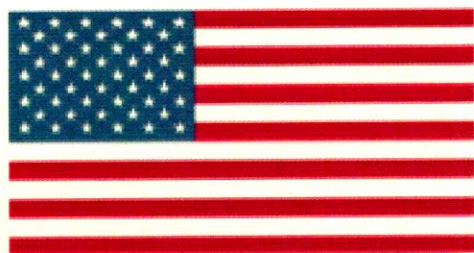
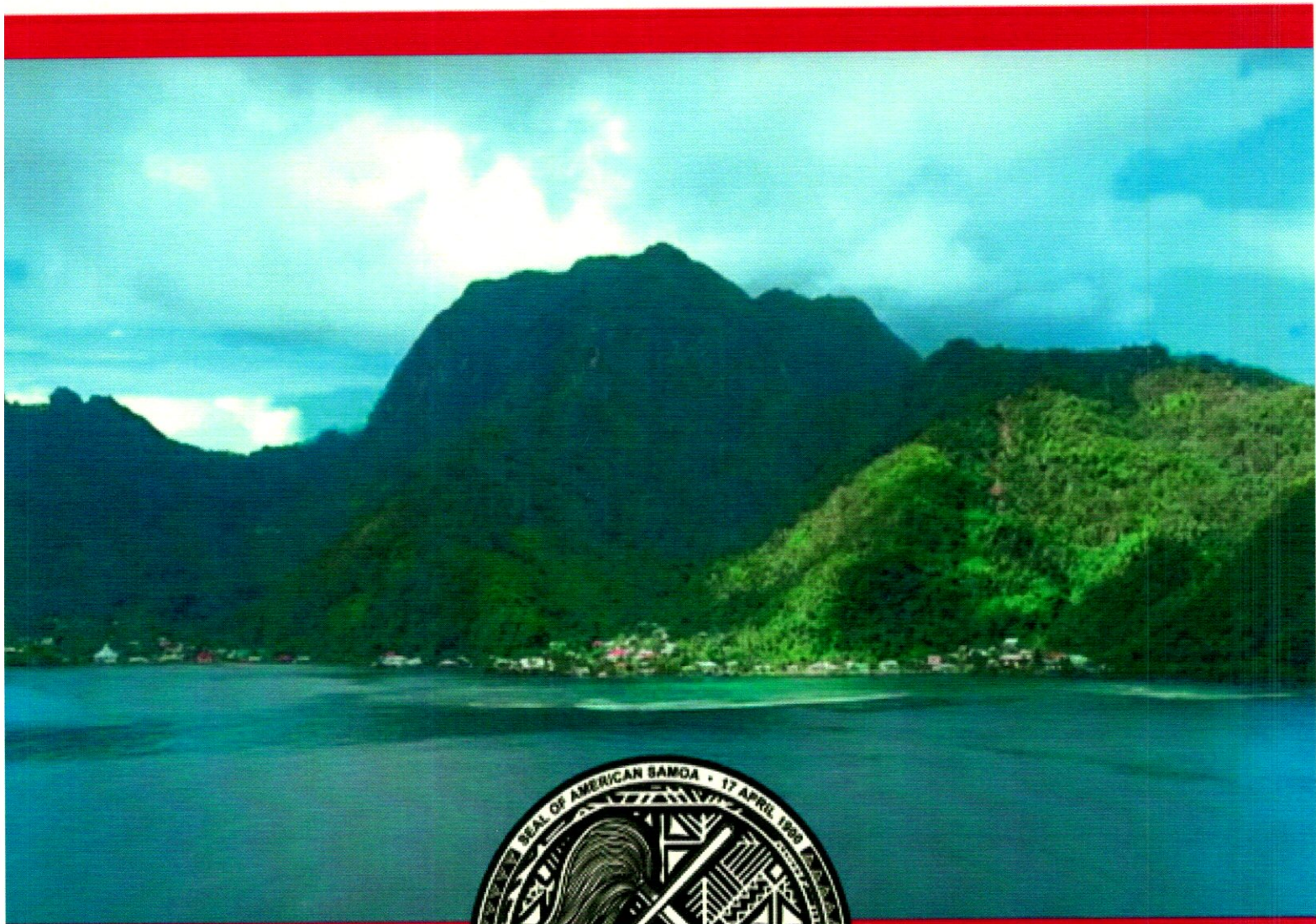


