies of Sciences, Engineering, and Medicine states that descendants of immigrants are often studied only as children, in cross-sectional data providing a point-in-time snapshot.¹³⁰ As a result, according to the report, the average immigrant household is counted as a net fiscal burden in part because young children of immigrants, like the children of natives, receive public education. The report stated that studying the descendants of immigrants as they complete their education, become workers, and start paying taxes provides a more complete measure of migration’s fiscal effect, because such an analysis may include not only the cost of their education but also the delayed fiscal benefits of that education: larger tax payments made possible by the investment in human capital that education represents.¹³¹ Another paper we reviewed argues that because migrant workers can positively influence the upward mobility of native workers, the higher taxable

¹²⁸Andrea Ariu, “Determinants and Consequences of International Migration,” in *New Frontiers in Interregional Migration Research*, eds. Bianca Biagi, Alessandra Faggian, Isha Rajbhandari, and Viktor A. Venhorst (Cham, Switzerland: Springer, 2018): pp. 49-60.

¹²⁹National Academies of Science, Engineering, and Medicine, “*The Economic and Fiscal Consequences of Immigration*,” eds. Francine D. Blau and Christopher Mackie (Washington, D.C.: National Academies Press, 2017).

¹³⁰National Academies of Sciences, Engineering, and Medicine, *The Economic and Fiscal Consequences of Immigration*.

¹³¹A similar argument is presented in Francesco Furlanetto and Ørjan Robstad, “Immigration and the Macroeconomy: Some New Empirical Evidence,” *Review of Economic Dynamics*, vol. 34 (October 2019): pp. 1-19

**Appendix IX: Review of Academic Studies of
the Workforce Effects of Migration Similar to
Compact Migration**

income from these native workers should be considered, in addition to the low taxable income of the migrants, to avoid negatively biasing the estimated fiscal effect of migrants.¹³²

¹³²Lars Frederik Andersson, Rikard Eriksson, and Sandro Scocco, "Refugee Immigration and the Growth of Low-Wage Work in the EU15," *Comparative Migration Studies*, vol. 7, no. 39 (2019).

Appendix X: Compact Migrant Eligibility for, and Access to, REAL ID–Compliant Identification

The REAL ID Act, passed by Congress in 2005, set minimum document requirements and issuance standards for driver’s licenses and personal identification cards.¹³³ The act also prohibits federal agencies from accepting for certain purposes driver’s licenses and identification cards from states that do not meet the act’s minimum standards. Citizens of the freely associated states (FAS)—the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau—have always been eligible for REAL ID–compliant driver’s licenses or identification. However, the term of the licenses’ or identification’s validity and the documents that the Department of Homeland Security (DHS) required to establish compact migrants’ identity have varied over time.¹³⁴ Currently, compact migrants are eligible for full-term REAL ID–compliant identification. Since September 2019, they have been required to present an unexpired FAS passport and the most recent Form I-94 Arrival/Departure Record (Form I-94) as evidence of identity to obtain the identification.

Compact Migrant Eligibility for, and Access to, REAL ID–Compliant Identification

DHS regulations previously required compact migrants to provide documents they were not required to have. Before September 2019, DHS required compact migrants applying for REAL ID–compliant identification to present, in addition to their unexpired foreign passport and Form I-94, either an unexpired U.S. visa (affixed to the passport) or an employment authorization document (EAD). However, under the compacts of free association, compact migrants are not required to obtain a visa or an EAD. On September 4, 2019, DHS modified its policy, designating an unexpired passport from one of the FAS countries, in combination with an individual’s most recent Form I-94, as acceptable evidence of identity that compact migrants may present to obtain REAL ID–compliant identification.¹³⁵

¹³³The REAL ID Act of 2005, Pub. L. No. 109-13, div. B, tit. II (2005).

¹³⁴Because DHS did not begin making determinations of REAL ID compliance until December 2012, no state issued REAL ID-compliant documents to any party from 2005 through 2012.

¹³⁵The Federal Register notice “Designation of REAL ID Identity Documents for Citizens of the Freely Associated States; Unexpired Foreign Passport With an Approved Form I-94, Documenting the Applicant’s Most Recent Admission to the United States” (Sept. 4, 2019) acknowledged that compact migrants may not have a visa or EAD. The notice designated an unexpired FAS passport and Form I-94 as acceptable documentation for a REAL ID-compliant driver’s license or identification, effective immediately.

Federal law previously restricted the term of the REAL ID–compliant identification that compact migrants could receive. Before December 2018, compact migrants were eligible to receive temporary, limited-term REAL ID–compliant identification, valid until the expiration date on their EAD, which could be a maximum of 5 years, according to DHS officials. In December 2018, the REAL ID Act Modification for Freely Associated States Act made FAS citizens eligible for full-term REAL ID–compliant identification.¹³⁶ Since then, compact migrants have been eligible for full-term REAL ID–compliant identification, valid for the maximum number of years for any license or identification as set by individual U.S. states and territories, according to DHS officials.

Compact Migrant Challenges Related to REAL ID–Compliant Identification

In several areas that we visited, compact migrant communities described challenges they had experienced in obtaining or renewing their REAL ID–compliant identification.¹³⁷ Some compact migrants spoke of difficulty due to the requirement to present a visa or an EAD as evidence of identity. In one location, FAS community members said that other members of the community had lost employment on a military base because they were unable to obtain REAL ID–compliant identification. (We heard many of these observations before September 2019, when DHS modified the policy that required applicants for REAL ID–compliant identification to present a visa or EAD.)

Some compact migrants reported being unable to obtain REAL ID–compliant identification for other reasons.

- In some locations, compact migrants said that state or territorial government agencies did not understand compact migrants’ nonimmigrant status in the United States or did not understand that compact migrants were eligible to apply for REAL ID–compliant identification.
- FAS consular officials and community members said that compact migrants had been denied licenses or identification cards because the passport numbers displayed on their Forms I-94 did not match the

¹³⁶The REAL ID Act Modification for Freely Associated States Act, Pub. L. No. 115-323 (2018) made FAS citizens eligible for full-term REAL ID–compliant identification but did not modify REAL ID documentation requirements.

¹³⁷We traveled to, and interviewed stakeholders in, six U.S. states and territories where compact migrants live, including three of the U.S. areas designated as affected jurisdictions (the Commonwealth of the Northern Mariana Islands, Guam, and Hawaii) and three mainland states (Arkansas, Oregon, and Washington).

**Appendix X: Compact Migrant Eligibility for,
and Access to, REAL ID-Compliant
Identification**

number on their current foreign passports. When an FAS citizen's passport expires and he or she renews it while in the United States, the new passport has a different number than the former passport number displayed on the FAS citizen's Form I-94.¹³⁸

¹³⁸Form I-94 displays an individual's foreign passport number at the time of arrival in the United States. An FAS citizen's Form I-94 does not have an expiration date and may remain valid longer than the passport used to enter the United States. According to FAS officials, when an FAS passport expires after several years, an FAS citizen often renews it through the mail or a consulate while remaining in a U.S. area. The new passport will have a different number than the old passport number displayed on the Form I-94, which can cause verification issues or confusion. FAS consular officials recommended that any FAS citizen with an expired passport retain it or a copy and present it alongside the Form I-94 and new passport to avoid issues relating to the discrepancy between the old and new passport numbers. In October 2019, DHS issued guidance indicating that in these instances, the original Form I-94 presented with the new passport is sufficient for verification purposes.

Appendix XI: Comments from the Government of Hawaii

DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

DIR 20.014

May 11, 2020

Dr. David Gootnick
Director, International Affairs & Trade
U.S. Government Accountability Office
441 G Street NW,
Washington, DC 20548

Dear Dr. Gootnick:

On behalf of the State of Hawaii, thank you for this opportunity to provide input and comments on the GAO Draft Report to the Chairman of the Committee on Energy and Natural Resources, United States Senate (20-491). The report is thorough and reflective of the many contributions Hawaii residents from Compact nations bring to our state, while also confirming the fiscal impacts states must address. Additionally, our team appreciates that this report acknowledges the historic relationship that Compact nations have had with the United States, the U.S. military, and the discriminatory experiences of residents regardless of what state they reside in.

It should be noted that the situation for residents of Compact nations is even more precarious because of the health and economic impacts of the COVID 19 pandemic, especially when taken with known chronic health vulnerabilities of many residents of Compact nations, Hawaii's high cost of living, and the U.S. Department of Homeland Security's public charge rules which may chill non-citizens' applications for vital state- or federally-funded government assistance. While the need for an increase in federal funding to states prior to COVID was already elevated, residents from Compact nations are without full access to federal programs such as Supplemental Nutrition Assistance Program benefits and total health care coverage of Medicaid.

We recognize the persistence of intergenerational poverty and that poverty, food insecurity, and poor nutrition have serious consequences for the health, mental health, and overall well-being of children, adults, and older adults. The health and economic impacts of COVID 19 will impact all communities, and without sufficient support will have the potential to impact vulnerable populations and communities for generations to come. We know that racial disparities and other determinants of health and well-being are exacerbated for residents from Compact nations. We respectfully urge that their access to health care and food nutrition is treated equitably as a federal priority.

Thank you again for the opportunity to participate in this inquiry.

