

STANDING COMMITTEE REPORT NO. 16-38

RE: C.R. NO. 16-05/EXAFF

SUBJECT: CONFIRMING AREN PALIK FOR THE JOINT  
TRUST FUND COMMITTEE

SEPTEMBER 30, 2009

The Honorable Isaac V. Figir  
Speaker, Fifteenth Congress  
Federated States of Micronesia  
Second Regular Session, 2009

Dear Mr. Speaker:

Your Committee on External Affairs ("EXAFF"), to which was jointly referred C.R. No. 16-05, entitled:

"A RESOLUTION TO CONFIRM THE NOMINATION OF AREN PALIK TO BE A MEMBER OF THE JOINT TRUST FUND COMMITTEE CREATED AND IN EXISTENCE PURSUANT TO THE TRUST FUND AGREEMENT BETWEEN THE GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA FOR THE IMPLEMENTATION OF SECTIONS 215 AND 216 OF THE COMPACT OF FREE ASSOCIATION, AS AMENDED.",

begs leave to report as follows:

The intent and purpose of the resolution are expressed in its title.

Sections 215 of the amended Compact require the adoption of a Trust Fund Agreement between the governments of the FSM and the United States. The Trust Fund Agreement adopted provides at Part III, Article 7, that there shall be two representatives for the FSM Government on the Joint Trust Fund Committee. Public Law No. 15-70 provides that one of these positions shall be filled by appointment of the President from the private sector with at least five years of working experience in financial management and investment. Mr. Palik is this nominee.

The National representatives to the Committee shall serve a term of three years and may be reappointed for not more than two consecutive terms. The representatives must be citizens of the FSM.

Your Committee held a hearing on July 30, 2009 in the State of Yap regarding this nomination (along with a number of other matters). The hearing was attended by Governor Anefal, Senators Henry Falan, Clement Mululap and other representatives of Yap State government.

Generally the leadership of Yap was in support of the nominee.

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Furthermore, your Committee held a hearing on August 7, 2009 in the State of Kosrae regarding this nomination (along with a number of other matters). The hearing was attended by Governor Weilbacher, Senators Ilai Abraham, Carson Sigrah and other representatives of Kosrae State government.

Again, the leadership of Kosrae was in support of the nominee.

Additionally, on July 22, 2009, your Committee on Ways and Means, to which the resolution was jointly assigned, sent letters to the Governors and Presiding Officers of each State's Legislature, requesting comments concerning the nominee. Written responses were received only from Pohnpei State, and are attached to this report.

Your Committee has attached the nominee's CV to this report. The CV is summarized below.

The nominee graduated valedictorian of Kosrae High School. He then obtained a Bachelor's Degree in Business and Economics from Eastern Oregon State College. The nominee has also graduated from Bank of Hawaii's Credit School in Honolulu, Hawaii and graduated with honor from the University of Delaware, Stonier Graduate School of Banking.

Since 1991, Mr. Palik has held a variety of roles at the FSM Development Bank, at the Bank of the FSM, and at the Bank of Hawaii. He is currently the President and CEO of the Pacific Islands Development Bank in Guam, which was created by the Association of Pacific Island Legislatures.

Mr. Palik is active in both community and professional associations.

Based on his credentials, and the support for the nominee expressed by the leadership in the states, your Committee is of the opinion that the nominee is a good choice serve as a member of the Joint Trust Fund Committee, and recommends his confirmation.

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Respectfully submitted,

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/s/  
Paliknoa K. Welly, chairman

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/s/  
Tiwiter Aritos, vice chairman

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/s/  
Isaac V. Figir, member

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Dion G. Neth, member

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/s/  
Setiro Paul, member

\_\_\_\_\_  
/s/  
Joe N. Suka, member