STATE OF THE TERRITORY ADDRESS

Thirty Seventh Legislature

January 11th, 2021



Presented by:
Governor Lemanu P. S. Mauga



LEMANU P. S. MAUGA
GOVERNOR

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TALAUEGA E. V. ALE
LIEUTENANT GOVERNOR

January 11, 2021

Serial No.: 060 - 21

Honorable Tuoalo Manaia E. Fruean
President of the Senate
Senate
Legislature of American Samoa
American Samoa Government
Pago Pago, American Samoa 96799

Honorable Savali Talavou Ale
Speaker of the House
House of Representatives
Legislature of American Samoa
American Samoa Government
Pago Pago, American Samoa 96799

Afioga a le Peresetene ma le Fofoga Fetalai:

O lenei Ripoti o le Tulaga o le Teritori ua na'o se tuufaatasiga o ni sailiga. Tau ina ia avea ma faavae amata o se galuega matou te faia faatasi ma lo outou mamalu, le Vaega Faitulafono, mo le fa tausaga o loo lumana'i ai nei. Ua matou faia sina suiga itiiti mai le faataatiaga masani o malosiga ma vaivaiga o loo iai. Ua matou naunau e taula'i i le tuufaatasia o outou finagalo ma i matou nei mo se manuia aga'i i luma, ae faatuana'i ni faaletonu sa iai.

O le faamoemoe autu, o le pasia o se tupe faasoa e talafeagai ma tatou malilie faatasi ai. E pei ona outou silafia, e le mafai ona faagaoioi ai pea se faigamalo i poloa'iga *executive orders* ma maliliega faavaitaimi *resolutions*.

E pei ona avatu i le ripoti, e faamuamua le faamautinoa o lo tatou saogalemu tau tamaoaiga i le fa tausaga o lumanai ma talaatu e aofia ai le – sa'o ma tonu o ripoti o tupe maua ma tupe faaalu, faasaoina o tupe faaalu, le tausiga poto o tamaoaiga ua foa'iina mai, ma le faatumau o le ta'uuleleia ma le faamaoni. Ua auiliili atu foi a matou fuafuaga o le faafeagai ma le KOVITI e aofia ai se fuafuaga mo le toe foimai o le sili ai le 600 tagata mai Amerika.

I le ma lea, ua avatu foi se vaaiga lautele i isi vaega uma o tautua ma faagaoioiga o le malo.

Faamoemoe lava ia iai se uiga aoga o lenei ripoti i le amataina o lo tatou galulue faatasi mo le lelei atili o le tulaga o le teritori. Matou te faatuatua i lo outou finagalo e tuutoina o tatou soifua ma se malosiga e saili ai ni finagalo mo le alu i luma i le ta'ita'iga poto a le Atua.

Dear Mr. President and Mr. Speaker:

This submitted State of the Territory Address is a summary of our findings. It is the initial part of the groundwork for the next four years between your esteemed legislative branch and ours. We have deviated from the normal layout of identifying strengths and weaknesses, for we aim not to focus on any shortfalls of our predecessors but our joint efforts in moving forward.

Our priority goal is passage of an achievable budget we can agree and settle on, as we cannot continue to operate on executive orders and resolutions.

As outlined in the contents, ensuring a safe financial state is topmost in our four-year focus which entails accurate accounts of government funds and expenditures, cost saving measures, wise stewarding of resources, and maintaining integrity. We have detailed plans for addressing COVID-19 issues including a progressive plan for repatriation of over 600 residents from the US.

An overview of the current state of each area of operations and services is included.

May this report be a meaningful starting ground for our concerted endeavors for the betterment of the current state of our territory. We have faith in your commitment to move our government forward in the best direction and as God leads.