Sincerely,

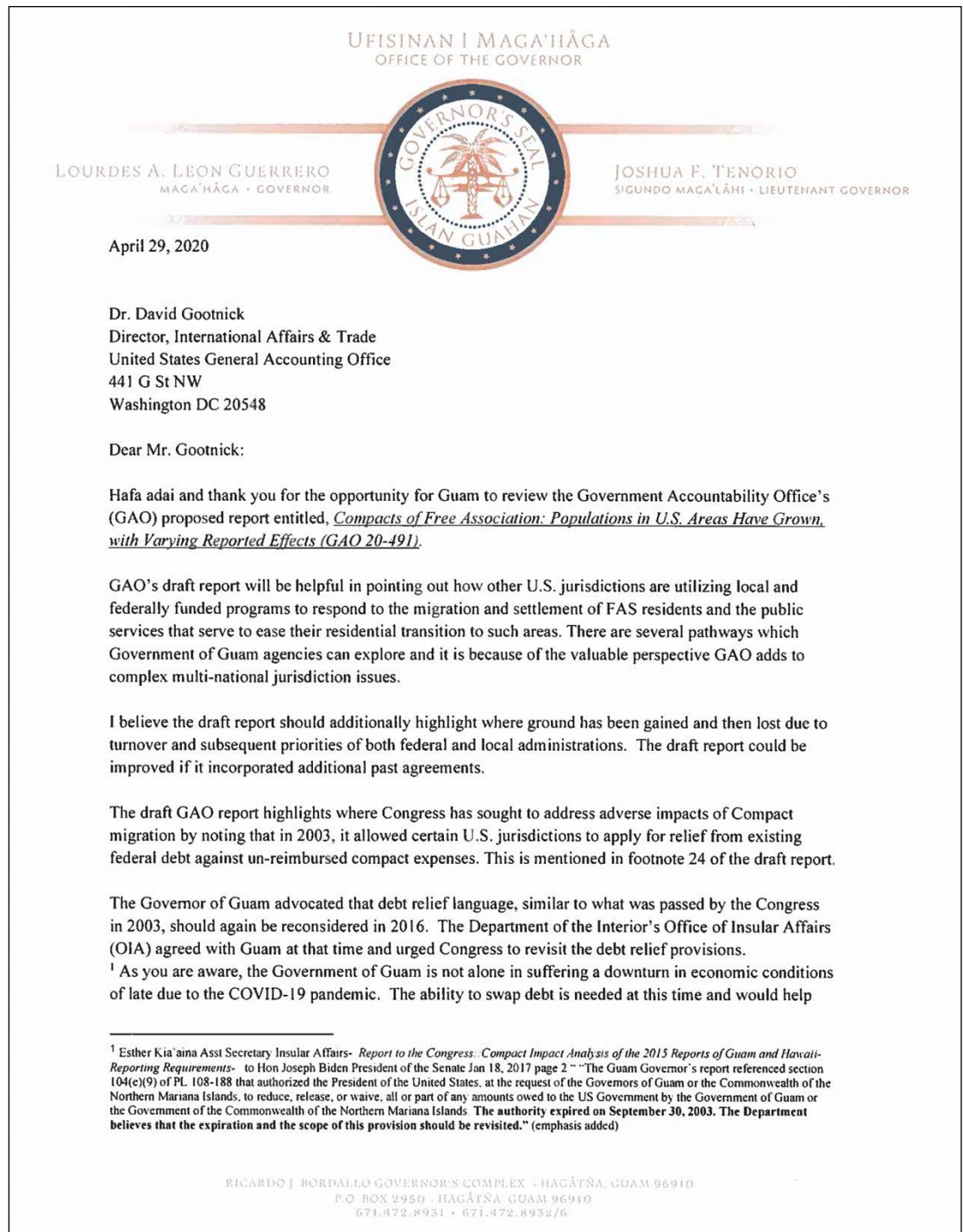
A handwritten signature in blue ink that reads "Pankaj Bhanot".

Pankaj Bhanot
Director

AN EQUAL OPPORTUNITY AGENCY

Appendix XII: Comments from the Government of Guam

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



See comment 1.

Appendix XII: Comments from the Government of Guam

Governor Leon Guerrero to David Gootnick
April 29, 2020
Page 2

the Government of Guam to continue to provide the services mandated or allowed by the Federal government.

My office has been working with Guam's Delegate on draft language that can be considered by Congress in any future legislation to ratify a renewal of Compact provisions set to expire in 2023.


In 2017 the State of Hawaii gained ground with OIA backing its consistent Congressional efforts to restore Medicaid eligibility to FAS citizens. From the inception of the Compacts in 1986 until 1996 FAS citizens maintained access to Federal health coverage. The Congress removed FAS eligibility of the aforementioned programs and members of Hawaii's Congressional delegation have since introduced legislation, as recently during the 116th Congress, to restore Medicaid eligibility². The Office of Insular Affairs pointed out to Congress that to do so would be in line with Congress' intent to never cause adverse consequences to the territories and Hawaii.³

Getting some much needed debt relief and migrating more than 8,600 FAS residents from the Government of Guam's locally funded Medically Indigent Program over to Medicaid, would go a long way towards stabilizing our capacity to deliver critical government services to meet the needs of all who call Guam home.

The complexity of the migrant issues facing us played out in this report over the many references, charts and graphs that detail the confusion between federal, state and territorial governments over what constitutes an FAS migrant for purposes of data collection. In 2020, after 34 years since the Compacts were implemented, we still do not have an agreed upon definition of an FAS migrant. Additional suggested technical comments with regards to the GAO draft have been submitted by separate email.⁴

The Government of Guam is engaged at all levels to arrive at solutions that will improve the lives of islanders and the collaboration involved in the drafting of this report has been an important partnership for us. Thank you, again, for the opportunity to provide comments to GAO's draft report.

Senseramente,



LOURDES A. LEON GUERRERO

I Maga'hågan Guåhan

Governor of Guam

² S 2218-1 116th Congress (2019-2020) Senator Maizie Hirono author of Covering Our FAS Allies Act

³ Esther Kia'aina Asst Secretary Insular Affairs- *Report to the Congress: Compact Impact Analysis of the 2016 Reports of Guam and Hawaii- Reporting Requirements-* to Hon Michael Pence President of the Senate Sept 8, 2017 page 3 "Seeking to reverse this action, proposals in the Congress have sought to make the Welfare Reform Act inapplicable to FAS citizens who are legal nonimmigrants in the United States. Even if the entire population of the three FASs were to migrate, their numbers would only amount to approximately 175,000. Such action would help fulfill the intent of Congress, when it approved the Compacts of Free Association, not to cause adverse consequences for the territories and Hawaii".

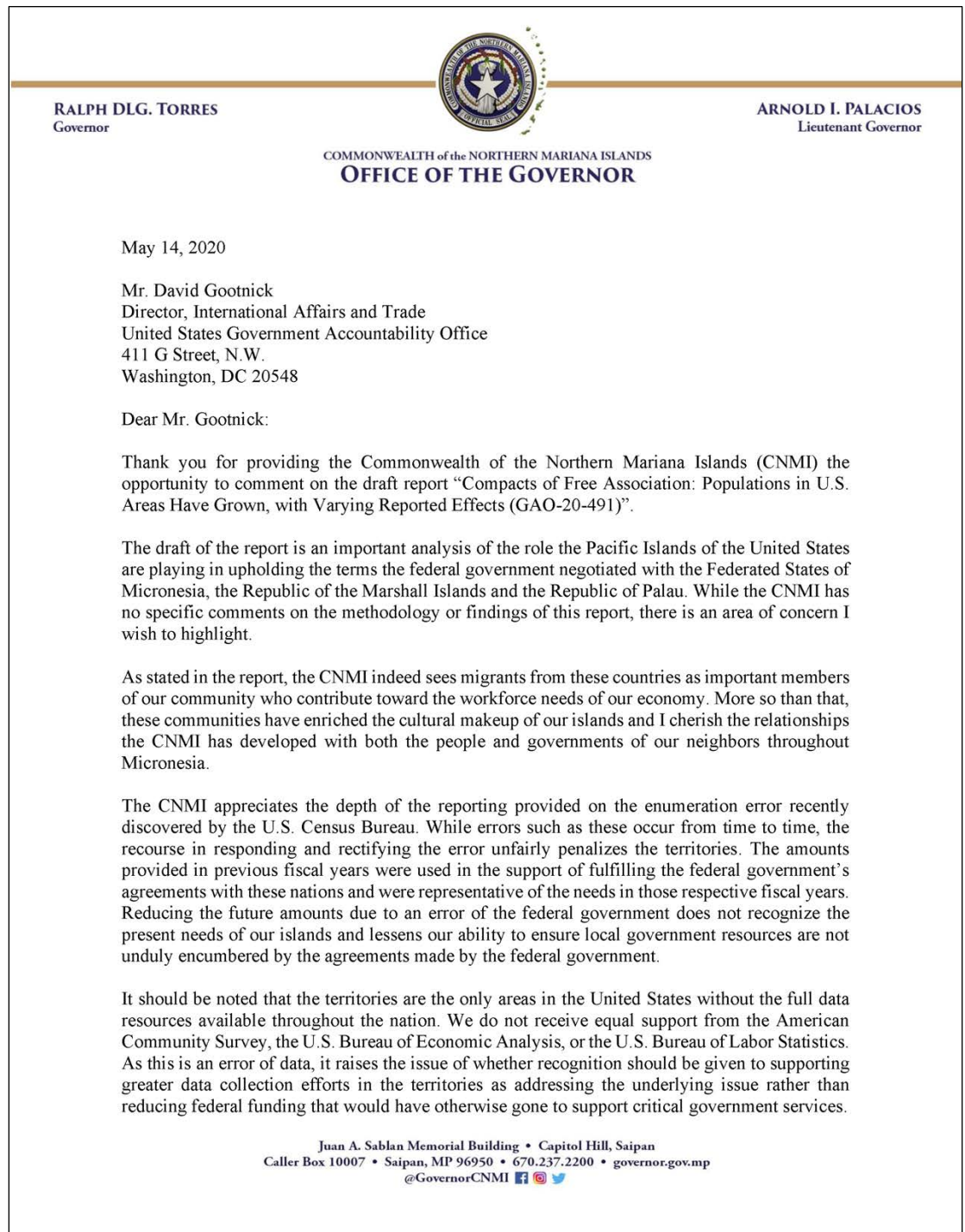
⁴(Compact Migration, GAO-20-491) Guam government and stakeholder technical comments April 30, 2020 submitted by email to gootnickd@gao.gov

See comment 2.

GAO Comments

1. Section 104(e)(9)(A) of the amended compacts' enabling legislation authorized the President of the United States, at the request of the Governor of Guam or the Governor of the Commonwealth of the Northern Mariana Islands (CNMI), to reduce, release, or waive all or part of any amounts owed by the Guam or CNMI government (or either government's autonomous agencies or instrumentalities), respectively, to any department, agency, independent agency, office, or instrumentality of the United States. According to section 104(e)(9)(B)(iv), that authority expired on February 28, 2005.
2. The Census Bureau data that we report reflect a definition of "compact migrants" that includes citizens of the Federated States of Micronesia (Micronesia), Republic of the Marshall Islands (Marshall Islands), and Republic of Palau (Palau) who entered the United States after 1986 (from Micronesia and the Marshall Islands) or 1994 (from Palau) and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years.

Appendix XIII: Comments from the Government of the Commonwealth of the Northern Mariana Islands



**Appendix XIII: Comments from the
Government of the Commonwealth of the
Northern Mariana Islands**

Thank you for the effort of the Government Accountability Office in producing this report and for allowing comments in the final document.

Sincerely,



RALPH DLG. TORRES
GOVERNOR

Juan A. Sablan Memorial Building • Capitol Hill, Saipan
Caller Box 10007 • Saipan, MP 96950 • 670.237.2200 • governor.gov.mp
[@GovernorCNMI](#)   

Appendix XIV: Comments from the Government of Arkansas

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



Arkansas Department of Health

4815 West Markham Street • Little Rock, Arkansas 72205-3867 • Telephone (501) 661-2000
Governor Asa Hutchinson
Nathaniel Smith, MD, MPH, Secretary of Health

May 5, 2020

Dr. David Gootnick
Director, International Affairs & Trade
U.S. Government Accountability Office
441 G Street NW, Washington, DC 20548

Dear Dr. Gootnick:

Thank you very much for the opportunity to comment on the draft of 'Compacts of Free Association: Populations in U.S. Areas Have Grown, with Varying Reported Effects (GAO-20-491).' We commend the authors on the thorough research and evaluation of the conditions of these populations in the various jurisdictions. We particularly appreciate and endorse the acknowledgement that the Compact Migrant population contributes greatly to the communities they live in, in terms of labor force participation, increasing diversity, and community and volunteer work.

