



BUDGET The United States
Department of the Interior
JUSTIFICATIONS

and Performance Information
Fiscal Year 2025

**OFFICE OF
INSULAR AFFAIRS**

NOTICE: These budget justifications are prepared for the Interior, Environment and Related Agencies Appropriations Subcommittees. Approval for release of the justifications prior to their printing in the public record of the Subcommittee hearings may be obtained through the Office of Budget of the Department of the Interior.



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General Statement

GENERAL STATEMENT

The Assistant Secretary – Insular, International, and Ocean Affairs and the Office of Insular Affairs (OIA) carry out the Secretary’s responsibilities for U.S.-affiliated insular areas. These include the territories of American Samoa, the Commonwealth of the Northern Mariana Islands (CNMI), Guam, and the U.S. Virgin Islands (USVI). Residents of these U.S. territories are U.S. citizens or U.S. nationals. Additionally, OIA administers and oversees Federal assistance to three freely associated states (FAS): the Federated States of Micronesia (FSM), the Republic of the Marshall Islands (RMI), and the Republic of Palau (Palau). The territories are an integral part of the fabric of America, and the freely associated states, while independent, sovereign countries, are uniquely interwoven with the United States in terms of a shared history, ongoing partnership, and a common vision for a free and open Indo-Pacific.

Each of the territories and freely associated states are unique, yet their economies are all small, isolated, and primarily dependent on one or two main sources of income. The Office of Insular Affairs has an important role in understanding the nuances of the Federal government’s interrelationship with each of the insular areas. The Office of Insular Affairs facilitates coordination of Federal policies and programs to best serve the insular areas and utilizes its own assistance programs to fill gaps not fulfilled by other Federal programs to meet the needs of the insular areas.

The 2025 budget request strengthens insular economies through strategic investments such as infrastructure, energy independence and security, natural resource protection, capacity building, and compliance with the Insular Areas Act (Public Law (P.L) 112-149) related to groundwater monitoring of Runit Dome. The Office of Insular Affairs will also promote policies and work to improve Federal coordination on issues impacting insular economies and promoting well-being, equity, and justice for insular communities. Office of Insular Affairs programs are purposely designed to offer the flexibility needed to respond to urgent, immediate needs in the insular areas. In 2025, technical assistance will be provided to address pressing issues and priorities and develop action plans to mitigate the challenges the insular areas are facing. This assistance will include core investments that support the territories and FAS in delivering basic public services, such as healthcare, and economic development to their communities. Direct grants, reimbursable agreements, and contracts with technical assistance providers, both within and outside the Federal government, support these efforts. In addition, Capital Improvement Project (CIP) funds address a variety of infrastructure needs in the U.S. territories, including critical infrastructure such as hospitals, schools, wastewater, and solid waste systems to promote economic development; they can also be leveraged as local matching funds for other Federal grant programs.

Financial assistance provided under the Compacts of Free Association ended after fiscal year 2023 for the FSM and the RMI and will end after fiscal year 2024 for Palau. The Administration supports funding the renewal of our Compact of Free Association relationships with the FSM, the RMI, and Palau. The 2025 budget continues to seek \$6.5 billion in economic assistance needed to bring negotiated Compact-related agreements into force through a mandatory appropriation at the Department of the Interior. In addition to the \$6.5 billion requested for economic assistance, the mandatory proposal also includes \$634 million for continued U.S. Postal Service services to the FAS. Funding for postal services will be requested as a direct payment to the Postal Service Fund. The Administration’s proposal also contains language that would restore eligibility for key Federal public benefit programs for FAS individuals while

they are lawfully present in the United States – an important long-term solution to the financial impacts of these communities on U.S. state and territorial governments. Additionally, it includes language that would provide U.S. military veterans residing in the FAS with improved access to the Department of Veterans Affairs benefits they have earned and rightfully deserve for their service.

Good Accounting Obligation in Government Act Report

The Good Accounting Obligation in Government Act (GAO-IG Act, P.L. 115-414) enacted January 3, 2019, requires that Agencies report the status of each open audit recommendation issued more than one year prior to the submission of the Agency’s annual budget justification to Congress. The Act requires Agencies to include the current target completion date, implementation status, and any discrepancies on closure determinations.

The Department of the Interior leadership takes audit follow-up very seriously and considers our external auditors, to include the Government Accountability Office (GAO) and Office of the Inspector General, valued partners in not only improving the Department’s management and compliance obligations but also enhancing its programmatic and administrative operations. As stewards of taxpayer resources, the Department applies cost-benefit analysis and enterprise risk management principles in recommendation implementation decisions.

The Department’s GAO-IG Act Report is available at the following link: <https://www.doi.gov/cj>.

BUDGET HIGHLIGHTS

The proposed 2025 OIA budget for current appropriations is \$119.1 million. All permanent amounts for 2024-2025 in the table below are estimates.

Total OIA 2025 Budget Request
(Dollars in Thousands)

Budget Authority	2023 Actual	2024 Annualized CR	2025 President's Budget	Change from 2024 CR
Current Discretionary	101,100	101,100	91,402	-9,698
Current Mandatory	27,720	27,720	27,720	0
Total Current	128,820	128,820	119,122	-9,698
Total Permanent¹	527,432	588,797	1,950,847	1,362,050
Total OIA	656,252	717,617	2,069,969	1,352,352
<i>FTEs</i>	28	36	36	0

¹ Permanent figures shown in the OIA tables represent annualized budget authority for FY 2024 as provided through P.L. 118-15 and P.L. 118-22.

The budget of the Office of Insular Affairs is divided into two major categories of funding – current and permanent appropriations. Most of OIA’s budget reflects mandatory commitments to the U.S.-affiliated insular areas and is requested as a permanent appropriation. For 2025, these commitments are estimated at \$380.0 million for fiscal payments to Guam and the USVI and \$35.9 million for payments to the RMI under the Compact of Free Association’s subsidiary Military Use and Operating Rights Agreement.

The Administration supports funding the renewal of our Compact of Free Association relationships with the FSM, the RMI, and Palau. The budget continues to seek \$6.5 billion in economic assistance over 20 years to be provided through a mandatory appropriation at the Department of the Interior.

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Budget at a Glance

BUREAU-LEVEL TABLES

2025 Budget at a Glance

Office of Insular Affairs

(Dollars in Thousands)

Appropriation:	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Change (+/-)	2025 Request
<u>Assistance to Territories</u>						
American Samoa Operations	28,120	28,120	0	0	0	28,120
Capital Improvement Projects	27,720	27,720	0	0	+1,000	28,720
Capital Improvement Projects Mandatory	27,720	27,720	0	0	0	27,720
Capital Improvement Projects Discretionary	0	0	0	0	+1,000	1,000
<i>Address critical infrastructure needs</i>					<u>[+1,000]</u>	
Territorial Assistance	64,517	64,517	+508	0	-3,556	61,469
Office of Insular Affairs	10,217	10,217	+508	0	+744	11,469
<i>Baseline Capacity - 2024 Fixed Costs</i>					<u>[+544]</u>	
<i>NEPA support and compliance</i>					<u>[+200]</u>	
Technical Assistance	22,300	22,300	0	0	+1,000	23,300
<i>Compliance with P.L. 112-149</i>					<u>[+1,000]</u>	
Maintenance Assistance	4,375	4,375	0	0	0	4,375
Brown Tree Snake Control	3,500	3,500	0	0	+500	4,000
<i>BTS interdiction programs in Hawai'i, CNMI, and Guam</i>					<u>[+500]</u>	
Coral Reef Initiative & Natural Resources	2,625	2,625	0	0	+200	2,825
<i>Coral reef and invasive species control efforts</i>					<u>[+200]</u>	
Energizing Insular Communities	15,500	15,500	0	0	0	15,500
Compact Impact Discretionary	6,000	6,000	0	0	-6,000	0
<i>Expiration of Compact Impact authorization</i>					<u>[-6,000]</u>	
TOTAL, Assistance to Territories	120,357	120,357	+508	0	-2,556	118,309
<u>Compact of Free Association - Current</u>						
Federal Services	7,813	7,813	0	0	-7,000	813
<i>RMI Tax and Trade obligation fulfilled</i>					<u>[-5,000]</u>	
<i>USPS covered under new mandatory proposal</i>					<u>[-2,000]</u>	
Enewetak	650	650	0	0	-650	
<i>Authorization for Enewetak mandatory program expired</i>					<u>[-650]</u>	
TOTAL, Compact of Free Association, Current	8,463	8,463	0	0	-7,650	813
TOTAL, Current Discretionary/Mandatory	128,820	128,820	+508	0	-10,206	119,122
<u>Compact of Free Association</u>						
Marshall Islands Compact	85,247	85,247	0	0	+648,000	733,247
<i>Mandatory proposal</i>					<u>[+648,000]</u>	
Federated States of Micronesia Compact	123,550	123,550	0	0	+532,900	656,450
<i>Mandatory proposal</i>					<u>[+532,900]</u>	
Palau Compact	0	0	0	0	+180,600	180,600
<i>Mandatory proposal</i>					<u>[+180,600]</u>	
Compact Impact	30,000	0	0	0	0	0
Judicial Training	400	0	0	0	+550	550
<i>Mandatory proposal</i>					<u>[+550]</u>	
TOTAL, Compact of Free Association, Permanent¹	239,197	208,797	0	0	1,362,050	1,570,847²
<u>Fiscal Payments</u>						
Guam Section 30 Income Taxes	76,196	80,000	0	0	0	80,000
VI Rum Excise Taxes	212,039	300,000	0	0	0	300,000
TOTAL, Fiscal Payments (Permanent)	288,235	380,000	0	0	0	380,000
TOTAL, Permanent	527,432	588,797	0	0	+1,362,050	1,950,847
TOTAL, Office of Insular Affairs	656,252	717,617	+508	0	+1,351,844	2,069,969

¹ Permanent figures shown in the OIA tables for FY 2024 represent a baseline extension assumption. Actual funding provided to RMI and FSM is provided through P.L. 118-15, P.L. 118-22, and P.L. 118-35 and reflects FY 2023 funding provided pro-rata through March 8, 2024.

² Amounts shown in the FY 2025 column represent the sum of the total amounts due to FSM, Palau, and RMI, and for judicial training under the Compacts of Free Association Act of 2023, as well as the Military Use and Operating Rights Agreement funding due to RMI. The total budget authority for the mandatory proposal activities in FY 2025 is \$1.7 billion.

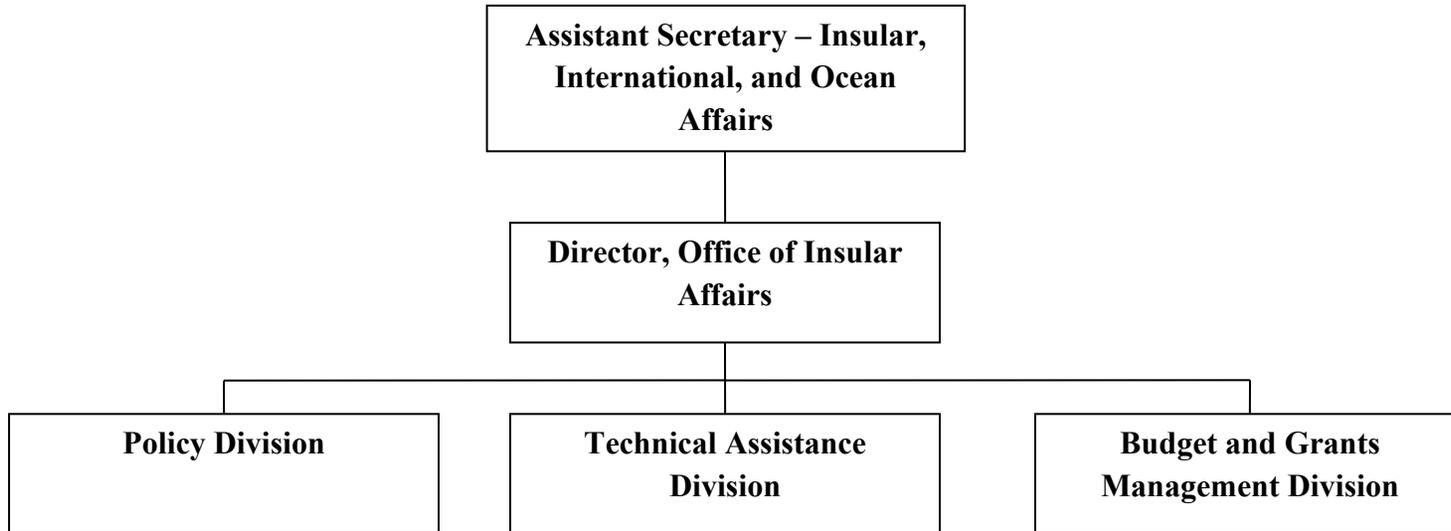
Office of Insular Affairs
2023 Funding (Budget Authority) by Activity and Insular Areas

US\$(000)

Activity	Am Samoa	CNMI	Guam	USVI	FSM	RMI	Palau	Hawai'i	DC	Other*	Total
Assistance to Territories											
American Samoa Operations	28,120										28,120
Capital Improvement Projects	10,982	8,278	6,460	2,000							27,720
Office of Insular Affairs								249	1,073	8,895	10,217
Technical Assistance	2,260	3,386	3,386	2,232	406	3,018		478		7,134	22,300
Maintenance Assistance	750	1,098	839	904	109		675				4,375
Brown Tree Snake Control		450	121					400		2,529	3,500
Coral Reef Initiative & Natural Resources	487	464	325	350			300			699	2,625
Energizing Insular Communities	4,194	3,857	3,000	4,295						154	15,500
Compact Impact Discretionary	3	331	2,506					3,160			6,000
<i>Total, Assistance to Territories</i>	<i>46,796</i>	<i>17,864</i>	<i>16,637</i>	<i>9,781</i>	<i>515</i>	<i>3,018</i>	<i>975</i>	<i>4,287</i>	<i>1,073</i>	<i>19,411</i>	<i>120,357</i>
Compact of Free Association - Current											
Federal Services						5,000				2,813	7,813
Enewetak						650					650
<i>Total, Compact of Free Association - Current</i>						<i>5,650</i>				<i>2,813</i>	<i>8,463</i>
Total Current Discretionary/Mandatory	46,796	17,864	16,637	9,781	515	8,668	975	4,287	1,073	22,224	128,820
Compact of Free Association											
Marshall Islands Compact						85,247					85,247
Federated States of Micronesia Compact					123,550						123,550
Compact Impact	16	1,653	12,532					15,799			30,000
Judicial Training										400	400
<i>Total, Compact (Permanent)</i>	<i>16</i>	<i>1,653</i>	<i>12,532</i>		<i>123,550</i>	<i>85,247</i>		<i>15,799</i>		<i>400</i>	<i>239,197</i>
Fiscal Payments											
Guam Section 30 Income Taxes			76,196								76,196
VI Rum Excise Taxes				212,039							212,039
<i>Total, Fiscal Payments (Permanent)</i>			<i>76,196</i>	<i>212,039</i>							<i>288,235</i>
Total Permanent Mandatory	16	1,653	88,728	212,039	123,550	85,247		15,799		400	527,432
Grand Total - Office of Insular Affairs	46,812	19,517	105,365	221,820	124,065	93,915	975	20,086	1,073	22,624	656,252

*Includes unawarded amounts where the funds are not appropriated for a specific location.

Organization Chart
Office of Insular Affairs



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Summary of Requirements

SUMMARY OF REQUIREMENTS

Office of Insular Affairs
ASSISTANCE TO TERRITORIES
2025 Summary of Requirements
(Dollars in Thousands)

	2023 Actual	2023 Actual FTE	2024 Annualized CR	2024 Annualized CR FTE	2025 Request Fixed Costs (+/-)	2025 Request Internal Transfers (+/-)	2025 Request Program Changes (\$)	2025 Request Program Changes FTE (+/-)	2025 Request	2025 Request FTE	2025 Request TOTAL Change from CY (+/-)
ASSISTANCE TO TERRITORIES											
1. American Samoa Operations	28,120	2	28,120	2	-	-	-	-	28,120	2	-
Subtotal, American Samoa Operations	28,120	2	28,120	2	-	-	-	-	28,120	2	-
2. Capital Improvement Project (CIP) Grants											
Capital Improvement Projects - Mandatory	27,720	-	27,720	-	-	-	-	-	27,720	-	-
Capital Improvement Projects - Discretionary	-	-	-	-	-	-	+1,000	-	1,000	-	+1,000
Subtotal, CIP Grants	27,720	-	27,720	-	-	-	+1,000	-	28,720	-	+1,000
3. Territorial Assistance											
Office of Insular Affairs	10,217	26	10,217	34	+508	-	+744	-	11,469	34	+1,252
Technical Assistance	22,300	-	22,300	-	-	-	+1,000	-	23,300	-	+1,000
Maintenance Assistance	4,375	-	4,375	-	-	-	-	-	4,375	-	-
Brown Tree Snake Control	3,500	-	3,500	-	-	-	+500	-	4,000	-	+500
Coral Reef Initiative & Natural Resources	2,625	-	2,625	-	-	-	+200	-	2,825	-	+200
Energizing Insular Communities	15,500	-	15,500	-	-	-	-	-	15,500	-	-
Compact Impact - Discretionary	6,000	-	6,000	-	-	-	-6,000	-	-	-	-6,000
Subtotal, Territorial Assistance	64,517	26	64,517	34	+508	-	-3,556	-	61,469	34	-3,048
TOTAL, Assistance to Territories	120,357	28	120,357	36	+508	-	-2,556	-	118,309	36	-2,048

Office of Insular Affairs
COMPACT OF FREE ASSOCIATION - CURRENT APPROPRIATION
2025 Summary of Requirements
(Dollars in Thousands)

Compact of Free Association - Current Appropriation	2023 Actual	2023 Actual FTE	2024 Annualized CR	2024 Annualized CR FTE	2025 Request Fixed Costs (+/-)	2025 Request Internal Transfers (+/-)	2025 Request Program Changes (\$)	2025 Request Program Changes FTE (+/-)	2025 Request	2025 Request FTE	2025 Request TOTAL Change from CY (+/-)
COMPACT OF FREE ASSOCIATION - CURRENT											
1. Federal Services	7,813	-	7,813	-	-	-	-7,000	-	813	-	-7,000
2. Enewetak	650	-	650	-	-	-	-650	-	-	-	-650
TOTAL, Compact of Free Association, Current	8,463	-	8,463	-	-	-	-7,650	-	813	-	-7,650

Office of Insular Affairs
COMPACT OF FREE ASSOCIATION - PERMANENT APPROPRIATION
2025 Summary of Requirements
(Dollars in Thousands)

Compact of Free Association - Permanent Appropriation	2023 Actual	2023 Actual FTE	2024 Annualized CR	2024 Annualized CR FTE	2025 Request Fixed Costs (+/-)	2025 Request Internal Transfers (+/-)	2025 Request Program Changes ² (\$)	2025 Request Program Changes FTE (+/-)	2025 Request	2025 Request FTE	2025 Request TOTAL Change from CY (+/-)
COMPACT OF FREE ASSOCIATION – PERMANENT											
1. Assistance to the Marshall Islands											
Sector Grants	36,968	-	36,968	-	-	-	-	-	-	-	-
Audit	500	-	500	-	-	-	-	-	-	-	-
Trust Fund	22,021	-	22,021	-	-	-	-	-	-	-	-
Rongelap Resettlement	-	-	-	-	-	-	-	-	-	-	-
Kwajalein Lease Payment	24,023	-	24,023	-	-	-	-	-	-	-	-
Enewetak	1,735	-	1,735	-	-	-	-	-	-	-	-
Subtotal, Marshall Islands Assistance	85,247	-	85,247	-	-	-	+648,000	-	733,247	-	+648,000
2. Assistance to the Federated States of Micronesia											
Sector Grants	83,546	-	83,546	-	-	-	-	-	-	-	-
Trust Fund	39,504	-	39,504	-	-	-	-	-	-	-	-
Audit	500	-	500	-	-	-	-	-	-	-	-
Subtotal, FSM Assistance	123,550	-	123,550	-	-	-	+532,900	-	656,450	-	+532,900
3. Assistance to the Republic of Palau	-	-	-	-	-	-	-	-	-	-	-
Subtotal, Palau Assistance	-	-	-	-	-	-	+180,600	-	180,600	-	+180,600
4. Compact Impact	30,000	-	-	-	-	-	-	-	-	-	-
5. Judicial Training	400	-	-	-	-	-	+550	-	550	-	+550
TOTAL, Compact of Free Association, Permanent¹	239,197		208,797				+1,362,050		1,570,847		+1,362,050
											0

¹ Permanent figures shown in the OIA tables for FY24 represent annualized budget authority for FY 2024 as provided through P.L.118-15 and P.L. 118-22.

