

**Congress of the United States**  
**Washington, DC 20515**

February 10, 2014

The Honorable Barack Obama  
President of the United States  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

Dear Mr. President:

We are writing to request that you prioritize the Assistance to Territories program in your Fiscal Year 2015 budget proposal for the Office of Insular Affairs of the Department of Interior by including no less than \$88.9 million, which reflects FY 2013 enacted level. The Office of Insular Affairs carries out the responsibility of the Secretary of Interior for the U.S. insular areas we represent—the Northern Mariana Islands, Guam, American Samoa, the U.S. Virgin Islands as well as the Freely Associated States.

The budget proposal would reflect your Administration’s continued priority to implement federal policies such as promoting economic development in the islands. According to the U.S. General Accountability Office, “the U.S. Insular Areas face serious economic and fiscal challenges and rely on the federal funding to support their governments and deliver critical services. The Department of Interior through the Office of Insular Affairs (OIA) provides about \$70 million in grants annually, including technical assistance grants, to increase insular area self-sufficiency.”

The 2010 Census data reveals that the poverty levels are from three to five times the national average, with the national average at 13.3%. The economic picture for the Insular Areas, as illustrated by recently released gross domestic product (GDP) figures for the islands, shows them to be experiencing serious challenges since the onset of the economic downturn. For example, in the U.S. Virgin Islands real GDP declined 13.2% in 2012 after declining 6.6% in 2011. By comparison U.S. GDP, excluding the territories, increased 1.8% in 2011 and 2.8% in 2012.

Moreover, the very serious concerns about the state of the Insular areas economies are further reinforced by the U.S. Census data, which showed across the board population declines in all U.S. territories, with the exception of Guam. The Office of Insular Affairs notes that population declines will compound the economic woes in the islands by reducing Federal formula grants and funding allotments that are based on population. OIA is often called upon, as a last resort for the Insular Areas, to fill the gap left by other Federal programs. It is therefore critically important that the agency receive sufficient financial resources to allow it to continue to assist the islands in turning around their struggling economies.

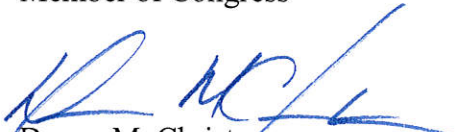
Initiatives funded under the program in recent years have cut across areas of health management, implementation of audit recommendations and other internal controls, economic development (traditionally in fisheries, agriculture and mariculture), public safety, education, clean energy production, and critical environmental infrastructure improvements. The several programs funded through technical assistance, for which there is no other appropriate or available place in the federal budget as indicated by the Administration, benefit multiple insular areas on an ongoing basis. In fiscal year 2014, OIA received \$85,976,000 in Assistance to Territories funding, of which more than 90 percent has been awarded to the insular areas in the form of grants.

We greatly appreciate your support in the past for the programs administered by OIA, and even in these challenging fiscal times, we urge your support for increased funding for Assistance to Territories in the Office of Insular Affairs for FY 2015. Thank you in advance for your consideration of this request.

Sincerely,



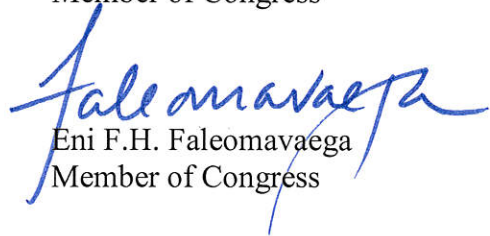
Gregorio Kilili Camacho Sablan  
Member of Congress



Donna M. Christensen  
Member of Congress



Madeleine Z. Bordallo  
Member of Congress



Eni F.H. Faleomavaega  
Member of Congress