



BUDGET The United States
Department of the Interior

JUSTIFICATIONS

and Performance Information
Fiscal Year 2027

**OFFICE OF
INSULAR AFFAIRS**

NOTICE: These budget justifications are prepared for the Interior, Environment and Related Agencies Appropriations Subcommittees.



Printed on
Recycled Paper

TABLE OF CONTENTS

Executive Summary	1
Introduction.....	1
Budget Overview.....	2
Bureau-Level Tables	3
Organization Chart	3
Employee Count by Grade.....	4
Section 403 Compliance	5
Assistance to Territories	7
Summary of Requirements.....	7
Fixed Costs and Related Changes	8
Appropriations Language.....	9
American Samoa Operations	13
Capital Improvement Project (CIP) Grants	15
Territorial Assistance	19
Summary Table	19
Office of Insular Affairs.....	21
Technical Assistance	23
Maintenance Assistance.....	25
Brown Tree Snake Control.....	26
Coral Reef Initiative & Natural Resources	28
Energizing Insular Communities	30
Compact Impact - Discretionary	32
Compact of Free Association - Current	33
Summary of Requirements.....	33
Federal Services Assistance	34
Enewetak.....	35
Appendix A – Regional Biosecurity Plan	37
Appendix B – Territory Energy Updates	45
Appendix C – Capital Improvement Projects Program Update	47

Page Intentionally Blank

EXECUTIVE SUMMARY

Introduction

The Assistant Secretary – Insular, International, and Ocean Affairs and the Office of Insular Affairs (OIA) carry out the Secretary’s responsibilities for U.S.-affiliated insular areas. These include the territories of American Samoa, the Commonwealth of the Northern Mariana Islands (CNMI), Guam, and the U.S. Virgin Islands (USVI). Residents of these U.S. territories are U.S. citizens or U.S. nationals. Additionally, OIA administers and oversees federal assistance to three freely associated states (FAS): the Federated States of Micronesia (FSM), the Republic of the Marshall Islands (RMI), and the Republic of Palau (Palau). The Office of Insular Affairs, through its work with the U.S. territories and FAS, is on the front lines of U.S. national security and supporting prosperity at home and peace abroad. Situated at the heart of the Pacific, these jurisdictions are pivotal to advancing U.S. leadership and enduring interests in Asia and the broader Indo-Pacific. The territories are an integral part of the fabric of America, and the FAS, while independent, sovereign countries, are uniquely interwoven with the United States in terms of a shared history, ongoing partnership, and a common vision for a free and open Indo-Pacific.

Investments in the U.S. territories and FAS play a critical role in furthering and protecting U.S. interests in the Indo-Pacific and Caribbean by closing funding gaps, strengthening local capacity, and reducing exposure to external economic and political pressures. The Office of Insular Affairs fills an important role in understanding the nuances of the federal government’s interrelationship with each of the insular areas to ensure that U.S. strategic interests are successfully supported.

The 2027 budget request strengthens insular economies through judicious investments in infrastructure, public services, health and education, energy, and technical assistance. The Office of Insular Affairs will also promote policies and work to improve federal coordination on issues impacting insular economies, including reducing reliance on foreign fuels for energy sector development (supporting Executive Order 14154, *Unleashing American Energy*), addressing the cost-of-living (supporting Secretary’s Order 3419, *Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis*), and streamlining environmental review processes for energy and infrastructure processes (supporting Executive Order 14156, *Declaring a National Energy Emergency*).

Financial support for critical infrastructure, basic public services, and technical assistance provided through OIA’s 2027 budget strengthens communities and institutions in the U.S. insular areas, and supports our critical national defense apparatus hosted in these strategically important islands. In 2027, funds will be applied to address pressing issues and priorities and develop action plans to support this Administration’s priorities and mitigate the challenges the insular areas are facing. Assistance will focus on investments that support the territories and FAS in delivering reliable public services to their communities. Direct grants, reimbursable agreements, and contracts with technical assistance providers, both within and outside the federal government, support these efforts. Robust and unwavering commitment to our U.S. territories and freely associated states directly supports this Administration’s pursuit of a stronger, safer, and more prosperous America.

Good Accounting Obligation in Government Act Report

The Good Accounting Obligation in Government Act (GAO-IG Act, P.L. 115-414) enacted January 3, 2019, requires that Agencies report the status of each open audit recommendation issued more than one year prior to the submission of the Agency’s annual budget justification to Congress. The Act requires Agencies to include the current target completion date, implementation status, and any discrepancies on closure determinations.

The Department of the Interior leadership takes audit follow-up very seriously and considers our external auditors, to include the Government Accountability Office (GAO) and Office of the Inspector General, valued partners in not only improving the Department’s management and compliance obligations but also enhancing its programmatic and administrative operations. As stewards of taxpayer resources, the Department applies cost-benefit analysis and enterprise risk management principles in recommendation implementation decisions.

The Department’s GAO-IG Act Report is available at the following link: <https://www.doi.gov/cj>.

Budget Overview

The proposed 2027 OIA budget for current appropriations is \$103.0 million.

Total OIA 2027 Budget Request
(Dollars in Thousands)

	2025 Actual		2026 Enacted		2027 Request		Change from 2026 Enacted	
	Budget Authority	FTE	Budget Authority	FTE	Budget Authority	FTE	Budget Authority	FTE
Budget Authority								
Current	123,570	27	118,030	36	102,998	32	-15,032	-4
Permanent	1,081,391	-	784,335	-	752,435	-	-31,900	-
Total, Budget Authority	1,204,961	27	902,365	36	855,433	32	-46,932	-4

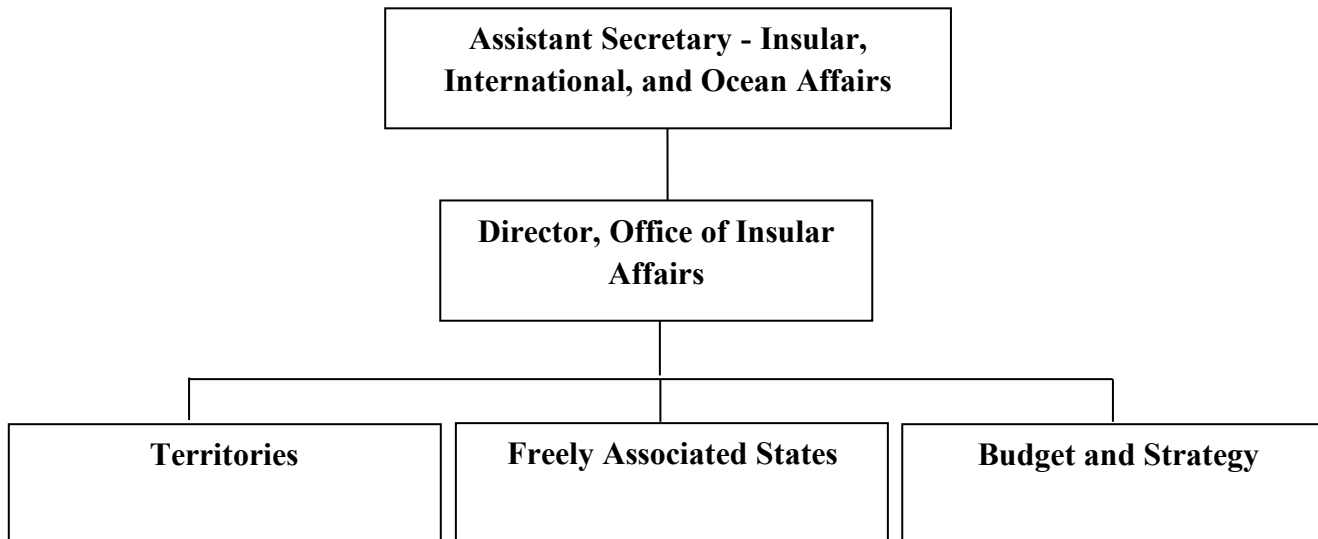
OIA’s budget is divided into two major categories of funding – current and permanent appropriations. Following the renewal of the Compacts of Free Association in 2024, permanent estimates for 2027 include \$343.4 million for economic assistance to the FAS as agreed to through the renewed Compacts of Free Association and \$37.5 million due to the RMI under the Military Use and Operating Rights Agreement, a subsidiary agreement under the Compact of Free Association. The permanent estimate also includes \$371.5 million for fiscal payments to Guam (\$80 million) and the U.S. Virgin Islands (\$291.5 million).

Financial support for critical infrastructure, basic public services, American Energy Dominance, and national security are the foundations of the OIA 2027 budget request, and these efforts strengthen communities and institutions vital to U.S. interests in Asia and across the Indo-Pacific.

BUREAU-LEVEL TABLES

Organization Chart

Office of Insular Affairs



Employee Count by Grade

Office of Insular Affairs
(Total Employment)

Employee Count by Grade	2025 Actual	2026 Enacted	2027 Request Estimate
Executive Level	0	0	0
SES	1	1	1
Subtotal	1	1	1
SL - 00	1	1	1
ST - 00	0	0	0
Subtotal	1	1	1
GS/GM -15	4	4	4
GS/GM -14	5	4	4
GS/GM -13	8	10	10
GS -12	7	15	12
GS -11	0	1	0
GS -10	0	0	0
GS - 9	1	0	0
GS - 8	0	0	0
GS - 7	0	0	0
GS - 6	0	0	0
GS - 5	0	0	0
GS - 4	0	0	0
GS - 3	0	0	0
GS - 2	0	0	0
GS - 1	0	0	0
Subtotal	25	34	30
Other Pay Schedule Systems	0	0	0
Total employment (actuals & estimates)	27	36	32

**Includes two American Samoa judges (SL-1 & GS-15), which are funded through the American Samoa Operations program and are not funded by the OIA operations account.*

Section 403 Compliance

Working Capital Fund

All OIA's overhead and administrative costs that support Departmental functions are paid from the Office of Insular Affairs account as assessed through the Department's Working Capital Fund (WCF) as follows:

Working Capital Fund
Dollars in Thousands

Activity	2026 Estimate			2027 Estimate		
	Central	Direct	TOTAL	Central	Direct	TOTAL
OS Shared Services	151.4	0.4	151.8	78.0	0.4	78.4
OS Activities	603.7	87.5	691.2	540.5	85.3	625.8
IT Shared Services	292.5	199.3	491.8	264.4	167.6	432.0
Interior Business Center	24.3	55.7	80.0	23.3	62.0	85.3
TOTAL, WCF Billing	1,071.9	342.9	1,414.8	906.2	315.3	1,221.5

Page Intentionally Blank

ASSISTANCE TO TERRITORIES

ASSISTANCE TO TERRITORIES

Summary of Requirements

Office of Insular Affairs
ASSISTANCE TO TERRITORIES¹
2027 Summary of Requirements
(Dollars in Thousands)