Soifua,



Governor of American Samoa

cc: Honorable Talauega E. V. Ale, Lieutenant Governor
Honorable Lealaialoa Michael Kruse, Chief Justice of American Samoa
Honorable Douglas Domenech, Assistant Secretary of Insular and International Affairs

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Foreword

January 11th, 2021
37th Legislature, First Regular Session

Servant of God, Honorable Tuaolo Manaia E. Fruean, President of the Senate and Honorable Savali Talavou Ale, Speaker of the House, Honorable Lealaialoa Michael Kruse, Chief Justice and Honorable Judges, Honorable Mauga T. Asuega, Secretary of Samoan Affairs and District Governors, Traditional leaders, ladies and gentlemen.

On January 3rd, 2021, Talauega E. V. Ale and I formally accepted the will of the people to continue building upon the foundation laid by our predecessors. We took the oath of office with a shared commitment for the duties we have been entrusted with. The privilege of self-governance must never be taken for granted and as a pillar of our democracy, it must be safeguarded.

We have appointed a dynamic group of knowledgeable leaders to serve as Department and Agency Directors. Each individual possesses a unique set of skills, strong work ethics and a commitment to public service. Confirming their appointments is critical to executing our administration's plans.

As stated in my inauguration speech, our first order of business was the request for a special session to prevent the disruption in government services and operations. I extend our sincere gratitude to our Honorable President Tuaolo Manaia E. Fruean and Speaker of the House Savali Talavou Ale and our Fono leaders for the expeditious and collaborative working efforts to establish the concurrent resolution.

We will work together with our Legislature to pass the FY 2021 budget to support continuity of government operations. We will also work with the Legislature to schedule confirmation hearings to allow our cabinet to begin its important work.

One of the most critical issues facing our government is the financial outlook. Corrective actions were implemented from our Bond Covenants or "Honolulu Plan" to include the increase in revenue collections, reduction of budget ceilings by 10%, resolved audit findings, and the commission of a comptroller. Further, there is a need for real time financial quarterly reconciliations and adjusting expenses accordingly to revenue collections in order to maintain positive fund balances.

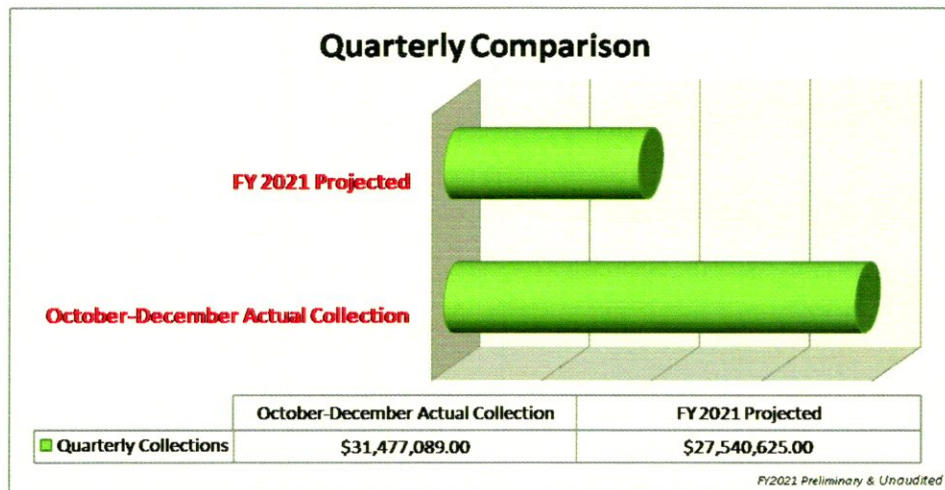
The U.S. Treasury Office of the Inspector General is conducting a full audit of our Corona Relief Fund. Our administration will continue these communications as necessary pending the outcome of the audit. I have reached out to the Department of Interior Office of Insular Affairs to help

with an external audit to conduct a review of the deployment of Corona Relief Fund and the projects.

