

Deserving U.S. territory employees to receive increased benefits

During the week of May 23, 2016 the United States Department of Interior, Office of Insular Affairs (OIA) awarded additional money to the Prior Service Trust Fund Administration (PSTF) to enact and fully fund an increased cost of living adjustment (COLA) for all existing PSTF beneficiaries. This is an addition to the annual funds received from OIA earlier this year to maintain existing payments to PSTF beneficiaries for the immediate futures as well. With the additional funds provided this week, PSTF can immediately raise the minimum benefit payment to \$50, retroactively award a 20% COLA to those above the new minimum, and provide a 3% annual COLA beginning October 2016.

Jerry Facey, an Advisor to PSTF, has been leading an annual delegation visit to Washington, D.C. to address this very issue. Upon receiving the news from OIA, Mr. Facey shared, "This is the most significant Prior Service achievement in many years and will impact the lives of close to 1,000 Micronesian families. While I regret that we were not able to accomplish this long overdue adjustment years ago, I find great joy in knowing we finally succeeded in a reasonable COLA." Mr. Facey, joined by Alexander R. Narruhn, the Administrator of the FSM Social Security Administration, was also very grateful to OIA Assistant Secretary Esther P. Kia'aina for her understanding and granting of this COLA request.

Brendan McCann, who recently joined the D.C. visit effort said, "We are very grateful and appreciative that OIA has recognized and funded the previous mishap of not providing enough funding that more appropriately reflected the needs of the beneficiaries. With these additional funds the COLA issue has been rectified. This is a major win for a very much deserving group."

PSTF recognizes the service of Micronesians who worked as Marine Scouts, Department of Navy workers, or official Trust Territory Employees from 1944-1968. These former U.S. employees worked at low wages, often less than \$1/hour, without retirement, survivorship, or disability benefits. Beneficiaries have not received an increased COLA since 1995, while Social Security rose over 40% in this time period.

Beneficiaries of PSTF total about one thousand and live in the Commonwealth of the Northern Mariana Islands, Republic of Palau, Federated States of Micronesia and the Marshall Islands. FSM has a total of 450 beneficiaries who are currently receiving Prior Service Benefits.