Treasury Account/Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	FTE (+/-)	Budget Authority	FTE	
Assistance to Territories										
American Samoa Operations	28,120	2	29,000	2	-	-4,566	-	24,434	2	-4,566
Capital Improvement Project Grants	27,720	-	27,720	-	-	-	-	27,720	-	-
Territorial Assistance	64,267	25	60,497	34	-61	-9,842	-4	50,594	30	-9,903
Total, Assistance to Territories	120,107	27	117,217	36	-61	-14,408	-4	102,748	32	-14,469

¹ Table does not include supplemental funding

Fixed Costs and Related Changes

Office of Insular Affairs
ASSISTANCE TO TERRITORIES
Justification of Fixed Costs Changes

(Dollars In Thousands)

Fixed Cost Element	2026 Enacted Change	2026 Enacted to 2027 Request Change	Description
Change in Number of Paid Days	0	0	Total paid days for FY 2027 is 261 (2088 hours) which is the same number of days as FY 2026. This information is consistent with the published OMB Circular A-11.
Pay Raise	+84	+16	The President's Budget for 2027 includes one quarter (October-December 2026) of the 1.0% pay raise for 2026 and 0.0% pay raise for 2027. Pay raises are consistent with the published OMB Circular A-11.
FERS Employer Contribution Increase	0	-21	The estimates reflect adjustments to the employer contribution for FERS and Law Enforcement FERS for FY 2027. This information is consistent with the published OMB Circular A-11.
Departmental Working Capital Fund (WCF)	+181	-166	The estimates reflect Department decisions on the FY 2027 Working Capital Fund Central Bill.
Workers' Compensation Payments	0	0	The amount reflects final chargeback costs of compensating injured employees and dependents of employees who suffer accidental death while on duty. This amount reflects the final Workers Compensation bill for FY 2027 payable to the Department of Labor, Federal Employees Compensation Fund, pursuant to 5 U.S.C. 8147(b) as amended by Public Law 94-273.
Unemployment Compensation Payments	0	0	The amount reflects projected changes in the costs of unemployment compensation claims to be paid to the Department of Labor, Federal Employees Compensation Account, in the Unemployment Trust Fund, pursuant to Public Law 96-499. This estimate reflects an applied annual inflation factor of 3.0% to the 5-year average of actuals between 2020-2024.
GSA and Non-GSA Rents	-380	+110	This estimate reflects the FY 2027 President's Budget Exhibit 54s as submitted. The amounts reflect changes in the costs payable to General Services Administration (GSA) and others for office and non-office space as estimated by GSA, as well as the rental costs of other currently occupied space. These estimates reflect Udall Building rent, Security, Federal Reserve Parking, and Operations and Maintenance, distributed by bureau and office, based upon OFAS provided Udall Building occupancy levels. Costs of mandatory office relocations, i.e. relocations in cases where due to external events there is no alternative but to vacate the currently occupied space, are also included.
Baseline Adjustments for O&M Increases	0	0	This adjustment captures the associated increase to baseline operations and maintenance requirements resulting from movement out of GSA or direct-leased (commercial) space into Bureau-owned space. During these transitions, bureaus often encounter an increase to baseline O&M costs not otherwise captured in fixed costs. This category of funding properly adjusts the baseline fixed cost amount to maintain steady-state funding for these requirements.
Total, Assistance to Territories 2027 Fixed Costs	-115	-61	

Appropriations Language

Assistance to Territories

For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, \$102,748,000, of which: (1) \$93,528,000 shall remain available until expended for territorial assistance, including general technical assistance, maintenance assistance, disaster assistance, coral reef initiative and natural resources activities, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by the Act of February 20, 1929, as amended (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands, as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands, as authorized by section 702 of the Act of March 24, 1976, Public Law 94–241; and (2) \$9,220,000 shall be available until September 30, 2028, for salaries and expenses of the Office of Insular Affairs: Provided, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or used by such governments, may be audited by the Government Accountability Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: Provided further, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by section 118 of the Department of the Interior and Related Agencies Appropriations Act, 1996, Public Law 104–134, as amended (48 U.S.C. 1804): Provided further, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure with territorial participation and cost sharing to be determined by the Secretary based on the grantee's commitment to timely maintenance of its capital assets: Provided further, That any appropriation for disaster assistance under this heading in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93–288, as amended (42 U.S.C. 5170c).

Compact of Free Association

For grants and necessary expenses, \$250,000, to remain available until expended, to support Federal services and programs provided to the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia.

Administrative Provisions (including transfer of funds)

At the request of the Governor of Guam, the Secretary may transfer discretionary funds or mandatory funds provided under section 104(e) of the Compact of Free Association Amendments Act of 2003, Public Law 108–188, as amended (48 U.S.C. 1921c(e), and the Omnibus Consolidated Rescissions and Appropriations Act of 1996, Public Law 104–134, that are allocated for Guam, to the Secretary of Agriculture for the subsidy cost of direct or guaranteed loans, plus not to exceed three percent of the amount of the subsidy transferred for the cost of loan administration, for the purposes authorized by the Rural Electrification Act of 1936 (7 U.S.C. 901–905b) and section 306(a)(1) of the Consolidated Farm

and Rural Development Act (7 U.S.C. 1926(a)(1)) for construction and repair projects in Guam, and such funds shall remain available until expended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, Public Law 93-344, as amended: Provided further, That such loans or loan guarantees may be made without regard to the population of the area, credit elsewhere requirements, and restrictions on the types of eligible entities under the Rural Electrification Act of 1936 and section 306(a)(1) of the Consolidated Farm and Rural Development Act: Provided further, That any funds transferred to the Secretary of Agriculture shall be in addition to funds otherwise made available to make or guarantee loans under such authorities.

Authorizations

(1) Guam. Executive Order 10077, dated September 7, 1949, transferred administrative responsibilities for Guam from the Secretary of the Navy to the Secretary of the Interior. Executive Order 10137, of June 30, 1950, amended Executive Order 10077 to make the transfer effective on July 1, 1950. The Guam Organic Act was approved on August 1, 1950 (64 Stat. 384, 48 U.S.C. Sec. 1421 et. seq.) and declared Guam to be an unincorporated territory of the United States and provided that Guam's relationship with the Federal Government shall be under the general administrative supervision of the Secretary of the Interior. As a result of subsequent amendments to the Organic Act, Guam also elects its Governor and a Delegate to the United States Congress.

(2) American Samoa. In 1900, the islands were placed under the administration of the Secretary of the Navy by Executive Order. In the Act of February 20, 1929 (48 U.S.C. 1661), Congress stated that until it shall provide for the Government of the islands of American Samoa, "all civil, judicial, and military powers shall be vested in such manner as the President of the United States shall direct." The President vested these powers in the Secretary of the Interior by Executive Order 10264, dated June 29, 1951. Secretary's Order No. 2657, dated August 29, 1951, set forth the extent and nature of the authority of the Government of American Samoa and the manner in which the authority is to be exercised. Secretarial Order 3009 dated September 24, 1977, provided for an elected Governor and Lt. Governor for American Samoa, and elected officials first took office on January 3, 1978. Pursuant to Public Law 95-556, American Samoa, in November 1980, elected its first Delegate to the United States Congress.

(3) U.S. Virgin Islands. The islands were under the jurisdiction of the Secretary of the Navy from March 21, 1917, until March 18, 1931 (48 U.S.C. 1391), when responsibilities were transferred to the Secretary of the Interior pursuant to Executive Order 5566, dated February 27, 1931. Organic legislation was first passed in 1936 (49 Stat. 1812), and was revised by Public Law 83-517, effective July 22, 1954 (48 U.S.C. et. seq.). The latter has since been amended in various respects and the Virgin Islands' elected officials first took office on January 3, 1978.

(4) Northern Mariana Islands. On March 24, 1976, the President signed a joint resolution of Congress approving the "Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America" (Public Law 94-241). The islands remained a part of the Trust Territory of the Pacific Islands under the jurisdiction of the Secretary of the Interior pursuant to Executive Order 11021 of May 7, 1962. Secretarial Order 2989 dated March 14, 1976, and effective January 9, 1978, provided for the separate administration of the Northern Mariana Islands, provided for the elected Government in the Northern Mariana Islands, and activated various sections of the Covenant. By

Presidential Proclamation of November 3, 1986, and as a result of a valid act of self-determination pursuant to Section 1002 of the Covenant, the Northern Mariana Islands ceased to be bound by the United Nations Trusteeship Agreement of 1947 and became a commonwealth in political union and under the sovereignty of the United States.

(5) Office of Insular Affairs. Established August 4, 1995, by Secretarial Order No. 3191.

(6) Covenant (CIP) Grants. Funding under the Northern Marianas Covenant was first established in 1976 under Public Law (P.L.) 94-241, A Joint Resolution to Approve the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America. This was later amended in 1986 by Section 10 of P.L. 99-396 (100 Stat. 840). These provisions were further amended by Public Law 104-134, enacted in 1996, which reduced annual funding to the Northern Mariana Islands and reallocated additional funding to other uses, including capital infrastructure projects in American Samoa, Guam, and the U.S. Virgin Islands.

(7) Compacts of Free Association. The Compact of Free Association Act of 1985 was enacted in January 1986 (P.L. 99-239) and authorized funding over a fifteen-year period for the Federated States of Micronesia and the Republic of the Marshall Islands. In December 2003, the President signed P.L. 108-188, enacting amendments to the Compact of Free Association and providing an additional 20 years of guaranteed annual assistance to the Federated States of Micronesia and the Republic of the Marshall Islands. The Compact of Free Association for the Republic of Palau was enacted on November 14, 1986, as P.L. 99-658, and was implemented on October 1, 1994. The Compacts of Free Association Amendments Act of 2024 (P.L. 118-42) renewed financial assistance to the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau through fiscal year 2043. These basic legal authorities have been supplemented and modified over the years by various omnibus territory acts and other program legislation.

Page Intentionally Blank

AMERICAN SAMOA OPERATIONS

AMERICAN SAMOA OPERATIONS

Summary Table

Activity: American Samoa Operations¹

(Dollars in Thousands)

Subactivity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
American Samoa Operations	28,120	2	29,000	2	-	-4,566	-	24,434	2	-4,566
Total, American Samoa Operations	28,120	2	29,000	2	-	-	-	24,434	2	-

¹ Table does not include supplemental funding

Program Overview

Each year the Office of Insular Affairs provides grant funds to American Samoa for the operation of the local government, including the judiciary. The American Samoa Government (ASG) does not have sufficient local revenues to fund the entire operating costs of its government. The purpose of this activity is to help bridge the difference between budget needs and local revenues. The Department defines “budget needs” as the cost of maintaining current programs and services.

