

STANDING COMMITTEE REPORT NO. 23-35

RE: PRESIDENTIAL COMMUNICATION NO. 23-100

SUBJECT: FISCAL YEAR 2024 BUDGET/R&D

SEPTEMBER 22, 2023

The Honorable Esmond B. Moses  
Speaker, Twenty-Third Congress  
Federated States of Micronesia  
Second Regular Session, 2023

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was jointly referred Presidential Communication No. 23-100 transmitting the National Government's proposed FY2024 budget, begs leave to report as follows:

Presidential Communication No. 23-100 transmits the *National Government's fiscal year 2023 Proposed Budget (Budget Book)*. Pursuant to rule 7, section 2(b), of the Official Rules of Procedure of the Twenty-Third Congress of the Federated States of Micronesia, your Committee has confined its review to those items of the proposed budget relating to matters within its jurisdiction. These are the budgets for:

1. Department of Resources and Development;
2. National Oceanic Resource Management Authority;
3. FSM Banking Board;
4. FSM Insurance Board;
5. Grants, subsidies and contributions:
  - a. Pacific Island Development Program (PIDP);
  - b. Pacific Asian Travel Association (PATA);
  - c. United Nations Development Program (UNDP);
  - d. Food Agriculture Organization;
  - e. Western Forestry Leadership Coalition (WFLC);

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- f. SPC Matching Fund;
  - g. Micronesian Challenge;
  - h. Micronesian Cruise Association;
  - i. South Pacific Tourism Organization;
  - j. International Renewable Energy Agency;
  - k. Micronesia Trade Committee;
  - l. Convention on Biological Diversity;
  - m. International Food and Agriculture Development;
  - n. United Nation Industrial Development Organization (UNIDO);
  - o. Micronesian Island Forum Membership Fee;
  - p. Micronesia Association for Sustainable Aquaculture;
  - q. Micronesian Island Forum;
  - r. Micronesian Challenges Endowment Fund;
  - s. International Coconut Community (Annual Fees & Prior Years);
  - t. WCPFC Membership Fee (NORMA);
  - u. Forum Fisheries Agency; and
  - v. Palau Nauru Arrangement (PNA) membership fee.
6. Capital and Human Resources Development:
- a. State & National Leadership Conference (SNLC);
  - b. Domestic Tourism;
  - c. R&D Conference;
  - d. Foreign Investment Data Management System;
  - e. Tourism conference;
  - f. Tourism Budget & Planning with the states;
  - g. Tourism Public Awareness;
  - h. FSM Chamber of Commerce (COC);
  - i. Commemoration of World Tuna Day –May 2022;
  - j. Electronic Monitoring Project –2023 T3 Challenge;
  - k. Hosting of WCPFC Technical & Compliance Committee and Science Committee meetings; and
  - l. Internship for students in the area of fisheries management.

This report and all previous and subsequent reports by this Committee should be treated as policy for this Nation as defined by the Congress. It is your Committee's intent that any comments

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found in this report should be treated as policy for the guidance of the relevant departments, agencies and offices in the obligation and expenditures of their respective budgets and implementation of their programs.

Your Committee conducted a public hearing on Wednesday, September 13, 2023. The report and recommendations that follow are based upon the information contained in the *Budget Book*.

Your Committee decided to recommend the figures in the fiscal year 2023 appropriation as the benchmark for its recommendation.

**I. GENERAL DISCUSSION OF THE PROPOSED FY 2024 BUDGET**

Your Committee use the table below to compare the fiscal year 2023 budget appropriation, the fiscal year 2024 recommended by then President Panuelo, the revised fiscal year 2024 budget transmitted by President Simina, and the Committee's recommendation.

|                | FY 2023<br>Appro.  | FY 2024<br>Recommend | FY24 Revised       | FY24<br>Committee<br>Recommends |
|----------------|--------------------|----------------------|--------------------|---------------------------------|
| Personnel      | \$1,374,565        | \$1,424,004          | \$1,436,311        | <b>\$1,404,634</b>              |
| Travel         | \$213,397          | \$239,008            | \$115,079          | <b>\$110,055</b>                |
| Contract.Serv. | \$203,839          | \$203,839            | \$163,570          | <b>\$163,570</b>                |
| OCE            | \$219,999          | \$209,244            | \$110,002          | <b>\$110,002</b>                |
| Fixed Assets   | \$4,000            | \$0                  | \$0                | <b>\$0</b>                      |
| <b>Total</b>   | <b>\$2,015,800</b> | <b>\$2,076,095</b>   | <b>\$1,824,962</b> | <b>1,788,261</b>                |
| No. Employees  | 57                 | 60                   | 60                 | 59                              |

Your Committee conducted its public hearing on the Department of Resources and Development FY24 proposed budget on Wednesday, September 13, 2023. At the hearing, the witnesses were very surprised of the decreases made to the fiscal year 2024 budget, especially to the "Grants, Subsidies & Contributions", and the "Capital and Human Resources Development" categories.