We would like to take this opportunity to point out a few things with respect to Arkansas:

1. Estimates of the Marshallese population size in Arkansas

In Table 10 of the report, the population size of the Marshallese population in Arkansas is estimated at 5,895 for 2013-2017, based on US Census Bureau data. However, based on other sources and factors within the state, we consider that number to be grossly underestimated.

- a. Although the Census Bureau data estimate the number of Pacific Islanders in Arkansas at 5,895, a more in-depth analysis of their data paints a different picture. The 2019 population estimates put the total population of Arkansas at 3,017,804, and the percentage of Pacific Islanders at 0.4%. This would indicate that the population of Pacific Islanders in Arkansas is about 12,071, most of which are Marshallese.
<https://www.census.gov/quickfacts/fact/table/AR,US/RHI525218#RHI525218>
- b. A 2019 document of the Office of Insular Affairs of the US Department of the Interior reported that Springdale, in NW Arkansas, is home to the largest concentration of Marshallese residents outside of the Republic of the Marshall Islands. This report indicated that the Marshallese Resource and Educational Center (MREC) estimates that approximately 10,000 to 12,000 Marshallese reside in northwest Arkansas alone.
<https://www.doi.gov/oia/interior-supports-marshallese-community-arkansas-grant->

Appendix XIV: Comments from the Government of Arkansas

See comment 1.

See comment 2.

See comment 3.

See comment 4.

[marshallese-resource-and-educational](#)). It should also be noted that in addition to Springdale, the Marshallese also live in communities in Pine Bluff, Berryville, and Pocahontas, among others.

- c. School enrollment data: Using the data in Tables 6 and 10 of the report, the calculated percentage of the total population that are students for Hawaii, Oregon and Arkansas, are 37%, 42% and 71%, respectively. It would seem implausible that in Arkansas 71% of the Compact Migration population would be students, as opposed to the much lower percentages in Hawaii and Oregon.
- d. Further supporting point 'c' above, a published study from Arkansas, that was also based on school enrollments, estimated that ~10,000–12,000 Marshallese lived in Arkansas in 2016. (<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5418851/>)
- e. Based on figure 8, it is evident that in recent years, there has been a net migration into the US from the Freely Associated States. Based on their dealing with the Marshallese population, the Consul General of the Republic of the Marshall Islands in Arkansas, estimates the current size of the population at between 15,000-20,000. (Personal communication).

2. Estimates of costs in Arkansas

The report does not include any estimates of the costs associated with the Compact Migrant population in Arkansas. We understand that this may be because Arkansas is not an "affected jurisdiction" as defined in the Compact of Free Association Amendments Act Of 2003; this also means that Arkansas, despite its high population of Marshallese, does not receive Compact funding. However, the following are worth noting:

- a. While we don't have exact estimates, costs associated with this population are substantial in Arkansas. Using data in Table 2, 'Affected Jurisdictions' Reported Compact Impact Costs', the average per capita cost is about \$6,000. This means that Arkansas, with its estimated 12,000+ Marshallese population, is probably spending more than about \$72 million per year.
- b. In addition to its Local Health Units in NW Arkansas, the Health Department operates the Dr. Joseph Bates Outreach Clinic, dedicated to taking care of the Marshallese Population. The annual budget of this clinic in terms of staff and TB tests alone is \$1,335,000.
- c. From data in Tables 5 and 10, the average per capita allocation of Compact Impact Grant Funding to Hawaii, Guam, the Commonwealth of the Northern Mariana Islands (CNMI) and American Samoa is about \$660. This means that Arkansas, with its estimated 12,000+ Marshallese population, would have been entitled to about \$7.9 million, had it been defined as an 'affected jurisdiction.'

3. Tuberculosis cases

On page 40 of the report, in the section on Tuberculosis, we would like to add that in Arkansas, public health officials reported 202 active TB cases and 500 cases of latent tuberculosis infection (LTBI) between 1997-2019.

**Appendix XIV: Comments from the
Government of Arkansas**

Again, I thank you for this opportunity. I hope that the comments and additional information provided will prove useful in presenting a more complete picture of the Compact of Free Association populations in the US, and more particularly in Arkansas. Please do not hesitate to reach out with any further questions or needed clarifications.

Sincerely,



Namvar Zohoori, MD, MPH, PhD
Deputy State Health Officer,
Chief Science Officer.

c.c. Dr. Nate Smith, Secretary of Health
Mrs. Stephanie Williams, Chief of Staff
Mrs. Renee Mallory, Deputy Director for Programs

GAO Comments

1. The Arkansas Department of Education's data estimating the number of compact migrant students at 4,175 is based on students' ethnicity (Hawaiian and Pacific Islander) in the 2018-2019 school year. As a result, Arkansas's estimate may include students who are not Marshallese. In addition, Arkansas's estimate may include second-generation U.S. citizens, including Marshallese children born in the United States to Marshallese parents who were also born in the United States. The American Community Survey data that we report reflect a definition of "compact migrants" that includes only citizens of the Federated States of Micronesia (Micronesia), Republic of the Marshall Islands (Marshall Islands), and Republic of Palau (Palau) who entered the United States after 1986 (from Micronesia and the Marshall Islands) or 1994 (from Palau) and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years. The 5,895 compact migrants that the Census Bureau estimated resided in Arkansas during the period 2013 to 2017 (a different time period from that of the data cited by the government of Arkansas) includes only adults and children who met those criteria. We believe that the Census Bureau data are sufficiently reliable for our purposes of estimating the number of compact migrants in U.S. areas. However, our report includes a discussion of stakeholder concerns that the compact migrant population in Arkansas may be undercounted.
2. The population estimate cited in the published study from Arkansas is based in part on a 2013 statement by a Marshallese consulate official. The Arkansas Department of Education estimated there were 4,175 Hawaiian and Pacific Islander students in Arkansas schools in the 2018-2019 school year.
3. Costs related to compact migration in U.S. areas not considered affected jurisdictions are outside the scope of our review.
4. We updated our report to reflect the data that the government of Arkansas cites for the period 1997 to 2019.

Appendix XV: Comments from the Government of Oregon

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



KATE BROWN
Governor

May 5, 2020

David Gootnick, Director
International Affairs & Trade
Government Accountability Office
441 G Street NW
Washington, D.C. 20548

Dear Dr. Gootnick,

Thank you for the opportunity to provide comments on the Government Accountability Office's (GAO) draft report, "Compacts of Free Association: Populations in U.S. Areas Have Grown, with Varying Reported Effects." I appreciate Oregon's inclusion during the study phase to help inform the impact of Compact of Free Association (COFA) in the United States and its territories. Below are Oregon's comments and observations.

As illustrated in pages 11-13 of the draft report, in the previous nine years, COFA populations migrating through the COFA Treaties from the Freely Associated States (FAS) – Republic of Marshall Islands, Federated States of Micronesia, and the Republic of Palau – have grown exponentially in the United States, with a significant population in the State of Oregon. Of the U.S. mainland states, Oregon is home to the third largest population of COFA migrants after Washington and Arkansas. Migration trends of COFA populations have also shifted dramatically, with settlement on the U.S. mainland becoming more commonplace in the last decade.

On page 5, the draft report refers to the U.S. defense-related provisions under the COFA Treaties. However, it is critically important for the report to elaborate in greater depth on the impact, history of the Treaties and its implications on COFA islands and emigration. Prior to and following the signing of the Treaties, the United States gained strategic military placement in the Indo-Pacific; exclusive military access to the land and ocean surrounding the three COFA island states and; nuclear testing capabilities on the Micronesia and Marshall Islands. The United States Atomic Energy Commission established the Pacific Proving Grounds in the Marshall Islands and tested 67 atmospheric nuclear weapons between 1946 and 1958. Nuclear fallout has had devastating impacts on the health of the inhabitants within the vicinity of the nuclear testing sites and the physical environment itself. Additionally, the economies of the islands are heavily dependent on U.S. compact financial support toward the goal of ensuring national security rights for the U.S. in the FAS states as stipulated by the COFA Treaties.

In exchange for the United States' military presence in the Indo-Pacific, COFA citizens are permitted to freely travel, live, work and study in the U.S. without a visa and with no formal time constraints. However, as legal non-citizens without a pathway to obtaining formal immigration status beyond the Department of Homeland Security issued I-94 arrival record, COFA citizens face systemic challenges in integrating into American society. Additionally, military occupation and nuclear weapons testing has lasting effects on the health, economy and the environment of the Pacific

254 STATE CAPITOL, SALEM OR 97301-4047 (503) 378-3111 FAX (503) 378-8970
WWW.GOVERNOR.OREGON.GOV

See comment 1.

Appendix XV: Comments from the Government of Oregon

David Gootnick, Director
May 5, 2020
Page 2

island nations. These factors continue to drive migration of COFA citizens into the United States in search for better healthcare access, job opportunities, and education.

Moreover, the report focuses on the cost of the compact's impact without a balanced illustration of the positive contributions made by COFA migrants in the United States. This skewed narrative presents a biased perspective. COFA citizens in Oregon bring a tremendous amount of value to our communities as educators, social workers, caregivers, and as members of the U.S. military. COFA island citizens volunteer to serve in the U.S. Armed Forces at a higher rate per capita than U.S. citizens; and I am deeply appreciative of the sacrifices of COFA citizens and their extraordinary commitment to serve in the defense of our nation.

The proposed report elucidated that COFA migrants, who are legally allowed to work in the U.S., enlist in the military and contribute to all levels of taxes, are barred from receiving certain basic federal assistance programs. COFA residents lack equitable access to health insurance coverage and suffer high rates of endocrine diseases and cancers due to the nuclear testing on the islands. Prior to 1996, COFA citizens were eligible to apply to federal programs such as Medicaid, Medicare and Temporary Assistance for Needy Families. Nevertheless, with the passage of the Personal Responsibility and Work Opportunity Act of 1996 (PPWORA), COFA citizens who were income-eligible no longer had access to affordable healthcare through Medicaid. Inadequate healthcare insurance for COFA migrants leads to higher-costs incurred through tertiary care and emergency room usage. In 2015, to address the gap for healthcare for this population, I signed Oregon's COFA Premium assistance program into law. However, inequitable access to healthcare is still a pervasive issue for COFA migrants in the U.S. It is imperative at this current juncture that Congress restore access to federal programs eligibility for COFA migrants to standards before the passage of PPWORA for all COFA migrants to access the healthcare that they need across the nation.

On page 7, the draft report describes Congressional action to address compact impact in designated areas. On page 21, compact impact grant funding is described in further detail among Hawaii, Guam and the Commonwealth of Northern Mariana Islands. The U.S. Department of Interior and the U.S. Census Bureau conduct enumeration of compact migrants for the purposes of compact impact grant funding. However, the affected jurisdictions with COFA migrant populations exist outside of the defined affected jurisdictions. I recommend that Interior expand the definition of affected jurisdictions and appropriate grant funding equitably, with accountability measures across all states serving populations of COFA migrants in the U.S. With growing COFA migrant populations, states like Oregon need the supplementary federal resources to better serve our COFA communities and defray costs for education, health, and social services.