Justification of 2027 Program Changes

Summary of 2027 Program Changes for American Samoa Operations

(Dollars in Thousands)

	2027 Request Change	FTE Change
Program Changes		
<i>Increase self-sufficiency for operations</i>	<i>-4,566</i>	<i>0</i>
TOTAL Program Changes	-4,566	0

Increase self-sufficiency for operations (-\$4,566,000/ 0 FTE)

The 2027 budget requests reduced funding for the American Samoa Operations subactivity activity.

2027 Program Performance

American Samoa will provide financial reports beginning with the quarter ending December 31, 2026, through the quarter ending September 30, 2027.

Page Intentionally Blank

CIP Grants

CAPITAL IMPROVEMENT PROJECT (CIP) GRANTS

Summary Table

Activity: Capital Improvement Project (CIP) Grants¹
(Dollars in Thousands)

Subactivity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
CIP Grants-Mandatory	27,720	-	27,720	-	-	-	-	27,720	-	-
Total, CIP Grants	27,720	-	27,720	-	-	-	-	27,720	-	-

¹ Table does not include supplemental funding

Capital Improvement Project funds address a variety of infrastructure needs in the U.S. territories including critical infrastructure such as hospitals, schools, wastewater, and solid waste systems. Improvements to critical infrastructure not only benefit the current population and businesses but also lay the groundwork to attract new investment to the territories, thereby promoting economic growth and self-sufficiency.

Program Overview

Public Law 104-134, enacted in 1996, allowed mandatory Covenant CIP funding, previously provided only to the CNMI, to be disbursed throughout the U.S. insular areas for infrastructure. Over the years, significant increases in construction and labor costs continue to impact the effect that mandatory CIP funding has on infrastructure needs in the territories. Starting in 2005, OIA implemented a competitive allocation system for the \$27.7 million in mandatory CIP grants based on a premise that all funds will be used for capital needs in the U.S. territories. The process offers the U.S. territorial governments an opportunity to compete each year for a portion of the guaranteed funding in addition to other assistance or local funding that might be available.

Base level funding was established based on historic trends in 2005 when the competitive allocation system was implemented. It was adjusted for fiscal years 2012, 2017, and 2022 based upon the performance of each of the U.S. territories over the past five years as required by the Section 702 Funding Agreement of 2004 between OIA and the CNMI. The baseline has recently updated for 2027:

Fiscal Year 2027 Baseline CIP Funding (\$000)

CNMI	8,126
American Samoa	11,093
Guam	6,488
USVI	<u>2,013</u>
TOTAL	27,720

The determination of the annual allocation is made based on a set of competitive criteria that measure the demonstrated ability of the governments to exercise prudent financial management practices and to meet Federal grant requirements. These criteria were revised in 2009 to strengthen these measures and to

ensure that awarded funds are being utilized efficiently and effectively. In addition to the application of these criteria to the allocation of capital improvement assistance, OIA may consider the capacity of each insular government to absorb the amount of capital assistance it would otherwise qualify for and any special or extenuating conditions, such as unspent balances, that might require adjustments to the allocation.

Competitive Criteria for the Proposed Allocation of Mandatory CIP Funding

1. The extent to which the applicant complies with completion deadlines established under the Single Audit Act of 1984.
2. The extent to which the applicant's financial statements are reliable.
3. The extent to which the applicant is exercising prudent financial management and is solvent.
4. The extent to which the applicant has demonstrated prompt and effective efforts to resolve questioned costs and internal control deficiencies identified in single audits.
5. The extent to which the applicant has responded to recommendations identified in reviews completed by the Office of Inspector General, the Government Accountability Office, and other Federal agencies.
6. The extent to which the applicant has demonstrated effective contract administration and compliance with local statutes and regulations regarding procurement practices and processes.
7. The extent to which the applicant's capital improvement application is complete and submitted on time.
8. The extent to which the applicant has complied with all reporting requirements applicable to past and ongoing grants in an accurate manner.
9. The extent to which the applicant dedicates adequate resources to critical offices to help ensure properly functioning internal controls and efficient operations, including the presence of a qualified independent auditor with an adequately funded office and strong safeguards to its independence.
10. The extent to which the applicant is able to successfully expend capital improvement funds within the award period.

The competitive allocation system is applied to the \$27.7 million in CIP funds using a point method. The territories are given a score on each of the above criteria. The criteria themselves are ranked so that those considered more significant receive a higher weight than those considered less important in the overall, final score.

While the total available for funding stays constant (\$27.7 million), allocations will vary from year to year depending upon the performance of each insular government with respect to the above competitive criteria, however adjustments to the allocation to any territory shall not increase or decrease by more than \$2 million from each territory's baseline allocation. A change in an annual allotment does not necessarily indicate deterioration in performance. It instead recognizes those governments whose performance has increased during a fiscal year.

To ensure that no territory receives less than \$2 million as a result of the annual allocation and to discourage accumulating CIP funding over multiple fiscal years, OIA proposed an allocation floor of \$2

million. This proposal was communicated to the Governors of each territory in the notice of the fiscal year 2023 and 2024 allocations and baseline recalculations. No objections or comments were received.

The Office of Insular Affairs will work closely with the Governors to prioritize investment in economic development and critical infrastructure necessary to deliver basic public services and attract investment.

2027 Program Performance**CNMI Construction**

Funds allocated to CNMI for 2027 will be used to continue meeting critical infrastructure needs similar to previous years. The CNMI continues to make progress on projects. Many have undergone NEPA compliance and have been at least authorized to proceed to the engineering and procurement stages of work, if not already undergoing construction.

The CNMI has also started to implement a previously unused aspect of the establishing law unique to the territory, allocating funds each year to address law enforcement issues in the territory for operational costs.

American Samoa Construction

Funds allocated to American Samoa for 2027 will be used to continue meeting critical infrastructure needs in American Samoa similar to previous years.

Operations & Maintenance Set-aside: Five percent of all grant funds from the mandatory CIP account for American Samoa Construction is set aside for operations and maintenance.

Guam Construction

Funds allocated to Guam in 2027 will be used to continue meeting critical infrastructure needs in Guam, similar to previous years.

USVI Construction

Funds allocated to the USVI in 2027 will continue to be used for critical infrastructure needs in the territory.

Page Intentionally Blank

TERRITORIAL ASSISTANCE

TERRITORIAL ASSISTANCE

Summary Table

Activity: Territorial Assistance¹

(Dollars in Thousands)

Activity/Sub Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
Territorial Assistance										
Office of Insular Affairs	10,217	25	11,822	34	-61	-2,541	-4	9,220	30	-2,602
Technical Assistance	21,800	-	22,500	-	-	-2,134	-	20,366	-	-2,134
Maintenance Assistance Fund	4,375	-	4,375	-	-	-4,375	-	-	-	-4,375
Brown Tree Snake Control	4,000	-	4,000	-	-	-500	-	3,500	-	-500
Coral Reef Initiative & Natural Resources	2,625	-	2,800	-	-	-1,800	-	1,000	-	-1,800
Energizing Insular Communities	15,250	-	15,000	-	-	+1,508	-	16,508	-	+1,508
Compact Impact - Discretionary	6,000	-	0	-	-	-	-	-	-	-
Total, Territorial Assistance	64,267	25	60,497	34	-61	-9,842	-4	50,594	30	-9,903

¹ Table does not include supplemental funding

The Territorial Assistance activity involves funding for two major functions. The first is salaries and expenses of the Office of Insular Affairs. Its policy and assistance activities involve interacting with virtually every major federal agency, as well as seven insular area governments. Sound financial management and effective internal controls are emphasized within OIA, and OIA has been able to attain clean audit opinions for all annual financial statements prepared under requirements defined in the Chief Financial Officers Act.

The second major function within this activity includes the various technical assistance activities carried out by the office. The Office of Insular Affairs' technical assistance activities are an effective tool to implement Administration policies and to achieve mutually desired improvements in the insular areas. Technical assistance activities have and will continue to play a critical role in furthering and protecting U.S. interests in the Indo-Pacific and Caribbean by strengthening insular economies through strategic

investments in critical infrastructure, energy, and economic growth that attract private sector investments in these strategically important islands.

Office of Insular Affairs

Activity: Territorial Assistance
Subactivity: Office of Insular Affairs¹
(Dollars in Thousands)

Activity/Sub Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
Office of Insular Affairs	10,217	25	11,822	34	-61	-2,541	-4	9,220	30	-2,602

¹ Table does not include supplemental funding

Program Overview

The Office of Insular Affairs carries out the Secretary's responsibilities with respect to U.S.-affiliated insular areas. The office is organized into three divisions:

- 1) Territories Division: performs general program, political, and economic analysis for the territories and monitors and tracks Federal programs extended to the territories. The Division manages and oversees OIA grant and other assistance to the territories.
- 2) Freely Associated States Division: performs program, political, and economic analysis for the FAS and manages and oversees the economic assistance provided through the Compact of Free Association.
- 3) Budget and Strategy Division: responsible for budget formulation and presentation, chief financial officer activities, budget execution, and strategic planning. The Division also manages fiscal payments to the USVI (rum excise taxes) and Guam (Section 30 income taxes). The Division monitors accountability issues and tracks insular area audit resolutions, including Single Audits.

The Office of Insular Affairs is headed by the Assistant Secretary – Insular, International, and Ocean Affairs, who provides overall policy direction, a Principal Deputy Assistant Secretary, a Deputy Assistant Secretary, and a Director, who is responsible for overall management of the Office.

Justification of 2027 Program Changes

Summary of 2027 Program Changes for Office of Insular Affairs
(Dollars in Thousands)

	2027 Request Change	FTE Change
Program Changes		
<i>Workforce Efficiencies</i>	-2,541	-4
TOTAL Program Changes	-2,541	-4

Workforce Efficiencies (-\$2,541,000 / -4 FTE)

The 2027 budget requests reduced funding for the Office of Insular Affairs subactivity.

2027 Program Performance

In 2027, OIA will support national security, economic growth, and American Energy Dominance by executing activities which strengthen the territories, fulfill Compact obligations, and address critical infrastructure needs. With financial assistance programs averaging to \$1 billion per year, OIA provides oversight of federal funds.

At the 2027 level of funding OIA will:

- Improve out-year performance of grantees by continuing to focus on oversight.
- Continue implementation of the renewed Compacts of Free Association agreements.
- Continue providing professional services to the insular areas through interagency agreements.
- Continue interagency coordination on issues impacting the insular areas.
- Conduct site visits to grant projects to ensure grant monitoring.
- Continue to actively work with the U.S. territories and the FAS to ensure their compliance with the Single Audit Act and to improve the timeliness of their audit submissions and resolution of financial statement qualifications and audit findings.

Technical Assistance

Activity: Territorial Assistance
Subactivity: Technical Assistance¹
(Dollars in Thousands)

Activity/Sub Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
Technical Assistance	21,800	-	22,500	-	-	-2,134	-	20,366	-	-2,134

¹ Table does not include supplemental funding.

