STANDING COMMITTEE REPORT NO. 16-112

RE: C.R. NO. 16-136/H&SA

SUBJECT: NOMINATION OF MR. INNOCENTE ONEISOM TO SERVE

AS A MEMBER OF THE FSM SOCIAL SECURITY BOARD

OCTOBER 5, 2010

The Honorable Isaac V. Figir Speaker, Sixteenth Congress Federated States of Micronesia Fifth Regular Session, 2010

Dear Mr. Speaker:

Your Committee on Health and Social Affairs, to which was referred C.R. No. 16-136, entitled:

"A RESOLUTION TO CONFIRM THE NOMINATION OF MR. INNOCENTE ONEISOM TO SERVE AS A MEMBER ON THE FEDERATED STATES OF MICRONESIA SOCIAL SECURITY BOARD.",

begs leave to report as follows:

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

This resolution was transmitted to Congress on September 21, 2010 through Presidential Communication No. 16-276.

Your Committee held a hearing on the resolution on October 1, 2010. In attendance at the hearing were the nominee, the Administrator of the FSM Social Security Program, Social Security Board member Rose Nakanaka, Mr. Marcellus Akapito, representative of the Office of the President, Senators Chairman Setiro Paul, Paliknoa Welly, Joseph J. Urusemal, Floor Leader Joe N. Suka, Dion G. Neth and Tony Otto.

The nominee was given a chance to express his views on the nomination. He indicated that if he is confirmed, although he has little information about the Program, he will try to do his best. Senator Joseph J. Urusemal welcomes the nominee, and has no question regarding the qualifications of the nominee to serve on the Social Security Board. However, his concern relates to the Constitutional issue raised by Assistant Attorney General John Mahan, particularly on the

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definition of a public officer from the States sitting on any National board. He also indicated that the nomination for the NORMA Board was deferred just because of the same constitutional issue. However, he strongly supports that the nominee for the Social Security Board is well qualified to sit on the Board.

The nominee was given a chance to say his piece regarding the constitutional issue. He understands that some board members were also confirmed by Congress and they are public officials.

Rose Nakanaka indicated that her presence at the hearing is to support the nominee. On the constitutional issue that was discussed, she had no comment. She informed the Committee that currently there are three active members, one from Kosrae State, one from Pohnpei State and the one from the National Government. Representatives from Yap and Chuuk are needed. She indicated that it is very difficult to have a quorum for the Board to transact business.

Chairman Paul also commented that the concern raised should also be applied to some individuals, and whether the Constitution issue applies to the Boards at the National Government.

Floor Leader Suka commented that he has no doubt that the nominee is qualified to sit on the Board. He indicated that the Committee needs to expedite its action on the nomination in order to assist the Program. Senator Neth asked the nominee on how well he understands the Social Security Program. The nominee indicated that he was surprised that the Governor selected him. He may have little understanding about the Program, but if he is confirmed, he will do his best to assist the Program. Senator Neth also commented that the states constitutions are to govern the states, and not the National Government.

Mr. Akapito commented that the President trusts the Committee's wisdom in its deliberation on the nomination. Chairman Paul commented that the nomination has been transmitted by the President with the understanding that there is no legal defect and he recommends that the memorandum by Assistant Attorney General John Mahan needs to be clarified. Senator Otto strongly negates the content of the memorandum issued by the Assistant Attorney General. Floor Leader Suka also commented that the Presidential emissary should take back the memorandum, and for the people to do their assignment. Mr. Akapito commented that the request for the legal opinion was not

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routed to the President's office. He indicated that there are some gray areas contained in the memorandum. Senator Neth hopes that the Committee will move forward with the nominee and that the emissary will take the memorandum back to the President so that he can consult with the Secretary of Justice as to whether the memorandum applies to boards at the National Government. Senator Otto understands that the intent of the state constitutions is to prevent public officials from double dipping into its own funds.

The Administrator commented that he believes that the nomination has not violated the FSM National Government Constitution, and hopes that the Committee will move forward with its deliberations on the nomination.

The nominee was given a final say, and he indicated that whatever the Committee decides, he hopes that it will be in the best interest of the Committee and the Program.

Your Committee on Health and Social Affairs, having reviewed the proposed resolution, is in accord with the intent and purpose of C.R. No. 16-136, and recommends its adoption.

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/s/ Claude H. Phillip Claude H. Phillip, member