

SPECIAL COMMITTEE REPORT NO. 15-02

RE: COMMITTEE TO WAIT ON THE PRESIDENT

JULY 12, 2007

The Honorable Isaac V. Figir
Speaker
Fifteenth Congress
Federated States of Micronesia
Palikir, Pohnpei FM 96941

Dear Mr. Speaker:

Your Committee to Wait on the President, consisting of members Joseph Urusemal, Paliknoa Welly, Setiro Paul, and Dion G. Neth, Chairman was duly appointed on July 10, 2007.

Your committee met with President Manny Mori and Vice-President Alik Alik on July 11, 2007. In attendance were all committee members. Also in attendance were Special Assistant Josaiiah Wagus, PIO Lynn Narruhn and Legislative Counsel T. Lam Dang.

Chairman Neth greeted the President on behalf of Congress, and informed the President that Congress had convened on July 10 when it certified the two new at-large members from Chuuk and Kosrae, and was eager to work. Congress is seeking directions from the new administration.

The President thanked Congress and asked for its support of the Administration's efforts to streamline and improve the efficiency of government. The President outlined his priorities for Congress:

- the confirmation of the nominees for the Compact Trust Fund and for the JEMCO;
- the reorganization plan
- the Fuel Task Force's recommended energy corporation;
- the Venture tax plan by MRA
- the supplemental budget request

The President asked Congress to pass the reorganization plan promptly. According to the president, the plan was workable and needed in order to solve problems associated with the JEMCO. The JEMCO process is encountering problems. As a matter of fact OIA and the US Embassy have indicated some problems with the FSM's budget submittal to JEMCO. Having an SBOC will help deal with that problem.

The President's Office will share with Congress communications from OIA expressing concerns over the FSM budget and also the proposed reorganization. He feels, however, that efficiency of

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government should be the primary goal when it comes to reorganization, not the wishes of JEMCO.

The President also stated that he has instructed the Department of Justice to review the law creating OCM to make sure that merging OCM into SBOC does not create legal problems for JEMCO.

Chairman Neth acknowledged the President's priorities, except for the Venture Tax Scheme, which may not be as time-sensitive as the other topics. (*note: no details of this scheme has been submitted to Congress*). The Chairman informed the President that the members of Congress would caucus soon, and come to some decision on the reorganization.

The President indicated his willingness to work with Congress especially in all matters.

The meeting was brought to a close with mutual expressions of appreciation and good wishes.

Respectfully submitted,

/s/ Dion G. Neth
Dion G. Neth, chairman

/s/ Joseph J. Urusemal
Joseph J. Urusemal, member

/s/ Paliknoa K. Welly
Paliknoa K. Welly, member

/s/ Setiro Paul
Setiro Paul, member