

SPECIAL COMMITTEE REPORT NO. 21-07

RE: COMMITTEE TO WAIT ON THE PRESIDENT

JANUARY 28, 2020

The Honorable Wesley W. Simina
Speaker, Twenty-First Congress
Federated States of Micronesia
Third Regular Session, 2020

Dear Mr. Speaker:

Your Committee to Wait on the President was duly appointed on January 27, 2020, consisting of members Robson U. Romolow, Joseph J. Urusemal, Dion G. Neith and Aren B. Palik. Robson U. Romolow was designated as the chairman. The meeting with the President took place on January 27, 2020, at noon. Chairman Romolow thanked the President, Vice President and the key members of the Executive branch on behalf of Congress for the opportunity to meet. Chairman Romolow reported that Congress was in session and was ready to transact business. The Committee communicated the priorities of Congress for this session, and it received an agenda from the President for the meeting.

The President presented your Committee with an agenda for the meeting. The Committee stated that the items listed were many of the same issues that it would like to prioritize during this session with the addition of an update on the status of our National vessels and the outcomes from the recent Presidential visit to China.

First on the President's agenda was the Executive's response to the recent serious regional outbreak of measles centered in Samoa. The National Department of Health & Social Affairs has developed an additional campaign with our outside donors to increase our current vaccination rates for measles and other communicable diseases. A proposed budget of \$500,000 with more work to be done, particularly in the outer islands. The

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President stated he was requesting only \$200,000 at this time. Your Committee discussed the serious health issue and suggested that after the review of the supplemental budget transmitted by the President, Congress may entertain appropriating the whole \$500,000 during this session to ensure that measles do not spread through our remote areas with the least vaccination coverage. The President also stated the Departments of Justice, and Health and Social Affairs were having on going meetings to determine the Nation's response to the new Coronavirus originating in China. Further updates on these matters will be given during the session.

The next issue on the President's agenda was an update on the ongoing Constitutional Convention taking place at National Government. The Convention has gone into recess while the Congress January session takes place. The Committee noted that the Convention separately transmitted a proposed supplemental budget to complete its work, including travel for public awareness. The President stated he had also transmitted additional funding for the Convention, a reduced amount of \$400,000. He cautioned the Committee that when the review of this request is done to note that the \$400,000 in his supplemental budget is also included in the additional funding proposed by the Convention so that no duplication of appropriation is done. The Executive is also recommending that amendment to the legislation of the Constitutional Convention regarding the manner in which they count the meeting days. That is to clarify how the days during its recess are counted and per diem/day allowance of delegates and staff.

Third, the President is optimistic that the ban by the Philippine Government on the sending new workers to the Federated States of Micronesia is soon to be lifted. By the end of February, a new foreign worker agreement will be signed between the two countries. There was a discussion regarding the employment of workers from other countries and your Committee was advised that nothing prohibits hiring workers from other countries, provided they abide by all our Nation's labor laws.

The President proposed the foreign investment bill be reviewed by all stakeholders for possible inclusion in the State and National Leadership Conference now tentatively scheduled for the

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beginning of May. It is hoped that by giving ample time for discussion and amendment that it can then finally move forward.

The President stated that more nominations will be forthcoming this session. He was reminded by this Committee that the Office of Veteran's Affairs needs a nomination, and this Office has been funded for two years but is not functional. He stated he had individuals in mind for this Office and he would make it a priority to attend to this nomination.

A new proposal for increase of the Foreign Service Premium has been transmitted to Congress. The President stated that this is a stop gap measure designed to retain valuable foreign service personnel while a proper study can be done to address this issue. He stated that this matter has become urgent and he included funding for the remainder of the year in his proposed supplemental budget.

An initial revenue projection for this session was set at \$9.7 million available for appropriation, however, after consultations with the Office of Public Auditor regarding the carryover revenue from the previous fiscal year the project was increased to \$12.1 million available for appropriation at this time. The President transmitted a supplemental budget for approximately \$8 million for action this session. There was discussion regarding several of the items set forth in the President's proposed supplemental budget including: the necessary benefits such as housing for the new foreign officer positions; funding for the remaining fiscal year of increased foreign service premium if that goes forward; a consulting contract for a climate change consultant; payment of the Department of Finance and Administration's outstanding Social Security; funding to host the Micronesian Forum; \$900,000 for the FSM portion of the AIP and the vaccination campaign at \$200,000.

He stated that he would like consideration of some additional items in his budget. He would like \$25,000 for each of the three National leadership housing units for repairs. Both the Chief Justice's and Vice President's residences are in disrepair. Discussion was had as to whether periodic funding had been appropriated for the Speaker's residence or if it was

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in need of repair as well. Also, the President stated for security purposes and further demarcation of the National Government property a fence was necessary. The request for \$100,000 the initial section of this fence was made during the meeting.

The President made reference to the need to include funding for a new annex to one of the National Government buildings in FY2021 so the National Department of Education and other employees of National Government can be housed in the main National Government complex. The timing of major property purchases and repair for our overseas missions was also discussed. At this time, the President requested that appropriation for property for the new embassy in Japan continue to be the priority.

Your Committee also requested information regarding the outcome of the high-level delegation trip to China this past December. The President stated that six agreements had been signed with the People's Republic of China and these will be transmitted to Congress shortly for our review and action. They include: visa waiver for diplomats, national road paving project, agriculture cooperation, funding for PATS technical school, \$8 million in grant funding and the renovation of the Pohnpei State Government building.

Other subjects discussed included the disposal of the Micro Glory, the continued requests by MiCare for subsidy, joint cooperation between the State and National Police Departments and tax reform.

As your Committee will be supplementing this report during the discussing of this meeting with the President and Vice President it has endeavored to make this report brief, and requests that Members address any additional questions during the discussion of the report on the floor of Congress.

Respectfully submitted,

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/s/ Robson U. Romolow
Robson U. Romolow, chairman

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

/s/ Dion G. Neth
Dion G. Neth, member

/s/ Aren B. Palik
Aren B. Palik, member