Pursuant to President Communication No. 23-100, the "decrease in funding" is based on the uncertainty with the Amended Compact funding coupled with the recent passage of the amendment to the

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FSM Constitution regarding the 50% fishing fees. Therefore, the President drastically decreased the fiscal year 2024 proposed budget for the department. Nevertheless, your Committee will recommend the figures appropriated in fiscal year 2024 based on the fiscal year 2023 appropriation with some adjustments to the Personnel category pursuant to the 45% increase in salary.

Following are the Committee's recommendations:

**I(a). Office of the Secretary**

|                | FY 2023<br>Appro. | FY 2024<br>Recommend | FY24 Revised | Committee<br>Recommends |
|----------------|-------------------|----------------------|--------------|-------------------------|
| Personnel      | \$112,520         | \$131,394            | \$134,514    | <b>\$134,514</b>        |
| Travel         | \$13,632          | \$37,312             | \$18,656     | <b>\$13,632</b>         |
| Contract.Serv. | \$73,500          | \$73,500             | \$73,500     | <b>\$73,500</b>         |
| OCE            | \$21,515          | \$21,515             | \$10,758     | <b>\$10,758</b>         |
| Fixed Assets   | \$                | \$0                  | \$0          | <b>\$0</b>              |
| <b>Total</b>   | \$221,167         | \$263,721            | \$237,428    | <b>\$232,404</b>        |
| No. Employees  | 4                 | 4                    | 4            | 4                       |

**Personnel** – There are four positions under this Office, and the amount appropriated in fiscal year was \$112,520 to fund the four positions. For FY24, the requested amount is \$134,514, a slight increase of \$7,433 based on the 45% increase in salary. Your Committee recommended **\$134,514**.

**Travel** – The FY23 appropriation was \$13,632. There was a proposed request of \$98,732, but the revised amount transmitted was \$18,656. Your Committee recommends **\$13,632**, with the understanding that any short fall on travel will be revisited.

**Contractual Services** –The amount appropriated last year was \$73,500. The request for this fiscal year is \$73,500. An amount of \$73,000 is requested to fund a Consultant, and \$500 is for subscription. The justification for the Consultant is to write grant proposals. Your Committee recommends **\$73,500**.

**Other Current Expenses** – The FY23 appropriation was \$21,515. The same amount appropriated last year is recommended, but

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was lowered to \$10,758. Your Committee recommends \$10,758 with the understanding that adjustment to this category will be revisited.

**Fixed Assets** – For FY 2023, no appropriation. For this FY24, no requested amount. Your Committee recommends \$ 0.

**II. Tourism Unit**

|                | FY 2023<br>Appro. | FY 2024<br>Recommend | FY24 Revised | Committee<br>Recommends |
|----------------|-------------------|----------------------|--------------|-------------------------|
| Personnel      | \$74,931          | \$96,390             | \$99,390     | <u>\$99,390</u>         |
| Travel         | \$18,984          | \$65,698             | \$16,071     | <u>\$16,071</u>         |
| Contract.Serv. | \$3,500           | \$3,500              | \$1,750      | <u>\$1,750</u>          |
| OCE            | \$16,095          | \$16,095             | \$8,048      | <u>\$8,048</u>          |
| Fixed Assets   | \$2,000           | \$0                  | \$0          | <u>\$0</u>              |
| <b>Total</b>   | \$115,510         | \$148,007            | \$125,259    | <u>\$125,259</u>        |
| No. Employees  | 3                 | 3                    | 3            | 3                       |

**Personnel** – The appropriated amount in FY23 was \$74,931 for three positions. With the 45% increase in salary, the salaries for the three positions increased. Your Committee recommends \$99,390.

**Travel** – In fiscal year 2023, an amount of \$18,984 was appropriated. This year, an amount of \$102,229 is requested, but the revised amount is \$16,071. With the understanding that there will be reconsideration on the travel for the Tourism Unit in the future, your Committee recommends \$16,071.

**Contractual Services** – In FY23 appropriation, an amount of \$3,500 was appropriated. The recommended amount for this fiscal year 2024 is \$3,500, but the revised amount transmitted is \$1,750. Your Committee recommends \$1,750.