Lastly, I strongly recommend that the GAO highlight the stakeholder suggestions to address challenges related to compact migration in Appendix VII to be part of the main report as follows:

Federal Policies, Operations, and Funding

- Provide more information and education about the compacts;
- Restore Medicaid eligibility and expand benefit access;
- Provide more information and guidelines about federal programs and policies;
- Simplify Form I-94 access for compact migrants;

See comment 2.

See comment 3.

See comment 4.

**Appendix XV: Comments from the Government
of Oregon**

David Gootnick, Director
May 5, 2020
Page 3

- Provide more and broader funding to U.S. states and territories; and
- Clarify immigration provisions under the Compacts of Free Association.

Health Care

- Expand healthcare access and clinics in U.S. areas; and
- Address preventative care, dialysis needs, and communicable diseases in the FAS.

Compact Migrant Orientation and Services

- Offer orientation and information to compact migrants arriving in the United States;
- Expand and professionalize translation and interpretation resources;
- Create one-stop shops with information and resources for compact migrants in the Pacific Northwest States;
- Emphasize community-based approaches to supporting compact migrants; and
- Provide compact migrant-dedicated housing.

I request that the GAO urge Congress to seriously consider taking immediate steps to remedy the issues, and address these significant challenges illustrated above.

As the Governor of Oregon, I am committed to ensuring that our state is welcoming and inclusive for all who call our state home, including our COFA migrants. We have forged these historical Compacts of Free Association with the three island nations – Republic of Marshall Islands, Federated States of Micronesia and Republic of Palau – to strengthen our national security. It's our obligation to continue fulfilling the promises of the Treaties and provide access and the necessary resources for displaced COFA citizens.

Thank you again for the opportunity to comment and participate in the COFA study. If you have any questions, please reach out to me. I am committed to continuing this collaborative effort with the GAO to address the needs of compact migration in the U.S.

Sincerely,



Governor Kate Brown

KB:sc

Appendix XV: Comments from the Government of Oregon

**Kate Brown
Governor**



**Oregon Commission on
Asian and Pacific Islander Affairs**
"Advocating Equality and Diversity"
421 SW Oak St., Portland, OR 97204
O 503.302.9725
Email: oaco.mail@oregon.gov
www.oregon.gov/ocapia/

May 7, 2020

David Gootnick, Director
International Affairs & Trade
Government Accountability Office
441 G Street NW
Washington, D.C. 20548

Dear Mr. Gootnick:

The Oregon Commission on Asian and Pacific Islander Affairs has reviewed the draft GAO Report, *Compacts of Free Association: Populations in U.S. Areas Have Grown with Varying Effects*. Thank you for the opportunity to join Oregon's response to the draft. We found it to be an excellent report in that it provides an important overview and clear report on the growth of COFA populations within mainland states, now accounting for half of COFA residents. The report also gives useful details, models, and comparisons state by state, including between the mainland states' support from the Federal Government: now an important sector beyond the original four areas of first migration.

There are areas of concern, some of long standing and others emerging, that this draft touches on and we wish to thank you and the authors for the diligence shown in including them. We have suggestions to strengthen the content of the draft on several of these, and/or to include them as an addendum to the report devoted to steps needed to address such issues:

1. The variability of the data and reporting by states over the years is noted in the report. We suggest that the report make a short note about the accompanying federal standards and definitions that have contributed to varying interpretations.
2. We believe that State counts that do or do not include children of COFA immigrants, who are US citizens at their birth, have added to the variability of data state to state. If you agree, for this draft we suggest noting this in the report to provide better understanding of a potential source of the variation, and also as an area where clearer definitions will help reliability and useful comparisons for future data.
3. The model for Federal support remains focused on the areas of initial migration and has not kept parity with migrant population growth in mainland states. We suggest an added chart that provides a comparison of the level and types of Federal support between mainland states with significant populations of COFA immigrants and the initial migration locations.
4. Health coverage during pregnancy is noted in the report: a very important issue to the wellbeing of COFA immigrants. We suggest a further notation of when such coverage begins and ends state to state, including the months after birth. We believe there is wide variation that would be good to reflect.

**OR Commission on Asian and
Pacific Islander Affairs**

Co-Chairs:
Hussein Al-Baiaty
Mohamed Alyajouri

Vice Chair:
Bennie Moses-Mesubed

Commissioners:
Jessica Asai
Susan Soonkeum Cox
Jacqueline Leung
Chanpone Sinlapasai-Okamura
Toe Soneoulay-Gillespie
David Yuen Tam

Legislative Members:
Representative Carla Piluso
Senator Michael Dembrow

Staff:
Lucy Baker, Administrator
Nancy Kramer, Executive Asst.
Dr. Connie Kim-Gervey,
Researcher/Policy Analyst

Appendix XV: Comments from the Government of Oregon

5. The economic impact of COFA immigrants covers a number of key areas in the report. We suggest adding wording to the draft of the estimated number of COFA immigrants that have jobs that provide health coverage or is purchased through employers.
6. The economic activity generated by COFA immigrants is touched on by the report with estimates of mean and median income. We suggest adding a chart that uses average income to roll up into comparison figures by state of a simple estimate of economic activity contributed to local economies by COFA immigrants.

This is the first time that the Commission and its reviewers have had the benefit of such a succinct report to frame their considerations, though they have been actively involved for many years in regular policy and resource discussions around COFA for Oregon, as well as nationally. We would like to further suggest that for those states indicating such an interest, that your office hold a state by state discussion with the formal reviewers of the draft to talk more of the issues that came up in its review. We have summarized here, but would value further conversation on several detailed subjects including issues surrounding those, now elderly, COFA immigrants who came from the associated islands before they were part of the Compact.

Thank you for the opportunity to comment on this draft, and we look forward to receiving the final report when it is ready. Please extend our appreciation to your staff for their care and inclusiveness as they prepared the report and couched its findings in a useful, policy minded document that touches so many in Oregon and beyond.

Sincerely,



Hussein Al-Baiaty Mohamed Alyajouri
Co-Chairs, Oregon Commission on
Asian and Pacific Islander Affairs



Bennie Moses-Mesubed
Vice Chair, Oregon Commission on
Asian and Pacific Islander Affairs

Cc: Governor Kate Brown

GAO Comments

1. We have previously reported on defense issues in the Federated States of Micronesia and the Republic of the Marshall Islands (Marshall Islands). For more information about the United States' right to use part of the Kwajalein Atoll in the Marshall Islands for missile tests and space tracking operations, see GAO, *Foreign Relations: Kwajalein Atoll Is the Key U.S. Defense Interest in Two Micronesian Nations*, [GAO-02-119](#) (Washington, D.C.: Jan. 22, 2002). For more information about the Marshall Islands' Nuclear Claims Trust Fund, see GAO, *Marshall Islands: Status of the Nuclear Claims Trust Fund*, GAO/NSIAD-92-229 (Washington, D.C.: Sept. 25, 1992).
2. Our report provides some information about contributions by compact migrants, including qualitative statements about their budgetary, workforce, and community contributions as well as high-level data on their average per-capita income (see app. IV). We have added the government of Oregon's statements about the contributions of compact migrants to our report.
3. As our report notes, the affected jurisdictions are defined in the amended compacts' implementing legislation, which also establishes funding for the associated compact impact grants for those jurisdictions.
4. We made revisions in our report to help direct readers to stakeholders' suggestions for improving experiences or outcomes of compact migration, presented in appendix VII.

Appendix XVI: Comments from the Government of Washington

Note: GAO comments supplementing those in the report text appear at the end of this appendix.

JAY INSLEE
Governor



STATE OF WASHINGTON
Office of the Governor

April 30, 2020

David Gootnick
Director of International Affairs and Trade
United States Government Accountability Office
441 G Street NW
Washington, DC 20548

Dear Director Gootnick:

Thank you for the opportunity to review the draft report entitled “Compact of Free Association (COFA): Populations in U.S. Areas Have Grown, with Varying Reported Effects.” As a state with a significant population of Freely Associated States (FAS) citizens, it is necessary that this document provides an accurate account of their experiences in the U.S. and Washington State.

I appreciate that the Government Accountability Office (GAO) conducted a field visit to Washington to meet with state agencies, nonprofit organizations, impacted communities, and other stakeholders in developing the report. It is through these meetings that the U.S. GAO was able to gain additional insight by hearing qualitative accounts from FAS citizens.

Unfortunately, this valuable data was not included in the report, omitting the personal narrative of FAS citizens. These accounts not only document the impacts and the contributions FAS citizens have made to the state – they are critical to providing a holistic account of the FAS experience in the U.S., which must include the struggles that many FAS citizens face.

The federal government has a contractual and moral obligation to FAS citizens, and it is my hope that this report will compel the federal government to fulfill its commitments by making additional resources, supports, and services available to states and territories with sizeable FAS citizen populations.

While the report provides a factual and historical framework of the compacts of free association, it lacks a detailed description of the U.S. military’s nuclear testing and subsequent impacts on the FAS and FAS citizens. This description is necessary to explain the current challenges that many FAS citizens face and why additional resources are required to meet their needs.



P.O. Box 40002 • Olympia, Washington 98504-0002 • (360) 902-4111 • www.governor.wa.gov



See comment 1.

See comment 2.

**Appendix XVI: Comments from the
Government of Washington**

Director David Gootnick
April 30, 2020
Page 2

In Washington, we have supported FAS citizens with a number of programs such as COFA Islander Health and Dental Care, financial aid for higher education, and cash and food assistance programs. With 7,300 FAS citizens in Washington, the need for resources to support FAS citizens is significant. During the compact renegotiation, it is my hope that Washington will be included in the “affected jurisdictions” and allocated funds as part of the compact impact grant funding to help the state defray costs associated with providing FAS citizens needed resources and services. I look forward to receiving the final report and collaborating with the federal government to ensure that the needs of FAS citizens are met.

Very truly yours,



Jay Inslee
Governor

Enclosure



Appendix XVI: Comments from the
Government of Washington



United States Government Accountability Office
441 G St. NW
Washington, DC 20226

April 29, 2020

Greetings,

On behalf of the Washington State Commission on Asian Pacific American Affairs (CAPAA), thank you for sharing the draft of the full report, *Compacts of Free Association: Populations in U.S. Areas Have Grown, with Varying Reported Effects*, which was sent to us for review and input on April 1, 2020. We appreciate the opportunity to provide feedback prior to the reports finalization.

