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## PRESS RELEASE

## CPA Officials Advocate for Opportunities and Assistance with Federal Partners in Washington D.C.

CPA Chair Kimberlyn King-Hinds and Executive Director Christopher S. Tenorio recently concluded a series of meetings with Congressional representatives and federal agencies in Washington, D.C. The purpose of these meetings was to seek assistance and support for issues pertaining to the port facilities and air service in the CNMI, including the extension of eligibility of essential air service (EAS) for CNMI inter-island routes.

These meetings held were as part of CPA's ongoing efforts to address the financial challenges faced by the CNMI's ports due to the lasting impacts of the COVID-19 pandemic.

Chair King-Hinds emphasized the importance of these meeting in elevating the concerns she raised in her communications with U.S. Department of Transportation Secretary Pete Buttigieg. "Throughout the pandemic, CPA has been proactive in engaging our federal partners to jointly address our challenges and our needs," said King-Hinds. "The pandemic, along with the decline in tourist arrivals and the slow recovery in the post-pandemic period, has had a severe impact on the financial condition of the ports, which rely on charges and fees levied on its users."

"These are complex issues," added Kim-Hinds. "But to safeguard our ports and the critical infrastructure of Saipan, Tinian, and Rota, we must establish strong relationships with our federal partners and advocate for the transportation needs of our population and economy."

During their visit to Washington, D.C., CPA met with Kevin Schlemmer, who is the Associate Director of the Essential Air Service & Domestic Analysis Division of the U.S. Department of Transportation. The discussions focused on the efforts to reinstate the CNMI into the EAS program, which provides federal carrier subsidies to rural and underserved areas. CPA reiterated the challenges faced by residents in terms of travel costs from Rota and Tinian to Saipan, as well as the limited availability and scheduling of air service for medical care. Mr. Schlemmer informed CPA that his office had provided information to Congressional inquiries about the history of the EAS program in the CNMI.

It was further noted that an amendment to the EAS statute, specifically the exemptions provided for Alaska and Hawaii, is required to extend EAS eligibility to the CNMI. The team had a productive meeting with CNMI Delegate Gregorio Kilili Sablan at his D.C. Congressional Office, expressing gratitude for his support and discussing Congressional amendments necessary for the CNMI's inclusion in the EAS program.

CPA also joined private sector leaders from the Saipan Chamber of Commerce during the D.C. visit to address a range of issues facing the CNMI economy. Joint CPA and Chamber meetings with federal officials discussed the impending implementation of the "touchback" provision, resumption of the tourist economy, and the rising costs borne by the private sector in the CNMI following the pandemic.

Alex Sablan, part of the Chamber delegation, echoed CPA's concerns and indicated that the business industry on Rota and Tinian have had tremendous challenges to growth due to travel limitations. Sablan stated, "Re-establishing the EAS program for the CNMI would not only give us a shot at establishing a tourism economy on Rota and Tinian, but it would also re-connect the residents there to Saipan and Guam, dramatically increasing those residents' access to medical care."

Moving forward, CPA remains focused on securing the necessary resources and programs to fulfill its critical role in supporting the wider economy. "The reality is that without sustained increases to our inbound travel to the CNMI or additional resources, CPA will be forced to make difficult choices that will raise the cost of travel to the CNMI and cripple any advantage we have in the competitive post-pandemic tourism market," warned King-Hinds. "We understand our responsibility and role in creating economic opportunities for the thousands of individuals and families that rely on our economy, and we are committed to making the most of every meeting and every opportunity. We will never stop advocating as hard as we can to secure enduring opportunities for our islands."

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