**Other Current Expenses** – The amount appropriated in fiscal year 2023 was \$16,095. The same amount appropriated last fiscal year is being requested, but the revised amount transmitted is \$8,048. Your Committee recommends \$ 8,048.

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**Fixed Assets** – In FY 2023, there was \$2,000 appropriated. For this fiscal year, the Unit is requesting \$49,000 to purchase a pickup truck, and \$2,000 for desktop. Your Committee recommends **\$0.**

**III. Marine Resources Unit**

|                | FY 2023<br>Appro. | FY 2024<br>Recommend | FY24 Revised     | Committee<br>Recommends |
|----------------|-------------------|----------------------|------------------|-------------------------|
| Personnel      | \$70,694          | \$101,101            | \$101,102        | <b>\$101,102</b>        |
| Travel         | \$19,380          | \$38,035             | \$19,380         | <b>\$19,380</b>         |
| Contract.Serv. | \$5,000           | \$5,000              | \$2,500          | <b>\$2,500</b>          |
| OCE            | \$19,176          | \$19,178             | \$9,588          | <b>\$9,588</b>          |
| Fixed Assets   | \$0               | \$0                  | \$0              | <b>\$0</b>              |
| <b>Total</b>   | <b>\$114,250</b>  | <b>\$163,312</b>     | <b>\$132,208</b> | <b>\$132,208</b>        |
| No. Employees  | 3                 | 3                    | 3                | 3                       |

**Personnel** – The amount appropriated in fiscal year 2023 was \$70,693 for three positions. For this year, the recommended amount is \$101,102, and the revised amount is **\$101,102.**

**Travel** – In FY23, the appropriated amount was \$19,380. The proposed request by this Division is \$70,675. The recommended amount is \$38,035, but the revised amount transmitted is \$19,018. Your Committee recommends **\$19,380.**

**Contractual Services** – For FY23, an amount of \$5,000 was appropriated. For this fiscal year, the division is requesting \$45,000, but the recommended amount is \$5,000. However, the revised amount is \$2,500. Your Committee recommends **\$2,500** with the understanding that there will be reconsideration on this category in the near future.

**Other Current Expenses** – An amount of \$19,176 was appropriated for this fiscal year 2023. This year, the same amount is being requested, but \$9,588 was the revised amount. Your Committee recommends **\$9,588.**

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**Fixed Assets** – No funding appropriated for this fiscal year. For FY23, there is no request. Your Committee recommends **\$ 0**.

**IV. Agriculture Unit**

|                | FY 2023<br>Appro. | FY 2024<br>Recommend | FY24 Revised     | Committee<br>Recommends |
|----------------|-------------------|----------------------|------------------|-------------------------|
| Personnel      | \$343,793         | \$460,002            | \$422,745        | <b><u>\$422,745</u></b> |
| Travel         | \$22,235          | \$41,506             | \$20,753         | <b><u>\$20,753</u></b>  |
| Contract.Serv. | \$0               | \$0                  | \$0              | <b><u>\$0</u></b>       |
| OCE            | \$71,947          | \$71,947             | \$35,974         | <b><u>\$35,974</u></b>  |
| Fixed Assets   | \$0               | \$0                  | \$0              | <b><u>\$0</u></b>       |
| <b>Total</b>   | <b>\$437,975</b>  | <b>\$573,455</b>     | <b>\$479,472</b> | <b><u>\$479,472</u></b> |
| No. Employees  | 23                | 23                   | 23               | 23                      |

**Personnel** – The amount appropriated for fiscal year 2022 was \$343,793 for twenty three (23) employees. The division proposed \$483,746, but the recommended amount is \$460,002. The revised amount is \$422,745. Your Committee recommends **\$422,745** with the understanding that any short fall in this category will be revisited.

**Travel** – The amount appropriated in fiscal year 2023 was \$22,235. The requested amount by this Division is \$62,927, but the recommended amount is \$41,506. The revised amount is \$20,753. Your Committee recommends **\$20,753**.

**Contractual Services** – No change in this category. The proposed amount that the division requested is \$5,000, but the recommended amount is \$0. The revised amount is \$0. Your Committee recommends **\$0**.

**Other Current Expenses** – The amount appropriated in fiscal year 2023 was \$71,947. For fiscal year 2024, there is a request of \$73,947, an increase of \$2,000, as compared to the FY23 appropriation. The recommended amount is \$71,947, which later revised to \$35,974. Your Committee recommends **\$35,974** with the understanding that it will revisit any needed supplemental in the near future should the division needs more supplemental funding.

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**Fixed Assets** – In FY23, no appropriated amount. For fiscal year 2024, no request. Your Committee recommends **\$0**.