² Program changes shown for FY 2025 reflect the COFA mandatory proposal amounts for each activity and does not directly align with the subactivity breakdown shown for FY 2023 and FY 2024. Further details can be found in the mandatory proposal.

FIXED COSTS AND RELATED CHANGES

Office of Insular Affairs Justification of Fixed Costs Changes

(Dollars in Thousands)

Fixed Cost Element	2024 Annualized CR or Change	2024 Annualized CR to 2025 Request Change	Description
Change in Number of Paid Days	+24	+0	Total paid days for FY 2025 is 261 (2088 hours) which is the same number of days as FY 2024.
Pay Raise	+298	+176	The President's Budget for 2025 includes one quarter (October-December 2024) of the 5.2% pay raise for 2024 and three quarters (January-September 2025) of the estimated 2.0% pay raise for 2025.
Employer Share of Federal Employee Retirement System	+0	+0	The estimates do not reflect increases to the employer contribution for FERS or Law Enforcement FERS for FY 2025.
Departmental Working Capital Fund (WCF)	+48	+180	The estimates reflect final decisions of the Working Capital Fund Consortium on the FY 2025 Working Capital Fund Central Bill.
Worker's Compensation Payments	+0	+0	The amount reflects final chargeback costs of compensating injured employees and dependents of employees who suffer accidental death while on duty. This amount reflects the final Workers Compensation bill for 2025 payable to the Department of Labor, Federal Employees Compensation Fund, pursuant to 5 U.S.C. 8147(b) as amended by Public Law 94-273.
Unemployment Compensation Payments	+0	+0	The amount reflects projected changes in the costs of unemployment compensation claims to be paid to the Department of Labor, Federal Employees Compensation Account, in the Unemployment Trust Fund, pursuant to Public Law 96-499. This estimate reflects an applied annual inflation factor of 3.0% to the 5-year average of actuals between 2018-2022.
GSA and Non-GSA Rents	+169	+152	This estimate reflects the FY 2025 President's Budget Exhibit 54s as submitted. The amounts reflect changes in the costs payable to General Services Administration (GSA) and others for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These estimates reflect MIB rent, Security, Federal Reserve Parking, and Operations and Maintenance, distributed by bureau and office, based upon OFAS provided MIB occupancy levels. Costs of mandatory office relocations, i.e., relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included.
Baseline Adjustments for O&M Increases	+0	+0	This adjustment captures the associated increase to baseline operations and maintenance requirements resulting from movement out of GSA or direct-leased (commercial) space into Bureau-owned space. During these transitions, bureaus often encounter an increase to baseline O&M costs not otherwise captured in fixed costs. This category of funding properly adjusts the baseline fixed cost amount to maintain steady-state funding for these requirements.
Total, Assistance to Territories 2025 Fixed Costs	+539	+508	

Appropriations Language

APPROPRIATIONS LANGUAGE

Assistance to Territories

For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, \$118,309,000, of which: (1) \$106,840,000 shall remain available until expended for territorial assistance, including general technical assistance, maintenance assistance, disaster assistance, coral reef initiative and natural resources activities, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands, as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands, as authorized by law (Public Law 94–241; 90 Stat. 272); and (2) \$11,469,000 shall be available until September 30, 2026, for salaries and expenses of the Office of Insular Affairs: Provided, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or used by such governments, may be audited by the Government Accountability Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: Provided further, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 104–134: Provided further, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure with territorial participation and cost sharing to be determined by the Secretary based on the grantee's commitment to timely maintenance of its capital assets: Provided further, That any appropriation for disaster assistance under this heading in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c).

Note.—A full-year 2024 appropriation for this account was not enacted at the time the Budget was prepared; therefore, the Budget assumes this account is operating under the Continuing Appropriations Act, 2024 and Other Extensions Act (Division A of Public Law 118–15, as amended). The amounts included for 2024 reflect the annualized level provided by the continuing resolution.

Compact of Free Association

For grants and necessary expenses, \$813,000, to remain available until expended, to support federal services and programs provided to the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia.

Note.—A full-year 2024 appropriation for this account was not enacted at the time the Budget was prepared; therefore, the Budget assumes this account is operating under the Continuing Appropriations Act, 2024 and Other Extensions Act (Division A of Public Law 118–15, as amended). The amounts included for 2024 reflect the annualized level provided by the continuing resolution.

Administrative Provisions (including transfer of funds)

At the request of the Governor of Guam, the Secretary may transfer discretionary funds or mandatory funds provided under section 104(e) of Public Law 108–188 and Public Law 104–134, that are allocated for Guam, to the Secretary of Agriculture for the subsidy cost of direct or guaranteed loans, plus not to exceed three percent of the amount of the subsidy transferred for the cost of loan administration, for the purposes authorized by the Rural Electrification Act of 1936 and section 306(a)(1) of the Consolidated Farm and Rural Development Act for construction and repair projects in Guam, and such funds shall remain available until expended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such loans or loan guarantees may be made without regard to the population of the area, credit elsewhere requirements, and restrictions on the types of eligible entities under the Rural Electrification Act of 1936 and section 306(a)(1) of the Consolidated Farm and Rural Development Act: Provided further, That any funds transferred to the Secretary of Agriculture shall be in addition to funds otherwise made available to make or guarantee loans under such authorities.

Authorizations

(1) Guam. Executive Order 10077, dated September 7, 1949, transferred administrative responsibilities for Guam from the Secretary of the Navy to the Secretary of the Interior. Executive Order 10137, of June 30, 1950, amended Executive Order 10077 to make the transfer effective on July 1, 1950. The Guam Organic Act was approved on August 1, 1950 (64 Stat. 384, 48 U.S.C. Sec. 1421 et. seq.) and declared Guam to be an unincorporated territory of the United States and provided that Guam’s relationship with the Federal Government shall be under the general administrative supervision of the Secretary of the Interior. As a result of subsequent amendments to the Organic Act, Guam also elects its Governor and a Delegate to the United States Congress.

(2) American Samoa. In 1900, the islands were placed under the administration of the Secretary of the Navy by Executive Order. In the Act of February 20, 1929 (48 U.S.C. 1661), Congress stated that until it shall provide for the Government of the islands of American Samoa, “all civil, judicial, and military powers shall be vested in such manner as the President of the United States shall direct.” The President vested these powers in the Secretary of the Interior by Executive Order 10264, dated June 29, 1951. Secretary’s Order No. 2657, dated August 29, 1951, set forth the extent and nature of the authority of the Government of American Samoa and the manner in which the authority is to be exercised. Secretarial Order 3009 dated September 24, 1977, provided for an elected Governor and Lt. Governor for American Samoa, and elected officials first took office on January 3, 1978. Pursuant to Public Law 95-556, American Samoa, in November 1980, elected its first Delegate to the United States Congress.

(3) U.S. Virgin Islands. The islands were under the jurisdiction of the Navy Department from March 21, 1917, until March 18, 1931 (48 U.S.C. 1391), when responsibilities were transferred to the Secretary of the Interior pursuant to Executive Order 5566, dated February 27, 1931. Organic legislation was first passed in 1936 (49 Stat. 1812), and was revised by Public Law 83-517, effective July 22, 1954 (48 U.S.C. et. seq.). The latter has since been amended in various respects and the Virgin Islands’ elected officials first took office on January 3, 1978.

(4) Northern Mariana Islands. On March 24, 1976, the President signed a joint resolution of Congress approving the “Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America” (Public Law 94-241). The islands remained a part of the Trust Territory of the Pacific Islands under the jurisdiction of the Secretary of the Interior pursuant to Executive Order 11021 of May 7, 1962. Secretarial Order 2989 dated March 14, 1976, and effective January 9, 1978, provided for the separate administration of the Northern Mariana Islands, provided for the elected Government in the Northern Mariana Islands, and activated various sections of the Covenant. By Presidential Proclamation of November 3, 1986, and as a result of a valid act of self-determination pursuant to Section 1002 of the Covenant, the Northern Mariana Islands ceased to be bound by the United Nations Trusteeship Agreement of 1947 and became a commonwealth in political union and under the sovereignty of the United States.

(5) Office of Insular Affairs. Established August 4, 1995, by Secretarial Order No. 3191.

(6) Covenant (CIP) Grants. Funding under the Northern Marianas Covenant was first established in 1976 under Public Law (P.L.) 94-241, A Joint Resolution to Approve the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America. This was later amended in 1986 by Section 10 of P.L. 99-396 (100 Stat. 840). These provisions were further amended by Public Law 104-134, enacted in 1996, which reduced annual funding to the Northern Mariana Islands and reallocated additional funding to other uses, including capital infrastructure projects in American Samoa, Guam, and the U.S. Virgin Islands.

(7) Compacts of Free Association. The Compact of Free Association Act of 1985 was enacted in January 1986 (P.L. 99-239) and authorized funding over a fifteen-year period for the Federated States of Micronesia and the Republic of the Marshall Islands. In December 2003, the President signed Public Law 108-188, enacting amendments to the Compact of Free Association and providing an additional twenty years of guaranteed annual assistance to the Federated States of Micronesia and the Republic of the Marshall Islands. The Compact of Free Association for the Republic of Palau was enacted on November 14, 1986 as P.L. 99-658, and was implemented on October 1, 1994.

These basic legal authorities have been supplemented and modified over the years by various omnibus territory acts and other program legislation.

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American Samoa Operations

AMERICAN SAMOA OPERATIONS

Activity: American Samoa

Subactivity: American Samoa Operations \$(000)

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
American Samoa Operations	28,120	28,120	0	0	0	28,120	0
General Operations	27,208	27,158	0	+26	0	27,184	0
High Court	912	962	0	-26	0	936	0
<i>FTE</i>	2	2	0	0	0	2	0

Program Overview

Each year the Office of Insular Affairs provides grant funds to American Samoa for the operation of the local government, including the judiciary. The American Samoa Government (ASG) does not have sufficient local revenues to fund the entire operating costs of its government. The purpose of this program activity is to fund the difference between budget needs and local revenues. The Department defines “budget needs” as the cost of maintaining current programs and services. Unless mutually agreed upon by the ASG and the Department, new programs are funded from local revenues.

2025 Program Performance

American Samoa will provide financial reports beginning with the quarter ending December 31, 2024, through the quarter ending September 30, 2025.

The following chart reflects the ASG’s operations funding priorities for 2023, 2024 and 2025:

Funding Category	2023 Award	2024 Award	2025 Proposed Award
Department of Education Operations	\$13,087,000	\$11,595,000	\$13,063,000
Lyndon B. Johnson Tropical Medical Center (Hospital)	\$12,563,000	\$12,563,000	\$12,563,000
American Samoa Community College Operations	\$1,558,000	\$3,000,000	\$1,558,000
High Court	\$912,000	\$962,000	\$936,000
Total	\$28,120,000	\$28,120,000	\$28,120,000

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CIP Grants

CAPITAL IMPROVEMENT PROJECT (CIP) GRANTS SUMMARY

Activity: Capital Improvement Project (CIP) Grants \$(000) SUMMARY TABLE

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Capital Improvement Project Grants	27,720	27,720	0	0	+1,000	28,720	+1,000
Capital Improvement Project Grants – Mandatory	27,720	27,720	0	0	0	27,720	0
Capital Improvement Project Grants – Discretionary	0	0	0	0	+1,000	1,000	+1,000
<i>FTE</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

Capital Improvement Project funds address a variety of infrastructure needs in the U.S. territories including critical infrastructure such as hospitals, schools, wastewater, and solid waste systems. Improvements to critical infrastructure not only benefit the current population and businesses but also lay the groundwork to attract new investment to the territories, thereby promoting economic development.

Program Overview

Section 701 of the Covenant (Public Law 94-241) states, “*The Government of the United States will assist the Government of the Northern Mariana Islands in its efforts to achieve a progressively higher standard of living for its people as part of the American economic community and to develop the economic resources needed to meet the financial responsibilities of local self-government.*” Section 701 does not contain a standard to measure what is an adequate standard of living or the amount of economic resources necessary to meet the financial responsibilities of local self-government. Instead, it speaks of achieving progressively higher standards and a commitment by the Federal government to assist the CNMI in making progress.

Legislation enacted in 1996 established a minimum six-year CIP program for Guam as impact aid resulting from Micronesian immigration authorized in the Compacts of Free Association. Beginning in 2004, however, funding for impact aid for Guam was authorized and appropriated under the Compact of Free Association Amendments Act of 2003 (P.L. 108-188), which shifted the funding for impact aid from the CIP program to the Compact Impact program.

Public Law 104-134, enacted in 1996, allowed mandatory Covenant CIP funding, previously provided only to the CNMI, to be disbursed throughout the U.S. insular areas. Over the years, significant increases in construction and labor costs continue to erode at the impact of the mandatory CIP funding on infrastructure needs in the territories. The 2025 budget includes \$1,000,000 in discretionary funding to provide additional grant funding and financial support to the territories as they continue to address critical needs for infrastructure improvement.

Capital Improvement Project Grants

Activity: Capital Improvement Project (CIP) Grants \$(000)

Subactivity: CIP Grants - Mandatory

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Capital Improvement Project Grants - Mandatory	27,720	27,720	0	0	0	27,720	0
CNMI Construction	8,278	7,032	0	0	+1,167	8,199	+1,167
American Samoa Construction	10,982	11,605	0	0	-975	10,630	-975
Guam Construction	6,460	7,083	0	0	-255	6,828	-255
Virgin Islands Construction	2,000	2,000	0	0	+63	2,063	+63
<i>FTE</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

Capital Improvement Project funds address a variety of infrastructure needs in the U.S. territories. Beginning with 2005, OIA implemented a competitive allocation system for the \$27.7 million in mandatory CIP grants. It is based on a premise that all funds will be used for capital needs in the U.S. territories. The process offers the U.S. territorial governments an opportunity to compete each year for a portion of the guaranteed funding in addition to other assistance or local funding that might be available.

Base level funding was established based on historic trends in 2005 when the competitive allocation system was implemented. It was adjusted for fiscal years 2012, 2017, and 2022 based upon the performance of each of the U.S. territories over the past five years as required by the Section 702 Funding Agreement of 2004 between OIA and the CNMI.

Fiscal Year 2022 Baseline CIP Funding

(\$000)

CNMI	9,032
American Samoa	9,963
Guam	6,328
USVI	<u>2,397</u>
TOTAL	27,720

The determination of the annual allocation is made based on a set of competitive criteria that measure the demonstrated ability of the governments to exercise prudent financial management practices and to meet Federal grant requirements. These criteria were revised in 2009 to strengthen these measures and to ensure that awarded funds are being utilized efficiently and effectively. In addition to the application of these criteria to the allocation of capital improvement assistance, OIA may consider the capacity of each insular government to absorb the amount of capital assistance it would otherwise qualify for and any special or extenuating conditions, such as unspent balances, that might require adjustments to the allocation.

Competitive Criteria for the Proposed Allocation of Mandatory CIP Funding

1. The extent to which the applicant complies with completion deadlines established under the Single Audit Act of 1984.
2. The extent to which the applicant's financial statements are reliable.
3. The extent to which the applicant is exercising prudent financial management and is solvent.
4. The extent to which the applicant has demonstrated prompt and effective efforts to resolve questioned costs and internal control deficiencies identified in single audits.
5. The extent to which the applicant has responded to recommendations identified in reviews completed by the Office of Inspector General, the Government Accountability Office and other Federal agencies.
6. The extent to which the applicant has demonstrated effective contract administration and compliance with local statutes and regulations regarding procurement practices and processes.
7. The extent to which the applicant's capital improvement application is complete and submitted on time.
8. The extent to which the applicant has complied with all reporting requirements applicable to past and ongoing grants in an accurate manner.
9. The extent to which the applicant dedicates adequate resources to critical offices to help ensure properly functioning internal controls and efficient operations, including the presence of a qualified independent auditor with an adequately funded office and strong safeguards to its independence.
10. The extent to which the applicant is able to successfully expend capital improvement funds within the award period.

While the total available for funding stays constant (\$27.72 million), allocations will vary from year to year depending upon the performance of each insular government with respect to the above competitive criteria, however adjustments to the allocation to any territory shall not increase or decrease by more than \$2 million from each territory's baseline allocation. A change in an annual allotment does not necessarily indicate deterioration in performance. It instead recognizes those governments whose performance has increased during a fiscal year.

The competitive allocation system is applied to the \$27.72 million in CIP funds using a point method. The territories are given a score on each of the above criteria. The criteria themselves are ranked so that those considered more significant receive a higher weight than those considered less important in the overall, final score.

