

SPECIAL COMMITTEE REPORT NO. 22-01

RE: COMMITTEE TO WAIT ON THE PRESIDENT

MAY 13, 2021

The Honorable Wesley W. Simina  
Speaker, Twenty-Second Congress  
Federated States of Micronesia  
First Regular Session, 2021

Dear Mr. Speaker:

Your Committee to Wait on the President was duly appointed on May 11, 2021, consisting of members Esmond B. Moses, Joseph J. Urusemal, Aren B. Palik, and Derensio S. Konman. Vice Speaker Esmond B. Moses was designated as the Chairman.

The Committee met with the President on May 12, 2021, at 9:00 a.m., in the President's Conference Room, with Vice Speaker Moses present in person and the other members present via Zoom. The President welcomed those members of Congress present and thanked them for attending. Chairman Moses greeted the President and key members of the Executive Branch on behalf of Congress, and expressed appreciation for the opportunity to meet. Chairman Moses reported that Congress was in session and was ready to transact business.

The President began the substantive portion of the meeting by presenting an agenda of action items that the Executive Branch would like to see prioritized during this session and several topics for informational purposes. The President's agenda is as follows:

- Nominations for Congressional Confirmation
- Executive Supplemental Budget Request
- Resolutions – The Safeguards Agreement and The Small Quantities Protocol
- Low-Income Housing Program

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#### Nominations for Congressional Confirmation

The President will resubmit submit five to six nominations that were not acted upon during the last special session of the 21<sup>st</sup> Congress of the Federated States of Micronesia. He stated that he anticipates submitting more nominees.

#### Executive Supplemental Budget Request

The President stated that he will resubmit a supplemental request to cover essential needs that is substantively similar to the supplemental sent over during the last special session of the 21<sup>st</sup> Congress of the Federated States of Micronesia.

#### The Safeguards Agreement and The Small Quantities Protocol

The President urged Congress to take action on the Safeguards Agreement and the Small Quantities Protocol. He will be resubmitting them to Congress this session. These are both protocols within the International Nuclear Non-Proliferation Treaty. The FSM is just one of eleven countries not to pass/ratify the protocols.

#### Low income housing program

The Asian Development Bank has approved an additional \$1 million dollars to the program bringing the balance of the program's funds to \$7 million. This will provide 7,000 low-income households with a one-time payment of \$1000.

The Secretary of Finance and Administration has collected just shy of 16,000 applications. He stated that 4,000 of those have already been entered into their database. Eventually, all the applications will be entered into the database to determine the level of income for eligibility. The database will check the applications against Finance's records (tax records, social security, etc.) to ensure accuracy.

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The Secretary stated that they have collected applications from all four states and still have a few trickling in. They are working to get the applications from some of the more remote outer islands in Chuuk and Yap.

The Secretary of Finance and Administration stated that the funds will start to be disbursed by the end of this month and all funds must be disbursed by November. Therefore, the cut off to apply will be the end of September of this year.

The funds are not allocated by state. Instead they will be given to individuals in all states according to their income level.

The President said that he anticipated an increase in the carry-over amount in the revenue projections this June/July and is asking Congress to consider appropriating an additional \$2 to \$3 million to this program.

Other

FSMDB No Interest Loan

A portion of the \$14 million grant from the Asian Development Bank (\$3 Million) is being used for a no interest loan program through the FSM Development Bank. Fifty percent or \$1.5 million of those funds are earmarked for women owned businesses.

The program is a micro-loan program with the maximum amount of the loan not to exceed \$30,000. The Secretary of Finance and Administration clarified that there are no restrictions on who may apply.

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#### May 13<sup>th</sup> Flight Update

The President reported that everything is on schedule for the May 13<sup>th</sup> repatriation flight and that there are no new elements. He stated that the crew and passengers have been in pre-quarantine since May 6<sup>th</sup>.

The President also informed your Committee that the Pohnpei State Legislature recently dissolved the state task force. Then the Pohnpei State Governor reactivated the task force. He stated that he will speak with the Governor and the Legislature to try to resolve any tensions that may exist. The President anticipates the next repatriation flight will be in June using United.

#### Conclusion

On behalf of the Committee, Chairman Moses thanked the President for his hospitality in hosting the meeting. The Committee stated that it would share the President's agenda with members of Congress. The meeting concluded with mutual agreement to move forward on the above issues in a timely and cooperative manner.

The Committee is submitting a brief report at this time. The Committee kindly requests that members of Congress address any further questions regarding this report to the members of the Committee during discussion of this report at session.

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Respectfully submitted,

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

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

Aren B. Palik, member

/s/ Derensio S. Konman  
Derensio S. Konman, member