**V. Division of Trade and Investment**

|                | FY 2023<br>Appro. | FY 2024<br>Recommend | FY24 Revised     | Committee<br>Recommends |
|----------------|-------------------|----------------------|------------------|-------------------------|
| Personnel      | \$85,341          | \$117,713            | \$123,284        | <b><u>\$123,284</u></b> |
| Travel         | \$22,437          | \$38,776             | \$19,388         | <b><u>\$19,388</u></b>  |
| Contract.Serv. | \$64,000          | \$64,000             | \$57,000         | <b><u>\$57,000</u></b>  |
| OCE            | \$27,754          | \$27,754             | \$13,877         | <b><u>\$13,877</u></b>  |
| Fixed Assets   | \$2,000           | \$0                  | \$0              | <b><u>\$0</u></b>       |
| <b>Total</b>   | <b>\$201,532</b>  | <b>\$248,243</b>     | <b>\$213,549</b> | <b><u>\$213,549</u></b> |
| No. Employees  | 4                 | 4                    | 4                | 4                       |

**Personnel** – For FY23, \$85,341 was appropriated. The division requested \$122,057, but the recommended amount for this fiscal year is \$123,284 for four employees. The revised amount is \$123,284. Your Committee recommends **\$123,284**.

**Travel** – An amount of \$22,437 was appropriated in FY 2023. This year, the Division is requesting \$76,196, but the recommended amount is \$38,556. The revised amount is \$19,388. At the hearing, the witnesses testified the importance of FSM participation at regional and international meetings, like the Forum Trade Ministerial Meeting (FTMM), the Pacific Agreement on Closer Economic Relations (PACER) and the Pacific Island Countries Trade Agreement (PICTA). Your Committee recommends **\$19,388** with the understanding that any short fall in travel will be revisited.

**Contractual Services** – In FY 2023, an amount of \$64,000 was appropriated. For fiscal year 2024, the Division requested the same amount to fund a Trade Advisor, the Secure Transaction website and the internship program. Your Committee recommends **\$57,000** for now with the understanding that any shortfall in this category will be considered in the near future.



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**Other Current Expenses** - An amount of \$27,754 was appropriated under this category in FY 2023. For fiscal year 2024, the Division requested the same amount and was recommended. However, the revised amount is \$13,877, and your Committee recommends **\$13,877.**

**Fixed Assets** - The FY23 appropriation was \$2,000 for a laptop. For fiscal year 2024, the division request the same amount of \$2,000, but was not recommended. Your Committee recommends **\$0.**

**VI. Division of Energy**

|                | FY 2023<br>Appro. | FY 2024<br>Recommend | FY24 Revised     | Committee<br>Recommends |
|----------------|-------------------|----------------------|------------------|-------------------------|
| Personnel      | \$47,226          | \$73,977             | \$105,654        | <b>\$73,977</b>         |
| Travel         | \$7,742           | \$22,371             | \$11,186         | <b>\$11,186</b>         |
| Contract.Serv. | \$200             | \$200                | \$0              | <b>\$0</b>              |
| OCE            | \$7,415           | \$7,415              | \$3,708          | <b>\$3,708</b>          |
| Fixed Assets   | \$0               | \$0                  | \$0              | <b>\$0</b>              |
| <b>Total</b>   | <b>\$62,583</b>   | <b>\$103,963</b>     | <b>\$120,548</b> | <b>\$120,548</b>        |
| No. Employees  | 1                 | 3                    | 3                | 2                       |

**Personnel** - There are two positions in this division, a Project Manager for Water and the Assistant Secretary. The division requested a new position for Project Manager for Renewable Energy. The division proposed \$105,655 for three positions. With the understanding of your Committee to stay at the fiscal year 2023 level, your Committee recommends **\$73,977** for two positions only. The Program Manager for Renewable Energy will not be considered.

**Travel** - In FY 2023, an amount of \$7,742 was appropriated. The amount requested for fiscal year 2024 by the division is \$94,347, but EBRC recommended \$22,371, which was further revised to \$11,186. Your Committee recommends **\$11,186,** but will reconsider any future needs of the division.