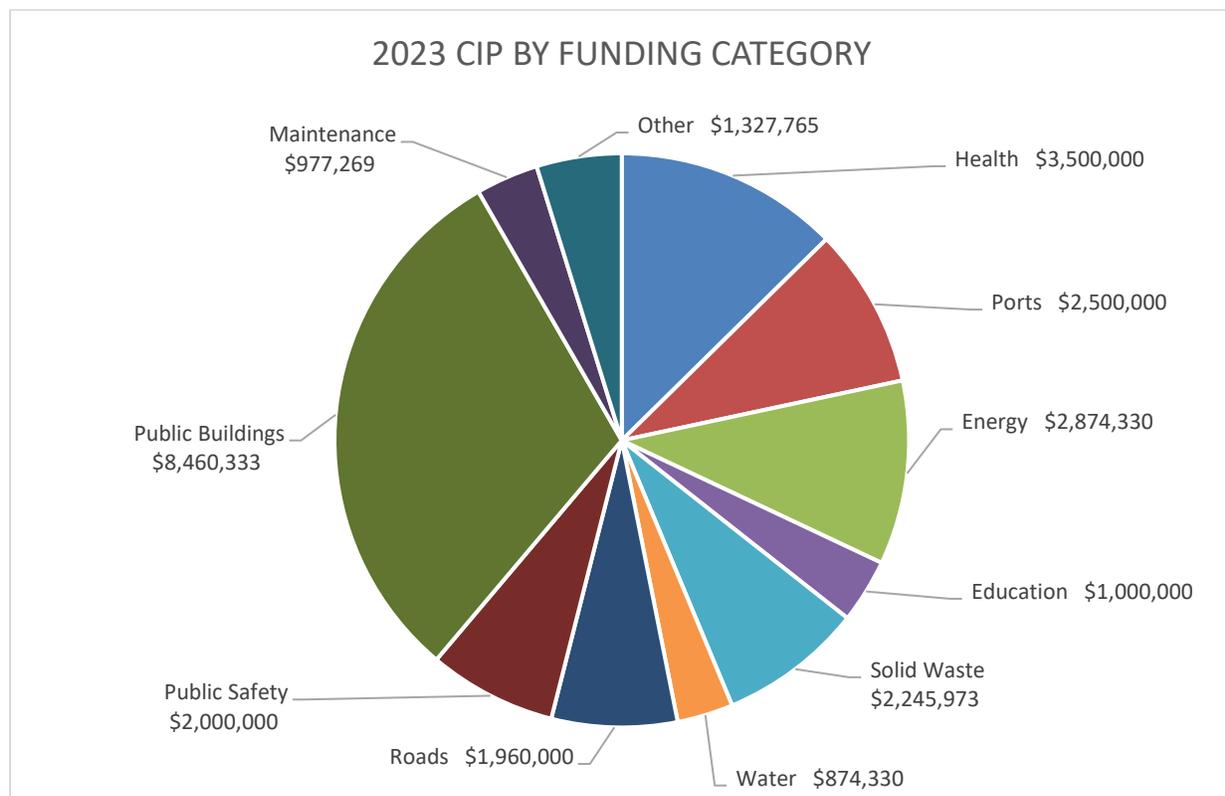
To ensure that no territory receives less than \$2 million as a result of the annual allocation and to discourage accumulating CIP funding over multiple fiscal years, OIA proposed an allocation floor of \$2 million. This proposal was communicated to the Governors of each territory in the notice of the fiscal year 2023 and 2024 allocations and baseline recalculations. No objections or comments were received.

The following chart reflects the baseline distribution along with adjustments made to 2024 and 2025 requests based on each insular government's score on the competitive criteria.

CIP Grant - Mandatory Funding Levels
 (\$000)

Territory	Baseline Funding	FY 2024 +/- Baseline	FY 2025 +/- Baseline	Total FY 2024	Total FY 2025	Diff +/- 2024
CNMI	9,032	-2,000	-833	7,032	8,199	+1,167
American Samoa	9,963	+1,642	+667	11,605	10,630	-975
Guam	6,328	+755	+500	7,083	6,828	-255
USVI	<u>2,397</u>	<u>-397</u>	<u>-334</u>	<u>2,000</u>	<u>2,063</u>	<u>+63</u>
Total	27,720	0	0	27,720	27,720	0

The Office of Insular Affairs will work closely with the Governors in future years to identify and prioritize investment in health care infrastructure. The following pie chart displays 2023 spending on infrastructure by category.



Note: Funds shown as “Other” consist of Project Cost Share and CIP Program Administration.

2025 Program Performance**CNMI Construction- \$8,198,667**

The \$8.2 million allocated to CNMI for 2025 will be used to continue meeting critical infrastructure needs similar to previous years. The CNMI continues to rebound from the impacts of the global COVID-19 pandemic, including delays and supply shortages, but continues to make progress on projects. Most projects now have undergone NEPA compliance and have been at least authorized to proceed to the engineering and procurement stages of work, if not already undergoing construction.

A number of public buildings continue to undergo various repairs to damage from age and environment, as well as renovations to meet current safety and building codes. Such projects include the Attorney General's Building, the CNMI Department of Finance building, the Historic Preservation Office and other government buildings, as well as the Department of Corrections and Rota Health Center. A rehabilitation of the existing concrete roof structures at the Commonwealth Healthcare Corporation was completed, including repairs and installation of a new roof coating system to reduce energy costs and protect against further deterioration. The Commonwealth Utilities Corporation was also able to procure heavy equipment, including a crane, bucket trucks, and mini excavator. The Federal Emergency Management Agency projects with CIP program cost shares also continue, including improvements of Beach Road, Joeten Kiyu Public Library, and the Department of Fire and Emergency Management Services.

While most of its infrastructure projects have already been authorized to proceed, the CNMI has allocated funds towards the preparation of environmental assessments for multiple large-scale infrastructure projects, which are required for NEPA compliance before implementation can begin. These projects include the construction of a solid waste convenience center in As Gonno, Saipan; construction of the West Harbor access road and construction and installation of waterlines at the Dugi homestead on the island of Rota; and construction and installation of waterlines and powerlines in the West San Jose homestead on the island of Tinian and the relocation of waterlines in Carolina Heights on Tinian.

The following chart summarizes the CNMI's funding priorities for 2023 and 2024:

Funding Category	2023 Award	2024 Award*
Health	\$2,500,000	\$1,343,290
Energy	\$874,330	-
Education	-	-
Solid Waste	\$2,245,973	\$742,755
Water	\$874,330	-
Roads	-	-
Public Safety	-	\$3,500,000
Public Buildings	-	\$742,755
Maintenance	\$455,269	-
Other**	\$1,327,765	\$703,200
Total	\$8,277,667	\$7,032,000

*Amounts reflect requested projects that have yet to be awarded.

**Funds shown as "Other" consist of Project Cost Share and CIP Program Administration.

American Samoa Construction - \$10,629,668

The \$10.6 million allocated to American Samoa for 2025 will be used to continue meeting critical infrastructure needs in American Samoa similar to previous years.

Until 1996, American Samoa received annual grants for capital improvement needs, as determined by the Department of the Interior and Congress. These grants averaged approximately \$5.0 million annually. During this time American Samoa fell further and further behind in keeping up with the infrastructure needs of a rapidly growing population. Consequently, the people of the territory were faced with increasing hardship and risk with regard to such basic needs as drinking water, medical services, and education. In recognition of these severe problems, Congress enacted legislation in 1996 directing a portion of the mandatory CIP funds to be used to pay for critical infrastructure in American Samoa.

The legislation also required the development of a multi-year capital improvement plan. The plan was prepared by a committee appointed by the Governor of American Samoa, and the Army Corps of Engineers served as technical advisors to the committee under an interagency agreement funded through OIA. This plan was transmitted to Congress on August 8, 1996. The Capital Improvement Master Plan is updated on an annual basis. All projects have been categorized into three general priority areas. First order priorities include health, safety, education, and utilities. Second order priorities include ports and roads. Third order priorities include industry, shoreline protection, parks and recreation and other government facilities.

Over the past year, American Samoa's infrastructure projects have rebounded after delays resulting from the COVID-19 pandemic. Although the pandemic continues to impact the island and supply chain, multiple projects were completed by the American Samoa Power Authority and the Department of Public Works, including purchasing of heavy-duty equipment for routine and deferred maintenance projects. Additionally, progress continues on the Department of Education Consolidated Manua schools project, the American Samoa Shipyard Authority 3,000 Ton Slipway, and the Lyndon B. Johnson Tropical Medical Center operating room and labor and delivery renovations.

The following chart reflects the American Samoa Government's funding priorities for 2023. Funding priorities for fiscal year 2024 have yet to be submitted at this time.

Funding Category	2023 Award	2024 Award
Health	\$1,000,000	TBA
Ports	\$2,500,000	TBA
Education	\$1,000,000	TBA
Wastewater	-	TBA
Public Buildings	\$2,000,000	TBA
Economic Development	-	TBA
Maintenance	\$3,082,000	TBA
Roads	\$1,400,000	TBA
Total	\$10,982,000	\$11,605,007

O&M Set-aside: Five percent of all grant funds from the mandatory CIP account for American Samoa Construction is set aside for operations and maintenance.

Guam Construction - \$6,828,000

The \$6.8 million allocation for Guam in 2025 will be used to continue meeting critical infrastructure needs in Guam, similar to previous years. COVID-19-caused delays and supply chain issues continue to have rippling effects on CIP-funded infrastructure projects on Guam, which have had further impacts upon procurement and bids on some projects, including the Guam Police Department's evidentiary control facility.

Progress is, however, seen elsewhere. The Guam Memorial Hospital Authority continues its renovations and upgrades of its heating, ventilation, and air conditioning (HVAC) systems. The Department of Public Works is completing Phase II of its renovation and repair of public gymnasiums, sports facilities, and public restrooms throughout the island. Large projects to design and construct new buildings for the Department of Public Health and Social Services Division of Environmental Health Facility and the Guam Environmental Protection Agency, have now entered the architecture, engineering, and design phases, and Department of Youth Affairs projects continue to get reviewed for NEPA clearance.

The following chart reflects Guam's funding priorities for 2023. Funding priorities for fiscal year 2024 have yet to be submitted at this time.

Funding Category	2023 Award	2024 Award
Public Buildings	\$6,460,333	TBA
Total	\$6,460,333	\$7,082,993

USVI Construction - \$2,063,665

The \$2.1 million allocation for the USVI in 2025 will be used to address forthcoming infrastructure priorities of the USVI Governor's Office. Also affected by the global COVID-19 pandemic, the USVI experienced delays in its CIP-funded infrastructure projects this past year, though recently many projects were completed. These projects include park improvements on St. John, St. Croix, and St. Thomas, library renovations on all three islands, and road repairs on St. Croix.

Ongoing efforts in the USVI are focused on repairing critical road infrastructure, water and wastewater site improvements, and deferred maintenance reduction within the Virgin Islands Department of Education. The public libraries are also a focus, as the Florence Williams Public Library, Enid Baa, and Athalie McFarlane Petersen Public Library on St. Croix continue to address structural renovations and install upgrades to the electrical, mechanical, plumbing, and telephone systems.

The following chart summarizes the U.S. Virgin Islands' funding priorities for 2023 and 2024. The requested \$2 million for 2023 will be used for a Virgin Islands Police Department project, the construction of a new Real Time Crime Center, which is already underway. Funding priorities for fiscal year 2024 have yet to be awarded at this time, but the proposed projects include public health and public building priorities.

Funding Category	2023 Award	2024 Award
Health	-	\$700,000
Public Buildings	-	\$1,300,000
Public Safety	\$2,000,000	-
Total	\$2,000,000	\$2,000,000

Capital Improvement Project Grants

Activity: Capital Improvement Project (CIP) Grants \$(000)

Subactivity: CIP Grants - Discretionary

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
CIP Grants - Discretionary	0	0	0	0	+1,000	1,000	+1,000
<i>FTE</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

Justification of 2025 Program Changes

Program Changes	(\$000)	FTE
Discretionary program increase	+1,000	0
TOTAL Program Changes	+1,000	0

The 2025 budget request for CIP Grants - Discretionary is \$1,000,000 and 0 FTE, a program change of +\$1,000,000 and 0 FTE from 2024.

Capital Improvement Project Grants – Discretionary (+1,000,000 / 0 FTE)

The 2025 budget includes increased support to the territories for investments in infrastructure. Mandatory funding for the Capital Improvement Project program has not been increased or adjusted for inflation since the program's current authorization in 1996, and significant increases in construction and labor costs continue to erode at the impact of the program on infrastructure needs in the territories. Considering this, the 2025 budget includes \$1,000,000 in discretionary funding to provide additional grant funding to the territories as they continue to address critical needs for infrastructure improvement.

Program Overview

Capital Improvement Project funds address a variety of infrastructure needs in the U.S. territories including critical infrastructure such as hospitals, schools, wastewater, and solid waste systems. Improvements to critical infrastructure not only benefit the current population and businesses but also lay the groundwork to attract new investment to the territories, thereby promoting economic development.

2025 Program Performance

The budget request of \$1.0 million would be used to supplement mandatory CIP Grant funding provided to each territory through the competitive allocation process. The Office of Insular Affairs proposes to provide each territory with an additional \$250,000 of discretionary funding to further support investments in infrastructure that are deemed eligible under the CIP Grants – Mandatory program.

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Territorial Assistance

TERRITORIAL ASSISTANCE

Activity: Territorial Assistance \$(000)

SUMMARY TABLE

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Territorial Assistance	64,517	64,517	+508	0	-3,556	61,469	-3,048
Office of Insular Affairs	10,217	10,217	+508	0	+744	11,469	+1,252
Technical Assistance	22,300	22,300	0	0	+1,000	23,300	+1,000
Maintenance Assistance	4,375	4,375	0	0	0	4,375	0
Brown Tree Snake Control	3,500	3,500	0	0	+500	4,000	+500
Coral Reef Initiative & Natural Resources	2,625	2,625	0	0	+200	2,825	+200
Energizing Insular Communities	15,500	15,500	0	0	0	15,500	0
Compact Impact - Discretionary	6,000	6,000	0	0	-6,000	0	-6,000
<i>FTEs</i>	<i>26</i>	<i>34</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>34</i>	<i>0</i>

The Territorial Assistance activity involves funding for two major functions. The first is salaries and expenses of the Office of Insular Affairs. Its policy and assistance activities involve interacting with virtually every major Federal agency, as well as seven insular area governments. Sound financial management and effective internal controls are emphasized within OIA, and OIA has been able to attain clean audit opinions for all annual financial statements prepared under requirements defined in the Chief Financial Officers Act.

The second major function within this program area includes the various technical assistance activities carried out by the office. The Office of Insular Affairs' technical assistance activities have been an effective tool to implement Administration policy, and to achieve mutually desired improvements in the insular areas. Technical assistance activities have and will continue to secure environmental justice for the insular areas, such as by ensuring that benefits of climate change and clean energy investments are directed to insular communities.

Office of Insular Affairs

Activity: Territorial Assistance

Subactivity: Office of Insular Affairs (OIA) \$(000)

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Office of Insular Affairs	10,217	10,217	+508	0	+744	11,469	+1,252
FTE	26	34	0	0	0	34	0

Justification of 2025 Program Changes

Program Changes	(\$000)	FTE
NEPA support and compliance	+200	0
Baseline Capacity – 2024 Fixed Costs	+544	0
TOTAL Program Changes	+744	0

The 2025 budget request for the Office of Insular Affairs is \$11,469,000 and 34 FTE, a program change of +\$744,000 and 0 FTE from the 2024 Annualized CR Level.

Increased costs for NEPA support and compliance (+\$200,000 / 0 FTE) – This subactivity supports the professional staff of the Office of Insular Affairs as they carry out the Secretary’s responsibilities with respect to U.S. insular areas. The Office of Insular Affairs engages with the U.S. Army Corps of Engineers (USACE) to fulfill NEPA obligations related to projects funded through OIA programs. Costs to execute the reimbursable services agreement with USACE have increased and this increase is required to address cost escalation and maintain program capacity.

Baseline Capacity – 2024 Fixed Costs (+\$544,000 / 0 FTE) – The 2025 budget includes important investments in programs needed to help strengthen America and be more competitive as the world continues to change. These investments include funding needed to maintain a strong, talented workforce and the must-pay requirements needed to continue to fulfill the OIA mission. The budget includes \$544,000 in this subactivity, which reflects the incremental amount needed to cover the fixed costs associated with mission operations in fiscal year 2024. This request in combination with the fiscal year 2025 fixed costs amounts will allow the program to meet must-pay requirements without impacting program activities.

Program Overview

The Office of Insular Affairs carries out the Secretary’s responsibilities with respect to U.S.-affiliated insular areas. The office is organized into three divisions:

1) Policy Division: performs general program, political, and economic analysis. It monitors and tracks Federal programs extended to the insular areas and handles legislative affairs, other than those related to

the appropriations process. The Division maintains a field presence in American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam.

2) Technical Assistance Division: manages all Technical Assistance grants that provide support not otherwise available to the insular areas to combat deteriorating economic and fiscal conditions. Activities often include, but are not limited to, building institutional capacity in the following critical areas: health care, education, public safety, data collection and analysis, fiscal accountability, energy, transportation, economic development, and communication. The Division also manages the Coral Reef and Natural Resources program, Brown Tree Snake and Maintenance Assistance programs as well as payments to the USVI (rum excise taxes) and Guam (Section 30 income taxes).

3) Budget and Grants Management Division: responsible for budget formulation and presentation, chief financial officer activities, and strategic planning. It manages financial assistance under the Compacts of Free Association, operations and capital improvement grants to U.S. territories, Compact Impact grants, and infrastructure-related Territorial Assistance. The Division monitors accountability issues and tracks insular area audit resolutions, including Single Audits. The Division maintains an office in Hawai'i for Compact oversight in the FSM, RMI, and Palau and maintains field presence at the embassies in the FSM and the RMI.

The Office of Insular Affairs is headed by the Assistant Secretary – Insular, International, and Ocean Affairs, who provides overall policy direction, a Deputy Assistant Secretary, and a Director, who is responsible for overall management of the Office.

2025 Program Performance

In 2025, OIA will support the Department’s mission to Promote Well-Being, Equity, and Justice for Insular Communities by executing activities to strengthen economic and health capacities in the territories, fulfill Compact obligations, and address climate resilience, conservation, and clean energy deployment. At the 2025 level of funding OIA will:

- Improve out-year performance of grantees by continuing to focus on oversight.
- Work towards implementation of new the Compacts of Free Association agreements.
- Continue providing professional services to the insular areas through interagency agreements.
- Continue interagency coordination on issues impacting the insular areas.
- Conduct site visits to grant projects.
- Continue to actively work with the U.S. Territories and the FAS to ensure their compliance with the Single Audit Act and to improve the timeliness of their audit submissions and resolution of financial statement qualifications and audit findings.

Section 403 Compliance**Working Capital Fund**

All OIA’s overhead and administrative costs that support Departmental functions are paid from the Office of Insular Affairs account as assessed through the Department’s Working Capital Fund (WCF) as follows:

Working Capital Fund Billings (\$000)

Activity	2024 Estimate			2025 Estimate		
	Central	Direct	TOTAL	Central	Direct	TOTAL
OS Shared Services	107.45	7.01	114.46	127.38	7.40	134.78
OS Activities	367.03	68.90	435.93	518.66	4.83	523.49
IT Shared Services	202.79	160.53	363.32	224.04	158.49	382.53
Interior Business Center	21.18	156.25	177.43	21.30	125.73	147.03
TOTAL, WCF Billing	698.45	392.69	1,091.14	891.38	296.45	1,187.83

Office of Insular Affairs Employee Count by Grade

(Total Employment)

Employee Count by Grade	2023 Actual	2024 Annualized CR Estimate	2025 President's Budget Estimate
Executive Level V	0	0	0
SES	1	1	1
Subtotal	1	1	1
SL - 00	1	1	1
ST - 00	0	0	0
Subtotal	1	1	1
GS/GM -15	5	6	6
GS/GM -14	5	5	5
GS/GM -13	9	9	9
GS -12	6	9	11
GS -11	1	0	0
GS -10	0	0	0
GS - 9	0	0	0
GS - 8	0	0	0
GS - 7	0	0	0
GS - 6	0	0	0
GS - 5	0	0	0
GS - 4	0	0	0
GS - 3	0	0	0
GS - 2	0	0	0
GS - 1	0	0	0
Subtotal	26	29	31
Other Pay Schedule Systems	0	0	0
Total employment (actuals & estimates)*	28	31	33**

*Includes two American Samoa judges (SL-1 & GS-15), which are funded through the American Samoa Operations program and are not funded by the OIA operations account.