On February 5, we provided feedback on the Statement of Facts, reflecting input and expertise from CAPAA Commissioners and staff. We thank you for taking this feedback under advisement and for incorporating much of it into what we see now as the newest version of the report. Some of our original input was not incorporated into the document, and we have additional thoughts with the updated draft. Specific points for your consideration are as follows:

- The report states the President was required by legislation to, "...report to Congress regarding adverse consequences... and provide statistics on migration (p. 7)." CAPAA suggests that adverse consequences identified, explored on by the President be named, and that the most recent statistics on migration also be shared.
- The impact of nuclear testing upon the environment should be specifically addressed. Although this report does reference changes to the environment (p. 8), it fails to make reference to the change of the natural landscape as a direct consequence of nuclear testing, including: nuclear contamination of soil and water, vaporization of entire islands, and deep cratering.
- The inter-generational health impacts of nuclear testing upon the affected population should be specifically described. In general, public ailments such as, "communicable diseases" are briefly covered in the report (p. 40). However, the report does not reference some of the glaring health outcomes present in COFA communities today, most likely due to the legacy of nuclear testing by the United States, including: physical deformity, still births, birth defects, intellectual disability, and thyroid cancer.
- As is, the report fails to adequately assess the fallout from the effects of nuclear testing on the COFA islanders. Nuclear testing is only briefly referenced under "Defense-Related Provisions" (p. 6, footnote 17) and "Reasons for Migration" (p. 17, footnote 47). However, the role of nuclear testing must not be minimized - on the contrary, nuclear testing has a tremendous, lasting impact on the experience and ongoing special needs of the population, all of which underlie the listed motivating factors for migration.

Agency Overview

CAPAA was established in 1974 to improve the well-being of Asian Pacific Americans (APAs) in Washington State. It advises the Governor, state legislature, and all state agencies on changes to laws, policies, programs and services impacting APA's. It has a board of 12 gubernatorial appointees representing the geographic and cultural diversity of the state.



CAPAA believes the report should more comprehensively address the legacy of nuclear testing on the islands.

- The “Public Order” section should make reference to the fact that COFA Islander encounters with law enforcement disproportionately result in deadly force. CAPAA provided this feedback before and cited specific cases of deadly force cases involving COFA community members. It is noteworthy that both incidents occurred in the wake of the passing of Initiative 940, which reformed the state law on deadly force and police training in implicit bias and cultural competency, among other topics. As a result, the COFA community actively provided input to the Criminal Justice Training Commission to inform the updated rules on police training.
- CAPAA recommended that the report specifically mention the health care support that was originally promised by the U.S. and subsequently denied to the COFA people. This is important to mention when contextualizing the need for health care support programs provided by Washington State and present-day migration patterns.
- CAPAA recommended that the report identify challenges in education and receiving state services, particularly public health services. While the portion on public health has been significantly and meaningfully expanded upon, the portion on education was not.

We are disappointed to see the role of nuclear testing has not been more robustly examined and expanded upon in this report. Without properly naming the extent or impact of U.S. nuclear testing upon the region and its people, the report does not connect the impact of nuclear testing to the present-day challenges facing the COFA communities, and fails to give proper context to Washington State’s efforts to generate adequate support services to affected COFA islanders. It neglects to highlight the important context that the resources provided to the COFA people by Washington State are solutions to social and public health challenges created by U.S. practices.

Thank you for your attention of our input. We appreciate the thought, effort and expertise you've invested into this body of work.

Sincerely,

Toshiko Hasegawa
Executive Director
Washington State Commission on Asian Pacific American Affairs
206-377-9583 | www.capaa.wa.gov

Agency Overview

CAPAA was established in 1974 to improve the well-being of Asian Pacific Americans (APAs) in Washington State. It advises the Governor, state legislature, and all state agencies on changes to laws, policies, programs and services impacting APAs. It has a board of 12 gubernatorial appointees representing the geographic and cultural diversity of the state.

GAO Comments

1. Our report incorporates the results of our interviews with members of compact migrant communities, including their reasons for migrating to U.S. areas, workforce challenges and other challenges they face, and their contributions to U.S. communities. Our report also includes these and other stakeholders' suggestions for improving experiences or outcomes of compact migration (see app. VII).
2. We have previously reported on defense issues in the Federated States of Micronesia and the Republic of the Marshall Islands (Marshall Islands). For more information about the United States' right to use part of the Kwajalein Atoll in the Marshall Islands for missile tests and space tracking operations, see GAO, *Foreign Relations: Kwajalein Atoll Is the Key U.S. Defense Interest in Two Micronesian Nations*, [GAO-02-119](#) (Washington, D.C.: Jan. 22, 2002). For more information about the Marshall Islands' Nuclear Claims Trust Fund, see GAO, *Marshall Islands: Status of the Nuclear Claims Trust Fund*, GAO/NSIAD-92-229 (Washington, D.C.: Sept. 25, 1992).

Appendix XVII: Comments from the Government of the Federated States of Micronesia

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



Office of
the Ambassador

EMBASSY OF THE
FEDERATED STATES OF MICRONESIA
WASHINGTON, DC

May 14, 2020

Mr. David Gootnick
Director, International Affairs and Trade
U.S. Government Accountability Office
441 G St. NW
Washington D.C., 20548

Dear Mr. Gootnick:

I am pleased to transmit the attached document conveying comments from the Government of the Federated States of Micronesia (FSM) to the U.S. Government Accountability Office's (GAO) report entitled *Compacts of Free Association: Populations in U.S. Areas Have Grown, with Varying Reported Effects*.

The FSM Government is grateful to the GAO for the effort put into the preparation and completion of the report. We viewed this report as important and timely to both the U.S. and FSM as we commence the discussions relative to the expiring provisions of the Compact of Free Association and beyond 2023.

Thank for your favorable consideration of our comments and we look forward to receiving a copy of the final report.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Susaia".

Akillino H. Susaia
FSM Ambassador to the United States

Attachment: FSM Comments Re: GAO-20-491

**Comments of the Federated States of Micronesia
on Draft GAO Report (GAO-20-491)**

The Government of the Federated States of Micronesia has reviewed the GAO's draft report entitled *Compacts of Free Association: Populations in U.S. Areas Have Grown, with Varying Reported Effects*.

The Government is generally in agreement with the findings and conclusions of the draft report, although we have a number of suggestions and proposed edits outlined below. We thank the GAO for contributing to a greater understanding of the issues involved.

I. Overview

The Federated States of Micronesia (FSM) and the United States enjoy one of the closest relationships possible among sovereign states. That relationship endures 34 years after entry into force of the Compact of Free Association in 1986 and has been strengthened through two Compacts. The balanced partnership between the two countries includes the ability of citizens of the FSM to travel to, work, study and live in the United States and its territories is one of the cornerstones of this relationship, together with the enduring strategic and military alliance between the United States and the FSM and the economic ties between the two countries.

As with past assessments of Compact migration, during the process of drafting this report the FSM encouraged the GAO to take into account *all* aspects of migration of FSM citizens into the United States. In the FSM's view, it is important to include not only the cost of providing services to migrants but the economic benefits, including job generation, payment of taxes and contributions to society that they bring to their new communities. We are gratified that all aspects of migration have been addressed in this draft report to ensure a balanced presentation of migration of FSM citizens to the United States and its territories.

We appreciate the GAO's efforts to consolidate the previous efforts of the U.S. Department of the Interior and U.S. Census Bureau to develop an accurate enumeration of Compact migrants living in the United States. This report highlights that it would be useful to expand efforts to achieve an accurate enumeration of Compact migrants in the United States by location.

The table on page 10 of the draft document clearly shows the challenges faced by FSM migrants as well as the jurisdictions where they reside. Despite the close relationship between the United States and the FSM, FSM citizens are not afforded access to some programs designed to provide a basic social safety net in the United States. Gaps such as the withdrawal in 1996 of Medicaid availability for FSM citizens can place stress on sub-federal U.S. jurisdictions. We applaud initiatives currently underway to extend some of these programs to FAS citizens, such as restoring Medicaid availability and expanding medical assistance in the FSM for FSM veterans

**Appendix XVII: Comments from the
Government of the Federated States of
Micronesia**

of U.S. military service, and hope that these measures can be approved at the earliest opportunity.

We note the GAO's findings of the growth in recent years of FSM citizens migration to the United States. This is consistent with FSM Government data and we share the conclusions of the GAO as to the factors driving this increased migration. We also see greater migration of our citizens to some communities in the U.S. mainland. It is notable that for the first time the numbers of FSM citizens residing on the U.S. mainland have exceeded those in Hawaii, Guam and CNMI.

The FSM Government is committed to supporting its citizens in the United States through its Embassy and consulates. In addition to the recent establishment of an FSM consulate in Portland, Oregon, the FSM Government has increased the number of consular staff at its Embassy and consulates. We appreciate this opportunity to engage with GAO regarding additional opportunities for the U.S. and FSM Governments to work together to support FSM citizens in the United States.

II. General Comments

The FSM is aware that this report will be used in connection with U.S. Government assessment of the impact of FSM citizens migration into the United States. While this issue is ultimately a domestic matter for the United States, we suggest that the final report continues to reflect the following:

1. As mentioned above, a complete impact assessment would reflect the net impacts of FSM citizens living and working in the United States. FSM citizens work and pay taxes and contribute in a multitude of ways to their local communities. This balance can easily be lost in assessments that focus on services provided without seeking to take contributions into account, which in some cases may be hard to quantify. We note in the draft that there is also a study underway by the Guam Bureau of Statistics and Plans to identify economic contributions by Compact migrants and Compact-Impact costs that may provide additional information for this Report.
2. There is a relationship between FSM citizens' eligibility for federal programs and services, such as Medicaid, and the costs that are sometimes borne by the local government/community in the absence of federal programs and services.
3. Compact assistance from the United States to the FSM along with immigration rights, is a key part of the broad international relationship between the two governments and relate to the assistance the United States provides to the FSM to promote economic advancement, budgetary self-reliance and economic development. It is provided as a part of the broader picture of the United States supporting a uniquely close ally while

**Appendix XVII: Comments from the
Government of the Federated States of
Micronesia**

maintaining stability in the greater Indo Pacific Region. Compact impact compensation, while of course important to the relevant U.S. jurisdictions, is a domestic matter for the United States and should not diminish the priority of the United States of providing ongoing assistance to the FSM for the purposes outlined in the Compact of Free Association.

The FSM is aware of the specific issues that arise from time to time involving assimilation of our citizens in some jurisdictions and will continue to work with the United States and those jurisdictions as appropriate. Our Government has dramatically increased our consular presence in key areas with higher number of FSM citizens and FSM consular officials remain in close contact with our citizens and community leaders. We also partner closely with NGOs and religious organizations in these communities to achieve the same ends.

Finally, we are grateful for the GAO's careful and methodical overview of FSM citizens' impact on individual jurisdictions and for the inclusion of examples highlighting some of the laudable steps taken by individual governments to extend their programs to our citizens.

III. Specific Comments:

In addition to the general comments above, the FSM Government wanted to provide comments on certain specific sections of the Report, provided below.

In general, we suggest that instead of 'compact migrant' or 'compact migrants' – change to '*FAS migrant*' or '*FAS migrants*'. The term 'compact migrant' is used in the report in reference to citizens of the three Pacific countries of Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau who have migrated to U.S. areas discussed in the reports. These 3 nations have freely associated states status pursuant to the respective Compacts with the United States and therefore are commonly referred to as the Freely Associated States (FAS). The term 'FAS migrants' is a more appropriate representation of the migrants from the FAS.