Program Overview

The Technical Assistance Program (TAP) provides support not otherwise available to the insular areas to meet immediate needs, to combat deteriorating economic and fiscal conditions, and to maintain the momentum needed to make and sustain meaningful systemic changes.

The Office of Insular Affairs' Technical Assistance Program was authorized in Section 601 of Public Law 96-597 on December 24, 1980. The law as amended reads:

The Secretary of the Interior is authorized to extend to the governments of American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands, and their agencies and instrumentalities, with or without reimbursement, technical assistance on subjects within the responsibility of the respective territorial governments. Such assistance may be provided by the Secretary of the Interior through members of his staff, reimbursements to other departments or agencies of the Federal Government under sections 1535 and 1536 of Title 31, grants to or cooperative agreements with such governments, agreements with Federal agencies or agencies of State or local governments, or the employment of private individuals, partnerships, or corporations. Technical assistance may include research, planning assistance, studies, and demonstration projects.

Eligible applicants are non-Federal entities such as local government agencies (including utilities) in American Samoa, CNMI, Guam, USVI, RMI, FSM, and Palau, and hospitals/health centers, institutions of higher education and any non-profit organizations, including entities located within the United States, in the U.S. territories and/or international entities, whose projects directly benefit the seven insular areas in accordance with regulations contained in 2 CFR 200. Applications and requests for OIA TAP grant funds are submitted through Grants.gov under Assistance Listing 15.875 and are subject to a competitive grant review process. If the applicant is not a local government entity, letters of support for the project are requested from the local government impacted. The Office of Insular Affairs also sends a listing of all applications received to the Governors and Presidents or their high-level designees for their respective insular area, requesting that they prioritize and rank the importance of all the requested grants for their respective area, including those received from entities outside the local government. The Office of Insular Affairs considers these rankings when making award decisions.

The purpose of TAP is to fund 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. Some programs are necessary on an ongoing basis for the insular areas, including, but not limited to ongoing financial management, management, and audit training for all insular areas. The ongoing programs were incorporated into TAP because there was no other source of funds in the Federal budget for these projects.

TAP allows each government to identify pressing issues and priorities and develop action plans to mitigate these problems. Direct grants, reimbursable agreements, and contracts, both within and outside the Federal government, are keys to implementation. Funded projects are focused to meet immediate needs in the short term and to assist the governments in developing long-term solutions. Office of Insular Affairs staff and outside experts provide information on a variety of topics to help improve government operations in areas such as financial management, procurement and contract management, and the administration of Federal grant programs.

Justification of 2027 Program Changes

Summary of 2027 Program Changes for Technical Assistance

(Dollars in Thousands)

Program Changes	2027 Request Change	FTE Change
<i>Self-sufficiency in the insular areas</i>	-2,134	0
TOTAL Program Changes	-2,134	0

Technical Assistance (-\$2,134,000 / 0 FTE)

The 2027 budget requests reduced funding for the Technical Assistance subactivity.

2027 Program Performance

In 2027, TAP will support the Administration's commitment to furthering national security objectives in the Indo-Pacific and Caribbean through continued financial assistance and support to the insular areas for projects which foster the development of the insular areas in the following categories: economic growth, accountability, financial management, energy, education, health initiatives and health IT systems, public safety, data, and statistical capacity improvement necessary for informed decision making. Other priorities include disaster planning and response, natural and cultural resources, management control initiatives, capacity building, invasive species management, and information technology. Investments in these sectors advance U.S. interests across the Indo-Pacific and Caribbean by bolstering local capacity, attracting and retaining private sector investments, and ensuring the resiliency of the critical national defense apparatus hosted in these strategically important islands.

Maintenance Assistance

Activity: Territorial Assistance
Subactivity: Maintenance Assistance ¹
(Dollars in Thousands)

Activity/Sub Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
Maintenance Assistance	4,375	-	4,375	-	-	-4,375	-	-	-	-4,375

¹ Table does not include supplemental funding.

The Maintenance Assistance Program is used to support, develop, improve, and institutionalize infrastructure maintenance practices in the seven insular areas. Funds can also be used for critical repairs to infrastructure.

Justification of 2027 Program Changes

Summary of 2027 Program Changes for Maintenance Assistance

(Dollars in Thousands)

Program Changes	2027 Request Change	FTE Change
<i>Program elimination</i>	-4,375	0
TOTAL Program Changes	-4,375	0

Maintenance Assistance (-\$4,375,000 / 0 FTE)

The 2027 budget does not request funding for the Maintenance Assistance Program in order to prioritize financial resources on energy reliability and affordability initiatives.

Brown Tree Snake Control

Activity: Territorial Assistance
Subactivity: Brown Tree Snake Control¹
(Dollars in Thousands)

Activity/Sub Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
Brown Tree Snake Control	4,000	-	4,000	-	-	-500	-	3,500	-	-500

¹ Table does not include supplemental funding.

Program Overview

Brown Tree Snake (BTS) Control combines research and operational components designed to prevent the dispersal of BTS from Guam to other vulnerable geographic areas and to ultimately eradicate existing or newly established BTS populations in U.S. areas.

The invasive BTS was introduced to the island of Guam following World War II. Due to an abundant prey base and an absence of natural predators, the BTS population in Guam grew exponentially. It was not until the 1980s when researchers began to study the sudden and sharp decline in Guam's bird populations that the ecological and socioeconomic damage caused by the BTS began to be understood.

The BTS Control Program funds BTS suppression efforts, which are critical to our country's biosecurity and national security as the BTS causes significant damage to the electric grid and utility infrastructure in Guam. With Guam serving as a hub for a growing regional U.S. military presence, including in Tinian, risk of BTS dispersal is also increasing and would cause harm to national security infrastructure and military readiness. The BTS routinely climb wires accessing electrical distribution and transmission lines. This can cause ground faults or short circuits resulting in power outages of varying severity and duration. In 2024, there were 86 power outages on Guam due to the BTS. Island-wide outages result in lost productivity, damage to electrical equipment and lost revenues, and jeopardizes national defense activities on the island.

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 biosecurity requirements.

Since Guam is a major transportation hub in the Pacific, numerous opportunities exist for this invasive species to be inadvertently introduced to other areas. The BTS has already been accidentally transported from Guam to other sites worldwide through infested civilian and military vessels and cargo. Documented sites include Hawai'i; CNMI; Corpus Christi, Texas; McAlester, Oklahoma; Japan; Anchorage, Alaska; Wake Island; Taiwan; Kwajalein; Diego Garcia; Darwin, Australia; and Rota, Spain. Most of those sightings were in the CNMI (93) and on Oahu (10).

As stated in the Brown Tree Snake Technical Working Group Strategic Plan, interdiction costs would grow exponentially if BTS were to get to Hawai‘i, as it is a major transportation hub in the Pacific and a new interdiction program on any of its islands there would be very expensive. This would also increase the risk of BTS invasion to more areas in the continental United States that have direct flights to and from Hawai‘i. Guam is a central hub of the Pacific, and when a natural disaster strikes a nearby island, increased shipments move between Guam and other islands, thus increasing the chances of BTS spreading in the Pacific.

Research is conducted to improve existing BTS control tools, such as barriers, traps, and baits, as well as to develop better control techniques such as toxins, repellents, and attractants. Research is also intended to improve our understanding of the basic biology of the BTS and to develop methods enabling large-scale suppression of BTS on Guam. It is largely accepted that severe population suppression must be achieved before eradication can be pursued. The operational program utilizes the control tools and techniques developed via the research effort to reduce the risk of BTS dispersal to other Pacific islands, the U.S. mainland, and other vulnerable locations.

The BTS Control Program is a cooperative effort primarily involving OIA (financial assistance and grants management); the U.S. Fish and Wildlife Service (USFWS) (overall program coordination); the U.S. Geological Survey (USGS) (basic and applied research); the U.S. Department of Agriculture’s Animal and Plant Health Inspection Service, Wildlife Services (USDA-APHIS-WS) (control, management and applied research); the U.S. Department of War (financial assistance, control and management on military facilities); and the Governments of Hawai‘i, Guam, and the CNMI.

Justification of 2027 Program Changes

Summary of 2027 Program Changes for Brown Tree Snake Control

(Dollars in Thousands)

Program Changes	2027 Request Change	FTE Change
<i>BTS interdiction programs in CNMI, Hawai‘i, and Guam</i>	-500	0
TOTAL Program Changes	-500	0

Brown Tree Snake Control (-\$500,000 / 0 FTE)

The 2027 budget requests reduced funding for the Brown Tree Snake Control subactivity.

2027 Program Performance

The 2027 BTS program will support a continued focus on operational interdiction and control initiatives including suppression and eradication. Funding will be used to aid in the efforts to increase suppression of BTS in Guam and to continue research funding and educational outreach.

Coral Reef Initiative & Natural Resources

Activity: Territorial Assistance

Subactivity: Coral Reef Initiative & Natural Resources¹

(Dollars in Thousands)

Activity/Sub Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
Coral Reef Initiative & Natural Resources	2,625	-	2,800	-	-	-1,800	-	1,000	-	-1,800

¹ Table does not include supplemental funding.

Program Overview

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.

Invasive species pose a significant threat to national security by impacting food security, natural resources, infrastructure, and military readiness, especially in the Pacific where military presence is vital to the region. 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 discovered on Rota in the CNMI, as well as the Little Fire Ant (LFA), *Wasmannia auropunctata*, currently found on Guam and recently discovered on Yap in the FSM. Office of Insular Affairs funding has supported insular area governments and has been leveraged with funding from other partners such as USDA and the University of Guam to detect, respond to, contain, and eradicate invasive species.

Additionally, healthy coral reefs, from the USVI to Guam, protect these islands from coastal erosion and storm damage and support important tourism and recreational industries. The Office of Insular Affairs has supported coral reef recommendations identified by the U.S. Coral Reef Task Force (CRTF) and the All-Islands Coral Reef Committee, as well as the Micronesia Challenge.

The Office of Insular Affairs continues to support and bolster the efforts and work of each of the U.S. territories and the FAS to set their own priorities for natural resource management in accordance with focal areas and species included in the Regional Biosecurity Plan (RBP). Work performed by regional organizations such as the Micronesia Challenge, the Micronesia Conservation Trust, and the Regional Invasive Species Council (RISC) is encouraged and supported when possible. The Office of Insular Affairs also takes into consideration priorities identified by the Micronesian Islands Forum (MIF), composed of the Governors and Presidents of the Pacific Insular Areas and the Micronesian Presidents' Summit.

