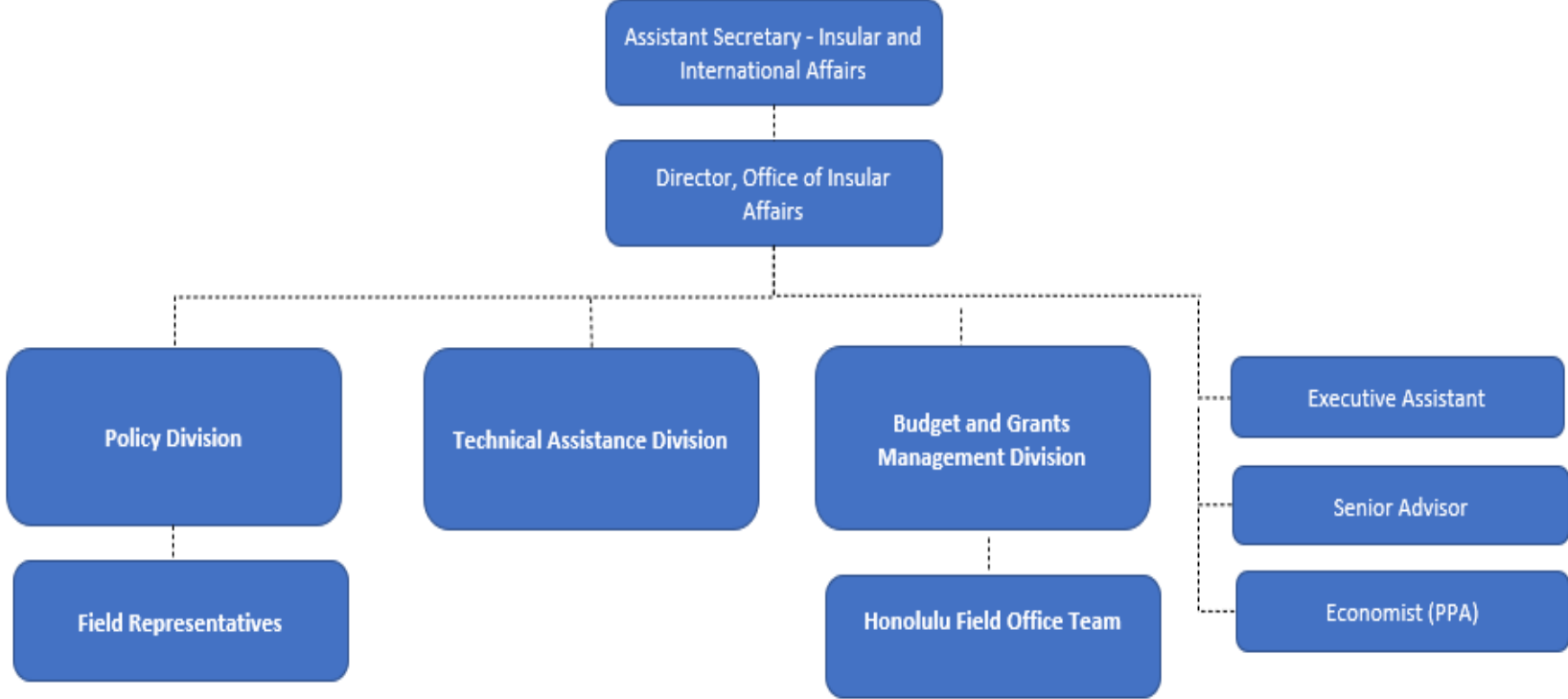




OFFICE OF INSULAR AFFAIRS

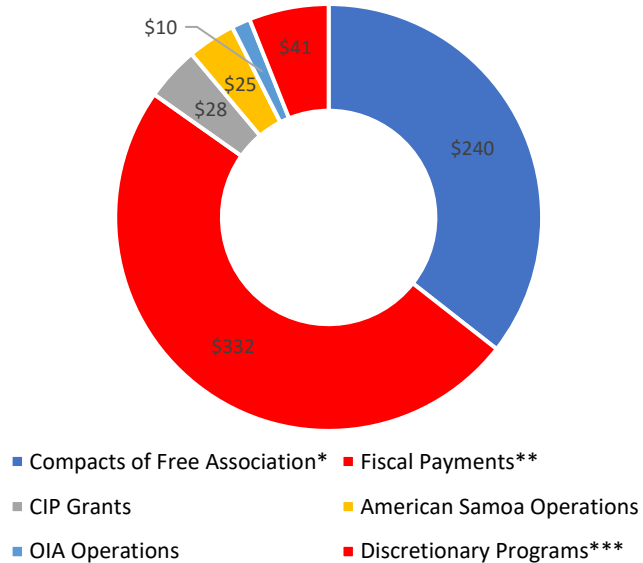


OFFICE OF INSULAR AFFAIRS



OIA ACTIVITIES AND IMPACTS

OIA 2021 Enacted Budget (millions\$)



*Compacts of Free Association includes: current, permanent, and discretionary compact impact funds