A. Page 6: Migration Related Provisions

Given that the paragraph begins with a reference to FAS migrants' exemption from "certain visa and labor certification requirements," it would be advisable to include the fact that FAS citizens are required, along with a valid FAS passport, to be in possession of an accompanying documentation (I-94) which is consistent with actual Compact language.¹

¹ "An unexpired Federated States of Micronesia passport with unexpired documentation issued by the Government of the United States evidencing admission under the Compact or the Compact, as amended, shall be considered to be documentation establishing identity and employment authorization under section 274A(b)(1)(B) of the Immigration and Nationality Act, as amended, 8 U.S.C. 1324a(b)(1)(B)." Amended Compact of Free Association Between the United States of America and the Federated States of Micronesia, Section 141(d).

See comment 1.

See comment 2.

**Appendix XVII: Comments from the
Government of the Federated States of
Micronesia**

The relevant footnote number 19 does reference the need for a “valid machine-readable passport to be admitted,” so the complete picture would be best represented by additional reference to the required I-94 documentation.

B. Page 10: Compact Migrant Eligibility for Selected U.S. Federal Programs as of November 2019

In alignment with the 3rd stated goal of the GAO report relating to the effects of compact migration on host governments, it would be more beneficial to show the actual utilization of the listed programs by showing number of participants in the respective programs. This limitation in the data is pointed out in the report, on page 10 footnote “a,” where it denotes that the table shows eligibility solely on Compact migrant status but does not include other relevant eligibility criteria. This information would further strengthen the report by showing the actual numbers with regards to impact on social programs, which is critical for affected jurisdictions. Developing these reporting methods would include an assessment of the relationship between negative and positive impact based on an actual expenditure survey. It is encouraging to know that Guam has been granted \$250,000 to develop and implement these reporting methodologies that would measure actual costs as well as positive revenue contribution.

C. Page 11: Compact Migrant Population Growth

A small subset of the FAS population appears to be excluded from these estimates. This group includes those who entered the US prior to 1986, specifically FSM and RMI migrants, and have remained in the US and some have raised their families until the present. Some have not traveled outside of the U.S and may not be in possession of a Form I-94 but may have renewed their FSM or RMI passports. Some of their children and grandchildren were born during the Compact and continue to reside in the US or its territories. This subgroup also participates in the workforce and contributes to their local economies.

D. Pages 12–15: Census Data

As has been discussed in previous iterations of the report it seems reasonable to definitively determine who should be considered an FAS migrant to better understand what can be properly considered “compact impact.” Under Appendix VI, p. 66 of the report, it is mentioned that there has been a change over time of the definition of “compact migrant”. It would enhance understanding of the data if there was a disaggregation of the numbers to better identify children or grandchildren of compact migrants apart from compact migrants who are born in the FAS territories. The report states that enumerations in 2003, 2008, 2013 and in 2018 used different criteria for U.S.-born children of migrants and counted them as “compact migrants” (p. 66).

This is especially critical when since the variance in generation affects the probability of one’s citizenship and/or immigration status, a key cornerstone in the determination of eligibility

See comment 3.

See comment 1.

See comment 4.

See comment 5.

**Appendix XVII: Comments from the
Government of the Federated States of
Micronesia**

for most social programs. There are obvious and significant differences in access to social benefits and costs (e.g. healthcare, access to in-state tuition programs, SSI benefits, job opportunities, capital, etc.) between an FAS citizen migrant and a U.S. born child of a migrant. This will have implications on a cost-benefit analysis for impact over the years considering that an accurate analysis will have to be adjusted appropriately to correlate with a shift in the designation of a “compact migrant.”

See comment 6.

With regards to the data point that denotes that 43 percent of compact migrants living in the U.S. areas are U.S. citizens, there is need for clarification. It is mentioned on page 15 that this group includes “minor-age U.S. citizen children of compact migrants, who would no longer be counted as compact migrants after 18 years of age.” This statement, particularly for an FSM citizen, assumes that after age 18, that individual is no longer an FSM citizen and therefore should not be counted as a compact migrant.

See comment 7.

The rationale assumes that either the individual automatically loses FSM citizenship or has made the decision to rescind his/her FSM citizenship after age 18. The FSM Constitution allows for an FSM citizen who is born in the U.S. to choose to maintain their FSM citizenship and renounce their U.S. citizenship. Article III section 3 of the FSM Constitution provides that such U.S. born children of FSM citizens remain FSM citizens for 3 years beyond their 18th birthday during which time the individual has the liberty to register his/her intent to either remain an FSM citizen and therefore renounce the other citizenship or to renounce their FSM citizenship and carry their US citizenship.

E. Page 13: U.S. Areas with Estimate Compact Migrant Populations of More than 1,000

See comment 8.

We appreciate the map showing FAS citizens’ residence in the United States by state or territory. However, if information is available we think it would be more useful if expanded to include additional levels below 1,000 residents. We feel this would help demonstrate the wide nature of the diaspora throughout the United States and better identify the important contributions of smaller Micronesia settlements throughout the United States. One notable example is the large Chuukese population in the small town of Milan, Minnesota, and its contribution to a vibrant, thriving community in that town.

F. Page 14: Concerns about Undercounting Compact Migrants

Further investigation into concerns about the undercounting of compact migrants for both the ACS and the decennial census, reveal that compact migrants have some barriers with regards to optimal participation in the census surveys:

1. Compact migrants are considered both HTC and HTR populations when it comes to the implementation of census outreach and surveys. That is due to the difficulties in both reaching and engaging compact migrant populations. This, by definition, increases the probably of an undercount.

**Appendix XVII: Comments from the
Government of the Federated States of
Micronesia**

2. As reported by some FSM citizens there is still a level of confusion with regards to the appropriate race categories that they should fill in. Some compact migrants have expressed that they did not know what to enter in the race categories and some have had trouble deciding what to enter in the fill-in options under the broader category of Pacific Islander (e.g. "Chuukese", "Micronesian", "FSM").
3. Further to these barriers is the varying levels of literacy among many compact migrants which causes some to either produce errors on the census or fail to fill out the survey all together. It is, however, well noted that both the ACS and the decennial census are a domestic matter.

As a recommendation, it would be beneficial to suggest to the affected jurisdictions to work with FSM community members themselves in order to better engage their communities and to help solve the above identified barriers to census participation.

On page 16, we suggest adding the following language at the top of the page: *"Other FAS migrants joined the U.S. military and established residences in U.S. areas."*

G. Pages 20–22: Compact Impact Counts

As supported by the findings of the 2011 GAO-12-64, the issues about the weaknesses in the impact reporting from the respective impact jurisdictions remain a concern for the current iteration. Namely, the inaccurate definitions of Compact migrants, failure to account for federally supplemented local expenditures, and the lack of data on the generated revenue by compact migrants. Furthermore, it remains a concern that since the development of the new Compact impact reporting guidelines in 2014 which were created specifically to address these weaknesses, the responsible agency, DOI, has not disseminated the guidelines to the respective jurisdictions. It must be highlighted that this failure to implement the new guidelines raises the potential for inaccuracies in assessing the true state of the impacts of compact migrants. The present report affirms this assertion on page 20 stating that the guidelines are "essential to producing reliable impact estimates."

The presumed desired goal for both parties to the Compacts is to understand the net impact by considering both the cost and benefit of FSM citizen migrants in the respective US jurisdictions. And without implementation of the recommended guidelines and enumeration methods that better capture actual costs and revenue, that desired goal will remain elusive.

Furthermore, it ought to be noted that the model and methods of reporting on compact impact reflect the areas of initial migration and have not kept up with population growth and current migration patterns. Given the fact that nearly half of all Compact migrants are now living in the mainland states, it is recommended that reporting parameters be updated to keep parity with these changes.

See comment 9.

See comment 10.

**Appendix XVII: Comments from the
Government of the Federated States of
Micronesia**

H. Pages 26–27: Education

Clarification needs to be made with regards to the statement that in Oregon, FSM citizens *are* eligible for in-state tuition after a 1-year residency period in the state. It must be noted that this is not a straightforward guarantee. There is a relatively complex process by which one meets the residency standards in order to be considered for in-state tuition. Established State policies, through the Higher Education Council, require that students/potential students reside in Oregon for 12 consecutive months *primarily for non-education related reasons*. If an FSM citizen does migrate to Oregon expressly for the purpose of getting an education, that he/she is disqualified and does not meet standards for establishing themselves as a domicile of Oregon.

There are also financial independence requirements that one must meet in order to fulfill the residency standards. Furthermore, the relevant Oregon policies that address “Residence Classification of Non-Citizens” does not have any provisions for FAS citizens.² This barrier has prompted local advocates from the FAS Communities to introduce legislation in Oregon in 2019 (Senate Bill – 263) which seeks to allow for compact migrants to qualify for in-state tuition.³

I. Page 31: Health

With regards to the Oregon COFA Premium Assistance Program referenced on page 31, it must be noted that the program requires that Compact migrants select only Silver level plans which help maintain a cap on the overall cost of the program. Unlike Medicaid coverage, the plans available through the COFA Premium Assistance Program do not provide for dental coverage. By urging of Micronesian advocates such as CANN (COFA Alliance National Network) and partners, Oregon State Department of Consumer and Business Services has produced reports on the costs of having Oregon provide dental coverage for Compact migrants in Oregon. The study is intended to provide important information to support legislation for a COFA dental program in future Oregon legislative session.

J. Page 36: Workforce Contributions by Compact Migrants

While entry level/low wage employment prevails among Micronesians, we are concerned that this report discounts data on Micronesians who work in professional fields such as social services, law enforcement, health and education after moving to the United States to pursue higher education. Consequently, when entry level/low wage employment are mentioned in the same space as hotels, restaurants, construction, and military base contracts, the propensity to think housekeeping, server, labor helper, and driver overshadows actual managerial/supervisory and skilled positions. Comprehensive data may also help improve negative stereotypes of

² Oregon Residency Standards (Appendix 1)
https://admissions.uoregon.edu/sites/admissions2.uoregon.edu/files/Residency_Rules_Publishing_draft.pdf
accessed April 18, 2020.

³ S.B. 263 80th Oregon Legislative Assembly – 2019 Regular Session (Oregon. 2019)

See comment 11.

**Appendix XVII: Comments from the
Government of the Federated States of
Micronesia**

Micronesians. In this regard, it would also be useful to obtain data on the number and type of businesses owned and operated by Micronesians.

K. Page 38: Workforce Challenges Faced by Compact Migrants

Stakeholders reported that Compact migrants have encountered various challenges related to their participation in the U.S. workforce.

1. Form I-94.

FSM citizens continue to face questions about their Form I-94 in other places as well, and not just from their workplaces. State government agencies, particularly DMV offices, tend to ask questions about I-94 expiration date, visa and Green Card even though in most cases the actual I-94 along with an unexpired passport are provided to the DMV office as required in the first place. Additionally, in some instances, supporting document (Fact Sheets) issued by US CIS with explanation of and clarification about FSM citizen's special immigration status and I-94 would be overlooked and/or disregarded when provided by the FSM client at the beginning of the application process.