Justification of 2027 Program Changes

Summary of 2027 Program Changes for Coral Reef Initiative and Natural Resources
(Dollars in Thousands)

Program Changes	2027 Request Change	FTE Change
<i>Focused investments for biosecurity</i>	-1,800	0
TOTAL Program Changes	-1,800	0

Coral Reef Initiative and Natural Resources (-\$1,800,000 / 0 FTE)

The 2027 budget requests reduced funding for the Coral Reef Initiative and Natural Resources subactivity.

2027 Program Performance**Coral Reef Initiative & Natural Resources**

In 2027, the Coral Reef Initiative and Natural Resources program will continue to provide financial assistance to the insular areas to protect natural resources and to combat invasive species related to focal themes and focal species identified in the RBP update found in Appendix A.

Energizing Insular Communities

Activity: Territorial Assistance
Subactivity: Energizing Insular Communities¹
(Dollars in Thousands)

Activity/Sub Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
Energizing Insular Communities	15,250	-	15,000	-	-	+1,508	-	16,508	-	+1,508

¹ Table does not include supplemental funding.

Program Overview

Insular communities face unique economic growth challenges due to their geographic isolation, finite resources, and dependence on imported oil for their energy needs. To assist the islands in meeting these challenges, OIA is working to restore American prosperity and strengthen national security interests by improving energy development, production, transportation, distribution, exporting, and generation capacity to provide a reliable, diversified, growing, and affordable supply of energy for the territories.

The Energizing Insular Communities (EIC) grant program plays a crucial role in helping the territories implement the actions identified in their respective strategic energy and action plans, and will be key to securing reliable, affordable, and resilient energy in the territories. In response to this Administration's prioritization of reliable energy in the territories, the EIC program will support an American Energy Dominance approach. This shift will further reduce reliance and expenditures on imported foreign fuels, reduce the cost of electricity to consumers, and improve the performance of energy infrastructure and overall energy efficiency in the territories.

Each year, OIA publishes the grant application instructions with set criteria for selecting the best submissions. The greatest weight is given to proposals that reduce a territory's cost of electricity, are identified in the territory's strategic energy plan or energy action plan, and propose to expend the funds within 24-36 months. Review meetings are held with OIA senior staff, the Budget and Strategy Division, and others, including subject matter experts, to review and discuss each submission. Projects are selected for funding based on the results of these meetings and information provided by territorial governments.

Justification of 2027 Program Changes

Summary of 2027 Program Changes for Energizing Insular Communities
(Dollars in Thousands)

	2027 Request Change	FTE Change
Program Changes		
<i>NextGen Island Energy investments</i>	+1,508	0
TOTAL Program Changes	+1,508	0

NextGen Island Energy investments (+\$1,508,000 / 0 FTE)

The 2027 budget requests additional funding to support American Energy Dominance in the U.S. territories and to strengthen national security by reducing reliance on foreign fuel and investing in energy production/transmission equipment. These investments will also support the reduction of energy costs in the territories (which are on average 2-3 times higher than in the Continental U.S.) and support the Trump Administration goal of lowering the cost of living for American families.

2027 Program Performance

In 2027, OIA will request proposals for its EIC Program that promote domestically produced energy and protect the United States' economic and national security interests and military preparedness by ensuring that an abundant supply of reliable energy is readily accessible in every territory. The EIC program will provide grant funding for energy strategies that reduce reliance on imported foreign fuels, reduce the cost of electricity to consumers, and improve the performance of energy infrastructure and overall energy efficiency in the territories.

Compact Impact - Discretionary

Activity: Territorial Assistance
Subactivity: Compact Impact – Discretionary¹
(Dollars in Thousands)

Sub Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
Compact Impact - Discretionary	6,000	-	-	-	-	-	-	-	-	-

¹ Table does not include supplemental funding.

Discretionary Compact Impact grants supplemented the \$30.0 million permanently appropriated for Compact Impact as authorized by Section 104(e) of Title One of the amended Compacts of Free Association. In previous years, OIA used discretionary Compact Impact funding to offset educational service and infrastructure costs incurred by the affected jurisdictions (Guam, Hawai‘i, CNMI, and American Samoa) due to the residence of qualified nonimmigrants from the RMI, the FSM, and Palau. The Office of Insular Affairs also expanded this funding criteria to include community development priorities such as job training and other social services for FAS citizens.

The 2027 budget does not request funding for the Compact Impact – Discretionary program. With the passage of the Compact of Free Association Amendments Act of 2024, Compact migrants are eligible for key Federal programs while residing in the United States. As a result, OIA is not requesting the smaller discretionary supplement to offset educational service and infrastructure costs incurred by the defined affected jurisdictions in P.L. 108-188.

COMPACT OF FREE ASSOCIATION – CURRENT

COMPACT OF FREE ASSOCIATION - CURRENT**Summary of Requirements**

Office of Insular Affairs
COMPACT OF FREE ASSOCIATION - CURRENT APPROPRIATION¹
2027 Summary of Requirements
(Dollars in Thousands)

Treasury Account/Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	FTE (+/-)	Budget Authority	FTE	
Compact of Free Association (Current)										
Federal Services Assistance	2,813	-	813	-	-	-563	-	250	-	-563
Enewetak	650	-	0	-	-	-	-	0	-	-
Total, Compact of Free Association (Current)	3,463	-	813	-	-	-563	-	250	-	-563

¹ Table does not include supplemental funding.

Federal Services Assistance

Activity: Federal Services Assistance¹ (Dollars in Thousands)

Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
Federal Services Assistance	2,813	-	813	-	-	-563	-	250	-	-563

¹ Table does not include supplemental funding.

The Federal Services Assistance program provides discretionary funding to support activities related to the Compacts of Free Association. These activities have previously included U.S. Postal Service (USPS) mail and package delivery to the freely associated states, Palau's single audit, and payments to RMI for Tax and Trade Compensation.

Justification of 2027 Program Changes

Summary of 2027 Program Changes for Federal Services Assistance (Dollars in Thousands)

	2027 Request Change	FTE Change
Program Changes		
<i>USPS services funded through P.L. 118-42</i>	-563	0
TOTAL Program Changes	-563	0

Federal Services Assistance (-\$563,000 / 0 FTE)

The Compact of Free Association Amendments Act of 2024 provides \$634 million for continued USPS services to the FAS. As a result, OIA is no longer requesting funding to offset costs incurred by the USPS for providing mail service in the FAS.

2027 Program Performance

The Federal Services program will continue to provide funding to support activities related to the Compacts of Free Association. The new Compact period will require available discretionary funds for tasks required by the Compact agreements, but not funded through mandatory appropriations, including Federal interagency activities and support for bi-lateral dialogues and consultations.

Enewetak

Activity: Enewetak¹
(Dollars in Thousands)

Activity/Sub Activity	2025 Actual		2026 Enacted		2027 Request					Change from 2026 Enacted
	Budget Authority	FTE	Budget Authority	FTE	Fixed Costs (+/-)	Program Changes (\$)	Program Changes FTE (+/-)	Budget Authority	FTE	
Enewetak	650	-	0	-	-	-	-	0	-	-

¹ Table does not include supplemental funding.

The natural vegetation of the RMI’s Enewetak Atoll was largely destroyed during World War II and during the subsequent nuclear testing program conducted by the United States. Following the cleanup and resettlement of Enewetak, food bearing trees and root crops had to be replanted. However, the depleted soil of the island environment made it difficult to support sufficient agricultural activity to feed the population. In 1980, the Enewetak Support program was implemented to provide supplemental foods for the community, replant vegetation on the inhabited islands, provide agricultural maintenance training, and transport food to the island.

The Enewetak program used a portion of its funding for operations of the agriculture field station and the agriculture rehabilitation program. Funding is also used to purchase food and commodities for the residents of the atoll, including the ones living on Majuro, the capital city. Additionally, funds are used to operate the atoll’s vessel and support the office in Majuro.

The 2027 budget does not request discretionary funding for the Enewetak activity. The Compact of Free Association Amendments Act of 2024 (P.L. 118-42) approved separate mandatory funding for a new Sector Grant for Enewetak Development. With a fixed allocation of 4.8 percent of total available sector grant funding (totaling \$2.5 million in FY 2027), the new mandatory funding negates the need for continued discretionary appropriations for this purpose.

Page Intentionally Blank

APPENDICES

APPENDIX A– REGIONAL BIOSECURITY PLAN

Regional Biosecurity Plan

House Report 116-448 (July 14, 2020) contained a directive requiring the Department to include an update on efforts to implement the Regional Biosecurity Plan for Micronesia and Hawai‘i (RBP). The following is the required biosecurity update.

REGIONAL BIOSECURITY PLAN

DOI continues to lead extensive activities in the Pacific region in collaboration with Federal agencies, State, Territorial, and international governments, and other organizations to improve biosecurity actions and minimize invasive species threats. DOI investments through Region 12 – Pacific Islands agencies include the National Park Service (NPS), OIA, Office of Native Hawaiian Relations (ONHR), US Fish and Wildlife Service (USFWS), and (US Geological Survey) USGS, which support a range of invasive species-related activities in Hawai‘i and U.S. affiliated Pacific Islands (USAPI) such as prevention, detection, control, eradication, research, education, and restoration. The USAPI consists of three United States territories: American Samoa, CNMI, and Guam; and three independent countries in free association with the United States: FSM, RMI, and Palau.

In Hawai‘i and the USAPI, DOI activities aim to limit the introduction, establishment, and spread of numerous invasive species of concern. Species range from brown tree snakes to invasive insects, such as the Coconut Rhinoceros Beetle and Little Fire Ant, and marine invasive species, such as stony coral tissue loss disease, smothering seaweed, and invasive soft corals. They also include other invasive species capable of affecting economies and ecosystems including feral swine; Miconia, a highly invasive tree species; fire-prone grasses; and plant pathogens, such as the fungi that causes rapid ‘Ōhi‘a death impacting 80 percent of Hawai‘i’s forests. DOI is committed to working internally and with other Federal departments, including the Departments of War, Commerce, Agriculture, and State, as well as with the U.S. Ambassadors to the Freely Associated States, and regional and local partners to identify opportunities to strengthen national security and military readiness through improving biosecurity and invasive species management in the Pacific region.

Efforts undertaken by DOI bureaus and offices in Hawai‘i and the USAPI complement strategies identified by partners in the Pacific region. These efforts also align with priorities identified in the “Regional Biosecurity Plan for Micronesia and Hawai‘i (RBP),” a plan developed by the Department of the Navy in 2015 that provides strategic guidance and sets forth recommended actions necessary to strengthen biosecurity.

In fiscal year 2025, bureaus continued to focus on high-impact invasive species, or groups of species, that are either established or identified as likely to become established and warrant actions to minimize risk of introduction and impacts. These focal areas and species are listed below.