**OIA is authorized for up to 36 FTE.

Technical Assistance

Activity: Territorial Assistance
Subactivity: Technical Assistance (TAP) \$(000)

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Technical Assistance	22,300	22,300	0	0	+1,000	23,300	+1,000
FTE	0	0	0	0	0	0	0

Justification of 2025 Program Changes

Program Changes	(\$000)	FTE
Compliance with Insular Areas Act (P.L. 112-149)	+1,000	0
TOTAL Program Changes	+1,000	0

The 2025 budget request for the Technical Assistance Program is \$23,300,000 and 0 FTE, a program change of +\$1,000,000 and 0 FTE from 2024.

RMI Runit Dome Groundwater Monitoring (+\$1,000,000 / 0 FTE)

The proposed increase will support the U.S. Department of Energy (DOE) groundwater monitoring of Runit Dome in the Republic of the Marshall Islands to meet the requirements of the Insular Areas Act of 2011 (P.L. 112-149). This Act requires DOE to perform periodic radiochemical analyses of the groundwater surrounding Runit Dome and report to Congress on its findings with an overall objective to develop and implement a long-term groundwater monitoring program for Runit Dome. The Department of the Interior is required to provide funding to DOE for the radiochemical analysis of the groundwater through OIA's Technical Assistance Program.

Program Overview

The Technical Assistance Program provides support not otherwise available to the insular areas to meet immediate needs, to combat deteriorating economic and fiscal conditions, and to maintain the momentum needed to make and sustain meaningful systemic changes.

The Office of Insular Affairs' Technical Assistance Program was authorized in Section 601 of Public Law 96-597 on December 24, 1980. The law as amended reads:

The Secretary of the Interior is authorized to extend to the governments of American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands, and their agencies and instrumentalities, with or without reimbursement, technical assistance on subjects within the responsibility of the respective territorial governments. Such assistance may be provided by the Secretary of the Interior through members of his staff, reimbursements to other departments or agencies of the Federal Government under sections 1535 and 1536 of Title 31, grants to or cooperative agreements with such governments, agreements with Federal agencies or agencies of State or local

governments, or the employment of private individuals, partnerships, or corporations. Technical assistance may include research, planning assistance, studies, and demonstration projects.

Eligible applicants are non-Federal entities such as local government agencies (including utilities) in American Samoa, CNMI, Guam, USVI, RMI, FSM, and Palau, and hospitals/health centers, institutions of higher education and any non-profit organizations, including entities located within the United States, in the U.S. territories and/or international entities, whose projects directly benefit the seven insular areas in accordance with regulations contained in 2 CFR 200. Applications and requests for OIA TAP grant funds are submitted through Grants.gov under CFDA number 15.875 and are subject to a competitive grant review process. If the applicant is not a local government entity, letters of support for the project are requested from the local government impacted. The Office of Insular Affairs also sends a listing of all applications received to the Governors and Presidents or their high-level designees for their respective insular area, requesting that they prioritize and rank the importance of all the requested grants for their respective area, including those received from entities outside the local government. The Office of Insular Affairs considers these rankings when making award decisions.

The purpose of TAP is to fund priority projects for which there are little to no funds available from other Federal agencies. The program provides the flexibility needed to respond to urgent, immediate needs in the insular areas. Some programs are necessary on an ongoing basis for the insular areas; including, but not limited to ongoing financial management, management, and audit training for all insular areas. The ongoing programs were incorporated into the Technical Assistance Program because there was no other source of funds in the Federal budget for these projects.

TAP allows each government to identify pressing issues and priorities and develop action plans to mitigate these problems. Direct grants, reimbursable agreements, and contracts, both within and outside the Federal government, are keys to implementation. Funded projects are focused to meet immediate needs in the short term and assist the governments in developing long-term solutions. Office of Insular Affairs staff and outside experts provide information on a variety of topics to help improve government operations in areas such as financial management, procurement and contract management, and the administration of Federal grant programs.

2025 Program Performance

In 2025, TAP will support the Administration's commitment to promoting equity and supporting underserved communities through continued financial assistance and support to the insular areas for projects which foster the development of the insular areas in the following categories: climate change (including food and water security), disaster planning and response, energy, natural and cultural resources, youth programs, health initiatives and health IT systems, public safety/emergencies, data improvements, and invasive species management. Other priorities include accountability, financial management, economic development, education, management control initiatives, capacity building, and information technology.

2023 Technical Assistance Summary

(Dollars in Thousands)

Recipient	2023
Directed Insular Area Grants	
American Samoa	2,499
CNMI	2,755
Guam	3,049
USVI	2,529
FSM	982
RMI (includes 4 Atoll Healthcare)	3,218
Palau	1,008
Total, Directed Insular Areas Grants	16,040
Other TAP Crosscutting Grants (Programs benefit multiple insular areas)	6,260
Total, Technical Assistance	22,300

Directed Insular Areas Grants

In 2023, OIA received \$85 million in TAP grant requests. Approximately \$22.3 million in technical assistance funding was provided with fiscal year 2023 funds. See preceding chart for amounts by insular area. Highlights of some provided financial assistance include:

- American Samoa:** American Samoa Department of Commerce - \$200,000 for a fisheries workforce development and business incubation project; American Samoa Power Authority - \$275,000 for engineer training; American Samoa Community College - \$200,000 for computer science technology equipment and training; LBJ Tropical Medical Center - \$100,000 for management information system training for IT technicians.
- Commonwealth of the Northern Mariana Islands:** Office of the Public Auditor - \$196,717 to provide training and development opportunities necessary to remain in compliance with standard auditing requirements; Department of Finance - \$885,000 to help prepare for the single audit and ensure that financial records are in compliance with Federal regulations; Military-Veterans Affairs (VA) Office - \$56,000 to provide transportation assistance for veterans living in the highly rural areas of Tinian and Rota to their VA-approved/arranged appointments at non-VA health clinics or facilities; Department of Finance - \$526,799 to continue to support the Department of Finance ongoing implementation of the Revenue Management Information System, which will enhance the CNMI's revenue management capabilities by providing a modern and efficient system for managing tax and revenue data; Commonwealth Healthcare Corporation - \$465,035 to acquire an upgraded medical fluorescence imaging system and procure an upgraded imaging system in the operating room that will provide surgeons with quality images to prevent accidental damage and reduce surgical site infection.

Procuring the imaging system ensures that CHCC meets CMS's Condition of Participation.

Department of Commerce - \$241,423 to fund the CNMI labor force survey and an additional \$132,775 to fund the annual prevailing wage study survey from fiscal years 2024 to 2029, meeting requirements of the Northern Mariana Islands Workforce Act of 2018. Office of the Governor - \$250,000 to support unmet operational needs related to the impacts of Typhoon Mawar.

- **Guam:** Guam Office of Technology - \$450,000 for cybersecurity resilience; Guam Community College - \$481,544 for truck driver training to address the increasing need to move goods across the island after natural disasters; University of Guam - \$199,929 for maintenance and upgrade of the Water and Environmental Research Institute Water Quality Laboratory; Government of Guam - \$550,000 provided immediately following Typhoon Mawar to purchase a generator, water tank, and pump for the local homeless shelter, and security cameras and equipment for the storage facility where emergency supplies are kept following natural disasters.
- **U.S. Virgin Islands:** Virgin Islands Architecture Center for Built Heritage and Crafts, Inc. (VIAC) - \$658,050 to aid in VIAC's mission to transform the Old Barracks property in Christiansted, St. Croix into an urban campus and educational center that will teach, train, and certify USVI students in the historic preservation trades needed to revitalize aging USVI towns; Virgin Islands Fire Service - \$655,423 to purchase four emergency response vehicles and two rescue trucks; Office of the Governor - \$200,000 to facilitate programming for the 175th year Commemoration of Emancipation in the Virgin Islands; Bureau of Information Technology - \$300,000 for business process improvement technology solutions; Virgin Islands Water and Power Authority - \$296,500 for water distribution training including line loss audit assistance and system training for water operators training; U.S. Bureau of Reclamation - \$296,968 for improving the sustainability of water resources in a changing climate, specifically to develop past, current, and future recharge estimates (recharge model and climate change analyses) on the island of St. Croix to better understand the sustainability of the Kingshill aquifer.
- **Federated States of Micronesia:** The Nature Conservancy - \$176,960 for strengthening capacity of conservation partners to effectively manage marine and terrestrial resources in Micronesia. Pohnpei State Government - \$68,920 for vegetation management practice and training at the endangered World Heritage Site of Nan Madol and \$181,242 for the Nan Madol World Heritage Site Management Unit Initiative; National Renewable Energy Laboratory - \$195,492 for Pohnpei photovoltaic and island energy systems optimization; U.S. Bureau of Reclamation - \$198,304 to assist the Yap State Public Service Corporation to conduct a comprehensive review of Dinay reservoir and associated water retention structures; Office of the Public Auditor - \$156,000 to enhance capacity building and professional development training initiatives.
- **Republic of the Marshall Islands:** Ministry of Health - \$2.24 million for the 177 Health Care Program to continue the special health care services to the people of the four Atolls: Bikini, Enewetak, Rongelap, and Utrok; U.S. Bureau of Reclamation - \$200,000 for Majuro Atoll hydraulic modeling and to expand on an existing collaboration with Majuro Water and Sewer Company to improve and augment existing potable water sources and distribution pipelines for their public water supply; Wothe Atoll Local Government Solar Project - \$96,000 to procure 34 solar home systems to help generate power for 17 households; Ailinglaplap Atoll Local Government Water Catchment Project - \$137,820 to increase access to safe, secure and reliable water for the people of Ailinglaplap Atoll with water catchments;

RMI Love Animals (Iakwe Menin Mour) LLC - The “Majuro SNIP” Program - \$200,000 to expand a sustainable animal population management program that addresses public health and safety risks posed by invasive roaming animals in Majuro; RMI Environmental Protection Authority - Water Quality Monitoring Laboratory Program - \$82,363 to procure essential equipment and assets to carry out its critical role in monitoring water quality all throughout the Marshall Islands, ensuring the Marshallese people have clean and safe water supply.

- **Republic of Palau:** Palau Ministry of Human Resources, Culture, Tourism and Development - \$500,000 for a national repository of youth and workforce development; Westcare Pacific Islands, Inc. - \$350,000 for the Cherberdil Belau Center which provides tutoring to local students and parenting and financial management courses to adults and \$158,000 for a dam safety assessment and feasibility assessment for increasing the capacity of the Ngerimel Dam and Reservoir.

Highlights of Ongoing Programs

Statistical Improvement Program

One of OIA’s goals has been to support improvement in the quality and quantity of economic data in the territories. Since 2008, OIA has funded a Memorandum of Understanding with the Bureau of Economic Analysis (BEA) of the Department of Commerce to develop gross domestic product (GDP) data for the four U.S. Territories (American Samoa, CNMI, Guam, and USVI). The Office of Insular Affairs is currently reviewing the agreements to update, assure ongoing relevance, and support effective data collection in the territories.

All GDP estimates for the four territories, as supported under this program, are available at the BEA web site: <https://www.bea.gov/data/by-place-states-territories>.

Republic of the Marshall Islands 4 Atoll Healthcare Program

The Four Atoll Health Care Program addresses the medical needs of Marshall Islands communities affected by the nuclear weapons testing program carried out by the U.S. Department of Defense in the Marshall Islands between 1946 and 1958. Since 2005, Technical Assistance has funded this program to provide for the primary health care needs of the Enewetak, Bikini, Rongelap, and Utrik communities in the Republic of the Marshall Islands. In 2023, the Technical Assistance Program funded \$2.24 million for medical professionals and needed medical supplies for the population of the 4 Atolls in the Republic of the Marshall Islands: Kili/Bikini/Ejit, Enewetak/Ujelang, Rongelap/Mejatto, and Utrik. Program deliverables include:

- A full-time primary care physician for each of the four atolls to work in collaboration with a full-time island-based health assistant;
- Improved access to quality and specialty care services; reduced inter-island referrals for secondary care; improved overall health of the communities served; the full potential of our doctors utilized for better delivery of service; and conducted drinking water quality tests for presence of pathogens; and
- Visual impairment screenings by primary care physicians; access to specialty clinics for diabetes, hypertension, well baby, and reproductive health; and improved maternal and child-care programs.

The Marshall Islands Ministry of Health also provides local support to this program.

Prior Service Benefits Program

In the last days of World War II, Micronesians started working for the U.S. Military providing essential services to active-duty soldiers, sailors, and airmen, including care for the wounded and support for the men fighting in places like Iwo Jima and Okinawa. These people were paid very low salaries, often as low as nine cents an hour, with no employee benefits. The Prior Service Benefits Trust Fund provides payments to beneficiaries that are citizens of the CNMI, FSM, RMI, and Palau who worked for the U.S. Department of Navy and the U.S. Trust Territory of the Pacific Islands for the period from 1944 through June 30, 1968. The Prior Service Benefits Trust Fund helps ensure the solvency of the Fund so that monthly payments to beneficiaries will continue uninterrupted. In 2023, OIA made \$631,590 available to support the Prior Service Trust Fund Administration (PSTFA), however, there are no funds available for any additional payments absent OIA support in future years. Without the funds provided by OIA, the Prior Service Benefits Trust Fund will be unable to continue payments to its beneficiaries.

Close Up Foundation

The Close Up Foundation has conducted the Close Up Insular Areas Program under a TAP grant since 1988. Close Up was provided \$1,000,000 in 2022 and conducted virtual civic education work with students, teachers and administrators from American Samoa, CNMI, Guam, USVI, FSM, RMI, and Palau.

The goals of Close Up's Insular Areas Program for students and teachers are to demonstrate how the United States' model of democracy functions and to foster the interest, knowledge, and skills needed to effectively participate in a democracy; address the academic needs of the insular areas and to provide training and materials to improve teachers' civic education skills; and increase mutual understanding of the United States' diverse citizenry with a special emphasis on public policy concerns and culture.

Junior Statesmen Foundation

The Office of Insular Affairs awarded \$520,977 in 2023 for Junior Statesmen Foundation (JSF) scholarships for 28 high school students from the insular areas to attend virtual Junior Statesmen Summer Schools. This was the 27th year that the JSF has worked in partnership with OIA to identify, educate and train outstanding insular area high school students for active, effective, and ethical participation in public affairs.

Technical assistance grants cover the cost of each scholarship winner's summer school tuition and access to virtual learning. The Junior Statesmen Summer School is conducted at Georgetown, Princeton, and Stanford Universities. At the month-long summer schools, students take a political science college level course, along with high level instruction in debate and leadership. All insular areas participate in the scholarship program. The Office of Insular Affairs also funds academic prep programs in colleges in American Samoa, CNMI, Guam, Palau, and the USVI to help prepare their students for their summer school experience.

The JSF mission is to strengthen American democracy by educating and preparing high school students for life-long involvement and responsible leadership in a democratic society.

Programs Managed by the Graduate School USA

As part of OIA's Technical Assistance Program, the International Institute of the Graduate School USA provides training and related services through the Pacific and Virgin Islands Training Initiatives to improve the financial management and program performance of the Pacific and Virgin Islands insular governments. During 2023, training programs were conducted virtually and in person as the areas were transitioning from the pandemic. Programs include but are not limited to the Executive Leadership Development Program, Island Government Finance Officers Association training events, Association of Pacific Island Public Auditors training events, Audit Improvement, Performer Analysis, support to the Economic Advisory Group, consultation and training in each of the seven insular areas, and economic monitoring and analysis.

Maintenance Assistance

Activity: Territorial Assistance

Subactivity: Maintenance Assistance (MAP) \$(000)

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Maintenance Assistance	4,375	4,375	0	0	0	4,375	0
<i>FTE</i>	0	0	0	0	0	0	0

The Maintenance Assistance Program is used to support, develop, improve, and as much possible, institutionalize infrastructure maintenance practices in the seven insular areas. Funds can also be used for critical repairs to infrastructure.

Program Overview

The Office of Insular Affairs continues to provide limited maintenance assistance to support public infrastructure investments in the insular areas. Historically, insular governments have not prioritized maintenance planning and budgeting, life cycle costing, and training. Consequently, the usefulness of power plants, roads, ports, water and sewer systems, and public buildings declined prematurely. The Maintenance Assistance program addresses this problem by providing funding for expert reviews and recommendations on the general condition of the infrastructure and by providing funds for long-term solutions to systemic problems.

The Maintenance Assistance Program focuses on changing those conditions that allow poor maintenance practices to exist by underwriting training, education, and technical advice related to maintenance. Funding is used to purchase specialized maintenance equipment or information technology related to maintenance. The program also funds the cost to inventory maintenance needs, develop maintenance plans, and fund urgent repairs.

The Maintenance Assistance Program also provides funding to address general regional training needs and allows the insular governments to share expertise and develop maintenance practices appropriate to the region. The program has proven to be an effective method of institutionalizing better maintenance practices throughout the U.S. affiliated islands.

2025 Program Performance

In 2025, the Maintenance Assistance Program will continue to provide critical support otherwise unavailable to the insular areas to foster proper maintenance practices, fund necessary maintenance training, supplies, equipment, and repairs.

In 2023, the Maintenance Assistance Program awards included:

- American Samoa Power Authority - \$544,780 for the Lineman Training and Development Program.
- Commonwealth Utilities Corporation - \$827,640 for the Granular Activated Carbon System Monitoring and Maintenance project.
- Public Broadcasting Services Guam - \$644,800 to upgrade the power infrastructure and support reliable broadcasting services.
- Virgin Islands Water and Power Authority - \$318,816 for the Water Department Equipment Program.
- Majuro Atoll Waste Company - \$315,000 for the Waste Collection Improvement and Expansion project.
- Belau National Hospital - \$532,730 for hospital renovations.
- Yap State Public Services Corporation - \$165,000 for the Pacific Lineman Training Program.

Brown Tree Snake Control

Activity: Territorial Assistance

Subactivity: Brown Tree Snake Control \$(000)

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Brown Tree Snake Control	3,500	3,500	0	0	+500	4,000	+500
<i>FTE</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

Justification of 2025 Program Changes

Program Changes	(\$000)	FTE
Increased Brown Tree Snake interdiction efforts in Hawai'i, CNMI, and Guam	+500	0
TOTAL Program Changes	+500	0

The 2025 budget request for Brown Tree Snake Control is \$4,000,000 and 0 FTE, a program change of +\$500,000 and 0 FTE from 2024.

Brown Tree Snake (BTS) Control (+\$500,000 / 0 FTE)

The proposed increase of \$500,000 is for the increase of costs for the BTS interdiction programs. The costs of the Guam Interdiction Program, which is the first line of defense that prevents the spread of this invasive snake to other Pacific Islands, has increased by 85 percent since 2014. The costs of the CNMI and Hawai'i Interdiction Programs, the second line of defense to prevent BTS from getting to either area, have also increased over the last decade (31 percent and 62 percent, respectively, based on the awarded budget proposals). These increases are due to the increased cost of labor, as these are very labor-intensive programs, as well as the rising cost of supplies and equipment in these remote areas. Due to the increased costs and the stagnant program budget, cuts often need to be made for these programs for things such as new traps, vehicles, and training. These are all items that are pivotal for the maximum efficacy of the program, and the more that is cut from the budgets, the higher the risk that the programs will not be able to achieve their goals for 100 percent inspection rate, as established in the Brown Tree Snake Technical Working Group Strategic Plan.