While there is genuine effort to improve the verification system between the US CIS/SAVE program and States, particularly the DMV offices, the fundamental and technical issues persist. For instance, if an applicant provides an unexpired passport that is not directly linked to an I-94, the verification of the applicant's immigration documents may take longer to complete. The question that is often asked is, can US DHS/CBP/CIS find a way to update a person's new passport record so that the new passport is linked to the person's I-94?

2. Recurring Verification Challenges

a. US CIS SAVE Program and State's agencies

While there has been some collaborative effort to address some of the recurring verification issues between the SAVE Program and DMV offices, the technical difficulty of verifying a newly issued passport and an I-94 remains as the most common cause of delay in the verification.

b. US CIS Form I-9/E-Verify and Employers

While some employers have taken meaningful steps to learn about the special non-immigrant status of FAS citizens, there are many others who are still not so sure about which option to select on the Form I-9 and so they often refer FAS applicants to US CIS for further assistance. The need to have basic training for both employer HR staff and FAS applicants about the special FAS immigration status should remain a key part of the hiring process.

c. REAL ID-compliant driver's licenses

**Appendix XVII: Comments from the
Government of the Federated States of
Micronesia**

Following the passage of the REAL ID Act Modification for Freely Associated States Act in December 2018, there have been some meaningful changes to resolving the issues of “visa” and “I-94 expiration” requirements. However, the roll-out of the implementation of the new law, particularly the initial guidance from US DHS, has caused some confusion at the local State agency levels.

d. Commercial Driver License (CDL)

While FAS citizens are very appreciative of all efforts in the passage of the REAL ID Act Modification for Freely Associated States Act in December 2018, some FSM citizens who are required by their employment to have a specific Driver’s license endorsements, as in Commercial Driver Licenses (CDL), continue to face similar immigration related issues specifically addressed by the REAL ID Act Modification for Freely Associated States Act. If an FSM citizen is able to get a full-term REAL ID compliant card, it would seem understandable that in the same spirit, he/she should be able to obtain a regular CDL. However, it is understandable that there are certain federal requirements for obtaining a HAZMAT endorsement or Transportation Worker Identification Credential (TWIC). Hopefully, these implementation policy issues could be modified in order to better implement the intention of the REAL ID Act Modification for Freely Associated States.

e. FAS citizens continue to face challenges with “Alien Registration Number” and I-94 expiration date

In addition to being asked to provide a “visa” and show proof of “I-94 expiration date”, some employers in the private sector as well as some government agencies (offices administering public assistance programs) require applicants to provide their Alien Registration Number and I-94 expiration date. While there have been some positive steps taken to provide meaningful guidance to respond to these issues (and a good example of this is the US CIS Form I-9), many employers and government agencies both at State and Federal levels continue to require FAS applicants to provide Alien Registration Number and I-94 expiration date.

L. Page 40: Public Health

As is true with other sectors, many of the public health barriers for Compact migrants is the lack of granular data that is specific to FSM citizens. Most public health departments at state and local levels do not disaggregate their data collection enough to sufficiently account for and understand the unique needs of Compact migrants. Often the category used is either Asian-Pacific-Islander (API) or Native-Hawaiian-Other Pacific Islander (NHPI). This leads to Compact migrants being left out of certain public health strategies and programs that are intended to assist and care for the general public.

Improvement in data collection for Compact migrants should be an added recommendation under Appendix XII: Stakeholder Suggestions to Address Challenges Related

**Appendix XVII: Comments from the
Government of the Federated States of
Micronesia**

to Compact Migration (pg. 71). It would be a significant improvement to establish a requirement for federally funded programs in all States and territories, with a significant population of FAS citizens, to provide an additional category specific to FSM migrants. This will not only enhance better tracking of FSM migrants and their impact, but it will also contribute significantly to local public service sectors who rely on accurate data to carry out their public service mandates.

While much has been done to better serve Compact migrants in several different jurisdictions in the U.S. the continuing challenge of FSM citizens' categorical ineligibility for Medicaid and the compounding effects of relevant social determinants of health, make the path toward successful integration that much more difficult. These circumstances have a direct effect on FSM migrants' ability to contribute positively to their host jurisdictions and their ability to work towards less reliance on public assistance programs.

M. Page 41: Public Order and Law Enforcement Interactions

Information collected from law enforcement agencies in Guam do not represent accurate numbers of Micronesians going through the system. The misrepresentation begins from booking with the Guam Police Department, to charges or convictions at the judicial system to incarceration at the Department of Corrections and ends in parole or served out sentences. There are severe disparities in the indicators that identifies ethnic backgrounds of detainees. For example, a person may say they are from Chuuk and be delineated in that category as some forms have all the FSM States listed. However, through processing, they may be listed as Micronesian as a single entity identifying FSM citizens. Consequently, when the forms are counted one person may be entered twice in the system based on their ethnic identification in the different intake forms. There is also the matter of misspelled names or nicknames given at the booking stage. Information provided by Guam Police Department indicates they do not require detainees to provide proof of citizenship or furnish documents that can confirm their identity.

N. Page 42: Community and Volunteer Work

Besides the various volunteer work that many FSM migrants do, there are several advocacy organizations and mutual assistance groups that have been started by FSM migrants which contribute to the wellbeing of FSM migrants and the general public. These organizations have supported and partnered with the FAS Embassies and Consulates on several occasions. One of the major organizations is CANN (COFA Alliance National Network – <https://cann.us/>) which is based in Oregon but has chapters in other states (e.g. Arizona, Washington, Texas). Significant policy successes such as the creation of the COFA Premium Assistance Program in Oregon and the COFA Islander Health Program in Washington (referenced in this report) are direct results of CANN's advocacy work.

FSM Churches are another avenue for Compact migrants' contributions and involvement in community, civic, and social programs. Many of these FSM churches contribute to and, at times, fully finance, funeral costs for their FSM community members. This has allowed for

See comment 12.

**Appendix XVII: Comments from the
Government of the Federated States of
Micronesia**

families to be able to meet the high costs of funerals whether being repatriated back to the islands or being buried in the U.S. As a result, these volunteer and charitable organizations have proven, over the years, to have positive impact on the well-being of FSM citizens and their positive contributions to their communities.

GAO Comments

1. We use the term “compact migrants” to refer to citizens of the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau) who entered the United States after 1986 (from Micronesia and the Marshall Islands) or 1994 (from Palau) and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years. Citizens of the freely associated states (FAS) living in U.S. areas who arrived before the compacts took effect and therefore are not counted as compact migrants (nor would their U.S.-born children or grandchildren) for the purposes of the Census Bureau American Community Survey or enumeration data presented in our report. For the purposes of the enumeration that the bureau conducts on behalf of the Department of the Interior, such individuals have not been counted as compact migrants since 1993.
2. We added information to our report to reflect the U.S. government documents that compact migrants from Micronesia may use to demonstrate their authorization to work in the United States.
3. The number of compact migrants participating in federal programs is outside the scope of our review. The agencies administering these programs may collect data showing the number of eligible compact migrants or FAS citizens who access the programs.
4. In appendix VI, we note that the definition of “compact migrant” used for the purposes of Census Bureau enumerations performed on behalf of the Department of the Interior has changed over time.
5. Data disaggregated by the number of U.S.-born children or grandchildren of compact migrants in U.S. areas were not in the scope of our special tabulation request to the Census Bureau. The bureau might not be able to make such data publicly available, depending on whether it determined that such data could be disclosed. The Census Bureau suppressed some information about compact migrants for privacy reasons. Suppression is a method of disclosure avoidance used to protect individuals’ confidentiality by not showing (i.e., suppressing) the cell values in tables of aggregate data for cases where only a few individuals are represented or dominate the cell value to protect the confidentiality of individual respondents.
6. We added information to our report indicating that the Census Bureau estimate that 43 percent of compact migrants are U.S. citizens may include some individuals with dual citizenship in one of the FASs.
7. The Census Bureau data that we report reflect a definition of “compact migrants” that includes only citizens of Micronesia, the Marshall Islands, and Palau who entered the United States after 1986

(from Micronesia and the Marshall Islands) or 1994 (from Palau) and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years. Given this definition, any individual older than 18 years who was not born in an FAS would not be counted as a compact migrant in the Census Bureau enumerations or the American Community Survey data in this report.

8. Table 10 in appendix II of our report includes estimates of the number of compact migrants in states with fewer than 1,000 estimated compact migrants, except when the data were suppressed by the Census Bureau or the number was unreportable because the margin of error exceeded the estimate.
9. Our report notes that some FAS citizens move to U.S. areas to join the military and that the FASs have a high rate of U.S. military service, according to FAS officials and Department of State documentation.
10. The amended compacts' implementing legislation permitted the affected jurisdictions (Hawaii, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa) to submit compact impact reports to the Secretary of the Interior. The definition of "affected jurisdictions" in the legislation did not include any mainland states.
11. Our report notes that compact migrants work in professional industries, including jobs in government and education.
12. We updated our report to include information about the locations of COFA Alliance National Network chapters in states other than Oregon.

Appendix XVIII: Comments from the Government of the Republic of the Marshall Islands

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



EMBASSY OF THE REPUBLIC OF THE MARSHALL ISLANDS

2433 Massachusetts Avenue, N.W.,
Washington, D.C. 20008

Tel. # (202) 234-5414 * Fax # (202) 232-3236 * E-mail: info@rmiembassyus.org

May 14, 2020

Mr. David Gootnick
Director
International Affairs and Trade
US Government Accounting Office (GAO)
441 G St. NW
Washington, DC 20226

Dear Director Gootnick,

The Government of the Republic of the Marshall Islands has reviewed the DRAFT GAO Report titled "COMPACTS OF FREE ASSOCIATION, Populations in U.S. Areas Have Grown, with Varying Reported Effects", and offers its comments as follows. Overall, the Report is a good effort to be fair and presents different aspects of FAS Compact migration to the United States, including the views of FAS migrants themselves along with state and territorial authorities. The RMI Government wishes to thank the GAO for its effort to be informative and objective in this effort which is of great importance to the Marshallese people who have chosen to live and work in the United States.

The immigration or migration rights provided in the Compact constitute a fundamental and essential cornerstone in the relationship of free association between the Republic of the Marshall Islands and the United States. These privileges are not only essential to the relationship but distinguish the Compact from other forms of bi-lateral association, financial assistance, or defense and security relationships which is why the Compact is characterized as "special and unique". Without it, the very foundation of the relationship would likely crumble. The RMI Government understands the importance of these rights and privileges for its citizens and endeavors to act as good stewards to maintain and preserve these cherished benefits.