Central to all work conducted in Hawai‘i and the USAPI is the relationship to biocultural resources. Biocultural resources are physical, biological, and human elements that strengthen a native people’s evolving relationship with a defined place and maintain their unique set of customs, beliefs, language, traditional knowledge, objects, and built environment. Understanding the importance of biocultural resources and integrating them into stewardship activities is crucial for project success and long-term viability in Hawai‘i and the USAPI.

Focal Themes:

- Prevention: The action of stopping invasive species from being introduced or spreading into a new ecosystem.
- Early Detection (Surveillance) and Monitoring: A process of surveying for, reporting, and verifying the presence of a non-native species before it becomes established such that eradication is no longer feasible. Monitoring is the action of conducting surveys repeated through time to document changes in select attributes of wildlife, plants, habitats, ecological communities, or abiotic resources.
- Rapid Response (including Eradication, when possible): A process that is employed to eradicate a non-native species from a specific location before it becomes established such that eradication is no longer feasible. Eradication is the removal or destruction of an entire population of invasive species.
- Long-term Control (including Eradication, when possible): Containing, suppressing, managing, or reducing populations of invasive species.
- Research: Scientific investigation into invasive species such as biology, impacts, risk, detection, monitoring, and control methods, that often results in the development of new tools and methods to reduce or eliminate invasive species impacts.
- Outreach: The action of providing information externally, outside of DOI, or internally, within DOI, related to invasive species.

Focal Species:

- Invasive plants: This category includes non-native grasses, shrubs, vines, and trees.
- Rapid ‘Ōhi‘a death (and other plant pathogens): This category includes plant pathogens (diseases). Rapid ‘Ōhi‘a death is a plant pathogen that attacks and kills the culturally and ecologically significant native ‘Ōhi‘a tree in Hawai‘i.
- Mosquitoes and avian malaria: The combination of introduced mosquitoes and avian malaria have decimated Hawai‘i’s native forest birds and limited their distribution to high elevations that are too cool for mosquitoes to breed. These high-elevation habitats are dwindling due to environmental changes, including invasive feral swine impacts.
- Ants and other non-native social insects: Some Pacific Islands had no or limited species of social insects. However, recently introduced ants and wasps have had devastating impacts on natural resources and people.
- Brown tree snakes: The brown tree snake continues to cause significant negative impacts to native birds, ecosystems, economy, power infrastructure, and agriculture on Guam. The spread of this invasive species to other Pacific islands is a significant national concern. Other reptiles and some amphibians are also potential threats.

- Small mammalian carnivores: This category includes species such as rats, mice, cats, and mongooses. All have had historical impacts and continue to have devastating impacts on Pacific Island ecosystems and infrastructure.
- Ungulates: This category includes ungulates such as feral goats, pigs, mouflon, water buffalo, cattle, and deer that have had significant negative impacts on ecosystems and water resources.
- Aquatic invasive species: This category includes a wide range of invasive marine algae, corals, freshwater fish, macroinvertebrates, and aquatic plants that have had significant negative impacts on aquatic ecosystems.

Roles and Responsibilities:

National Park Service: The NPS preserves unimpaired the natural and cultural resources and values of the National Park System for the enjoyment, education, and inspiration of this and future generations. The NPS collaborates with partners to extend the benefits of natural and cultural resource conservation and outdoor recreation throughout the United States and the world. Over 6,500 non-native invasive species have been found on NPS lands and waters. Of these, about 650 are in marine environments. The NPS utilizes several approaches for addressing invasive species including, but not limited to, an integrated pest management approach, coordinated and prioritized strategic planning, and Invasive Plant Management Teams to rapidly respond to invasive plants. For example, in Hawai‘i, NPS has designated Special Ecological Areas that best represent native Hawaiian systems, and these areas are managed as high priorities for the removal of plant and animal invasive species.

Office of Insular Affairs: The OIA implements the Secretary of the Interior’s responsibilities for U.S. territories of American Samoa, Guam, the CNMI, and the U.S. Virgin Islands. The Office of Insular Affairs also administers funding for FSM, RMI, and Palau. The OIA is the primary agency within DOI that funds brown tree snake interdiction, control, and research and collaborates closely with USFWS, USGS, USDA, and the local governments of Hawai‘i, Guam, and the CNMI. Within DOI, OIA reports to Congress on implementation of the Regional Biosecurity Plan for Micronesia and Hawai‘i. The OIA also supports invasive species prevention and control efforts through Coral Reef & Natural Resources funding provided annually by Congress.

Office of Native Hawaiian Relations: The Office of Native Hawaiian Relations discharges the Secretary’s responsibilities for matters related to Native Hawaiians and serves as a conduit for DOI’s field activities in Hawai‘i. The mission of the Office is to serve as a liaison with the Native Hawaiian Community and work with DOI and its bureaus on issues affecting Hawai‘i.

U.S. Fish and Wildlife Service: The mission of the USFWS is to work with others to conserve, protect, and enhance fish, wildlife, and plants and their habitats for the continuing benefit of the American people. The USFWS operates under Federal statutes to accomplish the mission including the National Wildlife Refuge System Improvement Act, Endangered Species Act, the Lacey Act, and the Fish and Wildlife Conservation Act, to name a few. The USFWS accomplishes their mission through invasive species management and habitat and species restoration through various programs such as the following: National Wildlife Refuge System, Fish and Aquatic Conservation, Ecological Services, Habitat Conservation, and Office of Law Enforcement, all of which address invasive species issues at some level. The National Wildlife Refuge System manages invasive species issues on approximately 96 million acres of wildlife habitat spread across over 573 Refuges; Invasive Species Strike Teams (ISSTs) and Refuge staff carry out invasive species management across the Refuge System. The primary strategy

used by the ISSTs is early detection and rapid response (EDRR), which focuses on eradicating new, incipient infestations of highly invasive species. The Fish and Aquatic Conservation Program leads the Aquatic Nuisance Species Task Force, conducts prevention, EDRR, and control of aquatic plants and animals, and leads the designation of invasive wild mammals, fishes, reptiles, amphibians, mollusks, and crustaceans as injurious wildlife under the Lacey Act, which prohibits their imports into the U.S. and transport between the continental U.S. and other jurisdictions (like Hawai‘i, Puerto Rico, or Guam). The Ecological Services Program provides regulatory, coordination, and technical assistance roles relative to invasive species including leadership for brown tree snake management regionally and nationally through the statutorily mandated Brown Tree Snake Technical Working Group. The Office of Law Enforcement agents inspect wildlife shipments and collaborate with other jurisdictions to combat illegal movement and trafficking of invasive species.

U.S. Geological Survey: The USGS is the research arm of DOI and its role supporting invasive species management in the Pacific is to provide DOI and partners with research to improve prevention, detection, control, and eradication of invasive species. The applied research and technical assistance provided by USGS on invasive species in the Pacific is used by Federal, State, and Territorial partners to improve biosecurity, invasive species identification and control, quarantine, and eradication. The USGS Brown Tree Snake Rapid Response Team, through funding provided by OIA, provides training and response capabilities in the event that this damaging and costly invader is sighted in a snake-free area. Additionally, OIA supports USGS work investigating approaches to protect Guam’s power infrastructure from brown tree snake-caused outages. The USGS Climate Adaptation Science Centers facilitate science addressing the intersection of invasive species, ecological disruptions, and climate variability, including via support of the Pacific Islands and Southeast Regional Invasive Species and Climate Change networks.

For fiscal year 2027 resources allocated toward these efforts, please refer to each bureau’s Congressional Budget Justification.

Updates:

OIA: In 2025, OIA provided funds for brown tree snake interdiction, control, and research, and collaborated closely with USFWS, USGS, USDA, and the local governments of Hawai‘i, Guam, and the CNMI to prevent the dispersal of the snake to other geographic areas. The OIA also funded activities related to preventing, detecting, responding to, and controlling invasive species identified in the RBP as focal species. These projects included: **American Samoa:** (focal species – the invasive myna bird) supported the American Samoa Government Biodiversity Conservation Office in protecting American Samoa’s wildlife and paleotropical rainforest habitats by expanding their management of the invasive myna bird populations on the northern part of Tutuila Island. **CNMI:** (focal species – Coconut Rhinoceros Beetle, the velvet bean *Mucuna pruriens*, and the Little Fire Ant) supported the CNMI Department of Land and Natural Resources to allow the Invasive Species Coordinator to continue safeguarding and affirming the ideas and intention of the CNMI Invasive Species Strategy and Action Plan and to continue providing the necessary collaborative support for programs such as the Coconut Rhinoceros Beetle Eradication and Detection Program, the *Mucuna pruriens* Eradication Project, and the CNMI Little Fire Ant Invasion Hotspot Program.

In response to discussions held during the annual Interagency Group on Insular Areas, OIA, in partnership with the White House Office of Intergovernmental and External Affairs, created working groups to focus on priority topics (biosecurity, energy, workforce, and infrastructure). The Biosecurity Working Group met for the first time in January 2026 and will focus on advancing high priority biosecurity needs in each of the territories in partnership with Territorial agencies, federal agencies, and the White House through 2027.

OIA expects to continue to provide support for brown tree snake interdiction, control, and research and collaborate closely with USFWS, USGS, USDA, and the local governments of Hawai‘i, Guam, and the CNMI to prevent the dispersal of the snake to other geographic areas. OIA also expects to continue to fund activities related to preventing, detecting, responding to, and controlling invasive species identified in the RBP as focal species. In addition, OIA will work in partnership with CNMI, American Samoa, Guam, and the USVI to hold Biosecurity Forum meetings where local, hands-on training will be provided by trainers and subject matter experts to reflect the high priority biosecurity needs of each territory. OIA will also fund and hold a second Regional Biosecurity Summit that will follow up from and build upon the 2023 Regional Biosecurity Training event held previously in Guam. The strong nexus between invasive species, biosecurity, national security, and military readiness is relevant to the OIA mission, and OIA will continue to build upon this biosecurity approach to keep the insular areas prepared and protected. OIA will also be contributing to the Mariana Islands Conservation Strategy, which is to be developed in 2026 and led by the Department of War (DoW) and the USFWS, by assisting with a biosecurity gap assessment of the Marianas archipelago.

NPS: The NPS has been working closely with Federal, State, and local agencies and organizations to protect Hawaiian forest birds from invasive mosquitoes that spread avian malaria. Haleakalā National Park participated as an initial test site of an Insect Incompatibility Technique (IIT) intended to help to control invasive mosquito populations. Further, NPS units continue to manage invasive ungulates, small predatory vertebrates, invasive plants, and invertebrates, as they have in past years. For example, the National Park of American Samoa has provided snares to villagers to capture feral swine and successfully protect the park from their damage. Hawai‘i Volcanoes National Park initiated a volunteer program using conservation dogs to continue monitoring for Little Fire Ants, a species of public health concern. Predator trapping efforts continue at Kaloko-Honokōhau National Historical Park in Hawai‘i as well. Further, several parks located on different islands use fencing to protect sensitive areas from feral ungulates and predators. The Pacific Islands Invasive Plants Management Team also continues to provide support to parks to control and eradicate invasive plant species and has a program that trains “youth rangers” to manage invasive plants.

