



OFFICE OF INSULAR AFFAIRS

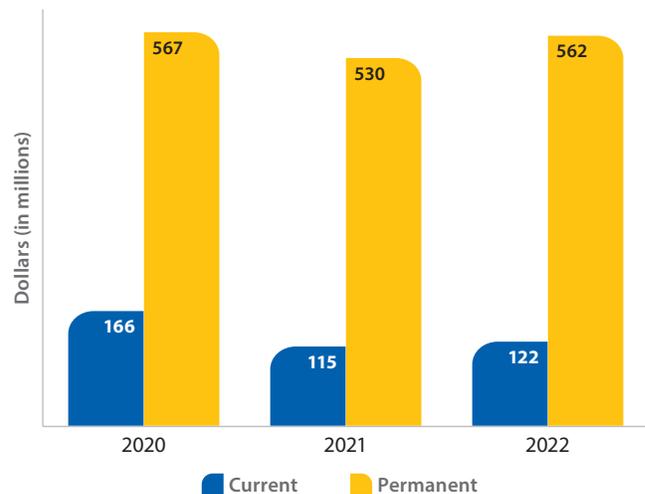
Mission—The Office of Insular Affairs (OIA) strengthens economic and health capacities in the U.S. territories and fulfills the Compacts of Free Association obligations to the freely associated states.

Budget Overview—The 2022 budget includes \$122.4 million in current appropriations, an increase of \$7.3 million over the 2021 enacted level. OIA estimates the budget will support staffing equal to 36 full-time equivalents in 2022.

Strengthening Climate Resilience and Conservation Partnerships—The 2022 budget supports climate resilience and conservation through programs that provide targeted assistance to the Insular Areas. The Insular Areas are exposed to disproportionate effects of climate change and conservation that affect day-to-day life. In 2022, the technical assistance, brown tree snake, and coral reef and natural resources programs will provide funding for these underserved areas to address the effects of climate change on their communities and protect the native ecosystems from further damage.

Deploying Clean Energy—The 2022 budget supports the Administration’s priority to increase clean energy and energy efficiency with a requested increase of \$7.0 million in the Energizing Insular Communities program to develop renewable energy and grid infrastructure in the Insular Areas. Funding will help the islands reduce their dependence on energy imports and increase energy conservation and efficiency through reliable and affordable energy strategies.

OIA Funding



Program Overview—The Assistant Secretary—Insular and International Affairs and OIA carry out the Secretary’s responsibilities for the U.S. territories of Guam, American Samoa, the U.S. Virgin Islands (USVI), and the Commonwealth of the Northern Mariana Islands (CNMI). OIA administers and oversees Federal assistance under the Compacts of Free Association to the Federated States of Micronesia (FSM), the Republic of the Marshall Islands (RMI), and the Republic of Palau.

The insular economies are small, isolated, and are dependent on one or two main sources of income. In most areas, Federal programs and grants represent a major contribution to the economy. OIA strengthens insular economies through strategic investments in infrastructure, public services, and technical assistance, which attracts private-sector investment.



- Executive Order No. 6726 (May 29, 1934) established in the Department of the Interior the Division of Territories and Island Possessions, which was renamed the Office of Insular Affairs on August 4, 1995.
- The Secretary of the Interior is responsible for coordinating Federal policy with respect to the territories and administering and overseeing U.S. Federal assistance provided to the freely associated states.
- These responsibilities for the Insular Areas are executed through the Assistant Secretary—Insular and International Affairs and the Office of Insular Affairs.
- The U.S. territories under the responsibility of the Office of Insular Affairs include American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands.
- The freely associated states are the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.
- The Office of Insular Affairs manages more than \$600 million a year in financial assistance and payments to the Insular Areas.

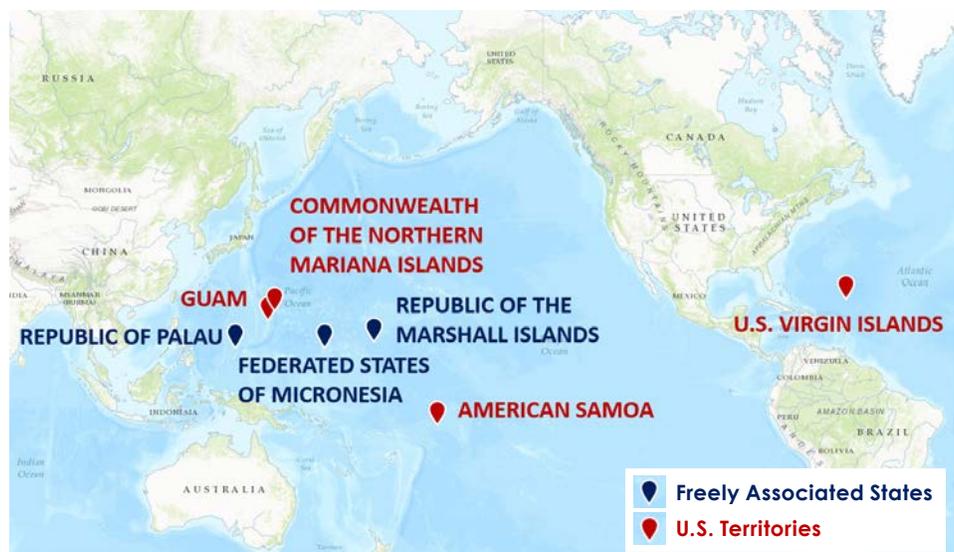
In 2020, OIA managed approximately \$1.5 billion in Trust Funds for the FSM and the RMI and supported a \$5.0 million tax and trade payment to the RMI. OIA also provided \$733.6 million in grant funding and fiscal payments to the Insular Areas, including \$113.0 million in health-related funding and \$90.8 million in education-related funding. Of the \$113.0 million in health-related grant awards, \$42.6 million was awarded from the \$55.0 million made available in the Coronavirus Aid, Relief and Economic Security Act during FY 2020.