As stated in the plan, the potential consequences of failed interdiction include the possible extirpation and/or extinction of native bird and lizard species in the CNMI and Hawai'i, as happened on Guam, triggering monumental conservation efforts that would be very costly. The interdiction costs would grow exponentially if BTS were to get to Hawai'i, as it is a major transportation hub in the Pacific and a new interdiction program on any of its islands would be very expensive. This would also increase the risk of BTS invasion to more areas in the continental United States that have direct flights to and from Hawai'i. Guam is a central hub of the Pacific, and when a natural disaster strikes a nearby island, increased shipments move between Guam and other islands, thus increasing the chances of BTS spreading in the Pacific.

The cost of the interdiction programs has gone up by \$834,000, not including increases to the related projects (research, coordination, outreach) that are typically funded on an annual basis. The requested increase of \$500,000 would not cover the total increased costs but would allow OIA to focus on the most important efforts of this program, which is to make sure the BTS does not become established elsewhere and cause further ecological damage as it has in Guam.

Program Overview

Brown Tree Snake Control combines research and operational components designed to prevent the dispersal of BTS from Guam to other vulnerable geographic areas and to ultimately eradicate existing or newly established BTS populations in U.S. areas.

The invasive BTS was introduced to the island of Guam following World War II. Due to an abundant prey base and an absence of natural predators, the BTS population in Guam grew exponentially. It was not until the 1980s when researchers began to study the sudden and sharp decline in Guam's bird populations that the environmental and socioeconomic damage caused by the BTS began to be understood.

The BTS is directly responsible for the extinction or local extirpation of 9 of 13 native forest birds and 3 of 12 native lizards in Guam. In addition, the BTS has had significant, negative impacts on Guam's economy. The risk of accidental transport and establishment of the BTS in other locations has impacted regional shipping and transportation through increased biosecurity requirements.

The BTS routinely climb wires accessing electrical distribution and transmission lines. This can cause ground faults or short circuits resulting in power outages of varying severity and duration. Island-wide outages result in lost productivity, damage to electrical equipment and lost revenues; and often interfere with national defense activities on the island.

Since Guam is a major transportation hub in the Pacific, numerous opportunities exist for this invasive species to be inadvertently introduced to other areas. The BTS has already been accidentally transported from Guam to other sites worldwide through infested civilian and military vessels and cargo.

Documented sites include Hawai'i; CNMI; Corpus Christi, Texas; McAlester, Oklahoma; Japan; Anchorage, Alaska; Wake Island; Taiwan; Kwajalein; Diego Garcia; Darwin, Australia; and Rota, Spain. Most of those sightings were in the CNMI (93) and on Oahu (10). There is appropriate concern that the introduction of the BTS to other vulnerable sites, such as Hawai'i, will have similarly catastrophic ecological and economic impacts as in Guam.

In 2020, a population of snakes was documented on Cocos Island and threatens several native species. Cocos Island is a 36-hectare atoll-like island off southern Guam, and has native species no longer present on the main island of Guam due to the BTS. Three species of nesting sea birds, including the locally endangered sâli and federally endangered ko'ko' birds, and many species of lizards, all provide a pre-snake-invasion picture of Guam. Their survival is now at risk due to the recent invasion of BTS on this island.

Research is conducted to improve existing BTS control tools, such as barriers, traps, and baits, as well as to develop better control techniques such as toxins, repellents, and attractants. Research is also intended to improve our understanding of the basic biology of the BTS and to develop methods enabling large-scale suppression of BTS on Guam. It is largely accepted that severe population suppression must be achieved before eradication can be pursued. The operational program utilizes the control tools and techniques developed via the research effort to reduce the risk of BTS dispersal to other Pacific islands, the U.S. mainland, and other vulnerable locations.

The BTS Control Program is a cooperative effort primarily involving OIA (financial assistance and grants management); the U.S. Fish and Wildlife Service (USFWS) (overall program coordination); the U.S. Geological Survey (USGS) (basic and applied research); the U.S. Department of Agriculture's Animal and Plant Health Inspection Service, Wildlife Services (USDA-APHIS-WS) (control, management and applied research); the U.S. Department of Defense (financial assistance, control and management on military facilities); and the Governments of Hawai'i, Guam, and the Commonwealth of the Northern Mariana Islands.

2025 Program Performance

It is anticipated that 2024 and 2025 BTS funds will support a continued focus on the operational interdiction and control initiatives including suppression and eradication. Funding may be used to aid in the efforts to remove BTS from Cocos Island and to continue research funding and educational outreach dependent upon the availability of funding.

In 2023, USDA-APHIS-WS caught and killed approximately 1,280 snakes at the commercial ports on Guam. There were zero credible snake sightings in the CNMI or Hawai'i. As mentioned above, BTS is now present on Cocos Island, which had little to no biosecurity measures in place. The U.S. Geological Survey and USDA-APHIS-WS National Wildlife Research Center began and continued several research projects that are aimed towards landscape scale suppression and early detection and rapid response. The U.S. Geological Survey provides rapid response training every year. The Rapid Response Team currently has 98 total members, including six new members trained in the last year. Future goals of the program are making the Aerial Bait Delivery System fully operational, expanding it to a larger landscape, and finding a viable artificial bait to replace mice.

- In fiscal year 2023, the BTS Control Program funding supported the efforts detailed below: \$1,400,184 to the USDA-APHIS-WS, which continued its Guam-based operational BTS control program on and around commercial facilities operated by the Government of Guam and private entities. Current operations were maintained at A.B. Won Pat International Airport, Commercial Port of Guam, and commercial transportation and cargo facilities, aimed at reducing the risk of BTS dispersal to other Pacific islands, the U.S. mainland, and other locations at risk. The Wildlife Service incorporated an integrated wildlife damage management approach to BTS containment using the following types of activities: detector dogs, traps, nighttime fence searches, oral toxicants, barriers, prey reduction, and public outreach activities. WS staff ensured inspection of at least 90 percent of commercial cargo and aircraft departing Guam.
- \$450,000 to the CNMI Department of Lands and Natural Resources, Division of Fish and Wildlife, which continued to operate a BTS interdiction program on the islands of Saipan, Tinian,

and Rota and ensured that, at the minimum, a 90 percent canine inspection rate of Guam-based cargo arrivals was reached and subsequently maintained. The Division of Fish and Wildlife also maintained BTS traps at CNMI ports of entry and conducted public outreach.

- \$400,000 to the Hawai'i Department of Agriculture for the Hawai'i BTS interdiction program. The program, including detection dogs, inspect all cargo and air and sea crafts arriving from Guam to Honolulu and maintains traps around the ports.
- \$41,324 to the USDA-APHIS-WS National Wildlife Research Center for research to explore the practical and ethical considerations of non-canines to detect and capture BTS.
- \$811,160 to the USGS for researchers to continue the development and testing of tools intended to improve BTS interdiction, control, and management. Research focuses on evaluating data on BTS-caused power loss on Guam, sampling terrestrial environmental DNA to evaluate new collection techniques, improving BTS control in a snake suppressed landscape with abundant prey for the goal of restoring avian species, and evaluating a scent-absorbent polymer as an alternative to transporting BTS to train/condition detection dogs on Hawai'i and Saipan. The USGS Rapid Response leader and team also responds to all credible off-island BTS sightings, including Cocos Island. This year they also worked towards restructuring the Rapid Response Team to prioritize active early detection protocols.
- \$425,416 to the USFWS to continue to provide overall BTS program coordination on a regional and national level to ensure continued progress. The U.S. Fish and Wildlife Service also provides technical assistance to program partners and develops the program's strategic plan.
- \$50,876 to the Guam Department of Agriculture, Division of Aquatic and Wildlife Resources for the "Kontra I Kulepbla – Challenge the Snake!" program. This is a public awareness campaign to educate the public of the BTS effects the ecosystem and human health to garner support for the necessary interdiction and eradication efforts in the territory.
- \$69,915 to the Guam Power Authority to gather and share existing and new GIS data on snake-related power outages.

Coral Reef Initiative & Natural Resources

Activity: Territorial Assistance

Subactivity: Coral Reef Initiative & Natural Resources \$(000)

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Coral Reef Initiative and Natural Resources	2,625	2,625	0	0	+200	2,825	+200
<i>FTE</i>	0	0	0	0	0	0	0

Justification of 2025 Program Changes

Program Changes	(\$000)	FTE
Address additional conservation needs in the insular areas	+200	0
TOTAL Program Changes	+200	0

The 2025 budget request for Coral Reef Initiative and Natural Resources is \$2,825,000 and 0 FTE, a program change of +\$200,000 and 0 FTE from 2024.

Address additional conservation needs in the Insular Areas (+\$200,000 / 0 FTE)

The proposed increase will support efforts to protect the health of all natural resources in the U.S. insular areas for the long-term economic and social benefit to their island populations including control, prevention, rapid response, eradication, and other efforts to combat invasive species and restore native species.

Program Overview

Natural resources, from mountain ridges to reefs and in between, provide an integral foundation for healthy economies and the livelihood of islands and the people who reside therein. Funding provided through OIA plays a critical role by supporting the efforts of U.S. insular area governments, as well as regional and non-profit organizations, in the development of strategies and effective programs for managing and protecting their natural resources.

Healthy coral reef resources for example, from the USVI to Guam, protect these islands from coastal erosion and storm damage, provide habitat to numerous marine species, and support important tourism and recreational industries. These resources are experiencing a variety of stresses including poor water quality, over-harvesting, coastal development, disease, and bleaching resulting from climate change and extreme weather events. The Office of Insular Affairs has supported coral reef recommendations identified by the U.S. Coral Reef Task Force (CRTF) and the All Islands Coral Reef Committee, as well as the Micronesia Challenge and The Nature Conservancy.

Other threats to natural resources include invasive species such as the Coconut Rhinoceros Beetle (CRB), *Oryctes rhinoceros*, which is found on Guam and Palau and was discovered on Rota in the CNMI, as well as the Little Fire Ant (LFA), *Wasmannia auropunctata*, currently found on Guam and recently discovered on Yap in the FSM. Office of Insular Affairs funding has supported insular area governments and has been leveraged with funding from other partners such as USDA and the University of Guam to detect, respond to, contain, and eradicate invasive species.

The Office of Insular Affairs continues to support and bolster the efforts and work of each of the U.S. territories and the FAS to set their own priorities for natural resource management in accordance with focal areas and species included in the Regional Biosecurity Plan (RBP). Work of regional organizations such as the Micronesia Challenge, the Micronesia Conservation Trust, and the Regional Invasive Species Council (RISC) are encouraged and supported when possible. The Office of Insular Affairs also takes into consideration priorities identified by the Micronesian Islands Forum (MIF), composed of the Governors and Presidents of the Pacific Insular Areas and the Micronesian Presidents' Summit.

2025 Program Performance

Coral Reef Initiative & Natural Resources

In 2025, the Coral Reef Initiative and Natural Resources program will continue to provide financial assistance to the insular areas to protect natural resources and to combat invasive species related to focal themes and focal species identified in the RBP update at the end of this section.

With fiscal year 2023 funds, OIA provided \$2.625 million in grants to the U.S. territories and the FAS to help protect coral reefs and marine resources. Projects ranged from rehabilitation of corals, to outreach, restoration, and removal of invasive species and pests. Invasive species in the islands are disruptive of both marine and terrestrial resources, which already are under stress. Grants were provided to help control and eradicate invasive species in the islands in order to protect public health, livelihoods, and fragile environments and economies.

Fiscal year 2023 accomplishments included:

- The Coral Fellow program provides needed capacity in the territories for both coral reef conservation and invasive species management. In FY 2023, Coral Fellows were placed in American Samoa, Guam, CNMI, and USVI. Grantee: Nova Southeastern University National Coral Reef Management Fellowship Program – \$213,000.
- Guam – Support for Guam Coral Reef Initiative projects and to attend the CRTF meeting; continuing to fund established, long-standing coral reef education and outreach programs for local communities, such as Friends of Reefs Guam, Eyes of the Reef Marianas, Guardians of the Reef, and other outreach initiatives; funding a coral reef management position within the Guam Coral Reef Initiative to address high priority issues related to policy, regulation, and communication; supporting the University of Guam Marine Laboratory in producing up-to-date, exciting outreach materials, including high quality videos and live reef tanks with viewing windows for interactive tours; supporting the Guam Green Growth Initiative's Thriving Natural Resources working group by funding a full-time coordinator; supporting experimental short-term

heat stress assays and genomics of staghorn *Acropora* coral species to inform ongoing reef restoration efforts. Grantee: Guam Department of Agriculture - \$325,000.

- American Samoa – Supports RBP. Focal species: invasive birds. To support the American Samoa Government’s ongoing trapping efforts to control remaining populations of invasive birds, thereby reducing their impact on native animals on Tutuila Island. Grantee: American Samoa Government Biodiversity Conservation Office - \$486,628.
- CNMI – The continuation of the CNMI Invasive Species Coordinator to continue safeguarding and affirming the ideas and intention of the CNMI Invasive Species Strategy and Action Plan. Grantee: Department of Lands and Natural Resources - \$218,785.

House Report 116-448 (July 14, 2020) contained a directive requiring the Department to include an update on efforts to implement the RBP for Micronesia and Hawai’i. The following is the required biosecurity update.

REGIONAL BIOSECURITY PLAN

The U.S. Department of the Interior (DOI) continues to lead extensive activities in the Pacific region in collaboration with Federal agencies, State, territorial, and international governments, and other organizations to improve biosecurity and minimize invasive species threats. DOI investments through Region 12 – Pacific Islands agencies include the National Park Service (NPS), the Office of Insular Affairs, Office of Native Hawai’ian Relations (ONHR), U.S. Fish and Wildlife Service (USFWS), and U.S. Geological Survey (USGS), which support a range of invasive species-related activities in Hawai’i and U.S. affiliated Pacific Islands (USAPI) such as prevention, detection, control, eradication, research, education, and restoration. The USAPI consists of three United States territories: American Samoa, the CNMI, and Guam; and three independent countries in free association with the United States: the FSM, the RMI, and Palau.

In Hawai’i and the USAPI, DOI activities aim to limit the introduction, establishment, and spread of numerous invasive species of concern. Species range from brown tree snakes to insects, such as the coconut rhinoceros beetle and little fire ant, marine species such as smothering seaweed, and other invasive species capable of changing island ecology including feral swine, *Miconia*, and plant pathogens such as the fungi that causes rapid Ohia death impacting 80 percent of Hawai’i’s forests. DOI is committed to working internally and with other Federal departments, including the Departments of Defense, Commerce, Agriculture, and State, as well as with the U.S. Ambassadors to the Freely Associated States, and regional and local partners to identify opportunities to improve biosecurity and invasive species management in the Pacific region.

Efforts undertaken by DOI bureaus and offices in Hawai’i and the USAPI complement strategies identified by partners in the Pacific region. These efforts also align with priorities identified in the “Regional Biosecurity Plan for Micronesia and Hawai’i (RBP),” a plan developed by the Department of the Navy in 2015 that provides strategic guidance and sets forth recommended actions necessary to strengthen biosecurity.

In fiscal year 2025 bureaus will continue to focus on high-impact invasive species, or groups of species, that are either established or identified as likely to become established and warrant actions to minimize risk of introduction and impacts. These focal areas and species are listed below.

Central to all work conducted in Hawai'i and the USAPI is the relationship to biocultural resources. Biocultural resources are physical, biological, and human elements that strengthen a native people's evolving relationship with a defined place and maintain their unique set of customs, beliefs, language, traditional knowledge, objects, and built environment. Understanding the importance of biocultural resources and integrating them into stewardship activities is crucial for project success and long-term viability in Hawai'i and the USAPI.

Focal Themes (which will continue in fiscal year 2025):

- Prevention: The action of stopping invasive species from being introduced or spreading into a new ecosystem.
- Early Detection (Surveillance) and Monitoring: A process of surveying for, reporting, and verifying the presence of a non-native species before it becomes established such that eradication is no longer feasible. Monitoring is the action of conducting surveys repeated through time to document changes in select attributes of wildlife, plants, habitats, ecological communities, or abiotic resources.
- Rapid Response (including Eradication, when possible): A process that is employed to eradicate a non-native species from a specific location before it becomes established such that eradication is no longer feasible. Eradication is the removal or destruction of an entire population of invasive species.
- Long-term Control (including Eradication, when possible): Containing, suppressing, or reducing populations of invasive species.
- Research: Scientific investigation into invasive species such as biology, impacts, risk, detection, monitoring, and control methods.
- Outreach: The action of providing information externally, outside of DOI, or internally, within DOI, related to invasive species.
- Focal Species:
 - Invasive plants: This category includes non-native grasses, shrubs, and trees.
 - Rapid Ohia death (and other plant pathogens): This category includes plant pathogens (diseases). Rapid Ohia death is a plant pathogen that attacks and kills the culturally and ecologically significant native Ohia tree in Hawai'i.
 - Mosquitoes and avian malaria: The combination of introduced mosquitoes and avian malaria have decimated Hawai'i's native forest birds and limited their distribution to high elevations that are too cool for mosquitoes to breed. These high-elevation habits are shrinking with a warming climate.
 - Ants and other non-native social insects: Some Pacific Islands had no or limited species of social insects. Introduced ants and wasps have had devastating impacts on natural resources.
 - Brown Tree Snakes: The Brown Tree Snake caused significant negative impacts to the avifauna, ecosystems, economy, and agriculture on Guam. The spread of this invasive species to other Pacific islands is a significant national concern. Other reptiles and some amphibians are also potential threats.

- Small mammalian carnivores: This category includes species such as rats, mice, cats, and mongoose. All have historically, and currently, had devastating impacts on Pacific Island ecosystems.
- Ungulates: This category includes ungulates such as feral goats, pigs, mouflon, water buffalo, cattle, and deer that have had significant negative impacts on ecosystems and water resources.
- Aquatic invasive species: This category includes a wide range of invasive marine algae, freshwater fish, macroinvertebrates, and aquatic plants that have had significant negative impacts on aquatic ecosystems.

Roles and Responsibilities:

- National Park Service: The NPS preserves unimpaired the natural and cultural resources and values of the National Park System for the enjoyment, education, and inspiration of this and future generations. The NPS collaborates with partners to extend the benefits of natural and cultural resource conservation and outdoor recreation throughout the United States and the world. Over 6,500 non-native invasive species have been found on NPS lands and waters. Of these, about 650 are in marine environments. The NPS utilizes several approaches for addressing invasive species including, but not limited to, an integrated pest management approach, coordinated and prioritized strategic planning, and Invasive Plant Management Teams to rapidly respond to invasive plants. For example, in Hawai'i, NPS has designated Special Ecological Areas that best represent native Hawai'ian systems, and these areas are managed as high priorities for the removal of plant and animal exotic species.
- Office of Insular Affairs: The Office of Insular Affairs implements the Secretary of the Interior's responsibilities for U.S. Territories of American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands. The Office of Insular Affairs also administers funding for the FSM, the RMI, and Palau. The Office of Insular Affairs is the primary agency within DOI that funds Brown Tree Snake interdiction, control, and research and collaborates closely with USFWS, USGS, USDA, and the local governments of Hawai'i, Guam, and the CNMI. Within DOI, OIA reports to Congress on implementation of the Regional Biosecurity Plan for Micronesia and Hawai'i. The Office of Insular Affairs also supports invasive species prevention and control efforts through Coral Reef & Natural Resources funding provided annually by Congress.
- Office of Native Hawai'ian Relations: The Office of Native Hawai'ian Relations discharges the Secretary's responsibilities for matters related to Native Hawai'ians and serves as a conduit for DOI's field activities in Hawai'i. The mission of the Office is to serve as a liaison with the Native Hawai'ian Community and work with DOI and its bureaus on issues affecting Hawai'i.
- U.S. Fish and Wildlife Service: The mission of the USFWS is to work with others to conserve, protect, and enhance fish, wildlife, and plants and their habitats for the continuing benefit of the American people. The USFWS accomplishes their mission through eight national programs: Ecological Services, Fish and Aquatic Conservation, National Wildlife Refuge System, Habitat Conservation, Office of Law Enforcement, Wildlife and Sport Fish

Restoration, Migratory Birds, and Science Applications, all of which address invasive species issues at some level. For example, the Ecological Services Program provides regulatory, coordination and technical assistance roles relative to invasive species including leadership for Brown Tree Snake management regionally and nationally through the statutorily mandated Brown Tree Snake Technical Working Group. The Fish and Aquatic Conservation Program leads designation of invasive wild mammals, wild birds, fishes, reptiles, amphibians, mollusks, and crustaceans as injurious wildlife under the Lacey Act, which prohibits their importation and shipment between the continental United States, the District of Columbia, Hawai'i, the Commonwealth of Puerto Rico, and any possession of the United States. The National Wildlife Refuge System addresses invasive species issues on approximately 100 million acres of wildlife habitat spread across its 568 Refuges. The Office of Law Enforcement agents inspect wildlife shipments and collaborate with other jurisdictions to combat illegal movement and trafficking of invasive species.