USFWS: USFWS continues to implement biosecurity protocols and manage invasive species through the National Wildlife Refuge System and Pacific Islands Fish and Wildlife Office.

Invasive Species Strike Team Operations. As of fiscal year 2025, two dedicated Invasive Species Strike Teams (ISSTs) focused on biosecurity and EDRR for Hawai‘i and Pacific Islands and the Pacific Marine National Monuments.

- **Kilauea Point National Wildlife Refuge Predator Proof Fence:** The largest predator proof fence in the country was completed at Kilauea Point National Wildlife Refuge in 2023, spanning

3,414 meters and protecting 168 acres of wildlife habitat. In May 2025, the Refuge successfully eradicated invasive feral hogs and cats within the fence. Since then, the Refuge has seen the highest fecundity for nesting populations of Laysan albatross, wedge-tailed shearwaters, and red-tailed tropic birds in decades. The Refuge also purchased equipment and developed a long-term plan to maintain fence integrity through managing invasive vegetation within a 3-foot buffer on both sides of the fence. This project was supported by the Hawai‘i and Pacific Islands ISST.

- **Verbesina control at Midway Atoll National Wildlife Refuge.** *Verbesina encelioides* is an invasive plant that can form dense monotypic stands. At Midway Atoll National Wildlife Refuge, verbesina threatened important habitat for nesting seabird species, including Laysan Albatross. With a goal of eradication, a dedicated team of refuge staff and volunteers completed monthly surveys of all 61 sectors of the refuge and treated any verbesina plants found. In 2025, the team neared eradication goals on Eastern Island and prevented the maturation of plants on Sand Island, achieving a 60% decrease of the plant across the refuge since 2024. This project was supported by the Pacific Marine National Monuments ISST.

Rat Eradication Project at Wake Atoll. Invasive rats impeded critical military operations by gnawing electrical wiring, posed health hazards to personnel, and devastated seabird populations by preying on eggs and chicks at Wake Atoll, a Unit of the Pacific Islands Heritage Marine National Monument and the National Wildlife Refuge System. In 2024, the USFWS joined U.S. Air Force, USDA, Island Conservation, and other partners in implementing a rat eradication project on the atoll. For tropical ecosystems, successful eradication can typically be declared after one year of no rat detections. USDA detection dogs surveyed the atoll in December 2024, and February and September 2025. Successful eradication of the two rat species, *Rattus exulans* and *Neotoma albigula*, was verified in September 2025.

Brown Tree Snake. The USFWS continued annual coordination and collaboration with the member agencies to implement the 2020-2025 Brown Tree Snake Technical Working Group (BTS TWG) Strategic Plan. Fiscal year 2025 efforts included leadership coordination of the BTS TWG, chairing the Brown Tree Snake Research Committee (BTSRC), planning and facilitating the BTS TWG annual meetings, overseeing the CNMI BTS program, and providing support to the State of Hawai‘i’s BTS Program. In fiscal year 2025, Pacific Islands Fish and Wildlife Office (PIFWO) and the U.S. Department of Navy continued the implementation of a five-year Implementation Plan under the Guam Micronesia Kingfisher Memorandum of Agreement. The five-year Implementation Plan prioritizes two objectives: (1) assess BTS eradication capabilities within a BTS exclusion fence (135 acres/ 55 ha) and (2) refine landscape scale BTS aerial treatments and implementation methods on unbound (without exclusion fencing) areas. These projects are vital to understand efforts and funds needed to inform native avian reintroductions to Guam. The projects are being implemented collaboratively by the USGS Pacific Island Ecosystems Research Center and the USDA National Wildlife Research Center with efforts projected to continue through fiscal year 2026.

Avian Malaria. The USFWS continues to support efforts to prevent the extinction of Hawaiian forest birds by working with other Federal, State, and local agencies and organizations in the Birds Not Mosquitoes partnership to address non-native mosquitoes responsible for spreading disease to highly endangered forest birds. Advancing landscape mosquito control, this project is using a novel technique called the Incompatible Insect Technique. The Incompatible Insect Technique (IIT) is a way to control insect pests, like mosquitoes, without using harmful chemicals. In Hawai‘i, this technique involves releasing male mosquitoes that carry a different, incompatible strain of bacteria than what is present in the

wild mosquito population. When these incompatible male mosquitoes mate with the wild female mosquitoes, the resulting eggs do not hatch, decreasing the mosquito population over time, resulting in reduced disease pressure on endangered forest birds in Hawai‘i.

This project is the first conservation application of the tool and is focused on the *Culex quinquefasciatus* mosquito (a mosquito of both human and wildlife disease concern). The project is conducting applications in remote forest settings by pioneering the delivery via helicopter and unmanned aircraft systems. The USFWS, in collaboration with other DOI bureaus, provided financial assistance to support applications in two key forest bird habitats on Maui and Kaua‘i, covering over 6,000 acres.

Biosecurity Planning and Technical Assistance in the Pacific. The PIFWO Invasive Species Program (ISP) team advanced biosecurity planning, professional development, and technical assistance efforts across the Pacific to reduce invasive species risks. Through close collaboration with DoW, Federal partners, State and Territorial governments, these efforts focused on strengthening local and regional biosecurity capacity, enhancing military readiness, and supporting long-term biosecurity resilience throughout the Pacific.

- **US Army Biosecurity Planning in Hawai‘i.** The PIFWO ISP team led a collaborative effort with U.S. Army Garrison Hawai‘i to develop the first biosecurity plan for Hawai‘i installations. This effort is one of four national pilot projects aimed at creating a standardized biosecurity template applicable to U.S. Army installations nationwide. This work will continue into 2026 and 2027.
- **Training, professional development, and capacity building.** The PIFWO ISP team provided technical assistance to OIA to plan and deliver on-island biosecurity training across the Pacific Territories. Guam successfully hosted its on-island training in January 2025. Planning efforts for the CNMI and American Samoa on-island trainings started in 2025; however, these trainings were postponed to 2026. These events aim to build Insular biosecurity through training and professional development. In addition, two Hazard Analysis and Critical Control Point (HACCP) trainings were delivered in April 2025 on O‘ahu for DoW personnel and other Federal agencies. HACCP training was also provided in Guam and Saipan in July 2025. HACCP planning is a structured risk assessment and management tool designed to minimize the unintentional movement of invasive species through human activities.
- **Biosecurity networks in the Pacific.** PIFWO ISP staff serve as key co-performers on DoW’s Strategic Environmental Research and Development Program (SERDP) project, “An Island-Centric Biosecurity Network for High-Risk Invasive Plant Pests in the Pacific.” The objective of this project is to assess the status of biosecurity networks in the Pacific and assess the need for designing and promoting high-risk surveillance networks for Pacific Biosecurity. This work aims to enhance military readiness and installation -level biosecurity, while also strengthening broader regional biosecurity capacity across the Pacific. This work will continue in 2026 and 2027.
- **Collaborative Marianas Region Biosecurity Gap Analysis.** The PIFWO ISP team collaborated with DoW, Guam, and CNMI partners to develop a biosecurity gap analysis for the Marianas region. The objective of this project is to assess the status of biosecurity in Guam and CNMI and to develop a strategic roadmap for strengthening and sustaining biosecurity in the region. These efforts will support military readiness while safeguarding local ecosystems and regional biosecurity integrity. This work will continue in 2026 and 2027.

Partnerships. The USFWS is an active member of the Coordinating Group on Alien Pest Species (CGAPS), a partnership of agencies and non-governmental organizations working together to protect Hawai‘i from invasive species.

USGS: The USGS continues to conduct annual training courses on Guam for USAPI-based Federal, State, and Territorial partners to ensure that there are sufficient trained members of the Brown Tree Snake Rapid Response Team to respond to credible snake sightings in snake-free areas. USGS is partnering with Guam Power Authority and OIA to evaluate best-cost economic approaches to mitigating impacts of Brown Tree Snakes on electrical infrastructure or otherwise decrease their disruptions to power supply. USGS will also work on developing Rapid Response Plans for the snake to facilitate timely responses and is evaluating a decade of interdiction data in combination with new tool assessments to identify potential programmatic improvements for the snake biosecurity program and to improve military readiness. Other USGS research includes work funded by DoW to quantify the detection probability of different trapping and survey methods for the damaging Coconut Rhinoceros Beetle and design biosurveillance strategies that would provide confidence in the absence of this pest. Biosurveillance for this and other invasive species can lead to early detections that enable eradication or containment, while confidence in the absence of major pest species improves military readiness by streamlining inspection or decontamination protocols. Early detection research also includes comparisons of the efficacy of different survey methods to help managers develop cost efficient and effective monitoring programs to detect new invasions. USGS is working in partnership with USFWS to test the efficacy of control strategies for the recently detected *Trichomyrmex* ant on Midway Atoll. USGS is developing genetic tools that can be used in biosecurity programs, such as environmental DNA (eDNA) detection of invasive species and disease vectors in shipping containers. USGS research also includes understanding the role of invasive disease and vectors in the decline of Hawaiian forest birds, including key research to support the use of the Incompatible Insect Technique for invasive mosquito control in Hawai‘i. The USGS is involved in the development of biosecurity plans and effectiveness testing for the USFWS remote refuges and uses genetic tools (e.g., eDNA) to identify invasions of cryptic species that are difficult to detect using traditional sampling methods. Along with a wide range of partners in the USAPI, USVI, and Puerto Rico, USGS remains involved with coordination and facilitation of early detection and range delineation of invasive reptiles, including large constrictor snakes and invasive amphibians. In addition, the USGS is leading an array of projects that support advancing the National Early Detection and Rapid Response Framework that will benefit invasive species management, including in all island ecosystems associated with the United States and its Territories.

Additional USGS activities include: development of the “Invasive Alien Species Educational Outreach Strategy” for Ongemi‘i Tketau OTM (Jellyfish Lake) Palau, to help preserve the resilience of the lake and its jellyfish population from invasive threats; research to identify native plants that are resilient to environmental change; baseline surveys to evaluate invasive species driven shifts in atoll environments; collaborations with DoW to address invasive birds, specifically the sparrow and the myna, in USAPI; innovative aerial surveys and geospatial analysis to detect invasive species, and their spread and impact on forests providing food supply – specifically coconut tree in RMI and FSM; development of new techniques to monitor wildlife and improve management of endangered species; knowledge sharing through Communities of Practice; and serving as a member of the National Invasive Species Council to address island and invasive priorities.