**Contractual Services** - The amount appropriated last year was \$200 for subscription. It was also recommended for this fiscal year, but the revised amount is \$0. Your Committee recommends **\$0.**

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**Other Current Expenses** – An amount of \$7,415 was appropriated last year. This year's request is \$9,000 for supplies, but was decreased to \$7,415. The revised amount is \$3,708. Your Committee recommends **\$3,708.**

**Fixed Assets** – In FY 2023, there was no appropriation. This year, the Division requested \$8,000 to purchase a lap top and office equipment. The recommended amount is \$0. Your Committee recommends **\$0.**

**VI. Division of Statistics**

|                | FY 2023<br>Appro. | FY 2024<br>Recommend | FY24 Revised | Committee<br>Recommends |
|----------------|-------------------|----------------------|--------------|-------------------------|
| Personnel      | \$320,277         | \$443,427            | \$449,622    | <b><u>\$449,622</u></b> |
| Travel         | \$11,725          | \$19,290             | \$9,645      | <b><u>\$9,645</u></b>   |
| Contract.Serv. | \$57,639          | \$57,639             | \$28,820     | <b><u>\$28,820</u></b>  |
| OCE            | \$56,097          | \$56,097             | \$28,049     | <b><u>\$28,049</u></b>  |
| Fixed Assets   | \$0               | \$0                  | \$0          | <b><u>\$0</u></b>       |
| <b>Total</b>   | \$445,738         | \$576,453            | \$516,136    | <b><u>\$516,136</u></b> |
| No. Employees  | 19                | 20                   | 20           | 20                      |

**Personnel** – The FY23 appropriation was \$320,277 for twenty positions. For fiscal year 2024, the proposed amount is \$464,227, but EBRC recommended \$443,427. The revised amount is \$449,622. The slight increase is based on the 45% salary increase. Your Committee recommends **\$449,622.**

**Travel** – The FY2023 appropriated amount was \$11,725. For FY 2024, there is a request of \$31,464, but EBRC recommended \$19,290, which was revised to \$9,645. Your Committee recommends **\$9,645,** and will revisit any supplemental needs in this category.

**Contractual Services** – The amount appropriated in fiscal year 2023 was \$57,639. The amount requested for fiscal year 2024 is \$57,639, which was recommended. The revised amount is \$28,049. Your Committee recommends **\$28,049.**

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**Other Current Expenses** – An amount of \$56,097 was appropriated in fiscal year 2023. The requested amount for fiscal year 2024 is \$69,851, and was recommended. The revised amount is \$28,049. Your Committee recommends **\$28,049**.

**Fixed Assets** – No amount requested for this fiscal year, same as last fiscal year. Your Committee recommends **\$0**.

**VII. NATIONAL OCEANIC RESOURCE MANAGEMENT AUTHORITY (NORMA)**

In the NORMA's FY24 budget, your Committee decided not to call the witnesses. Your Committee will recommend most of the fiscal year 2024 for NORMA using the fiscal year 2023 appropriated amount with minor adjustments.

The figures shown in the chart below for NORMA include the total amount appropriated in FY 2023; the FY 2024 amount requested by NORMA, and the amount transmitted as recommended, as listed in the "FY 2024 Recommended" column in the "Budget Book", the next column is the Revised figures transmitted by President Simina. The last column is the amount recommended by your Committee for FY 2024.

|                | FY 2023<br>Appro.  | FY 2024<br>Recommend | FY24 Revised       | Committee<br>Recommends |
|----------------|--------------------|----------------------|--------------------|-------------------------|
| Personnel      | \$820,685          | \$953,903            | \$984,063          | <b>\$984,063</b>        |
| Travel         | \$111,363          | \$156,558            | \$78,279           | <b>\$78,279</b>         |
| Contract.Serv. | \$200,741          | \$200,741            | \$200,741          | <b>\$200,741</b>        |
| OCE            | \$86,370           | \$86,370             | \$43,185           | <b>\$43,185</b>         |
| Fixed Assets   | \$30,000           | \$0                  | \$0                | <b>\$0</b>              |
| <b>Total</b>   | <b>\$1,249,159</b> | <b>\$1,397,572</b>   | <b>\$1,306,268</b> | <b>\$1,306,268</b>      |
| No. Employees  | 30                 | 30                   | 30                 | 30                      |

**Personnel** – For FY 2023, the appropriated amount was \$820,685. For this fiscal year 2024, the Authority is requesting \$1,103,782, but the recommended amount is \$953,903. The revised amount transmitted is \$984,063 honoring such increases.

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Your Committee recommends \$984,063 with the understanding that the Authority will request supplemental funding if the Authority needs more funding under Personnel.

**Travel** – In FY 2023, the amount appropriated was \$111,363. The amount requested for FY23 is \$283,691, but the recommended amount is \$156,558. The revised amount transmitted is \$78,279. Your Committee recommends \$78,279.

**Contractual Services** – In FY 2023, an amount of \$200,741 was appropriated. For the FY24 proposed by the Authority, the amount is \$287,441. The recommended amount is \$200,741, and the revised amount is the same. Your Committee recommends \$200,741.