- U.S. Geological Survey: The USGS is the research arm of DOI and its role supporting invasive species management in the Pacific is broad. USGS conducts a wide range of applied and basic research on invasive species in the Pacific. USGS also provides technical assistance to Federal, State, and Territorial partners on biosecurity, invasive species control, quarantine, and eradication. The USGS Brown Tree Snake Rapid Response Team provides training and response capabilities to support ongoing efforts to contain brown tree snakes on Guam through funding provided by OIA. The USGS Climate Adaptation Science Centers facilitate science addressing the intersection of invasive species and climate change, including support of the Pacific Islands and Southeast Regional Invasive Species and Climate Change networks.

For fiscal year 2025 resources allocated toward these efforts, please refer to each bureau's Congressional Budget Justification.

Updates:

- **OIA**: In 2023, OIA provided funds for BTS interdiction, control, and research, and collaborated closely with USFWS, USGS, USDA, and the local governments of Hawai'i, Guam, and the Commonwealth of the Northern Mariana Islands to prevent the dispersal of the snake to other geographic areas. The Office of Insular Affairs also funded activities related to preventing, detecting, responding to, and controlling invasive species identified in the RBP as focal species. These projects included: **American Samoa**: (focal species – birds) supported the American Samoa Government Biodiversity Conservation Office in protecting American Samoa's wildlife and paleotropical rainforest habitats by managing invasive bird populations on Tutuila Island. **CNMI**: (focal species – Coconut Rhinoceros Beetle and *Mucuna Pruriens*) supported the CNMI Department of Land and Natural Resources to allow the Invasive Species Coordinator to continue safeguarding and affirming the ideas and intention of the CNMI Invasive Species Strategy and Action Plan (ISSAP) and continue providing the necessary collaborative support for programs such as the Coconut Rhinoceros Beetle Eradication and Detection Program and the *Mucuna Pruriens* Eradication Project. **Republic of the Marshall Islands**: (focal species – invasive rats) supported Island Conservation to expand available tools

and capacity in the Republic of the Marshall Islands to eradicate invasive rodents for the protection of biodiversity and food security. The Office of Insular Affairs also supported Island Conservation to work with the Micronesian Regional Invasive Species Council (RISC) to coordinate and assist the FSM, RMI, and CNMI to each meet their targets on the eradication of invasive alien species (IAS) and to meet their 2030 IAS Goals. In fiscal years 2024 and 2025, OIA expects to continue to provide support for the Brown Tree Snake interdiction, control, and research and collaborate closely with USFWS, USGS, USDA, and the local governments of Hawai'i, Guam, and the CNMI to prevent the dispersal of the snake to other geographic areas. In fiscal years 2024 and 2025, OIA also expects to continue to fund activities related to preventing, detecting, responding to, and controlling invasive species identified in the RBP as focal species.

- **NPS:** The NPS has been working closely with Federal, state, and local agencies and organizations to protect Hawai'ian forest birds from invasive mosquitoes that spread avian malaria. Haleakala National Park participated as an initial test site of an Insect Incompatibility Technique (IIT) that will help to control invasive mosquito populations. Further, NPS units continue to manage invasive ungulates, small predatory vertebrates, invasive plants, and invertebrates, as they have in past years. For example, Hawai'i Volcanoes National Park continues efforts to remove mouflon (*Ovis aries orientalis*) from the Kahuku Unit. The park also implements a rigorous little fire ant program (LFA) that includes monitoring of equipment, vehicles, and materials entering the park and use of pesticides where ants are found. Efforts trapping Indian mongoose (*Herpestes javanicus*) and free-ranging cats (*Felis catus*) continue at Kaloko-Honokōhau National Historical Park in Hawai'i, as well. Further, several parks located on different islands, use fencing to protect sensitive areas from feral ungulates, including Hawai'i Volcanoes National Park, Haleakala National Park, Kalaupapa National Historic Park, and Pu'uuhonua o Honaunau National Historical Park. The Pacific Islands Invasive Plants Management Team also continues to provide support to parks to control and eradicate invasive plant species and has a program that trains "youth rangers" in underserved communities to manage invasive plants.
- **USFWS:** In the Hawai'ian Islands National Wildlife Refuge (NWR), there is an effort underway to achieve 99 percent maximum control of the invasive sandbur plant (*Cenchrus echinatus*) on Nihoa Island. In 2023, two control trips were completed, which included hand removal of plants and spraying these areas with a pre-emergent herbicide. Superintendents of USFWS monuments are exploring the use of wildlife detector dogs for invasive species prevention purposes to search USFWS chartered planes and ships traveling to remote monuments and NWRs for invasive rodents and ants. The Palmyra Atoll Rainforest and Reef Resilience Project (PARP) was initiated in April 2019 with one of the goals to achieve 95 percent maximum control of the invasive coconut palm at Palmyra Atoll NWR. As of October 2023, the team has controlled approximately 1.15 million (representing 54 percent of the reproductive palms and 40 percent of the non-reproductive palms). In the summer of 2023, the Midway Seabird Protection Project implemented a project to eradicate introduced house mice (*Mus musculus*) from Sand Island, part of Midway Atoll National. Unfortunately, the project was not successful, but USFWS is moving forward with a review of the project that will help

inform future mouse eradications. In 2024, the U.S. Air Force will implement an invasive rat eradication at Wake Atoll (a Unit of the Pacific Remote Islands Marine National Monument) in coordination with USDA Wildlife Services, Island Conservation, USFWS, and several other partners.

The USFWS continued annual coordination and collaboration with the member agencies of the Brown Tree Snake Technical Working Group (BTS TWG) to implement the 2020-2025 BTS TWG Strategic Plan. Fiscal year 2023 efforts included leadership coordination of the BTS TWG, planning and facilitating the annual meetings, overseeing the CNMI BTS program, and interagency collaboration on the development of the feasibility assessment and eradication of an incipient population of BTS on Cocos Island (Guam).

In fiscal year 2023, the USFWS Pacific Islands Office and the U.S. Department of Navy continued the implementation of a five-year Implementation Plan under the Guam Micronesian Kingfisher Memorandum of Agreement. The five-year Implementation Plan prioritizes two objectives: (1) assess BTS eradication capabilities within a BTS exclusion fence (135 acres/ 55 ha) and (2) to refine landscape scale BTS aerial treatments and implementation methods on unbound (without exclusion fencing) areas. These projects are vital to understand efforts and funds needed to inform native avian reintroductions to Guam. The projects are being implemented collaboratively by the U.S. Geological Survey Pacific Island Ecosystems Research Center and the U.S. Department of Agriculture National Wildlife Research Center with efforts projected to continue through fiscal year 2025.

The USFWS continues to work with other Federal, state, and local agencies and organizations in the Birds Not Mosquitoes partnership to address nonnative mosquitoes responsible for spreading disease to Hawai'i's highly endangered forest birds. Using appropriations from the Infrastructure Investment and Jobs Act (also referred to as the Bipartisan Infrastructure Law (BIL)), the USFWS, in collaboration with other DOI bureaus, provided financial assistance in support of BIL-Ecosystem Restoration Activities. The USFWS provided \$1,494,656 in Recovery funds directed to State of the Birds; \$1,300,000 in "Congressionally Directed Stewardship" funds; and \$300,000 in BIL Activity 6 funds to support inter-bureau Hawai'ian Forest Bird Extinction Prevention Efforts: Novel Eradication Techniques for Invasive Mosquitos in Hawai'i.

The USFWS is an active member of the Coordinating Group on Alien Pest Species (CGAPS) in Hawai'i, a partnership of agencies and non-governmental organizations working together to protect Hawai'i from invasive species. In fiscal year 2023, the Service provided CGAPS financial assistance to support and advance the Hawai'i Invasive Species Council (HISC) and CGAPS 2025 Joint Strategy. Funds supported Strategy Three, focused on Aquatic Biosecurity, and resulted in the coordination of activities and messaging related to reduce species movement through ballast water, biofouling, intentional import and release, and unintentional modes of introduction. In addition to supporting interagency coordination and outreach, funds supported the development of a short explainer video on the risks and issues of biofouling in Hawai'i.

In fiscal year 2023, the Service, in partnership with private landowner Pulama Lanai, successfully eradicated invasive rodents from the Hi'i Predator Proof Fence on the island of Lāna'i. At 80+ acres, this fenced area is one of the largest fully-predator-proof fences outside of New Zealand and protects one of the densest nesting concentrations of the federally endangered Hawai'ian petrel. Maintaining high island protected areas is a climate change resiliency projects priority.

- **USGS:** The U.S. Geological Survey conducts training courses on Guam for USAPI-based members of the BTS Rapid Response Team (RRT) and conducts outreach trips to the USAPI to raise awareness of invasive-species issues. In 2020 a population of BTS was discovered on the small island of Cocos off the southern coast of Guam, and the RRT was instrumental in conducting intensive searches and demonstrating that multiple snakes were present. The USGS remains an active participant in interagency meetings to pursue eradication of the Cocos Island BTS population. Other USGS activities include designing and implementing early detection and rapid response measures and understanding the role of invasive disease and vectors in the decline of Hawai'ian forest birds, including a BIL-funded project to support the use of the Incompatible Insect Technique for invasive mosquito control in Hawai'i. The USGS has been involved in the response to rapid Ohia death in Hawai'i since its detection in 2015 and is part of the Rapid Ohia Death Working Group, which was formed to share information and coordinate research, resource management, and outreach activities. The USGS is also involved in the development of biosecurity plans and effectiveness testing for the USFWS remote refuges and uses genetic tools to identify invasions of cryptic species that are difficult to detect using traditional sampling methods. Along with a wide range of partners in the USAPI, USVI, and Puerto Rico, USGS remains involved with coordination and facilitation of early detection and range delineation of invasive reptiles including large constrictor snakes. The USGS also is leading an array of BIL-funded projects to create infrastructure for a national Early Detection and Rapid Response Framework that will benefit invasive species management, including in all island ecosystems associated with the United States and its territories.

Energizing Insular Communities

Activity: Territorial Assistance

Subactivity: Energizing Insular Communities \$(000)

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Energizing Insular Communities	15,500	15,500	0	0	0	15,500	0
<i>FTE</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

Program Overview

Insular communities face unique economic growth and environmental justice challenges due to their geographic isolation, finite resources, and dependence on imported oil for their energy needs. To assist the islands in meeting these challenges, OIA is working to strengthen the foundations for economic development by addressing energy needs through building reliable, affordable, and clean/renewable energy strategies.

The Office of Insular Affairs provided direct funding assistance in fiscal year 2019 and fiscal year 2020 for the update of the territorial energy plans, as requested, and professional services beginning in fiscal year 2020 through an interagency agreement with the U.S. Department of Energy for those updates and implementation.

2025 Program Performance

Energy security is critical to the insular areas' future economic development and viability. In terms of residential cost per kilowatt hour, the territories on average pay nearly two or three times the national average for electricity. Public Law 109-58 enacted in 2005 directed the Secretary of the Interior to draft long-term energy plans for the insular areas with the objective of reducing their reliance on energy imports, increase energy conservation and energy efficiency, and use native energy sources.

To combat the high cost of electricity, OIA entered into an interagency agreement with the U.S. Department of Energy, National Renewable Energy Lab (NREL) in 2010 to help develop long-term strategic energy plans in American Samoa, CNMI, and Guam. The goal was to help the insular areas develop advanced energy systems that increase energy independence and security.

The governors of the three Pacific territories each established energy task forces that included a variety of energy stakeholders from the territories: colleges and universities, utility companies, energy offices, environmental protection agencies, and private sector organizations. The NREL staff worked closely with each territory's energy task force to develop long-term strategic energy plans and short-term energy action plans. These energy plans were finalized and published in July 2013 for the CNMI and Guam. American Samoa's energy action plan was published in August and its strategic energy plan was

published in December 2013. In the end, these energy plans were the result of a tremendous collaborative effort among various energy stakeholders over several months.

Intended to be fluid foundational documents, the strategic energy plans lay out a variety of strategies that should be revisited and updated as appropriate. The strategies include analysis of diesel generation systems and renewable energy systems as well as cost effective energy efficiency improvements. Subsequently, the energy action plans were developed to outline how the strategic energy plans will be implemented. The action plans are meant to be much more detailed and specific, assigning specific tasks to individuals with detailed deadlines.

The energy action plans select a handful of specific strategies that are achievable in the short term (one to three years), detail the strategies in feasible incremental steps, identify the stakeholders and desired outcomes, identify the organizations and individuals responsible for implementing the actions, and set a timeline for each step. The action plans are also considered to be living documents that will be regularly updated by the task forces and OIA has offered funding for the update of energy plans. In fiscal year 2019, the CNMI and the Virgin Islands Water and Power Authority applied for and received funding to update the territorial energy plan and integrated resource plan, respectively. In fiscal year 2020, American Samoa applied and received funding to update its energy plan and reestablish its American Samoa Renewable Energy Committee (ASREC). In fiscal year 2021, Guam received funding to update the Guam Strategy and Energy Plan.

In fiscal year 2022, in compliance with P.L. 113-235, OIA entered into a new interagency agreement with NREL to provide technical support to OIA and the U.S. territories for continued efforts to improve energy security and resilience, reduce energy costs, and diversify away from dependence on petroleum-based fuels. As part of this agreement, NREL will update energy system baseline data in the territories and assist the territories with the development of their energy security plans and needs assessments. The agreement also provides other programmatic support to OIA and the territories.

The EIC grant program plays a crucial role in helping the territories implement the actions identified in the strategic energy plans, and action plans and will be key to a clean energy future in the territories. In response to the Administration's prioritization of clean and renewable energy, electric vehicles, and grid infrastructure, the EIC program will adjust accordingly. This shift will further reduce reliance and expenditures on imported fuels, develop and utilize domestic energy sources, and continue to improve the performance of current energy infrastructure and overall energy efficiency in the territories while transitioning to cleaner and renewable energy sources and infrastructure.

Each year, OIA publishes the grant application instructions with set criteria for selecting the best submissions. The greatest weight is given to proposals that reduce a territory's cost of electricity, are identified in the territory's strategic energy plan or energy action plan, and propose to expend the funds within 24-36 months. Review meetings are held with OIA senior staff, the Budget and Grants Management Division, and others, including subject matter experts from NREL, to review and discuss each submission. Projects are selected for funding based on the results of these meetings and information provided by territorial governments.

Since 2013, American Samoa has made significant progress in implementing the strategies identified in its 2013 Energy Action Plan. The ASREC updated its Energy Action Plan in 2016 with the assistance of NREL and added new strategies that continue to reduce the cost of electricity and improve energy infrastructure in the territory. In fiscal year 2021, awards were provided to the American Samoa Medical Center for a solar photovoltaic (PV) microgrid and energy efficient cooling, and for solar panels at the Shipyard, continuing upgrades to increase energy efficiency and reduce costs. The American Samoa Power Authority also continues its work on EIC-funded energy projects in the territory. In fiscal year 2023, \$4,193,840 was awarded to American Samoa. Of this amount, \$3,523,840 was awarded to the American Samoa Power Authority (ASPA) for two projects: 1) phase I of replacement of 5,500 and 750 three-phase meters, installation of grid routers, and to set up a resource implementation plan, and 2) for the procurement of 20 electric pickup trucks, six fast chargers, power supply and the installation of electric vehicle (EV) chargers. The American Samoa Telecommunications Authority (ASTCA) was awarded \$670,000 for the design, build, and installation of a chilled water HVAC system at the Fagatogo Central Office Building.

In 2023, Guam focused its application priorities on the Guam 100 study, in conjunction with NREL. The \$3 million project will evaluate pathways to 100 percent renewable energy through an integrated analysis process that includes responsive stakeholder engagement, data generation and gathering, renewable energy scenario development and evaluation, and impact modeling and analysis. The Hågatña Restoration and Redevelopment Authority also received \$55,000 in funding for an electric vehicle to conduct official business and reduce its carbon footprint.

In the CNMI, the 2023 focus of EIC applications continued to mostly be solar PV projects, with demand side management through energy efficiency as its next priority. The CNMI received a total of \$4,391,599 in fiscal year 2023 awards. The Office of the Governor received funding for solar PV systems at multiple public facilities, including the Governor's Office Building, the Commonwealth Healthcare Corporation, the Pedro P. Tenorio Multi-Purpose Center, the Department of Corrections Vicente T. Seman Memorial Building, the Rota Office of Aging Man'Amko Center, the Saipan and Northern Municipal Council and Kiosku Buildings, and the Tinian Public Library. Funding was also provided for demand side management projects, including Phase III of the CNMI's successful Energy Efficiency/Energy Star Rebate Program to provide residential households with in-store instant rebate vouchers to purchase energy-efficient and/or energy star-rated appliances and AC systems, and for the installation of solar powered LED streetlights throughout the island of Rota. Funding was also provided to the Northern Marianas Technical Institute for the upgrade of its HVAC systems and installation of a 52.8 KW DC Solar PV system.

The USVI continued to focus its EIC applications on sustainable transportation in fiscal year 2023, with the majority of funding, \$3,935,000 awarded to USVI's Government Operations Fleet Efficiency and Electrification Transformation (GO FLEET) initiative. This initiative provides for the procurement of battery EVs for the government fleet, solar canopies co-located with fast chargers that are coupled with battery storage, and two all-electric marine vessels for the Division of Fish and Wildlife fleet, with marine-based fast chargers. The Office of the Governor also received funding for the site evaluation, system design, permitting development, to procure and install a ground-mounted 100kW solar PV array and 300 kWh battery energy storage system to meet the loads of the at the Virgin Islands Public Broadcasting System Mountain Top Facility that serves critical communications systems. Additionally,

\$360,000 in funding was also awarded to the Virgin Islands Water and Power Authority for the procurement of six hybrid vehicles for the Revenue Assurance Department fleet, to manage the backlog of work orders related to the prevention and detection of unauthorized electricity and water use throughout the USVI, and the reestablishment of the VI Energize energy services division.

