

SPECIAL COMMITTEE REPORT NO. 20-03

RE: COMMITTEE TO WAIT ON THE PRESIDENT

SEPTEMBER 15, 2017

The Honorable Wesley W. Simina
Speaker, Twentieth Congress
Federated States of Micronesia
Second Regular Session, 2017

Dear Mr. Speaker:

Your Committee to Wait on the President, consisting of members Senator Alik L. Alik, Senator Esmond B. Moses, Senator Robson U. Romolow, and Senator Joseph J. Urusemal, was duly appointed on September 14, 2017. Senator Alik L. Alik was designated as the Chairman.

The Committee met with the Vice President on September 14, 2017, at 1:30 p.m., in the President's Meeting Room. Chairman Alik greeted the Vice President and key members of the Executive Branch on behalf of Congress, and thanked them for the opportunity to meet. Chairman Alik reported that Congress was in session and was ready to transact business.

After his introduction, Chairman Alik briefly noted that members of Congress had held a meeting following the recess of the Opening Day of the Second Regular Session. Chairman Alik shared that, at this meeting, Congress collectively decided to focus on at least five main items for this session: (1) the FY 2018 Budget, (2) Assistance to Foreign States for Natural Disaster Relief, (3) Issues Surrounding FSMTC, (4) Pending Nominations Before Congress, and (5) the Possibility of Establishing an FSM Consulate Office on the West Coast of the United States.

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After Chairman Alik's introduction, the Vice President greeted the Committee, and he gave an overview of a number of items that he would like to see Congress prioritize during this regular session. The Vice President's priority list is as follows:

- FY 2018 Budget
- Foreign Investment Policy Work
- World Bank Fiber Optic Cable Project
- MiCare Bill
- Nominations and Grants

FY 2018 Budget

The Vice President stated that the Executive Branch would be sending a Revised FY 2018 Budget Request to Congress, and he expressed his hope that the relevant Congressional Committees would use this revised document as they conduct their final budget hearings and pass their Committee Reports. The Vice President said that he expected the revisions would be sent by the morning of Friday, September 15. He noted that the additional items that the Executive would be requesting included: (1) a \$10,000,000 appropriation for a new national vessel/ship, (2) a \$1,000,000 appropriation for the dry-docking facility in Kosrae, (3) a \$1,000,000 appropriation for Yap fisheries, (4) a \$600,000 appropriation for the 2018 Micro Games to be held in Yap, and (5) a \$30,000 appropriation to cover past due costs associated with the Dual Citizenship Task Force activities. Chairman Alik acknowledged that this revision would be forthcoming and stated that Congress would carefully review its details upon receipt.

Foreign Investment Policy Work

The Vice President noted that a bill introducing changes to the country's foreign investment policy (C.B. No. 20-33) had been previously introduced during the Twentieth Congress, although the bill was not passed. The Vice President said that the Executive Branch is considering

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transmitting a revised version of the same bill to Congress this session. The Vice President further stated that the Executive Branch intends to continue working with the Chairman of the Committee on Resources & Development, to collaboratively define the substance of a bill that would best address the existing foreign investment policy concerns in the FSM.

World Bank Fiber Optic Cable Project

With input from the Secretary of TC&I and other key Executive Branch staff, the Vice President discussed the ongoing developments surrounding the World Bank Fiber Optic Telecommunications Cable Project. The Vice President stated that the President has reviewed recent communications from the World Bank regarding the FSM's status towards meeting the terms and conditions of the Project Financing Agreement. The Vice President and President's Chief of Staff stated that the Executive Branch is in the process of sending a reply to World Bank. The Vice President said that, once World Bank responds to its reply, the Executive Branch will communicate with Congress about how best to proceed.

MiCare Bill

The Vice President stated that a draft of a bill has been transmitted to Congress (in P.C. No. 20-89) to make certain changes to Title 52 of the Code of the Federated States of Micronesia (Annotated). These changes include: (1) changes to the official name of MiCare, (2) changes to the required composition of the MiCare Board of Directors, (3) changes in the coverage eligibility requirements in order to expand eligibility, and (4) various adjustments to existing administrative rules governing MiCare. The Vice President expressed his desire for the Committee on Health and Social Affairs, and Congress as a whole, to consider this bill during this session.

Nominations and Grants

The Vice President encouraged Congress to take action on a number of resolutions for various nominations and grants. He also raised the possibility of Congress considering the

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establishment of a "revolving fund" to help pay for the salaries of employees who are hired under foreign grants but who do not receive their salaries in a consistent and timely fashion, due to administrative delays in the approval of the grant money funding their positions.

Conclusion

The Committee stated that it would report the Executive's priorities to the full body of Congress and do its best to work on the priorities as set forth by the Vice President.

The meeting concluded with mutual agreement to move forward together on the above issues in a timely and cooperative manner, and to prioritize the most urgent items for this session. The Committee thanked the Vice President for his hospitality in hosting the meeting. The Committee is submitting a brief report at this time. The Committee kindly requests that members of Congress address any further questions regarding the priority issues for this session to the members of the Committee during the discussion of this report at session.

Respectfully submitted,

/s/ Alik L. Alik
Alik L. Alik, chairman

/s/ Esmond B. Moses
Esmond B. Moses, member

/s/ Robson U. Romolow
Robson U. Romolow, member

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