

SPECIAL COMMITTEE REPORT NO. 21-11

RE: COMMITTEE TO WAIT ON THE PRESIDENT

JULY 02, 2020

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

Dear Mr. Speaker:

Your Committee to Wait on the President was duly appointed on July 1, 2020, consisting of members Esmond B. Moses, Peter M. Christian, Ferny S. Perman and Dion D. Neth. Esmond B. Moses was designated as the chairman.

The Committee met with the President on July 2, 2020 at 9:00 a.m. The President greeted the Committee, and thanked everyone for the opportunity to meet. Chairman Moses expressed Congresses gratitude for the meeting and reported that Congress is in the Sixth Special Session and was ready to transact business.

Your Committee received an agenda from the President communicating the priorities the Executive branch wished action on this session. Upon review of the agenda the Chairman stated Congress is prepared to move forward on at least some of the items.

The first item on the President's agenda was nominations for reconsideration: the Consul General in Honolulu, an insurance board member, two CIA board members and an associate justice for the FSM Supreme Court. There may also be additional nominations submitted during the Special Session.

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The supplemental budget request was the next item on the agenda. Last special session some items were submitted for consideration. A new supplemental will be submitted which may be less because there are some carry over funds, probably will be around \$1.8 million. Working on the supplemental, the Department of Finance and Administration submitted the revenue projection. Due to changes with MRA and NORMA, currently projected at \$4.7 million. There has been a decline in revenue, thus taxes. Project a \$3 million loss of revenue for the National Government. The states may have a larger impact, especially the smaller states. The states obligations to pay ABD loans is impacted. PGRD take back is being considered. Perhaps a one-time payment forgiveness by the national government, would be about \$707,000. Now is the time to support the states and send a message the National Government is working with them. CIA insurance payment will also be part of the supplemental request. Using the patrol boats for transport. May use the boats to move the NTF to the states to support COVID-19 preparation and response. This allows DOJ to increase monitoring. May require additional staff and fuel for the boats.

The 3rd agency item was the National Emergency Declaration extension. Requesting extension through September 30, 2020, because we are not sure whether there will be another special session prior to the next regular session. The US is seeing a spike in cases, system is becoming stressed. Chairman Perman requested a current number of FSM citizens who are stranded. Some of the members of Congress have expressed concern about the trust between the NTF and STF which appears to be a barrier to moving things forward to allow for the repatriation of FSM citizens. There is talk about stranded citizens starting a petition regarding the injustice of them not being able to return. Stranded citizens have applied for the financial support, they have received over 400 applications, some are families and they anticipate there are more than 600 people covered by the applications. Medical patients are getting per diem, but attendants are not, but they will be eligible for the stranded citizens stipend. Students in Guam need \$47,000 per month for support. Executive requesting Congress provide for this funding in the supplemental. Students and stranded citizens need additional financial support. Chairman Perman

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noted that the longer we have stranded citizens, the more it is going to cost the government.

During weekly Zoom calls with the state governors, the President noted that the NTF initiated the simulation exercises. Pohnpei was the initial state to participate. The NTF has been working with the state to close the gaps that were identified during the exercise. Regarding the lack of trust, the President indicated they work well together in general, although not all views are the same. The state feels that the fisheries are using valuable resources and causing a delay in the state's ability to allow for citizens to return. In Chuuk, the governor is having a difficult time convening their legislature, they are not able to convene a quorum. He requested that their STF be able to come to Pohnpei to participate with exercises, however, it was suggested that in order for the exercises to be effective they must be done on the ground in the state.

Kosrae and Yap have expressed they are ready to conduct the exercises.

COVID-19 updates were next on the agenda. Department of Finance and Administration provided an update. The unemployment offices are open and operational in all of the states. Correspondence was sent to the Speaker that \$16 million has been advanced for claims, the total grant amount is estimated at \$36 million. The checks are being printed and distributed. 1600 applications have been received and they are working hard to keep up with the processing. 200 checks have been distributed to stranded citizens and students, still reviewing the applications and processing payments. The Department of Finance and Administration will provide a written summary of the updated spending amounts. Regarding the letter from Speaker regarding diplomats entering prior to our own citizens, the President indicated that when the states are ready to allow for citizens to enter, the borders will be opened to all and the diplomats will be permitted to enter.

Secretary Taulung indicated the NTF shared the experiences of the exercises in Pohnpei with all the states. The states are doing their own practice runs, Kosrae has expressed they are ready to plan for the NTF to come and do the exercises. Weekly

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conference calls are occurring. The NTF is trying to work with the states to identify the gaps during the exercises. Pohnpei is working on a new lease with China Star, that is their current priority. Chuuk also does not have a current lease with High Tide and they are negotiating. The NTF is working on the ventilator training and identifying the needs for getting them operational, there is a high pressure hose that is not compatible with what the hospital has in place. The ones that were purchased are ok, but the donated machines are problematic.

Plastics ban, P.L. No. 21-76 implementation was discussed next. There are emergency regulations being implemented for 4 months. During this time, feedback from citizens will be sought and there may be additional amendments to the law requested. They will be looking at the global responses to ensure our laws are protecting our environment efficiently and effectively. Want to support the state EPAs to ensure their enforcing the laws.

The meeting concluded with mutual agreement to move forward on the above issues in a timely and cooperative manner. Your Committee kindly requests the members 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/ Esmond B. Moses
Esmond B. Moses, chairman

/s/ Peter M. Christian
Peter M. Christian, member

/s/ Ferny S. Perman
Ferny S. Perman, member

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