Committee on Natural Resources
Oversight Hearing
1324 Longworth House Office Building
March 27, 2019
10:00 am

Hearing on "*Examining the Department of the Interior's Spending Priorities and the President's Fiscal Year 2020 Budget Proposal*"

Questions from Rep. Sablan for Scott Cameron, Principal Deputy Assistant Secretary for Policy, Management, and Budget, U.S. Department of the Interior

1. The territories on average pay about three times the national average for electricity. Public Law 113-235, which became law in 2014, directed the Department of Interior to establish teams of technical, policy, and financial experts to develop "energy action plans" for the territories and Freely Associated States. Energy Action Plans were to include recommendations on ways to reduce reliance and expenditures on fuel shipped to the insular areas; develop and utilize domestic fuel energy sources; and improve performance of energy infrastructure and overall energy efficiency. Can you please let us know why your Department has not produced these plans as required by law? In fact, Public Law 113-25 also mandated that the Secretary produce annual reports to Congress with detail on the energy action plans. The first of these annual reports were due nearly four years ago, and as far as I know, we have not received any. Please explain why not.
2. In the Department's 2020 budget request, as with previous years, the administration proposes drastic reductions to the Office of Insular Affairs. In just the past two years, all the U.S. territories have been devastated by natural disasters crippling their already constrained budgets. OIA is charged with administrative responsibilities and the coordination of federal policies for the insular areas. However, the President's budget decreases funding for OIA while requesting additional funding for programs that benefit fossil fuel interests. How do you justify that?
3. The $27.72 million in Covenant grants, which the Office of Insular Affairs now uses for Capital Improvement Project Grants, were established in 1978, over 40 years

ago. In a subcommittee hearing here two years ago, it was estimated by OIA that when adjusted for inflation, this amount would total over $42 million. The needs in the territories are great and the amount is inadequate to address our needs. I am sure the Department recognizes that. Yet, the Department does not request any additional funds over the mandatory $27.7 million for Capital Improvement Project grant funding. Why is that?

4. Mr. Cameron, in your submitted testimony, you state that OIA will implement activities in 2020 to bolster healthcare capacity and strengthen island economies. Could you please detail what exactly those planned OIA activities are?
5. Can you provide an update of the status of the $20 million in compensation the U.S. Department of State agreed should be provided to the Republic of the Marshall Islands for the loss of investments following the decision to eliminate tax and trade provisions from the RMI's first Compact of Free Association (P.L. 99-239)? What has been the Department's and the Office of Insular Affairs' role, if any, in these negotiations and why hasn't the Department of Interior included the compensation in any budget request since the State Department provided their determination in 2010?