**Fiscal Payments are estimates

***Discretionary programs includes: Technical Assistance (\$22), Maintenance Assistance (\$4), Brown Tree Snake Control (\$4), Coral Reef & Natural Resources (\$3), and Energizing Insular Communities (\$9)

Technical Assistance Activities

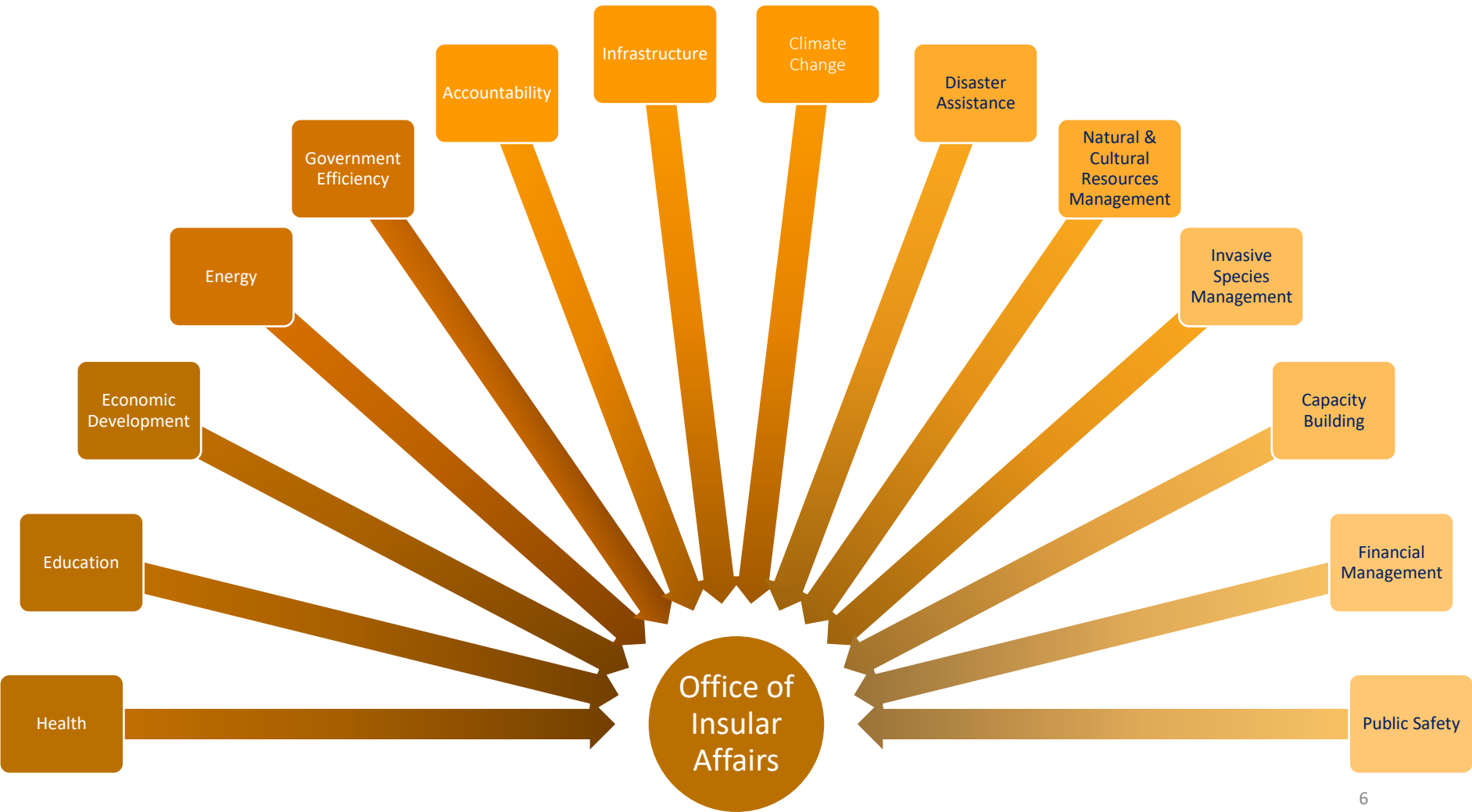
(dollars in millions)

Technical Assistance Discretionary Projects		
Technical Assistance		21.8
Maintenance Assistance		4.4
Brown Tree Snake Control		3.5
Coral Reef Initiative & Natural Resources		2.6

Fiscal Payments – Estimated 2021	
Guam Section 30 Income Taxes	76
VI Rum Excise Taxes	293
Total, Fiscal Payments (Permanent)	369

Technical Assistance Grants

- The **Technical Assistance program** funds 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, including conservation needs. This flexibility is not available in most other Federal budgets due to the nature of the appropriations process.
- The Technical Assistance program allows each government to identify pressing issues and priorities and develop action plans to mitigate these problems. Direct grants, reimbursable agreements, and contracts with technical assistance providers, both within and outside the Federal government, are keys to implementation.
- The Technical Assistance Program will support the Administration's commitment to conservation, 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, accountability, financial management, economic development, education, energy production, management control initiatives, disaster assistance, natural and cultural resources, capacity building, public safety/emergencies, information technology, health initiatives, and invasive species management.*