**Other Current Expenses** – The amount appropriated in FY 2023 was \$86,370. The request by the Authority for FY 2024 is \$115,370, but the recommended amount is \$86,370. The revised amount transmitted is \$43,185. Your Committee recommends \$43,185 with the understanding that the Committee will revisit any supplemental request.

**Fixed Assets** – The amount appropriated in fiscal year 2023 was \$30,000. There is no request amount for this fiscal year. Your Committee recommends \$0.

**VIII. FSM BANKING BOARD**

The figures shown in the chart below for the FSM Banking Board include the total amount appropriated in FY 2023; the amount recommended for FY 2024, the revised amount transmitted for FY 2024. The last column is the amount recommended by your Committee for FY 2024.

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|                | FY 2023<br>Appro. | FY 2024<br>Recommend | FY24 Revised     | Committee<br>Recommends |
|----------------|-------------------|----------------------|------------------|-------------------------|
| Personnel      | \$116,303         | \$146,341            | \$149,461        | <b>\$149,461</b>        |
| Travel         | \$22,876          | \$67,781             | \$33,891         | <b>\$33,891</b>         |
| Contract.Serv. | \$41,128          | \$39,402             | \$39,402         | <b>\$39,402</b>         |
| OCE            | \$25,110          | \$25,110             | \$25,110         | <b>\$25,110</b>         |
| Fixed Assets   | \$0               | \$0                  | \$0              | <b>\$0</b>              |
| <b>Total</b>   | <b>\$205,417</b>  | <b>\$278,634</b>     | <b>\$247,864</b> | <b>\$247,864</b>        |
| No. Employees  | 4                 | 4                    | 4                | 4                       |

Your Committee decided to report out the fiscal year 2024 proposed budget for the FSM Banking Board without any hearings based on the premise that the Committee will use the fiscal year 2023 appropriation for this year proposed budget with a few adjustments.

**Personnel** – The amount appropriated in FY 2023 was \$116,303. For the FY24 request, the Banking Board requested \$156,245, but the recommended amount is \$146,341. The revised amount transmitted is \$149,461. Your Committee recommends **\$149,461**.

**Travel** – The FY23 appropriation was \$22,876. The requested amount this year is \$91,583, but the recommended amount is \$67,781. The revised amount is \$33,891. Your Committee recommends **\$33,891**, with the understanding that any request for supplemental in travel will be revisited.

**Contractual Services** – In FY 2023, an amount of \$41,128 was appropriated. For this fiscal year, an amount of \$39,402. The revised amount is \$39,402. Your Committee recommends **\$39,402**.

**OCE** – The amount appropriated in FY23 was \$25,110. The fiscal year 2024 requested amount is \$30,921. The recommended amount is \$25,110. Your Committee recommends **\$25,110**.

**Fixed Assets** – In FY 2023, there was no appropriated amount. There is a request of \$3,000, but was not recommended. The revised amount is \$0. Your Committee recommends **\$0**.

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**IX. FSM INSURANCE BOARD**

The figures shown in the chart below for the FSM Insurance Board include the total amount appropriated in FY 2023; the amount recommended for FY 2024, the revised amount transmitted. The last column is the amount recommended by your Committee for FY 2024.

|                | FY 2023<br>Appro. | FY 2024<br>Recommend | FY24 Revised     | Committee<br>Recommends |
|----------------|-------------------|----------------------|------------------|-------------------------|
| Personnel      | \$165,527         | \$206,597            | \$211,797        | \$211,797               |
| Travel         | \$21,308          | \$61,136             | \$30,568         | \$30,568                |
| Contract.Serv. | \$347,175         | \$347,175            | \$347,175        | \$347,175               |
| OCE            | \$32,004          | \$32,004             | \$32,004         | \$32,004                |
| Fixed Assets   | \$1,800           | \$0                  | \$0              | \$0                     |
| <b>Total</b>   | <b>\$567,814</b>  | <b>\$646,912</b>     | <b>\$621,544</b> | <b>\$621,544</b>        |
| No. Employees  | 6                 | 6                    | 6                | 6                       |

Your Committee did not call the witnesses to testify based on the understanding that the Committee will use the fiscal year 2023 appropriation as its benchmark for this fiscal year 2024 budget.