APPENDIX B – TERRITORY ENERGY UPDATES

The Office of Insular Affairs provided direct funding assistance in fiscal year 2019 and fiscal year 2020 for the update of the territorial energy plans, as requested, and professional services beginning in fiscal year 2020 through an interagency agreement with the U.S. Department of Energy for those updates and implementation.

Energy security is critical to the insular areas' future economic development and viability. In terms of residential cost per kilowatt hour, the territories on average pay nearly two or three times the national average for electricity. Public Law 109-58 enacted in 2005 directed the Secretary of the Interior to draft long-term energy plans for the insular areas with the objective of reducing their reliance on energy imports, increase energy conservation and energy efficiency, and use native energy sources.

To combat the high cost of electricity, OIA entered into an interagency agreement with the U.S. Department of Energy, National Laboratory of the Rockies (NLR) in 2010 to help develop long-term strategic energy plans in American Samoa, CNMI, and Guam. The goal was to help the insular areas develop advanced energy systems that increase energy independence and security.

The governors of the three Pacific territories each established energy task forces that included a variety of energy stakeholders from the territories: colleges and universities, utility companies, energy offices, environmental protection agencies, and private sector organizations. The NLR staff worked closely with each territory's energy task force to develop long-term strategic energy plans and short-term energy action plans. These energy plans were finalized and published in July 2013 for the CNMI and Guam. American Samoa's energy action plan was published in August 2016 and its strategic energy plan was published in December 2013. In the end, these energy plans were the result of a tremendous collaborative effort among various energy stakeholders over several months.

Intended to be fluid foundational documents, the strategic energy plans lay out a variety of strategies that should be revisited and updated as appropriate. The strategies include analysis of diesel generation systems and renewable energy systems as well as cost effective energy efficiency improvements. Subsequently, the energy action plans were developed to outline how the strategic energy plans will be implemented. The action plans are meant to be much more detailed and specific, assigning specific tasks to individuals with detailed deadlines.

The energy action plans select a handful of specific strategies that are achievable in the short term (one to three years), detail the strategies in feasible incremental steps, identify the stakeholders and desired outcomes, identify the organizations and individuals responsible for implementing the actions, and set a timeline for each step. The action plans are also considered to be living documents that will be regularly updated by the task forces and OIA has offered funding for the update of energy plans. In fiscal year 2019, the CNMI and the Virgin Islands Water and Power Authority applied for and received funding to update the territorial energy plan and integrated resource plan, respectively. In fiscal year 2020, American Samoa applied and received funding to update its energy plan and reestablish its American Samoa Renewable Energy Committee (ASREC). In fiscal year 2021, Guam received funding to update the Guam Strategy and Energy Plan.

In fiscal year 2022, in compliance with P.L. 113-235, OIA entered into a new interagency agreement with NLR to provide technical support to OIA and the U.S. territories for continued efforts to improve energy security and resilience, reduce energy costs, and diversify away from dependence on petroleum-based fuels. As part of this agreement, NLR will update energy system baseline data in the territories and assist the territories with the development of their energy security plans and needs assessments. The agreement also provides other programmatic support to OIA and the territories.

Since 2013, **American Samoa** has made significant progress in implementing the strategies identified in its 2013 Energy Action Plan. The ASREC updated its Energy Action Plan in 2016 with the assistance of NLR and added new strategies that continue to reduce the cost of electricity and improve energy infrastructure in the territory.

Guam has recently focused its funding requests on stakeholder engagement, data generation and gathering, energy generation development and evaluation, and impact modeling and analysis. In fiscal year 2025, the Guam Power Authority received funding for deployment of microgrid controllers to enhance grid resilience. Fiscal year 2024 funding provided for the Guam Power Authority to continue its work with NLR to provide more detailed analysis of implementation strategies for utility-scale and distributed energy systems, contingency analysis to maintain grid stability, and utility rate impacts of various scenarios. In December, the Guam Community College held the grand opening for its Culinary Arts and Baking Center, a project jointly funded by the U.S. Department of Education and both OIA's CIP and EIC programs.

The **CNMI** also focused on grid stability in fiscal year 2025, receiving funding for a battery energy storage system and a generator replacement on the island of Rota. The Commonwealth Utilities Corporation also received funding for demand side management, continuing its project to convert traditional electrical meters with pre-pay meters, and system efficiencies with the commissioning of a supervisory control and data acquisition (SCADA) system at Power Plant 1 and training on the SCADA system and utility substation. In fiscal year 2024, the CUC received funding for their proposal to implement a battery energy storage system for grid stability on Saipan. In fall, the Northern Marianas College opened their new Proa Student Center, completing a long-delayed project that combined EIC, CIP, and FEMA funds to build a new student center for the campus after Super Typhoon Yutu.

The **USVI's** Virgin Islands Water and Power Authority (WAPA) focused its recent EIC applications on improvements at the utility level, with WAPA submitting funding requests to conduct a cost-of-service study, implement a mobile workforce management system to expedite work orders, implement network switch/UPS infrastructure, and procure vehicles for its revenue assurance division's field work. WAPA also focused on grid stability and resiliency with a battery storage project to support the Virgin Islands Territorial and Emergency Management Agency. In fiscal year 2024, WAPA received funding to procure and integrate new bucket trucks and vehicles into its utility fleet to lower operational costs. WAPA also received funding for a battery system to support the Juan F. Luis Hospital on St. Thomas in emergent conditions.

APPENDIX C – CAPITAL IMPROVEMENT PROJECTS (CIP) PROGRAM UPDATE

Section 701 of the Covenant (Public Law 94-241) states, “*The Government of the United States will assist the Government of the Northern Mariana Islands in its efforts to achieve a progressively higher standard of living for its people as part of the American economic community and to develop the economic resources needed to meet the financial responsibilities of local self-government.*” Section 701 does not contain a standard to measure what is an adequate standard of living or the amount of economic resources necessary to meet the financial responsibilities of local self-government. Instead, it speaks of achieving progressively higher standards and a commitment by the Federal government to assist the CNMI in making progress.

Legislation enacted in 1996 established a minimum six-year CIP program for Guam as impact aid resulting from Micronesian immigration authorized in the Compacts of Free Association. Beginning in 2004, however, funding for impact aid for Guam was authorized and appropriated under the Compact of Free Association Amendments Act of 2003 (P.L. 108-188), which shifted the funding for impact aid from the CIP program to the Compact Impact program.

Capital Improvement Project funds address a variety of infrastructure needs in the U.S. territories. Below are recent updates to existing projects funded through the CIP program.

CNMI: Multiple projects reached completion this year. The CNMI Department of Corrections finally completed the remainder of its heating, ventilation, and air conditioning (HVAC), fire alarm, and sprinkler systems upgrades. The Rota Health Center completed the entirety of its replacement of its air conditioning units and air handler units, typhoon shutters, and other renovations, holding a ribbon cutting in October 2025. The Northern Marianas College also held a ribbon cutting for its new Student Center, a project jointly funded by OIA and FEMA funding. Lastly, the relocation of power poles along Beach Road funded by OIA was completed by the Commonwealth Utilities Services.

Improvements within facilities continue across the CNMI, with the CHCC upgrading its existing health information system and patient room floors. Facility renovations are underway for the Division of Customs and Biosecurity, the Office of Information & Technology Services, Division of Financial Services, the Rota Mayor’s Office and Pavilion, and the Municipality of Rota is renovating and improving its Municipal Office and tourism infrastructure at Chamorro Village. Environmental and regulatory compliance work is ongoing for a number of projects including the West San Jose Homestead on Tinian, the Dugi Waterline, and the Rota West Harbor Access Road.

CIP funds also continue to support operational costs of the various law enforcement branches of the CNMI, including the Departments of Corrections, Fire and Emergency Services, and Public Safety.

American Samoa: Until 1996, American Samoa received annual grants for capital improvement needs, as determined by the Department of the Interior and Congress. These grants averaged approximately \$5.0 million annually. During this time American Samoa fell further behind in keeping up with the infrastructure needs of a rapidly growing population. Consequently, the people of the territory were faced

with increasing hardship and risk with regard to such basic needs as drinking water, medical services, and education. In recognition of these severe problems, Congress enacted legislation in 1996 directing a portion of the mandatory CIP funds to be used to pay for critical infrastructure in American Samoa.

The legislation also required the development of a multi-year capital improvement plan. The plan was prepared by a committee appointed by the Governor of American Samoa, and the Army Corps of Engineers served as technical advisors to the committee under an interagency agreement funded through OIA. This plan was transmitted to Congress on August 8, 1996. The Capital Improvement Master Plan is updated on an annual basis. All projects have been categorized into three general priority areas. First order priorities include health, safety, education, and utilities. Second order priorities include ports and roads. Third order priorities include industry, shoreline protection, parks and recreation, and other government facilities.

Over the past year, several American Samoa's infrastructure projects have been completed and others have begun. The American Samoa Power Authority completed switchgear upgrades to its Tafuna Powerplant and work is underway for a new classroom building at the American Samoa Community College. Progress continues on the Department of Education Consolidated Manua schools project and the Juvenile Detention Facility. With the American Samoa Shipyard Authority 3,000 Ton Slipway and winch house completed, the Shipyard has turned to procurement of heavy equipment for operations and maintenance as well as upgrading its electrical and water systems.

The Department of Public Works continues to focus on improving access roads throughout the territory and the Department of Ports Administration on dock improvements and renovations of the Aunu'u wharf.

Guam: In December 2025, the Guam Community College held the grand opening for its new state of the art Culinary Arts and Baking Center, jointly funded by OIA and the U.S. Department of Education. The building supports the College's expansion of the successful Culinary Arts program to build the local workforce and support the tourism economy.

Large projects to design and construct new buildings for the Department of Public Health and Social Services Division of Environmental Health Facility have both completed or nearly completed the architecture, engineering, and design phases, and researching further sources of funding for the construction phases, while the Guam Environmental Protection Agency has been working through procurement for the design phase of its new building.

USVI: Ongoing efforts in the USVI are focused on repairing critical road infrastructure, water and wastewater site improvements, and deferred maintenance reduction within the Virgin Islands Department of Education. The Centerline Road Rehabilitation Project on St. John is nearly complete, with final sections of guardrail being installed. The Virgin Islands Fire and Emergency Medical Services Department purchased four Quick Response Vehicles, two per district, that are now active in service for medical emergencies. The public libraries are also a focus, as the Florence Williams Public Library, Enid Baa, and Athalie McFarlane Petersen Public Library on St. Croix continue to address structural renovations and install upgrades to the electrical, mechanical, plumbing, and telephone systems.

The Virgin Islands Police Department (VIPD) project has installed additional Safe Zone Surveillance system mobile security cameras on each island but is completing the installation of the remaining cameras. The work to build one Rapid Operation Center in each district is ongoing and the VIPD is working to finalize the data platform for the Centers.

Page Intentionally Blank