WRITTEN STATEMENT OF GERALD M. ZACKIOS REPUBLIC OF THE MARSHALL ISLANDS AMBASSADOR TO THE UNITED STATES

TO THE UNITED STATES SENATE ENERGY AND NATURAL RESOURCES COMMITTEE FEBRUARY 6, 2018

Madame Chairwoman, Distinguished Members, Ladies and Gentlemen:

On behalf of President Hilda Heine, I am honored to present the views of the Government of the Republic of the Marshall Islands on Senate Bill S. 2182, the Bikini Resettlement and Relocation Act.

I would like to thank you Madame Chairwoman for your request to the GAO to provide an updated study on several aspects of the Compact, including the Compact Trust Fund and other issues of great importance to my Government and the Marshallese people. We look forward to receiving a draft of the GAO report for comment and working with the Administration and Congress on several important issues as 2023 approaches.

I would also like to take this opportunity to thank you for all of your assistance and help from your staff to support the effort to amend the REAL ID Act so that Marshallese citizens who reside in the United States can obtain important identification documents to facilitate timely and lasting employment as provided in the Compact.

Madam Chairwoman, the Government and the People of the Marshall Islands want to thank you for carrying on the tradition of support for the Marshall Islands established by your father, the Honorable Frank Murkowski. As a Member of this Committee in the 1980s, he supported the two laws that created and funded the Bikini Resettlement Trust Fund ("the Fund") and, as Chairman, he visited Bikini in 1996. Please extend our warm regards to him.

The legal Compact obligation of the United States to provide funding for the resettlement of Bikini Atoll is found at Article VI, Section 1 of the Section 177 Agreement to the Compact which states:

"The Government of the United States reaffirms its commitment to provide funds for the resettlement of Bikini Atoll by the people of Bikini Atoll at a time which cannot now be determined". A few years after the Compact came into effect, Congress supplemented the Bikini Resettlement Trust Fund established in 1982 with U.S. PL 100-446 and added \$90 million to the Fund bringing the total to \$109 million. The Resettlement Trust Fund was administered by the Department of Interior who worked with the representatives of Bikini in carrying out the purposes of the Fund. For historical purposes it is worth noting that while the RMI Government did not have any role in the administration, investment and use of these funds, it did express it's hope that the Resettlement Trust Fund would fulfill its purpose although it was certainly not clear at that time when resettlement of Bikini could occur because of the need to clean up and restore Bikini Atoll.

Unfortunately, although the Fund grew in value from \$109 million or so to more than \$124 million, that amount was far from being sufficient to conduct a thorough radiological cleanup and restoration of the atoll. In determining the amount needed for such a program, the Nuclear Claims Tribunal considered over 20 different strategies ranging in cost from \$218 million to \$1.4 billion.

Ultimately, in March 2001 and with acceptance from the Bikini community, the Tribunal selected an option involving a combination of soil excavation and removal and application of potassium which was estimated to cost \$360.5 million. After adjusting that amount to reflect the \$109 million appropriated by Congress for resettlement, the Tribunal awarded \$251.5 million for the restoration of Bikini. Since that time, the RMI national government has sought and will continue to seek funding to support the cleanup of Bikini and will work with the elected leaders and the people of the atoll toward that end.

Thus, when we learned this past November, after almost thirty years that the Department of Interior was largely relinquishing its responsibility of administration and oversight of these funds, the RMI was quite surprised. We honestly believe that had some prior consultations taken place before this action, arrangements could have been made in the RMI to provide a proper framework to assure accountability of the Bikini Resettlement Fund. Nonetheless, we are pleased to see that the people of Bikini will have the ability to determine their future course on the resettlement or relocation issues facing their community.

The RMI Government is also prepared to work with the people of Bikini to assist them with their more immediate objectives. The Cabinet met with the Mayor and the atoll's Executive Council in Majuro last month and the national

government looks forward to reviewing the "Rescript Resolution" adopted by the Council last August regarding the resettlement fund.

Importantly, we are also obligated to assist in ensuring accountability and, in addition to the annual audits which local governments must undergo, our Cabinet is working on the introduction of legislation that will mandate better accountability of all existing trust funds in the Marshall Islands. We are open to working with the U.S. Government on important accountability issues should S. 2182 become law.

Madam Chairwoman, I am obligated to point out that even as we work on a way forward for the Bikini Resettlement Trust Fund, there continue many unaddressed issues in the RMI relating to our nuclear legacy. There has been no substantive response to our Government's Petition regarding Changed Circumstances as set forth in the Section 177 Agreement and lodged with the U.S. Congress in 2000. Nuclear health issues continue to be inadequately addressed with current funding and compensation awards made by the Nuclear Claims Tribunal for personal injury and damage to property, including Bikini's, remain unfunded.

Finally, I would like to take this opportunity to stress some of the important issues both governments face in the near future. Issues raised during the 10 year review of the Compact as required in Section 104 of the PL 108-188 such as improving the viability and sustainability of the Compact Trust Fund by seeking certain amendments to the Trust Fund Agreement are pressing and essential if we are to avoid highly likely zero distribution years in the future. We also await appropriation for a \$20 million contribution owed to the Trust Fund pursuant to Section 216(b) of the Compact and Section 108(b) of PL 108-188. We continue to be hopeful and require greater US participation in attracting more subsequent contributors to the Trust Fund, and taking measures to deal with trust fund governance and future distribution policy and accountability.

I will end my remarks here by once again noting that the U.S. and RMI have the closest of relationships as allies under Compact, and we continue to provide close and reliable support to US policy with our participation at the United Nations and elsewhere. Our sons and daughters are proud to serve in the United States Armed Forces. We know and trust that this relationship will continue to grow and strengthen.

Thank You Madam Chairwoman for the opportunity to provide this written testimony.