**Personnel** – The amount appropriated in FY23 was \$165,527. For FY24, the recommended amount is \$206,597. The revised amount transmitted is \$211,797. Your Committee recommends **\$211,797.**

**Travel** – An amount of \$21,308 was appropriated in FY23. For FY24, an amount of \$104,319 is requested, but the recommended amount is \$61,136. The revised amount transmitted is \$30,568. Your Committee recommends **\$30,568.**

**Contractual Services** – In FY 2023 an amount of \$347,175 was appropriated. For FY 2024, the same amount is requested, which was recommended. Your Committee recommends **\$347,175.**

**OCE** – In FY 2023 an amount of \$32,004 was appropriated. This year there is a request of \$32,004, which was recommended. Your Committee recommends **\$32,004.**

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**Fixed Assets** – In FY23 budget, \$1,800 was appropriated. There was a request of \$25,000, but was not recommended. The revised amount transmitted is \$0. Your Committee recommends **\$0**.

**VII. GRANTS, SUBSIDIES & CONTRIBUTIONS**

| <b>Department of Resources Development</b>                      | <b>FY 2023 Appro.</b> | <b>FY 2024 Recommend</b> | <b>FY24 Revised</b> | <b>Committee Recommends</b> |
|---|-----------------------|--------------------------|---------------------|-----------------------------|
| <b>Grants, Contributions &amp; Subsidies</b>                    |                       |                          |                     |                             |
| <b>a. Pacific Island Development Program (PIDP)</b>             | 15,000                | 15,000                   | 15,000              | <b>\$0</b>                  |
| <b>b. Pacific Asian Travel Association (PATA)</b>               | 6,000                 | 6,000                    | 6,000               | <b>\$0</b>                  |
| <b>c. United Nations Development Program (UNDP)</b>             | \$30,000              | \$30,000                 | \$30,000            | <b>\$0</b>                  |
| <b>d. Food and Agriculture Organization (FAO)</b>               | \$6,800               | \$6,800                  | \$6,800             | <b>\$0</b>                  |
| <b>e. Western Forestry Leadership Coalition</b>                 | \$530                 | \$530                    | \$100,000           | <b>\$0</b>                  |
| <b>f. Matching to SPC Projects</b>                              | \$60,000              | \$60,000                 | \$60,000            | <b>\$0</b>                  |
| <b>g. Micronesian Challenge</b>                                 | \$10,000              | \$10,000                 | \$10,000            | <b>\$0</b>                  |
| <b>h. Micronesian Cruise Association</b>                        | \$2,500               | \$2,500                  | \$2,500             | <b>\$0</b>                  |
| <b>i. South Pacific Tourism Organization</b>                    | \$8,000               | \$8,000                  | \$8,000             | <b>\$0</b>                  |
| <b>j. IRENA</b>   | \$250                 | \$250                    | \$250               | <b>\$0</b>                  |
| <b>k. Micronesia Trade Com.</b>                                 | \$30,000              | \$30,000                 | \$30,000            | <b>\$0</b>                  |
| <b>l. Convention on Biological Diversity (CBD)</b>              | \$1,000               | \$1,000                  | \$1,000             | <b>\$0</b>                  |
| <b>m. International Fund for Agriculture Development (IFAD)</b> | \$500                 | \$500                    | \$500               | <b>\$0</b>                  |
| <b>n. United Nations Industrial Development Organization</b>    | \$1,000               | \$1,000                  | \$1,000             | <b>\$0</b>                  |

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|  |                  |                  |                  |            |
|--|------------------|------------------|------------------|------------|
| (UNIDO)  |                  |                  |                  |            |
| <b>o.</b> Micronesian Island Forum Membership Fee                  | \$15,000         | \$15,000         | \$0              | <b>\$0</b> |
| <b>p.</b> Micronesia Associ for Sustainable Agriculture            | \$50,000         | \$50,000         | \$50,000         | <b>\$0</b> |
| <b>q. Micronesian Island Forum</b>                                 | \$15,000         | \$15,000         | 15,000           | <b>\$0</b> |
| <b>q.</b> Micronesian Challenge Endowment Fund                     | \$100,000        | \$100,000        | \$100,000        | <b>0</b>   |
| <b>r.</b> International Coconut Community (Annual Fee/Prior Years) | \$0              | \$18,000         | \$18,708         | <b>\$0</b> |
| <b>Total</b>   | <b>\$336,580</b> | <b>\$369,580</b> | <b>\$454,758</b> | <b>\$0</b> |

| <b>OTHER GRANTS, CONTRIBUTIONS &amp; SUBSIDIES</b>           | FY 2023 Appro.   | FY 2024 Recommend | <b>FY24 Revised</b> | <b>Committee Recommends</b> |
|--|------------------|-------------------|---------------------|-----------------------------|
| 1. Forum Fisheries Agency                                    | \$63,000         | \$63,000          | \$                  | <b>\$0</b>                  |
| 2. NORMA – WCPFC Tuna Commission Fee                         | \$434,201        | \$434,201         | \$100,000           | <b>\$100,000</b>            |
| 3. PNA Membership Fee  | \$10,000         | \$10,000          | \$                  | <b>\$0</b>                  |
| <b>Total for NORMA</b>                                       | <b>\$507,201</b> | <b>\$507,201</b>  | <b>\$100,000</b>    | <b>\$100,000</b>            |
| <b>GRANT TOTAL FOR GRANTS, SUBSIDIES &amp; CONTRIBUTIONS</b> | <b>\$</b>        | <b>\$</b>         | <b>\$</b>           | <b>\$</b>                   |