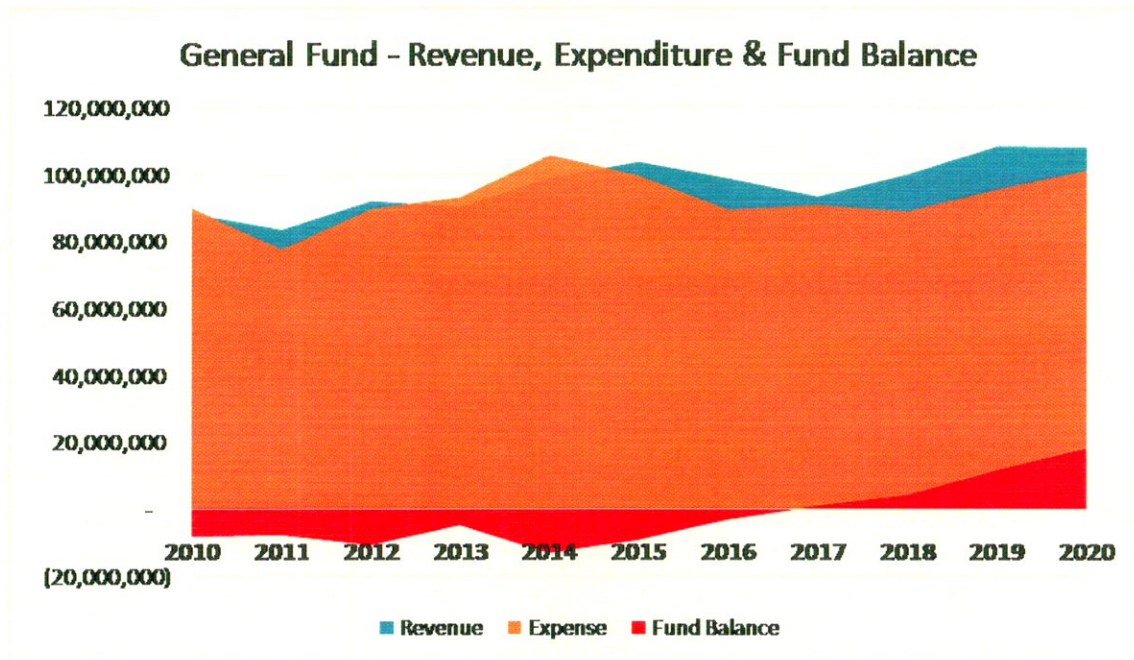
Our first year in office presents promise along with challenges. We will build on the positive trends and outcomes from our predecessors, while finding solutions and the best way forward. As in any progressive administration, opportunity is always available for growth and development.

State of Financial Outlook

- The administration has adhered to the resolution utilizing the fiscal year 2020 budget ceilings for expenses.
- Our revenue collections, however, have met the projections as proposed in the fiscal year 2021 budget.
- Preliminary statement of revenues, expenditures, and change in fund balance reflect a collection of revenues total at \$31,477,089 as of December 31, 2020.
- As compared to the proposed fiscal year 2021 projections of \$27,540,624 quarterly apportionments, actual revenue collections have clearly met projections.



- The revenue collection enforcement remains a priority for this administration.
- Adjusted mid-year analysis during March-April review of collections to projections shall be implemented as concurred in our bond covenants. Any adjustments to the government operations will reflect the revenues collected and reduction of expenditures will be implemented if warranted.
- As noted in the graph below, our general fund balance continues to trend positive implementing these corrective actions as mentioned above.



**FY 2020 - Preliminary & Unaudited*

State of Public Health & Safety

COVID-19 and Repatriation Plan

The COVID-19 Task Force has been reconstituted with the continued COVID-19 response, repatriation of hundreds of residents, and the vaccination of our community. While fortunate to remain among the few covid-free locations in the world, travel restrictions have posed adverse impacts on residents stranded abroad and on our local industries.

A multi-phase Repatriation Plan is underway for the first of a series of repatriation flights in close coordination with the American Samoa Government (ASG) Hawaii office and the support of the State of Hawaii Government.

The Department of Health has launched the Repatriation Flight Information link found on the American Samoa Government website to register as returning our residents home safely. I ask that our people be patient as the health experts implement the phased plan to meet the Center of Disease Control (CDC) health requirements of quarantine and vaccination.

The Task Force under the leadership of our Lieutenant Governor will be providing clear and concise information on the plans being deployed for the repatriation in the days to come as we prepare to bring our people home.