Medical costs are obviously a major component of the financial impact of Compact Migrants in the United States. Although not eligible for Medicaid (page 10), pages 29-30 of the Report notes that Compact Migrants are eligible to purchase individual market health insurance plans through health

**Appendix XVIII: Comments from the
Government of the Republic of the Marshall
Islands**

insurance exchanges established under the Patient Protection and Affordable Care Act. Although Marshallese can apply for insurance under the Affordable Care Act (ACA) or through employment insurance, most service industries have limited insurance benefits, or the cost of covering family members can be expensive, and many can't afford to be covered. There are some NGOs doing commendable work to help our citizens navigate the ACA process which can be difficult, especially for non-native English speakers. There are still many who are left to live in the United States who are gainfully employed, but without access to affordable health care. Restoration of Medicaid eligibility would greatly benefit Marshallese living and working in the United States as well as substantially reduce impact costs to certain areas.

The RMI Government believes that it would help to see accounting of revenue received from compact migrants in an objective manner that looks at the whole picture of contributions. We look forward to Guam's report that determines economic contributions by compact migrants. The RMI Government notes in this respect that few of its citizens live and work in Guam. We believe that it would be more indicative of RMI citizen contributions to communities and areas where they reside if a similar undertaking were done in other areas including Northwest Arkansas, where thousands of RMI citizens are employed.

Many RMI citizens in Arkansas as well as other states are employed in the food processing industry¹ who have been designated as "essential workers" by the President of the United States to maintain food production during the COVID-19 pandemic. While these RMI citizens may not produce big tax contributions, they nonetheless contribute to the health and food security of the United States. Our communities in Hawaii and Arkansas have also been assisting others (not just Marshallese) during this COVID19 pandemic by distributing food and masks, and helping the local health departments translate COVID19 information into Marshallese.

RMI citizens also perform other essential work while residing in the United States such as nurses; nursing home workers; custodial maintenance; and commercial truck drivers, and others. Marshallese also work in non-profits; and several professions in the United States including doctors, lawyers, pilots, management, the US Armed Forces, and small business owners.

¹ Approximately 36% of the employees in the largest Tyson plant in Arkansas are Marshallese. *Tyson Foods Management, April 24, 2020.*

**Appendix XVIII: Comments from the
Government of the Republic of the Marshall
Islands**

See comment 1.

The RMI Government has strongly encouraged its citizens to participate in the US 2020 National Census. We believe that RMI citizens may have been undercounted in the previous census, particularly in certain areas of the US Mainland but with the addition of Marshallese census workers on the ongoing 2020 census, this situation would hopefully be remedied. Anecdotal information suggests that more Marshallese migration is settling in certain areas of the US Mainland where employment opportunities exist with lower costs of living,

The reference to in-state tuition on page 27 fails to report that other States besides Oregon offer in-state tuition to FAS citizens. Hawaii, Arkansas, California, and Maryland also offer in-state tuition for FAS citizens who meet residency requirements. Each year we have more Marshallese attending colleges in Arkansas, Hawaii, and Oregon.

See comment 2.

The Form I-94 issues on page 38 should include reference to the fact that I-94 issued to passports that subsequently expire, cause significant challenges when the new, replacement passport does not match the I-94. This is major problem for our citizens that often results in loss of jobs.

Thank you very much for this opportunity to comment on the Report for the RMI Government. We look forward to working with the GAO on future issues and reports.

Sincerely,



Gerald M. Zackios
Ambassador

GAO Comments

1. Our report describes policies allowing compact migrants to access in-state tuition at colleges and universities in some U.S. areas but does not include a comprehensive description of such policies in all U.S. areas.
2. Our report describes this and other challenges related to Form I-94 and includes freely associated state consular officials' recommendations to their citizens experiencing this challenge (see app. VII).

Appendix XIX: Comments from the Government of the Republic of Palau

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



May 15, 2020

Mr. David Gootnick
Director
International Affairs & Trade
U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

Dear Mr. Gootnick:

Thank you for the opportunity comments on the draft GAO report on Compact Migration, GAO-20-491. This is a very comprehensive report that covers, among other activities, the numbers of Compact migrants in the United States and its territories. I do not think I can provide any new data or information to improve the draft report, however, I would like to raise a few observations, issues and concerns that struck me while reading the draft report:

1. How accurate and reliable are the information on arrival records provided by the U.S. Customs and Border Protection? The Territory of Guam is the first port of entry into the United States by citizens of Palau and many of our citizens, especially government employees, go to Guam for a number of reasons, whether to visit relatives, shop, attend meetings or transit to other areas in the United States for meetings and training. Most of these citizens returned back to Palau after they completed their meetings, trainings of visitations. Prior to 2013 when non U.S. citizens have to fill out the form I-94 (arrival/departure record), it was required to surrender the paper I-94 before departing the United States. After 2013, no one fills out I-94 anymore and I am wondering whether the arrival/departure records reflect those citizens, who enter the United States for short visits, meetings and trainings and returned home;
2. Are citizens of the Freely Associated States, who migrated to the United States before Compacts were approved considered Compact Migrants? Many Palauan citizens migrated to Guam, CNMI, Hawaii and U.S. Mainland prior to 1994, when Palau approved its Compact of Free Association with the United States. Some of them migrated to these areas of the United States in the late 1950s and early 1960s. Are their children, grandchildren and great grandchildren considered Compact

1701 Pennsylvania Avenue, NW, Suite 300 • Washington, DC 20006 • Phone 202-452-6814 • Fax 202-452-6281
www.palauembassy.com

See comment 1.

See comment 2.

Appendix XIX: Comments from the
Government of the Republic of Palau

Migrants? I think citizens of Palau and other FAS, who migrated to the United States before the approval of the Compacts should not be considered Compact Migrants;

3. The draft report mentioned in Table 1 that Compact Migrants are eligible to receive selected Federal Programs as of November 2019. It would be helpful for FAS Governments if the number of Compact Migrants are provided in the report. Further, the report should specify which FAS country the recipients of these Federal Programs come from. As you may recall during two of our meetings prior to finalizing this draft report, I requested that the number of Compact Migrants be identified by individual FAS country, instead of just lumping us together as FAS migrants. I strongly believe that GAO should consider doing three separate reports on Compact Migration for each of the FAS country;
4. I believe that the Federal Government, particularly its relevant agencies (Department of State and Department of Homeland Security) to inform and educate various State Departments of Motor Vehicles of the status of FAS citizens in the United States in accordance with their special relationship with the United States. Many problems and misunderstanding can be eliminated, resolved or at least minimized if various states become aware of the special status of citizens FAS; and
5. I strongly believe that many issues and problems can be resolved if work and cooperate with each other. Let me cite one example that created a huge problem for FAS citizens that was not resolved until last year. In 2005, the Congress enacted the Read ID Act and without consulting the FAS Embassy, they defined eligibility to include states, territories and Trust Territory of the Pacific Islands, an entity that has not existed since 1994. The oversight back in 2005 could have been avoided if Congressional staff reached out to FAS Embassy.

See comment 3.

See comment 4.

Thank you for giving me the opportunity to comment on the draft GAO Report on Compact Migration. I apologize for this late response.

Sincerely,


Hersey Kyota
Ambassador

cc: Caitlin N. Mitchell

GAO Comments

1. Our analysis showed that the U.S. Customs and Border Protection (CBP) data were sufficiently reliable to describe net compact migration from 2017 through 2019. The data reflect all travelers' arrivals in, and departures from, the United States during this period, including those of citizens of the freely associated states (FAS) who entered and exited the United States for short visits. For example, if a traveler entered and exited Guam or any U.S. area during this period, the record of that person's arrival was canceled out by his or her departure.
2. The American Community Survey data that we report reflect a definition of "compact migrants" that includes only citizens of the Federated States of Micronesia (Micronesia), the Republic of the Marshall Islands (Marshall Islands), and the Republic of Palau (Palau) who entered the United States after 1986 (from Micronesia and the Marshall Islands) or 1994 (from Palau) and their U.S.-born children (biological, adopted, and step-) and grandchildren younger than 18 years.
3. The number of compact migrants participating in federal programs is outside the scope of our review. It is possible that the agencies administering these programs collect data showing the number of eligible compact migrants or FAS citizens who access the programs. Separately, table 11 in our report provides disaggregated data on the estimated number of individuals born in Palau who resided in several U.S. areas during the period from 2013 to 2017 (see app. II). The Census Bureau suppressed some information about compact migrants, including individuals from Palau, for privacy reasons. Suppression is a method of disclosure avoidance used to protect individuals' confidentiality by not showing (i.e., suppressing) the cell values in tables of aggregate data for cases where only a few individuals are represented or dominate the cell value to protect the confidentiality of individual respondents. Disaggregated demographic data specific to Palauan populations in the United States was not within the scope of our special tabulation request to the Census Bureau. The bureau might or might not be able to tabulate and share data with this level of specificity, depending on whether it determined that such data could be disclosed.
4. According to Department of Homeland Security officials, from 2005 to 2018, FAS citizens were eligible for a temporary, limited-term REAL ID card with an expiration date consistent with the expiration date of their employment authorization documents, or for up to 5 years. The officials also noted that while the reference to the Trust Territory of the

**Appendix XIX: Comments from the
Government of the Republic of Palau**

Pacific in the 2005 legislation was an error, it had no impact on FAS citizens' eligibility for limited-term REAL ID-compliant identification.

Appendix XX: GAO Contact and Staff Acknowledgements

GAO Contact

David Gootnick, (202) 512-3149 or gootnickd@gao.gov

Staff Acknowledgments

In addition to the contact named above, Emil Friberg (Assistant Director), Caitlin Mitchell (Analyst-in-Charge), Topher Hoffmann, Andrew Kurtzman, Reid Lowe, Moon Parks, and Nicole Willems made key contributions to this report. Kathryn Bernet, Justin Fisher, Rebecca Gambler, Christopher Keblitis, Ty Mitchell, Mary Moutsos, and Michael Simon provided technical assistance.

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through our website. Each weekday afternoon, GAO posts on its [website](#) newly released reports, testimony, and correspondence. You can also [subscribe](#) to GAO's email updates to receive notification of newly posted products.

Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's website, <https://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

Connect with GAO

Connect with GAO on [Facebook](#), [Flickr](#), [Twitter](#), and [YouTube](#).
Subscribe to our [RSS Feeds](#) or [Email Updates](#). Listen to our [Podcasts](#).
Visit GAO on the web at <https://www.gao.gov>.

To Report Fraud, Waste, and Abuse in Federal Programs

Contact FraudNet:

Website: <https://www.gao.gov/fraudnet/fraudnet.htm>

Automated answering system: (800) 424-5454 or (202) 512-7700

Congressional Relations

Orice Williams Brown, Managing Director, WilliamsO@gao.gov, (202) 512-4400, U.S. Government Accountability Office, 441 G Street NW, Room 7125, Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800, U.S. Government Accountability Office, 441 G Street NW, Room 7149, Washington, DC 20548

Strategic Planning and External Liaison

James-Christian Blockwood, Managing Director, spel@gao.gov, (202) 512-4707, U.S. Government Accountability Office, 441 G Street NW, Room 7814, Washington, DC 20548

