

SPECIAL COMMITTEE REPORT NO. 22-13

RE: COMMITTEE TO WAIT ON THE PRESIDENT

April 4, 2023

The Honorable Wesley W. Simina
Speaker, Twenty Second Congress
Federated States of Micronesia
Seventh Special Session, 2023

Dear Mr. Speaker:

Your Committee to Wait on the President was duly appointed on April 3, 2023, consisting of members Esmond B. Moses, Joseph J. Urusemal, Robson U. Romolow and Paliknoa K. Welly. Esmond B. Moses was designated as the chairman. The meeting with the Vice President took place on April 3, 2023 at noon. The President is not on Pohnpei at this time. The Chairman thanked the Vice President and the key members of the Executive branch on behalf of Congress for the opportunity to meet. Chairman 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 Vice President for the meeting.

The Vice President stated that the FY24 budget transmitted to the Congress with the full itemized budget was a conservative one. This was done as there may be adjustments necessary under the new third Compact period and the new President may also want to make adjustments based on his priorities. The Committee appreciates the timeliness and can now begin its work on the coming fiscal year budget. The Vice President stated that the President also intends to have a final meeting with the State Government leadership regarding their needs which may not be included under the new Compact period.

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The Vice President advised the Committee that there is continuing work being done regarding a possible National Government pension plan. Much work remains to be done in this regard and funding is not included in the proposed FY24 budget.

There were several pending pieces of legislation that the Vice President stated this administration would like to have action on. One important matter is the bill to eliminate the vaccination requirement for entering the country. Another is to legislate a specific exception to allow a \$500,000 withdrawal from the surveillance fund to pay Palau for a fishing violation. There is also the EMC grant funding to take action on. Funding for this has already been received from Australia and the United States.

A modest supplemental budget will be transmitted from the Executive branch by tomorrow. This will include \$300,000 for OAE, \$86,446 for the Office of the Public Auditor for several underfunded positions and contractual services and travel for the Office of the President.

The Vice President stated that they would like to see action on the pending nominations for the COM-FSM Board of Regents, FSM Social Security Board of Directors and the NORMA Board of Directors. The Vice President also stated that there were approximately seven outstanding grants that action needed to be taken on before the end of this Congress.

After discussion on the agenda provided by the Vice President concluded the Chairman of the Committee to Wait opened the question period for Congress by informing the Vice President that while the new ship for use by Pohnpei State had just arrived many issues remain regarding the marine transportation situation in Chuuk State. A hearing regarding this matter is scheduled for tomorrow morning.

The Committee continued with further questions regarding the surveillance fund and why authorization must be made by Congress for the \$500,000 withdrawal. This specific issue is regarding a coastal fishing violation by the vessel Da-Yong last year. This vessel is registered and flying the FSM flag. The violation took place in Palau and this settlement apparently differs from previous violations as Da-Yong paid the FSM directly. The

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Committee raised several concerns including, primary among them, why FSM was involved in the payment transfer. It was also concerned as to why if the money was transferred to the FSM last September why Congress was only now being advised of this situation. It is clear under the regional agreements that the FSM is responsible for this vessel that is flying the FSM flag and faces significant negative repercussions if it is not dealt with. The Department of Justice representative explained that in this case there was a settlement negotiated prior to the PNA filing a complaint. The Committee advised the Vice President that this matter needed further oversight, and requested documents relating the matter including the receipt for the money paid to the FSM by the corporation owning the vessel Da-Yong.

Finally, the Committee asked the Vice President to respond to the recently introduced C.R. No. 22-200 which was drafted in response to the President's lengthy March 2023 letter dealing primarily with diplomatic relations with the People's Republic of China. The Vice President stated that at this time he had no comment on the matter. The Secretary for Foreign Affairs also stated that he did not have any comment on this matter.

As your Committee will be supplementing this report during the discussing of this meeting with the 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,

/s/ Esmond B. Moses
Esmond B. Moses, chairman

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

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

/s/ Paliknoa K. Welly
Paliknoa K. Welly, member