Compact Impact - Discretionary**Activity: Territorial Assistance****Subactivity: Compact Impact - Discretionary \$(000)**

Compact Discretionary	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Compact Impact - Discretionary	6,000	6,000	0	0	-6,000	0	-6,000
<i>FTE</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

Justification of 2025 Program Changes

Program Changes	Amount	FTE
Expiration of Compact Impact authorization	-6,000	0
TOTAL Program Changes	-6,000	0

The 2025 budget request does not include funding for Compact Impact - Discretionary.

Compact Impact - Discretionary (-\$6,000,000/ 0 FTE)

The Department of the Interior looks forward to working with Congress on the renewal of the Compacts of Free Association, which includes the Compact Impact Fairness Act. The Administration supports allowing Compact migrants to become eligible for key Federal social safety net programs while residing in the United States, as a long-term solution to the financial impacts of Compact citizens on state and territorial governments. Mandatory appropriations for Compact Impact authorized under the 2003 Compacts of Free Association Act expired at the end of fiscal year 2023, so OIA is not requesting the smaller discretionary supplement to the mandatory funds for Compact Impact.

Program Overview

Discretionary Compact Impact grants supplement the \$30.0 million permanently appropriated for Compact Impact as authorized by Section 104(e) of Title One of the amended Compacts of Free Association. In previous years, OIA used discretionary Compact Impact funding to offset educational service and infrastructure costs incurred by the affected jurisdictions (Guam, Hawai'i, CNMI, and American Samoa) due to the residence of qualified nonimmigrants from the RMI, the FSM, and Palau. The Office of Insular Affairs also expanded this funding criteria to include community development priorities such as job training and other social services for FAS citizens.

Compacts of Free Association

COMPACTS OF FREE ASSOCIATION

Federal Services Assistance

Activity: Compact of Free Association (Current Appropriation)

Subactivity: Federal Services \$(000)

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Federal Services	7,813	7,813	0	0	-7,000	813	-7,000
<i>FTE</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

The Federal Services Assistance program provides discretionary funding to support activities related to the Compacts of Free Association. These activities have previously included U.S. Postal Service mail and package delivery to the freely associated states, Palau's single audit, and a \$5.0 million payment to RMI for Tax and Trade.

Justification of 2025 Program Changes

Program Changes	Amount	FTE
RMI Tax and Trade obligation fulfilled	-5,000	0
USPS covered under new mandatory proposal	-2000	0
TOTAL Program Changes	-7,000	0

The 2025 budget request for Federal Services Assistance is \$813,000 and 0 FTE, a program change of -\$7,000,000 and 0 FTE from 2024.

Federal Services Assistance (-\$7.0 million / 0 FTE)

Congress allocated \$5,000,000 per year from 2020 to 2023 to fulfill the \$20,000,000 U.S. commitment for Tax and Trade Compensation to the RMI under the Compact of Free Association. This obligation has been fulfilled. In addition to the \$6.5 billion requested for economic assistance, the mandatory proposal will also include \$634 million for continued USPS services to the FAS. Funding for postal services will be requested as a direct payment to the Postal Service Fund.

Program Overview

The Federal Services Assistance program provides funding to support activities related to the Compacts of Free Association. In prior years, such funds were used for reimbursing USPS for services provided in the freely associated states, the RMI Tax and Trade payment, and funding for the Palau Single Audit.

2025 Program Performance

The Federal Services Assistance program will continue to provide funding to support activities related to the Compacts of Free Association. The next Compact period will require available discretionary funds for tasks required by the Compact agreements, but not funded through mandatory appropriations, including Federal interagency activities and support for bi-lateral dialogues and consultations.

Enewetak**Activity: Compact of Free Association (Current Appropriation)****Subactivity: Enewetak \$(000)**

Compact Discretionary	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Enewetak	650	650	0	0	-650	0	-650
FTE	0	0	0	0	0	0	0

Justification of 2025 Program Changes

Program Changes	Amount	FTE
Authorization for Mandatory program expired	-650	0
TOTAL Program Changes	-650	0

The 2025 budget request does not include funding for Enewetak.

Enewetak (-\$650,000 / 0 FTE)

With mandatory appropriations for the Enewetak program authorized under the 2003 Compacts of Free Association Act expiring after fiscal year 2023, the fiscal year 2025 budget for Assistance to Territories also discontinues the smaller discretionary supplement to the mandatory funds for Enewetak. Enewetak development is an eligible sector grant under the Compacts of Free Association Amendments Act of 2023.

Program Overview

The natural vegetation of the RMI's Enewetak Atoll was largely destroyed during World War II and during the subsequent nuclear testing program conducted by the United States. Following the cleanup and resettlement of Enewetak, food bearing trees and root crops had to be replanted. However, the depleted soil of the island environment made it difficult to support sufficient agricultural activity to feed the population. In 1980, the Enewetak Support program was implemented to provide supplemental foods for the community, replant vegetation on the inhabited islands, provide agricultural maintenance training and transport food to the island.

The Enewetak program used a portion of its funding for operations of the agriculture field station and the agriculture rehabilitation program. Funding was also used to purchase food and commodities for the residents of the atoll, including the ones living on Majuro, the capital city. Additionally, funds were used to operate the atoll's vessel and support the office in Majuro.

Compacts of Free Association

Account: Compact of Free Association (Permanent and Indefinite)

Activity: Economic Assistance \$(000)

	2023 Actual	2024 Annualized CR	2025 Fixed Costs (+/-)	2025 Internal Transfers (+/-)	2025 Program Changes ² (+/-)	2025 President's Budget	Change from 2024 Annualized CR
Economic Assistance¹	239,197	208,797	0	0	1,362,050	1,570,847	+1,362,050
RMI	85,247	85,247	0	0	+648,000	733,247	+648,000
FSM	123,550	123,550	0	0	+532,900	656,450	+532,900
Palau	0	0	0	0	+180,600	180,600	+180,600
Compact Impact	30,000	0	0	0	0	0	0
Judicial Training	400	0	0	0	+550	550	+550
<i>FTE</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

¹ Permanent figures shown in the OIA tables for FY 2024 represent a baseline extension assumption. Actual funding provided to RMI and FSM is provided through P.L. 118-15, P.L. 118-22, and P.L. 118-35 and reflects FY 2023 funding provided pro-rata through March 8, 2024.

² Amounts shown in the FY 2025 column represent the sum of the total amounts due to FSM, Palau, RMI, and judicial training under the Compacts of Free Association Act of 2023, as well as the Military Use and Operating Rights Agreement funding due to RMI. The total budget authority for the mandatory proposal activities in FY 2025 is \$1.5 billion.

Except for \$34 million due to the RMI under the Compact Military Use and Operating Rights Agreement, Economic Assistance program provisions of the Compacts of Free Association for the RMI and the FSM expired at the end of fiscal year 2023. Economic Assistance under the Republic of Palau's Compact Review Agreement lapses at the end of fiscal year 2024.

Following the expiration of certain economic assistance provisions of the Compacts of Free Association, Congress has provided funding to the FSM and the RMI, commensurate to fiscal year 2023 enacted levels at a pro-rata amount that corresponded with the expiration of P.L. 118-15 and P.L. 118-22. The fiscal year 2024 annualized CR amount shown in the table above reflects a full-year and assumed extension of fiscal year 2023 enacted funding for provisions described in both P.L. 118-15 and P.L. 118-22.

The budget seeks \$6.5 billion in economic assistance over 20 years to be provided through a mandatory appropriation at the Department of the Interior.

Justification of 2025 Program Changes

Program Changes	Amount	FTE
Judicial Training	+550	0
Mandatory Proposal – RMI	+648,000	0
Mandatory Proposal – FSM	+532,900	0
Mandatory Proposal – Palau	+180,600	0
TOTAL Program Changes	+1,362,050	0

Compact of Free Association-Economic Assistance (+\$1,362,050 / 0 FTE)

The program changes as shown for this account reflect the changes to the Compact of Free Association activities in the mandatory proposal, relative to the fiscal year 2023 assumed baseline. Further details about the proposed renewal of the Compacts of Free Association can be found in the mandatory proposal.

Program Overview

Article I of Title Two of the Compacts of Free Association describes the financial assistance commitment by the United States to the FSM and the RMI. The first period of financial assistance expired on September 30, 2003. Following four years of negotiations led by the Department of State, with support from OIA, Congress enacted amendments to the Compact as Public Law 108-188 on December 17, 2003. These amendments also include a new permanent and indefinite appropriation that ensures continuation of direct financial assistance through 2023 for the FSM and the RMI.

The long-term goal of United States' Compact financial support is to assist the FAS in their efforts to advance the economic self-sufficiency of their peoples. The funding provided during the first Compact financial assistance period (1987-2003) provided the basis for meeting the two primary political goals of the Compact, to (1) secure self-government for each country by ending the four decades-old Trusteeship; and (2) ensure national security rights for the U.S. in the freely associated states. The two primary goals could not have been achieved without the stability Compact funding gave the FSM and the RMI economies. Through fiscal year 2023, the FSM has received \$3.7 billion in Compact funding while the RMI has received \$2.4 billion. The following provides historical and estimated Compact funding through the end of the current Compacts:

FSM (\$3.7 billion estimated, 1987 – 2023)

- 1987 – 2003: \$ 1.5 billion
- 2004 – 2023: \$ 2.2 billion (estimated)

RMI (\$2.4 billion estimated, 1987-2023)

- 1987 – 2003: \$1.0 billion
- 2004 – 2023: \$1.4 billion (estimated)

Palau (\$802.8 million estimated, 1995 – 2024)

- 1995 – 2009: \$573.8 million
- 2010 – 2024: \$229.0 million

The first Compact financial assistance period and related agreements provided funding by category and purpose and established general guidelines for the use of funds. The FAS governments, through their own legal processes, allocated funding among self-chosen priorities. Compact funds were disbursed to the FSM and the RMI according to negotiated procedures rather than standard Federal practices. All funds dedicated to capital purposes were transferred to the governments the first day of the fiscal year. All operational funding was disbursed in quarterly lump sums. Customary regulations for the use of Federal funds, such as the Common Rule for grant funds, did not apply to Compact funding. The lack of effective enforcement mechanisms over the use of funds was well documented.

During the first Compact financial assistance period, the FSM and the RMI did not make significant progress toward achieving the long-term Compact goals of economic self-sufficiency. The U.S. believes part of the reason for poor economic performance over the first Compact financial assistance period was in the design of the first Compact itself. The lack of performance standards, measures and monitoring systems allowed poor practices to take root in local government administration.

The amended Compacts provide financial assistance in the form of direct grants in seven sectors: education, health care, infrastructure, public sector capacity building, private sector development, environment, and enhanced reporting and accountability (FSM only). Joint economic management committees, comprised of officials from the U.S. and the RMI or the FSM, meet bi-annually to agree on the allocation of Compact funds among the sectors and to discuss performance, accountability issues and conditions for the use of assistance. The Office of Insular Affairs serves as the administrator of the financial assistance and ensures enforcement of conditions. An office for monitoring Compact assistance was established in Honolulu in 2003 and personnel are also located in the RMI and the FSM capitals. Through a negotiated fiscal procedures agreement, accountability and control standards similar to those which apply domestically to grant agreements between the Federal Government and state and local governments have been implemented.

The amended Compacts also require the United States to make contributions to trust funds for each government. The trust funds are intended to help provide a source of income to the FSM and the RMI following the conclusion of direct assistance in 2023.

2025 Program Performance

The budget seeks \$6.5 billion in economic assistance over 20 years to be provided through a mandatory appropriation to the Department of the Interior. In June 2023, the Administration transmitted the Compacts of Free Association Amendments Act of 2023 to Congress.

The Office of Insular Affairs will continue to monitor activities in the FSM and the RMI through a combination of site-visits and reviews of FSM and RMI-submitted financial and performance reports. It is expected OIA staff will:

- Conduct site visits in the RMI, Palau and the FSM.
- Collect quantitative and qualitative data on performance objectives and measures.
- Issue and administer all sector grants and direct economic assistance provide to the RMI, Palau, and the FSM.

- Convene regular and special meetings of the joint economic management and financial accountability committee for the RMI and the joint economic management committee for the FSM.

The Office of Insular Affairs will continue to work towards implementation of the new Compacts of Free Association agreements.

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Miscellaneous Schedules

MISCELLANEOUS SCHEDULES

**U.S. Department of the Interior
Compact of Free Association (PL 99-239)
Marshall Islands and Federated States of Micronesia
Payments 1987 – 2003
(In thousands of dollars)**

	FY 1987	FY 1988	FY 1989	FY 1990	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	TOTALS	FY 2002	FY 2003
Republic of Marshall Islands (RMI)																		
S.211 Capital and Current	26,100	26,100	26,100	26,100	26,100	22,100	22,460	22,460	22,100	22,100	19,100	19,100	19,100	19,100	19,100	337,220	22,433	22,433
S.217 Inflation	6,468	6,816	7,668	8,520	9,656	9,272	10,004	10,736	11,224	11,712	10,700	11,342	11,342	11,556	11,984	149,000	14,384	14,384
S.213 Kwajalein Impact	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	28,500	1,900	1,900
S.214 Energy Production	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	28,000	1,867	1,867
S.215 Communications O&M	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	4,500	300	300
S.215 Communications Hardware	3,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3,000	200	200
S.111 Tax & Trade Compensation	0	6,000	0	4,000	0	0	0	0	0	0	0	0	0	0	0	10,000	0	0
S.216 Maritime Surveillance/ Med. Ref./ Scholarships	2,367	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	1,700	26,167	1,744	1,744
Subtotal	40,135	44,816	39,668	44,520	41,656	37,272	38,364	39,096	39,224	39,712	35,700	36,342	36,342	36,556	36,984	586,387	42,828	42,828
S.221 Health & Ed. Block Grant	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	45,000	3,000	3,000
Military Use and Operating Rights Grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,500	0
Enewetak Operations	900	1,100	1,100	1,100	1,094	1,094	1,091	1,091	1,089	1,091	1,091	1,191	1,576	1,191	1,388	17,187	1,391	1,620
Rongelap Resettlement	0	0	0	0	0	1,975	1,983	1,983	6,979	0	24,020	0	0	0	0	36,940	0	0
Enjebi	5,000	2,500	2,500	0	0	0	0	0	0	0	0	0	0	0	0	10,000	0	0
Bikini Resettlement	0	2,300	5,000	22,000	21,000	21,000	21,000	0	0	0	0	0	0	0	0	92,300	0	0
Section 177 (Nuclear Claims)	150,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	150,000	0	0
Other Construction	0	400	1,000	2,000	1,989	0	0	1,000	499	0	0	0	0	0	0	6,888	0	0
TOTAL - RMI	199,035	54,116	52,268	72,620	68,739	64,341	65,438	46,170	50,791	43,803	63,811	40,533	40,918	40,747	41,372	944,702	49,719	47,448
Federated States of Micronesia (FSM)																		
S.211 Capital and Current	60,000	60,000	60,000	60,000	60,000	51,000	51,000	51,000	51,000	51,000	40,000	40,000	40,000	40,000	40,000	755,000	50,333	50,333
S.217 Inflation	14,652	15,504	17,442	19,380	21,964	21,128	22,797	24,464	25,576	26,688	22,300	23,638	23,638	24,084	24,976	328,231	31,940	31,939
S.214 Energy Production	0	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	42,000	2,800	2,800
S.215 Communications O&M	600	600	600	600	600	600	600	600	600	600	600	600	600	600	600	9,000	600	600
S.215 Communications Hardware	6,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,000	400	400
S.213 Yap Impact	160	0	0	0	0	0	0	0	0	0	0	0	0	0	0	160	11	11
S.111 Tax & Trade Compensation	0	12,000	0	8,000	0	0	0	0	0	0	0	0	0	0	0	20,000	0	0
S.216 Maritime/Med. Ref./Scholarships	4,335	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	55,701	3,713	3,713
S.212 Civic Action Teams	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	14,000	933	933
Other Construction	0	0	0	0	3,979	3,950	0	500	1,497	0	0	0	0	0	0	9,926	0	0
Subtotal, permanent (FSM)	85,747	95,773	85,711	95,649	94,212	84,347	82,066	84,233	86,342	85,957	70,569	71,907	71,907	72,353	73,245	1,240,018	90,730	90,729
S.221 Health & Ed. Block Grant	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	105,000	7,000	7,000
TOTAL - FSM	92,747	102,773	92,711	102,649	101,212	91,347	89,066	91,233	93,342	92,957	77,569	78,907	78,907	79,353	80,245	1,345,018	97,730	97,729
Federal Services - FSM/RMI/Palau	18,750	17,320	12,760	10,160	7,660	7,810	7,294	7,528	6,514	6,964	6,964	7,354	7,354	7,120	7,338	138,890	7,354	7,306
GRAND TOTAL, RMI & FSM	310,532	174,209	157,739	185,429	177,611	163,498	161,798	144,931	150,647	143,724	148,344	126,794	127,179	127,220	128,955	2,428,610	154,803	152,483

**FSM-RMI Compact Budget Authority
2004-2008**
(In thousands of dollars)

	2004 Inflation 0.00%			2005 Inflation 2.00%			2006 Inflation 4.35%			2007 Inflation 6.68%			2008 Inflation 8.58%			Subtotal 2004-2008
	Base		Total	Base		Total	Base		Total	Base		Total	Base		Total	
Federated States of Micronesia																
Annual Grant Section 211	76,200	-	76,200	76,200	1,524	77,724	76,200	3,315	79,515	75,400	5,037	80,437	74,600	6,401	81,001	394,876
Audit Grant Section 212 (b)	500	-	500	500	-	500	500	-	500	500	-	500	500	-	500	2,500
Trust Fund Section 215	16,000	-	16,000	16,000	320	16,320	16,000	696	16,696	16,800	1,122	17,922	17,600	1,510	19,110	86,048
<i>Total FSM Compact</i>	<i>92,700</i>	<i>-</i>	<i>92,700</i>	<i>92,700</i>	<i>1,844</i>	<i>94,544</i>	<i>92,700</i>	<i>4,011</i>	<i>96,711</i>	<i>92,700</i>	<i>6,159</i>	<i>98,859</i>	<i>92,700</i>	<i>7,911</i>	<i>100,611</i>	<i>483,424</i>
Republic of the Marshall Islands																
Annual Grant Section 211	35,200	-	35,200	34,700	694	35,394	34,200	1,488	35,688	33,700	2,251	35,951	33,200	2,849	36,049	178,281
Audit Grant Section 213 (b)	500	-	500	500	-	500	500	-	500	500	-	500	500	-	500	2,500
Trust Fund Section 216 (a&c)	7,000	-	7,000	7,500	150	7,650	8,000	348	8,348	8,500	568	9,068	9,000	772	9,772	41,838
Kwajalein Impact Section 212	15,000	-	15,000	15,000	300	15,300	15,000	653	15,653	15,000	1,002	16,002	15,000	1,287	16,287	78,242
Rongelap Resettlement Section 103 (f)(4)	-	-	-	1,780	-	1,780	1,760	-	1,760	1,760	-	1,760	-	-	-	5,300
Enewetak Section 103 (f)(2)(c)(i)	1,300	-	1,300	1,300	26	1,326	1,300	57	1,357	1,300	87	1,387	1,300	112	1,412	6,781
<i>Total RMI Compact</i>	<i>59,000</i>	<i>-</i>	<i>59,000</i>	<i>60,780</i>	<i>1,170</i>	<i>61,950</i>	<i>60,760</i>	<i>2,545</i>	<i>63,305</i>	<i>60,760</i>	<i>3,908</i>	<i>64,668</i>	<i>59,000</i>	<i>5,019</i>	<i>64,019</i>	<i>312,942</i>
Compact-Other																
Compact Impact Section 104 (e)	30,000	-	30,000	30,000	-	30,000	30,000	-	30,000	30,000	-	30,000	29,700	(26)	29,674	149,674
Compact Impact Enumeration Section 104 (e)(4)	-	-	-	-	-	-	-	-	-	-	-	-	300	26	326	326
Judicial Training	300	-	300	300	6	306	300	13	313	300	20	320	300	26	326	1,565
<i>Total Compact-Other</i>	<i>30,300</i>	<i>-</i>	<i>30,300</i>	<i>30,300</i>	<i>6</i>	<i>30,306</i>	<i>30,300</i>	<i>13</i>	<i>30,313</i>	<i>30,300</i>	<i>20</i>	<i>30,320</i>	<i>30,300</i>	<i>26</i>	<i>30,326</i>	<i>151,565</i>
GRAND TOTAL	182,000	-	182,000	183,780	3,020	186,800	183,760	6,569	190,329	183,760	10,087	193,847	182,000	12,956	194,956	947,931