The 2022 budget request achieves the Department’s mission of Fulfilling our Trust and Insular Responsibilities through balanced efforts to strengthen economic and health capacities in the territories; fulfill Compact obligations; and address climate resilience, conservation, and clean energy deployment.

Assistance to Territories—The 2022 budget includes \$114.0 million for the main operating account, Assistance to Territories, an increase of \$7.3 million from 2021. Within this account, the budget contains \$61.6 million for Territorial Assistance programs,

which consists of \$9.8 million for OIA operations, including financial oversight efforts; \$21.8 million for Technical Assistance; \$4.4 million for Maintenance Assistance; \$2.6 million for Coral Reef Initiative & Natural Resources activities; \$15.5 million for Energizing Insular Communities; \$3.5 million for Brown Tree Snake Control; and \$4.0 million for discretionary Compact Impact assistance. The budget includes \$24.6 million for American Samoa Operations support. The request for current mandatory Capital Improvement Project grant funding is \$27.7 million.

Compact of Free Association—The 2022 budget maintains the 2021 enacted level of \$8.5 million for the Compact of Free Association account. This total



Insular Areas



OIA funded a grant for the American Samoa Airport Rescue and Fire Fighters' self-contained breathing apparatus and personal protective equipment.



OIA grantee Mañe'lu runs the Micronesian Resource Center One-Stop Shop in Guam. Pictured is one of their Play and Learn (PAL) sessions in collaboration with the Guam Department of Public Health and Social Services' Kariñu Project. The PAL sessions focus on encouraging parent and child play, and giving parents the skills and knowledge to interact with their children using everyday household items and a little creativity.

includes \$7.8 million for Federal Services (including \$5.0 million for Marshall Islands Tax and Trade Compensation) and \$650,000 for Enewetak.

Most of OIA's annual budget consists of mandatory funding, including an estimated \$230.7 million in 2022 to fulfill U.S. obligations under the Compacts of Free Association. Financial assistance under the Compacts of Free Association is scheduled to end after 2023 for the FSM and the RMI and in 2024

for Palau. Negotiations on the expiring provisions of the Compacts of Free Association with the FSM, the RMI, and Palau continue, underscoring the importance of the bilateral relationships and opportunities for greater cooperation on a free and open Indo-Pacific.

Fixed Costs—Fixed costs of \$284,000 are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2022 Request with 2021 Enacted

	2021 Enacted		2022 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Assistance to Territories	36	106,693	36	113,977	0	+7,284
Compact of Free Association	0	8,463	0	8,463	0	0
Subtotal, Current	36	115,156	36	122,440	0	+7,284
Permanent						
Compact of Free Association	0	227,545	0	230,665	0	+3,120
Payments to the United States Territories, Fiscal Assistance	0	302,000	0	331,000	0	+29,000
Subtotal, Permanent	0	529,545	0	561,665	0	+32,120
TOTAL, OFFICE OF INSULAR AFFAIRS.....	36	644,701	36	684,105	0	+39,404

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Assistance to Territories

	2020 Actual	2021 Enacted	2022 Request	Change
American Samoa Operations.....	24,120	24,620	24,620	0
Capital Improvement Project Grants	27,720	27,720	27,720	0
Territorial Assistance				
Office of Insular Affairs.....	9,491	9,553	9,837	+284
Technical Assistance.....	20,800	21,800	21,800	0
Maintenance Assistance Fund.....	4,375	4,375	4,375	0
Brown Tree Snake Control.....	3,500	3,500	3,500	0
Coral Reef Initiative & Natural Resources	2,625	2,625	2,625	0
Energizing Insular Communities.....	6,250	8,500	15,500	+7,000
Compact Impact	4,000	4,000	4,000	0
Subtotal, Territorial Assistance.....	51,041	54,353	61,637	+7,284
TOTAL APPROPRIATION				
(w/o supplemental)	102,881	106,693	113,977	+7,284
Supplemental	55,000	0	0	0
TOTAL APPROPRIATION (w/ supplemental) ..	157,881	106,693	113,977	+7,284

Detail of Budget Changes

	2022 Change from 2021 Enacted
TOTAL APPROPRIATION	+7,284
Assistance to Territories	+7,284
Territorial Assistance	+7,284
Fixed Costs	+284
Energizing Insular Communities	+7,000

APPROPRIATION: Compact of Free Association

	2020 Actual	2021 Enacted	2022 Request	Change
Federal Services.....	7,813	7,813	7,813	0
Enewetak	650	650	650	0
TOTAL APPROPRIATION	8,463	8,463	8,463	0