Further, the Vaccine Distribution Working Group under the new COVID-19 Task Force have been working diligently in implementing tiered vaccination schedules to ensure that our frontline

healthcare workers, first responders, high-risk populations and ultimately the entire community is able to get vaccinated.

We express our sincere appreciation for the vigilance and tireless efforts of our healthcare professionals, first responders, and all involved in the coordination of a complex repatriation operation. We intend to improve upon these plans based on the best available data from our experts while ensuring our residents are able to return to their families both swiftly and safely.

Both myself and the Lieutenant Governor received our first vaccination dose and we encourage our government workforce and general public to do so when the opportunity arises.

Path Forward & Opportunities

Our Territory along with the country are fortunate with the recent passage of the Consolidated Appropriations Act 2021 signed into law by President Trump on December 27, 2020. Immediate benefit for our people is the Economic Impact Payments (EIP) or Stimulus. The approved disbursement of \$600 per adult and child will bring added relief into the hands of our people and economy. Democrats have obtained control of both the White House and US Congress with a push to increase EIP payments to \$2,000.

The Acting Treasurer and tax office officials are in discussions with the IRS to finalize the implementation plan. Based on our local filers from the first EIP, a disbursement of over \$23 million is proposed and will be forthcoming once approved.

Treasury will provide updates and information to ensure the deployment is timely and coordinated efforts are synchronized. Tax filing season is also approaching and we are expecting another round of Tax Refunds payments to be happening simultaneously.

The Acting Director and Department of Commerce will be implementing numerous economic development projects under the CARES Act funding to include \$2.5 million, \$2 million revolving fund with TBAS, the AS Territorial Broadband Strategy, and an additional \$4.4 million for super alia commercial fishing workforce development and economic diversification.

US Department of Housing and Urban Development published allocations that include American Samoa for CDBG-MIT funding at \$1.47 million. This new grant is tied to the \$23 million allocation for CDBG-DR from Tropical Storm Gita to assist our people and infrastructure.

Priorities noted and passed in the Consolidated Appropriations Act 2021 include additional funds for the Payroll Protection Program with SBA and lending institutes, the EIP or Stimulus, education, unemployment, vaccine testing, mental health and health providers, aid to state and local governments, agriculture and farming and other services supporting the federal declared pandemic response and efforts.

Future emergency relief appropriated funds will greatly benefit American Samoa. Our local government is working hand in hand with our federal counterparts to ensure that awarded eligible funds for American Samoa are obtained. I am committed to securing these eligible funds for the improvement of our Territory.

Concluding Remarks

Our most immediate focus is the safety and health of our people — we are facing life and death with COVID-19. We have no way of easing the challenges without continuing with the current focus on protective measures. We are blessed with the vaccine being made available to our Territory immediately. Several other areas around the country and in the Pacific region have yet to receive shipment. Despite the limited resources, our health care professions and departments have done a tremendous job in promoting awareness and preparations lest COVID-19 reaches our shores.

With that, we will continue to set every achievable measure to keep us free from the virus as we have been for the last ten months. At the same time, we will keep our promise to revisit the pressing requests for repatriation with critical care requirements. Plans are already in motion for the first repatriation flight. We continue to communicate with agencies in Hawaii to facilitate the first stages of the Repatriation Plan.

Secondly, with the current audit by the Office of the Inspector General on the use of the Corona Relief Fund (CRF), we launched an approach to increase being accountable in every area of our work performances. We hope, pray, and work to further build our image as people of integrity and wise stewardship of resources we are blessed with.

Following our endeavors at accountability is the inevitable challenge of saving operational costs in each section of the government. Making tough decisions is never easy, but as leaders we are charged with such a calling. There are necessary changes that must be realized for the overall wellbeing of our people and government.

In the first 100 days, we hope to release a clear vision across various issues and priorities. While our many issues cannot be solved in 100 days, we do intend to outline the direction and priorities of our administration over the next four years.

Lastly, all of my collective experiences have reaffirmed my fundamental belief that anything meaningful and long lasting can only be accomplished by working together for the common good. Lieutenant Governor Talauega and I look forward to warm working relations with you in the next four years.

May God bless America and may God bless our beloved Territory of American Samoa.

Soifua,

Lemanu P. S. Mauga
Governor of American Samoa

