



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

SEP 23 2022

The Honorable Raúl Grijalva
Chair, Committee on Natural Resources
U.S. House of Representatives
Washington, DC 20515

Dear Chair Grijalva:

Enclosed are responses to the follow-up questions received by Jonathan Dunn, Budget Officer, Office of Insular Affairs, after his appearance before your Committee at the May 18, 2022, hearing on the Fiscal Year 2023 Budget Request of the Department of the Interior's Office of Insular Affairs. These responses were prepared by the Office of Insular Affairs.

Thank you for the opportunity to respond to you on this matter.

Sincerely,

Christopher P. Salotti
Legislative Counsel
Office of Congressional and
Legislative Affairs

Enclosure

cc: The Honorable Bruce Westerman
Ranking Member

Questions for the Record
House Committee on Natural Resources
Oversight Hearing on the Fiscal Year 2023
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Questions from Representative Sablan

Question 1: Mr. Dunn, P.L. 113-235 enacted in 2014 mandated Interior create energy action plans for all the insular areas developed by teams of technical, policy, and financial experts. These plans were required to provide recommendations on ways to reduce reliance and expenditures on imported fuel; develop and utilize domestic energy sources; and establish benchmarks for measuring progress. Besides awarding annual grants, how has OIA used funding for the Energizing Insular Communities program to meet the requirements of the law?

Response: The Office of Insular Affairs (OIA) has indeed provided funding through the Energizing Insular Communities (EIC) program in the form of grants, but EIC funding has also been used to implement interagency agreements with the U.S. Department of Energy (USDOE) wherein USDOE serves as a technical member of the team supporting the development, update, and implementation of energy action plans. Additionally, USDOE is to provide technical assistance to the Insular Areas, which may include participation in jurisdiction-led working groups responsible for developing energy action plans and implementation support.

Question 2: Do each of the Insular Areas have a developed energy action plan, approved by the Secretary, complete with a schedule for implementation of recommendations and specific projects?

Response: Each territory is in the process of updating their energy action plans or has plans in place that their respective governments have affirmed are still in use. The U.S. Virgin Islands (USVI) has adhered to its USVI Energy Road Map, developed in 2011, and has updated its Integrated Resource Plan for the local utility, the Virgin Islands Water and Power Authority. American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam are all in the process of updating their plans with EIC funding. While these updated plans are being developed, each area has affirmed that their previous plans are still guiding project proposals.

Question 3: The law also requires annual reports be submitted to Congress detailing progress on implementation of each approved energy action plan. Will OIA commit to providing annual reports to this Committee including information on insular area energy usage and the progress of each team of experts as required by law?

Response: OIA will provide a report to the Committee annually, detailing the status of insular area energy usage and progress of plan and project implementation.

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Question 4: Each year, territory delegates and other Members urge our colleagues on the Appropriations Committee to increase funding for OIA's Technical Assistance Program Account because the needs of the Insular Areas, as mentioned by the Governors, significantly outweigh the available amount of funding. Can you provide the total dollar amount of Technical Assistance requests OIA received from the Insular Areas last fiscal year?

Response: In 2021, OIA received \$71 million of grant requests for the Technical Assistance Program. In 2022, OIA has received requests totaling \$90.5 million.

Question 5: How did that compare to amount of funds available to award?

Response: In 2021, OIA had \$21.8 million of funds available to award, which covered 31% of grant funding requested. In 2022, OIA has \$22.3 million of grant funds available through the Technical Assistance Program, which covers 24.6% of grant funding requested.

Question 6: Why doesn't the Administration request increased funding for the Technical Assistance Program if the funding doesn't come close to addressing the Insular Areas' needs?

Response: OIA supports funding for the Technical Assistance Program in line with the President's Budget Request.

Question 7: According to your statement and OIA's budget documents, the Biden Administration plans to request that the necessary mandatory funding for financial agreements approved in the renewed Compacts of Free Association be appropriated to the Department of State. Implementation of the new COFA agreements, however, would continue to be undertaken by OIA. Could you describe how such an arrangement would work between the two departments?

Response: The Administration intends for the Department of the Interior (DOI) to remain the primary agency for implementing economic assistance to the FAS. We look forward to working with Congress once the negotiation process has concluded to address any unresolved technical issues.

Question 8: The Capital Improvement Project (CIP) funds which originated as Northern Marianas Covenant funds, address a variety of infrastructure needs in the U.S. territories, including for critical infrastructure such as hospitals, schools, wastewater, and solid waste systems. The total amount of these funds has been fixed at \$27.7 million since its inception

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even though the infrastructure needs of the island continue to expand. Given the enormous infrastructure needs of the islands, have there been discussions within OIA to propose increasing CIP funds?

Response: As CIP funding levels are statutorily determined by a mandatory authorization, OIA has proposed increases that can support infrastructure in other OIA programs such as Energizing Insular Communities and Maintenance Assistance.

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Questions from Representative Porter

Question 1: The Compact of Free Association between the U.S. and the Republic of the Marshall Islands established several programs to meet the human needs of those harmed by U.S. nuclear testing. These programs were authorized for a period of 15 years beginning in 1986 and funded from the \$150 million settlement under the Section 177 agreement. The U.S. accepted the request of the RMI to continue these programs under the 2003 Compact Amendments Act (PL108-188). Section 103(f) extends the Enewetak agricultural planting program and food program for dislocated people of Bikini and Enewetak, in accordance with Article II, Section (d)(1) of the Section 177 agreement, funded from mandatory and discretionary grants, at the rate of \$1.3 million annually. Section 103(h) provides annual discretionary grant funding to continue non-reimbursable federal compensation funding assistance in accordance with the purposes of Article II, Section 1(a) Four Atoll Health Care Program under the Section 177 settlement for the Bikini, Enewetak, Rongelap and Utirik communities. These extensions of compensation and benefits under the Section 177 Agreement expire at the end of FY 2023. Does the OIA budget provide funding and staff capacity to competently and efficiently conclude these programs that have been operating by agreement of the U.S. and RMI governments since 1986? Do you have other plans for the disposition of these programs?

Response: As noted in this question, under the original Section 177 of the Compacts of Free Association, the Section 103(f) and Section 103(h) programs that assist communities still impacted by the nuclear testing program were scheduled to expire under the terms of the Section 177 Agreement 15 years after the 1986 effective date of that agreement. However, the COFA Amendments Act of 2003 extended those programs for 20 years at the request and upon acceptance of the RMI government, for the specific purposes of continued implementation of Article II, Section (1)(d) and Article II, Section 1(a) of the Section 177 Agreement. Section 103(f) authorized and appropriated \$1.3 million annually to fund that program, adjusted for inflation, totaling \$41.8 million between 2004 and the final payment being proposed under the 2023 OIA budget. The Section 103(h) four atoll health care programs has been funded under the OIA budget under the OIA Technical Assistance Program from 2004 to 2023 with a total cost of \$22.3 million.

As you also noted, continuation of those programs within the framework of the Section 177 Agreement, Article II, was agreed upon bilaterally in 2003. This has been consistent with the provisions of Section 103(e) of the COFA Amendments Act of 2003.

OIA has requested sufficient funding to address these programs in FY 2023. Given the status of the ongoing negotiations with the RMI to renew and extend the Compact with Special

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Presidential Envoy Joseph Yun, it would be premature to comment on the ultimate disposition of the programs at this time.