



Office of Insular Affairs

Mission

The Office of Insular Affairs (OIA) coordinates Federal policy for the U.S. territories and fulfills Compacts of Free Association (COFA) obligations to the Freely Associated States (FAS).

Budget Overview

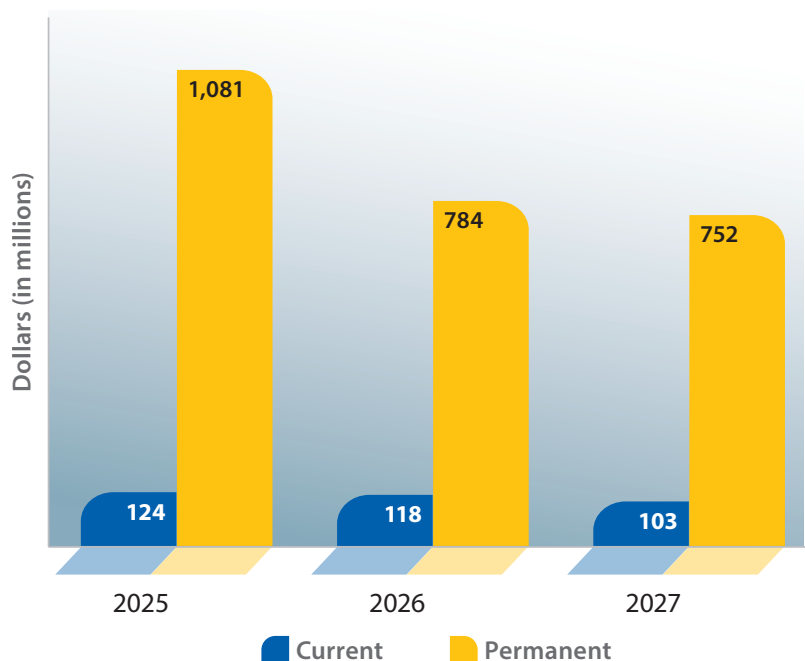
The 2027 budget includes \$103.0 million in current appropriations. OIA estimates the budget will support staffing equal to 32 full-time equivalents (FTE) in 2027. The budget supports national security, energy, and invasive species eradication through programs that provide targeted assistance to the Insular Areas.

Program Overview

OIA and the Assistant Secretary for Insular, International, and Ocean Affairs carry out the Secretary's responsibilities for the U.S. territories of American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the U.S. Virgin Islands. OIA also administers and oversees Federal assistance under the COFA agreements with the Federated States of Micronesia (FSM), the Republic of the Marshall Islands (RMI), and the Republic of Palau (Palau), collectively known as the FAS.

Investments in the U.S. territories and the FAS play a critical role in furthering and protecting U.S. interests in the Indo-Pacific and the Caribbean. OIA strengthens the economies of the Insular Areas through strategic investments in infrastructure, public services, health and education, energy, and technical

OIA Funding



assistance, which attracts private sector investment and supports our critical national defense apparatus hosted in these strategically important islands.

Assistance to Territories

OIA's main account, Assistance to Territories, is funded at \$102.7 million.

Compacts of Free Association

The 2027 budget includes \$250,000 in discretionary funding for the COFA account. The entire budget request is for Federal Services activities that support U.S. interests in the FAS.

Most of OIA's annual budget consists of mandatory funding. Financial assistance under the COFA was renewed in 2024 for the FSM, the RMI, and Palau and continues through 2043.

Fixed Costs

Fixed costs are fully funded.

OFFICE OF INSULAR AFFAIRS Facts



- Executive Order 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.
- The responsibilities for the Insular Areas are executed through OIA and the Assistant Secretary for Insular, International, and Ocean Affairs.
- The U.S. territories under the responsibility of OIA include American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the U.S. Virgin Islands.
- The Freely Associated States are the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.



View of Koror from Aimeliik, Republic of Palau.

OIA Photo.

SUMMARY OF BUREAU APPROPRIATIONS

(dollar amounts in thousands)

Comparison of 2027 Request with 2026 Enacted

	2026 Enacted		2027 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Assistance to Territories	36	117,217	32	102,748	-4	-14,469
Compact of Free Association	0	813	0	250	0	-563
Subtotal, Current	36	118,030	32	102,998	-4	-15,032
Permanent						
Compact of Free Association	0	478,335	0	380,935	0	-97,400
Payments to the United States Territories, Fiscal Assistance	0	306,000	0	371,500	0	+65,500
Subtotal, Permanent	0	784,335	0	752,435	0	-31,900
TOTAL, OFFICE OF INSULAR AFFAIRS	36	902,365	32	855,433	-4	-46,932

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity
(dollar amounts in thousands)

APPROPRIATION: Assistance to Territories

	2025 Actual	2026 Enacted	2027 Request	Change
American Samoa Operations	28,120	29,000	24,434	-4,566
Capital Improvement Project Grants—Mandatory	27,720	27,720	27,720	0
Territorial Assistance				
Office of Insular Affairs	10,217	11,822	9,220	-2,602
Technical Assistance	21,800	22,500	20,366	-2,134
Maintenance Assistance Fund	4,375	4,375	0	-4,375
Brown Tree Snake Control	4,000	4,000	3,500	-500
Coral Reef Initiative & Natural Resources	2,625	2,800	1,000	-1,800
Energizing Insular Communities	15,250	15,000	16,508	+1,508
Compact Impact—Discretionary	6,000	0	0	0
Subtotal, Territorial Assistance	64,267	60,497	50,594	-9,903
TOTAL APPROPRIATION	120,107	117,217	102,748	-14,469

APPROPRIATION: Compact of Free Association

	2025 Actual	2026 Enacted	2027 Request	Change
Federal Services	2,813	813	250	-563
Enewetak	650	0	0	0
TOTAL APPROPRIATION	3,463	813	250	-563