**VIII. CAPITAL AND HUMAN RESOURCES DEVELOPMENT**



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|  | FY 2023<br>Appro. | FY 2024<br>Recommend | FY24 Revised | Committee<br>Recommends |
|--|-------------------|----------------------|--------------|-------------------------|
| A. R&D State & National<br>Leadership Conference                     | \$75,000          | \$75,000             | \$75,000     | \$37,500                |
| b. R&D conference  | 0                 | \$50,000             | \$25,000     | \$25,000                |
| c. National coastal<br>fisheries symposium<br>for the FSM            | \$0               | \$0                  | \$0          | \$0                     |
| d. Preparatory work for<br>Kansai Osaka Japan<br>Expo 2025           | \$0               | \$0                  | \$0          | \$0                     |
| e. NTFC annual meeting   | \$0               | \$0                  | \$0          | \$0                     |
| f. Comprehensive<br>Review of Trade<br>Legislative<br>Framework      | \$0               | \$0                  | \$0          | \$0                     |
| g. Trade Reference<br>Center   | \$0               | \$0                  | \$0          | \$0                     |
| h. Localization of<br>Sustainable<br>Development Goals in<br>the FSM | \$0               | \$0                  | \$0          | \$0                     |
| i. FSM Chamber of<br>Commerce  | \$50,000          | \$50,000             | \$0          | \$0                     |
| j. Chamber of<br>Commerce - Kosrae                                   | \$20,000          | \$0                  | \$0          | \$0                     |
| k. Chamber of Commerce<br>Pohnpei                                    | \$30,000          | \$0                  | \$0          | \$0                     |
| l. Chamber of Commerce<br>- Chuuk                                    | \$30,000          | \$0                  | \$           | \$0                     |
| m. Chamber of<br>Commerce - Yap                                      | \$20,000          | \$0                  | \$0          | \$0                     |
| n. Conservation<br>Society of Kosrae                                 | \$25,000          | \$0                  | \$0          | \$0                     |
| o. Conservation<br>Society of Pohnpei                                | \$40,000          | \$0                  | \$0          | \$0                     |
| p. Conservation<br>Society of Chuuk                                  | \$40,000          | \$0                  | \$0          | \$0                     |
| q. Conservation<br>Society of<br>Yap                                 | \$25,000          | \$0                  | \$0          | \$0                     |
| r. FSM Livestock<br>improvement program                              | \$0               | \$50,000             | \$0          | \$0                     |

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|  |           |           |          |          |
|--|-----------|-----------|----------|----------|
| Total  | \$355,000 | \$225,000 | \$0      | \$0      |
| <b>Other Capital and Human Resources Development</b> |           |           |          |          |
| <b>NORMA</b>   |           |           |          |          |
| a. NORMA –World Tuna Day                             | \$70,000  | \$70,000  | \$0      | \$0      |
| b. T3 Monitoring                                     | \$150,000 | \$150,000 | \$0      | \$0      |
| c. Hosting of WCPFC, TCC & SC Meetings               | \$10,000  | \$10,000  | \$0      | \$0      |
| d. Internship for Students in the area of fisheries  | \$5,000   | \$5,000   | \$0      | \$0      |
| <b>Total</b>   | \$235,000 | \$235,000 | \$0      | \$0      |
| <b>Grant Total for CIP</b>                           | \$590,000 | \$460,000 | \$62,000 | \$62,000 |

**CONCLUSION**

Your Committee on Resources and Development has carefully reviewed the President's recommended FY 2024 budget and all information provided by the Executive and the entities under your Committee's jurisdiction. The recommended sums set forth above reflect your Committee's recommendations on the level of funding for the designated activity, program or project for FY 2024, subject to the recommendations of the Committee on Ways and Means.

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Respectfully submitted,

/s/ Peter M. Christian  
Peter M. Christian, chairman

Incoming member, vice chairman

/s/ Isaac V. Figir  
Isaac V. Figir, member

Incoming member, member

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

/s/ Victor V. Gouland  
Victor V. Gouland, member

/s/ Merlynn Abello-Alfonso  
Merlynn Abello-Alfonso, member