Office of
Insular
Affairs

Accountability

Infrastructure

Climate
Change

Disaster
Assistance

Natural &
Cultural
Resources
Management

Invasive
Species
Management

Capacity
Building

Financial
Management

Public Safety

Government
Efficiency

Energy

Economic
Development

Education

Health

Technical Assistance Grants - Maintenance Assistance Program

- The **Maintenance Assistance program** is used to support, develop, improve, and as much possible, institutionalize infrastructure maintenance practices in the seven insular areas in order to conserve infrastructure. Funds can also be used for critical repairs to infrastructure.
- The Office of Insular Affairs provides 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. As a consequence, the usefulness of power plants, roads, ports, water and sewer systems, and public buildings declined prematurely.
- The program underwrites 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 of inventories of maintenance needs, development of maintenance plans, and funds urgent repairs. For example, the Office of Insular Affairs recently provided \$300,000 to the Republic of Palau in emergency funding to repair hospital and school roofs after a hurricane rendered them unusable.

Technical Assistance Grants – Coral Reef and Natural Resources Program

- **Coral Reef Initiative and Natural Resources program** - supports efforts to protect the health of natural resources in the U.S. insular areas for the long-term economic and social benefit to their island populations. The program also helps to adapt, mitigate, and build resilience to climate change.
- 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 U.S. Virgin Islands 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, directly related to climate change and related extreme weather events.

Technical Assistance Grants - Coral Reef and Natural Resources Program

- 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 recently discovered on Rota in the Commonwealth of the Northern Mariana Islands (CNMI) as well as the Little Fire Ant (LFA), *Wasmannia auropunctata*, currently found on Guam and recently discovered in Yap. OIA funding supports insular area governments and is leveraged with funding from other partners such as USDA and the University of Guam to detect, respond to, contain and eradicate invasive species.
- Invasive projects range 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 in the islands, 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.

Technical Assistance Grants - Brown Tree Snake Control Program

- **Brown Tree Snake Control (BTS)** is an environmental justice, conservation program combining research and operational components designed to prevent the dispersal of BTS from Guam to other vulnerable geographic areas such as Hawaii and the Commonwealth of the Northern Mariana Islands and to ultimately eradicate existing or newly established BTS populations in U.S. areas.
- The BTS is directly responsible for the extinction or local extirpation of 9 of 13 native forest birds and 3 of 12 native lizards on 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 bio-security needs.
- BTS routinely climb 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. There is appropriate concern that the introduction of the BTS to other vulnerable sites, such as Hawaii, will have similarly catastrophic ecological and economic impacts as on Guam. BTS funds will continue to support environmental justice and conservation through a continued focus on the operational interdiction and control initiatives including suppression and eradication.

Fiscal Payments – Guam Section 30/Guam War Claims Fund

- **Guam Section 30**

- *FY 2021 Amount:* \$76 million annually

- Guam Section 30 payments are for Federal income taxes derived from Guam, collected under the internal-revenue laws of the United States, its Territories, or possessions, including, but not limited to, compensation paid to members of the Armed Forces and pensions paid to retired civilians and military employees of the United States, or their survivors, who are residents of, or who are domiciled in, Guam.

- OIA works with Guam and the Department of Treasury, Internal Revenue Service (IRS) to make an advance payment annually in September for the amount of taxes estimated for the upcoming year. OIA works with IRS to adjust the payment based on actual certifications received from IRS for previous years.

- Section 1703c of the National Defense Authorization Act of 2017, P.L. 114-328 establishes a World War II Claims Fund and specifies that it will be funded by the amounts of duties, taxes, and fees collected in excess of the 2014 base level for the Guam Section 30 payments. The Foreign Claims Settlement Commission, a quasi-judicial, independent agency with the Department of Justice will certify the amounts of claims payable to compensable Guam victims. OIA calculates the amount and sets the amounts aside necessary for the Guam War Claims Funds.

Fiscal Payments – Virgin Islands Rum Excise Tax Payments

- *FY 2021 Amount:* \$293 million annually
- In of September of every year, the Department of the Interior (DOI) Office of Insular Affairs (OIA) calculates and remits to the government of the U.S. Virgin Islands (USVI) the amount of rum excise taxes which the Governor has estimated will be collected in or derived from the Virgin Islands and collected under the Revised Organic Act of the Virgin Islands [[48](#) U.S.C. [1541](#) et seq.] during the next fiscal year, except for those sums covered directly upon collection into the treasury of the Virgin Islands.
- The OIA Technical Assistance Division deducts from or adds to the amounts so remitted, as may be appropriate, at the beginning of the fiscal year, the difference between the amount of rum excise taxes actually collected during the prior fiscal year and the amount of such taxes as estimated and remitted at the beginning of that prior fiscal year. (In accordance with Title 48, Chapter 12, Subchapter VII, Section 1645, Remittance of duties, taxes and fees to be collected in next fiscal year).