**FSM-RMI Compact Budget Authority
2009-2013**
(In thousands of dollars)

	2009			2010			2011			2012			2013			Subtotal 2009-2013
	Base	Inflation 10.51%	Total	Base	Inflation 10.94%	Total	Base	Inflation 11.97%	Total	Base	Inflation 13.40%	Total	Base	Inflation 15.71%	Total	
Federated States of Micronesia																
Annual Grant Section 211	73,800	7,756	81,556	73,000	7,986	80,986	72,200	8,642	80,842	71,400	9,568	80,968	70,600	11,091	81,691.26	406,044
Audit Grant Section 212 (b)	500	-	500	500	-	500	500	-	500	500	-	500	500	-	500.00	2,500
Trust Fund Section 215	18,400	1,934	20,334	19,200	2,100	21,300	20,000	2,394	22,394	20,800	2,787	23,587	21,600	3,393	24,993.36	112,609
<i>Total FSM Compact</i>	<i>92,700</i>	<i>9,690</i>	<i>102,390</i>	<i>92,700</i>	<i>10,087</i>	<i>102,787</i>	<i>92,700</i>	<i>11,036</i>	<i>103,736</i>	<i>92,700</i>	<i>12,355</i>	<i>105,055</i>	<i>92,700</i>	<i>14,485</i>	<i>107,185</i>	<i>521,153</i>
Republic of the Marshall Islands																
Annual Grant Section 211	32,700	3,437	36,137	32,200	3,523	35,723	31,700	3,794	35,494	31,200	4,181	35,381	30,700	4,823	35,523	178,258
Audit Grant Section 213 (b)	500	-	500	500	-	500	500	-	500	500	-	500	500	-	500	2,500
Trust Fund Section 216 (a&c)	9,500	998	10,498	10,000	1,094	11,094	10,500	1,257	11,757	11,000	1,474	12,474	11,500	1,807	13,307	59,130
Kwajalein Impact Section 212	15,000	1,577	16,577	15,000	1,641	16,641	15,000	1,796	16,796	15,000	2,010	17,010	15,000	2,357	17,357	84,380
Rongelap Resettlement Section 103 (f)(4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Enewetak Section 103 (f)(2)(c)(i)	1,300	137	1,437	1,300	142	1,442	1,300	156	1,456	1,300	174	1,474	1,300	204	1,504	7,313
<i>Total RMI Compact</i>	<i>59,000</i>	<i>6,148</i>	<i>65,148</i>	<i>59,000</i>	<i>6,400</i>	<i>65,400</i>	<i>59,000</i>	<i>7,002</i>	<i>66,002</i>	<i>59,000</i>	<i>7,839</i>	<i>66,839</i>	<i>59,000</i>	<i>9,190</i>	<i>68,190</i>	<i>331,530</i>
Compact-Other																
Compact Impact Section 104 (e)	30,000	-	30,000	30,000	-	30,000	30,000	-	30,000	30,000	-	30,000	29,700	(47)	29,653	149,653
Compact Impact Enumeration Section 104 (e)(4)	-	-	-	-	-	-	-	-	-	-	-	-	300	47	347	347
Judicial Training	300	32	332	300	33	333	300	36	336	300	40	340	300	47	347	1,688
<i>Total Compact-Other</i>	<i>30,300</i>	<i>32</i>	<i>30,332</i>	<i>30,300</i>	<i>33</i>	<i>30,333</i>	<i>30,300</i>	<i>36</i>	<i>30,336</i>	<i>30,300</i>	<i>40</i>	<i>30,340</i>	<i>30,300</i>	<i>47</i>	<i>30,347</i>	<i>151,688</i>
GRAND TOTAL	182,000	15,870	197,870	182,000	16,519	198,519	182,000	18,075	200,075	182,000	20,234	202,234	182,000	23,722	205,722	1,004,420

**FSM-RMI Compact Budget Authority
2014-2018**
(In thousands of dollars)

	2014			2015			2016			2017			2018			Subtotal 2014-2018
	Base	Inflation 16.54%	Total	Base	Inflation 16.28%	Total	Base	Inflation 17.87%	Total	Base	Inflation 18.91%	Total	Base	Inflation 20.39%	Total	
Federated States of Micronesia																
Annual Grant Section 211	69,800	11,545	81,345	69,000	11,233	80,233	68,200	12,187	80,387	67,400	12,745	80,145	66,600	13,580	80,180	402,291
Audit Grant Section 212 (b)	500	-	500	500	-	500	500	-	500	500	-	500	500	-	500	2,500
Trust Fund Section 215	22,400	3,705	26,105	23,200	3,777	26,977	24,000	4,289	28,289	24,800	4,690	29,490	25,600	5,220	30,820	141,680
<i>Total FSM Compact</i>	<i>92,700</i>	<i>15,250</i>	<i>107,950</i>	<i>92,700</i>	<i>15,010</i>	<i>107,710</i>	<i>92,700</i>	<i>16,476</i>	<i>109,176</i>	<i>92,700</i>	<i>17,435</i>	<i>110,135</i>	<i>92,700</i>	<i>18,800</i>	<i>111,500</i>	<i>546,471</i>
Republic of the Marshall Islands																
Annual Grant Section 211	32,200	5,326	37,526	31,700	5,161	36,861	31,200	5,575	36,775	30,700	5,805	36,505	30,200	6,158	36,358	184,025
Audit Grant Section 213 (b)	500	-	500	500	-	500	500	-	500	500	-	500	500	-	500	2,500
Trust Fund Section 216 (a&c)	12,000	1,985	13,985	12,500	2,035	14,535	13,000	2,323	15,323	13,500	2,553	16,053	14,000	2,855	16,855	76,750
Kwajalein Impact Section 212	18,000	-	18,000	18,000	2,930	20,930	18,000	3,217	21,217	18,000	3,404	21,404	18,000	3,670	21,670	103,221
Rongelap Resettlement Section 103 (f)(4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Enewetak Section 103 (f)(2)(c)(i)	1,300	215	1,515	1,300	212	1,512	1,300	232	1,532	1,300	246	1,546	1,300	265	1,565	7,670
<i>Total RMI Compact</i>	<i>64,000</i>	<i>7,526</i>	<i>71,526</i>	<i>64,000</i>	<i>10,338</i>	<i>74,338</i>	<i>64,000</i>	<i>11,347</i>	<i>75,347</i>	<i>64,000</i>	<i>12,008</i>	<i>76,008</i>	<i>64,000</i>	<i>12,948</i>	<i>76,948</i>	<i>374,166</i>
Compact-Other																
Compact Impact Section 104 (e)	30,000	-	30,000	30,000	-	30,000	30,000	-	30,000	30,000	-	30,000	29,700	(61)	29,639	149,639
Compact Impact Enumeration Section 104 (e)(4)	-	-	-	-	-	-	-	-	-	-	-	-	300	61	361	361
Judicial Training	300	50	350	300	49	349	300	54	354	300	57	357	300	61	361	1,770
<i>Total Compact-Other</i>	<i>30,300</i>	<i>50</i>	<i>30,350</i>	<i>30,300</i>	<i>49</i>	<i>30,349</i>	<i>30,300</i>	<i>54</i>	<i>30,354</i>	<i>30,300</i>	<i>57</i>	<i>30,357</i>	<i>30,300</i>	<i>61</i>	<i>30,361</i>	<i>151,770</i>
GRAND TOTAL	187,000	22,825	209,825	187,000	25,397	212,397	187,000	27,877	214,877	187,000	29,500	216,500	187,000	31,808	218,808	1,072,407

**FSM-RMI Compact Budget Authority
2019-2023**

(In thousands of dollars)

	2019			2020			2021			2022			2023			Subtotal 2019-2023	Total 2004-2023
	Base	Inflation 22.13%	Total	Base	Inflation 24.30%	Total	Base	Inflation 25.99%	Total	Base	Inflation 25.83%	Total	Base	Inflation 33.46%	Total		
Federated States of Micronesia																	
Annual Grant Section 211	65,800	14,562	80,362	65,000	15,795	80,795	64,200	16,686	80,886	63,400	16,376	79,776	62,600	20,946	83,546	405,364	1,608,575
Audit Grant Section 212 (b)	500	-	500	500	-	500	500	-	500	500	-	500	500	-	500	2,500	10,000
Trust Fund Section 215	26,400	5,842	32,242	27,200	6,610	33,810	28,000	7,277	35,277	28,800	7,439	36,239	29,600	9,904	39,504	177,072	517,410
<i>Total FSM Compact</i>	<i>92,700</i>	<i>20,404</i>	<i>113,104</i>	<i>92,700</i>	<i>22,405</i>	<i>115,105</i>	<i>92,700</i>	<i>23,963</i>	<i>116,663</i>	<i>92,700</i>	<i>23,815</i>	<i>116,515</i>	<i>92,700</i>	<i>30,850</i>	<i>123,550</i>	<i>584,937</i>	<i>2,135,984</i>
Republic of the Marshall Islands																	
Annual Grant Section 211	29,700	6,573	36,273	29,200	7,096	36,296	28,700	7,459	36,159	28,200	7,284	35,484	27,700	9,268	36,968	181,180	721,744
Audit Grant Section 213 (b)	500	-	500	500	-	500	500	-	500	500	-	500	500	-	500	2,500	10,000
Trust Fund Section 216 (a&c)	14,500	3,209	17,709	15,000	3,645	18,645	15,500	4,028	19,528	16,000	4,133	20,133	16,500	5,521	22,021	98,036	275,754
Kwajalein Impact Section 212	18,000	3,983	21,983	18,000	4,374	22,374	18,000	4,678	22,678	18,000	4,649	22,649	18,000	6,023	24,023	113,708	379,550
Rongelap Resettlement Section 103 (f)(4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,300
Enewetak Section 103 (f)(2)(c)(i)	1,300	288	1,588	1,300	316	1,616	1,300	338	1,638	1,300	336	1,636	1,300	435	1,735	8,212	29,976
<i>Total RMI Compact</i>	<i>64,000</i>	<i>14,053</i>	<i>78,053</i>	<i>64,000</i>	<i>15,431</i>	<i>79,431</i>	<i>64,000</i>	<i>16,504</i>	<i>80,504</i>	<i>64,000</i>	<i>16,402</i>	<i>80,402</i>	<i>64,000</i>	<i>21,247</i>	<i>85,247</i>	<i>403,636</i>	<i>1,422,324</i>
Compact-Other																	
Compact Impact Section 104 (e)	30,000	-	30,000	30,000	-	30,000	30,000	-	30,000	30,000	-	30,000	30,000	-	30,000	150,000	598,966
Compact Impact Enumeration Section 104 (e)(4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,034
Judicial Training	300	66	366	300	73	373	300	78	378	300	77	377	300	100	400	1,895	6,918
<i>Total Compact-Other</i>	<i>30,300</i>	<i>66</i>	<i>30,366</i>	<i>30,300</i>	<i>73</i>	<i>30,373</i>	<i>30,300</i>	<i>78</i>	<i>30,378</i>	<i>30,300</i>	<i>84</i>	<i>30,377</i>	<i>30,300</i>	<i>100</i>	<i>30,400</i>	<i>151,895</i>	<i>606,918</i>
GRAND TOTAL	187,000	34,523	221,523	187,000	37,908	224,908	187,000	40,544	227,545	187,000	43,664	227,294	187,000	52,197	239,197	1,140,468	4,165,226

**U.S. Department of the Interior
Office of Insular Affairs
Compact of Free Association
REPUBLIC OF PALAU
Budget Authority 1995 - 2009
(In thousands of dollars)**

	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	TOTALS
ACTIVITY (P.L. 99-658)																
Sect. 211(a) Current Account	12,000	12,000	12,000	12,000	7,000	7,000	7,000	7,000	7,000	7,000	6,000	6,000	6,000	6,000	6,000	120,000
Sect. 211(b) Energy Production	28,000															28,000
Sect. 211(c) Communications	1,650	150	150	150	150	150	150	150	150	150	150	150	150	150	150	3,750
Sect. 211(d) Maritime Surveillance, Health, Scholarships	631	631	631	631	631	631	631	631	631	631	631	631	631	631	631	9,465
Sect. 211(e) Start-up for 211(d)	667															667
Sect. 211(f) Investment Fund <i>a/</i>	66,000		4,000													70,000
Subtotal Sec. 211	108,948	12,781	16,781	12,781	7,781	7,781	7,781	7,781	7,781	7,781	6,781	6,781	6,781	6,781	6,781	231,882
Sect. 212(b) Capital Account	36,000															36,000
Sect. 213 Defense Use Impact	5,500															5,500
Sect. 215 Inflation Adjustment	35,719	5,842	6,075	6,440	3,790	3,861	4,004	4,076	4,290	4,362	3,875	3,998	4,121	4,244	4,367	99,060
SUBTOTAL	186,167	18,623	22,856	19,221	11,571	11,642	11,785	11,857	12,071	12,143	10,656	10,779	10,902	11,025	11,148	372,442
Sect. 221(b) Special Block Grant	6,300	4,900	3,500	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	38,700
DIRECT PAYMENTS	192,467	23,523	26,356	21,221	13,571	13,642	13,785	13,857	14,071	14,143	12,656	12,779	12,902	13,025	13,148	411,142
Federal Services	1,340	0	0	0	0	0	0	1,539	1,539	1,539	1,539	1,539	1,539	1,539	1,539	13,652
Sect. 212(a) Palau Road Construction	53,000		96,000													149,000
GRAND TOTAL, PALAU	246,807	23,523	122,356	21,221	13,571	13,642	13,785	15,396	15,610	15,682	14,195	14,318	14,441	14,564	14,687	573,794

a/ PALAU MAY WITHDRAW \$5 MILLION ANNUALLY FROM THE FUND IN YEARS 5 THROUGH 15.

**U.S. Department of the Interior
Office of Insular Affairs
Compact of Free Association
REPUBLIC OF PALAU
Budget Authority 2010 - 2024
(In thousands of dollars)**

Final Enacted Modified Schedule

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>TOTALS 1/</u>
<u>Sec. ACTIVITY (Revised Agreement)</u>																
1 Trust Fund Contributions									65,250							65,250
2a Infrastructure Maintenance Fund 2/									2,000	2,000	2,000	2,000	2,000	2,000	2,000	14,000
3 Fiscal Consolidation Fund									0							0
4a <i>Economic Assistance - Compact Extension</i> Economic Assistance	<i>13,147</i>	24,574							<i>105,176</i> 24,574							
5 Infrastructure Projects									20,000							20,000
<i>Direct Assistance to Palau - Compact Extension</i>	<i>13,147</i>								<i>105,176</i>							
<u>Direct Assistance to Palau</u>	<u>0</u>	111,824	2,000	2,000	2,000	2,000	2,000	2,000	123,824							
Total, Direct Assistance to Palau	13,147	111,824	2,000	2,000	2,000	2,000	2,000	2,000	229,000							
<u>PALAU ANNUAL WITHDRAWAL FROM TRUST FUND 3/</u>	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	9,000	15,000	15,000	15,000	15,000	15,000	15,000	<u>139,000</u>

1/Discretionary appropriations provided by the Congress in 2010-2017 Italicized

2/Entry Into Force repayment (Sec. 212) \$3 million paid into Infrastructure Maintenance Fund

3/Palau is limited by Congressional action or by agreement (2017-2024) from withdrawing more than this amount from its US-funded Compact Trust Fund.

COMPACTS OF FREE ASSOCIATION AMENDMENTS ACT OF 2023

(In thousands of dollars)

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	TOTAL
Palau																					
Annual Economic Assistance	20,000	20,400	20,808	21,224	21,648	22,081	22,523	22,973	23,432	23,901	24,379	24,867	25,364	25,871	26,388	26,916	27,454	28,003	28,563	29,134	485,929
Infrastructure Projects	5,000	5,100	5,202	5,306	5,412	5,520	5,630	5,743	5,858	5,975	6,095	6,217	6,341	6,468	6,597	6,729	6,864	7,001	7,141	7,284	121,483
Infrastructure Maintenance Fund	5,000	5,100	5,202	5,306	5,412	5,520	5,630	5,743	5,858	5,975	6,095	6,217	6,341	6,468	6,597	6,729	6,864	7,001	7,141	7,284	121,483
Fiscal Consolidation	10,000	10,000	10,000	10,000	10,000	10,000															60,000
Compact Trust Fund	50,000	50,000																			100,000
Palau Total	90,000	90,600	41,212	41,836	42,472	43,121	33,783	34,459	35,148	35,851	36,569	37,301	38,046	38,807	39,582	40,374	41,182	42,005	42,845	43,702	888,895
FSM																					
Annual Economic Assistance (sector grants)	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	2,800,000
Compact Trust Fund	250,000	250,000																			500,000
FSM Total	390,000	390,000	140,000	3,300,000																	
RMI																					
Annual Economic Assistance (sector grants)	50,000	51,000	52,020	53,060	54,122	55,204	56,308	57,434	58,583	59,755	60,950	62,169	63,412	64,680	65,974	67,293	68,639	70,012	71,412	72,841	1,214,868
Additional Education Assistance	22,000																				22,000
Additional Environment Assistance	30,000																				30,000
U.S. Supplemental Health Fund/Joint Health Dialogue	28,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	180,000
Climate Fund and Working Group	20,000																				20,000
Kwajalein Development Plan Fund	132,000																				132,000
Nuclear Testing Transparency and Museum	15,000																				15,000
Compact Trust Fund	200,000	200,000	200,000	100,000																	700,000
RMI Total	497,000	259,000	260,020	161,060	62,122	63,204	64,308	65,434	66,583	67,755	68,950	70,169	71,412	72,680	73,974	75,293	76,639	78,012	79,412	80,841	2,313,868
Compact - Direct Assistance Subtotal	977,000	739,600	441,232	342,896	244,594	246,325	238,091	239,893	241,731	243,606	245,519	247,470	249,458	251,487	253,556	255,667	257,821	260,017	262,257	264,543	6,502,763
Judicial Training	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	550	11,000
U.S. Postal Service	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	31,700	634,000
Compact Total	1,009,250	771,850	473,482	375,146	276,844	278,575	270,341	272,143	273,981	275,856	277,769	279,720	281,708	283,737	285,806	287,917	290,071	292,267	294,507	296,793	7,147,763