

STANDING COMMITTEE REPORT NO. 23-50

RE: C.B. NO. 23-67/T&C

SUBJECT: AMENDING SECTION 306 OF TITLE 55 OF THE FSM CODE  
TO RESTORE STATE RESPONSIBILITY TO IMPLEMENT THE  
INFRASTRUCTURE PROJECTS FOR THE NATION.

JANUARY 17, 2024

The Honorable Esmond B. Moses  
Speaker, Twenty-Third Congress  
Federated States of Micronesia  
Third Regular Session, 2024

Dear Mr. Speaker:

Your Committee on Transportation and Communication, to which was  
referred Congressional Bill No. 23-67, entitled:

"AN ACT TO FURTHER AMEND SECTION 306 OF TITLE 55 OF THE  
CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED),  
AS AMENDED BY PUBLIC LAWS NOS. 18-12, 18-25, 18-57 and  
23-30, IN ORDER TO RESTORE STATE RESPONSIBILITY OF  
IMPLEMENTING INFRASTRUCTURE PROJECTS FOR THE NATION IN  
THE RESPECTIVE STATES OF THE FEDERATED STATES OF  
MICRONESIA, AND FOR OTHER PURPOSES."

begs leave to report as follows:

The intent and purpose of the bill are expressed in its title.

On December 19, 2023, the President sent the proposed bill, C.B.  
No. 23-67 through Presidential Communication No. 23-208. In P.C.  
No. 23-208, the President indicated that the Project Management  
offices have been established to increase capacity of the FSM  
states to manage infrastructure projects, and these  
infrastructure projects reflect the needs and preferences of the

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states. Thus, the current law (Public Law No. 23-30) has taken away this important function from the States. By passing C.B. No. 23-67, the States will have a more effective engagement in the infrastructure planning and implementation, specifically by having the respective PMOs or relevant state offices be responsible in implementing infrastructure projects.

Your Committee conducted an oversight hearing on the said bill (C.B. No. 23-67) on Tuesday, January 16, 2024 at the Congress hearing room. Witnesses present at the hearing included: Secretary Carlson Apis, Robert Westerfield and Dickson Wichep from the Department of Transportation, Communications and Infrastructure, and the Acting Secretary of the Department of Justice, Mr. Jun Bacalando. The acting chairman Vice Speaker Robson U. Romolow chaired the oversight hearing. Members present included Speaker Esmond Moses, Joseph J. Urusemal, Quincy Lawrence and Marlynn Abello-Alfonso.

The witnesses were given an opportunity to comment on the bill. Secretary Apis informed the committee that the President hopes that Congress will pass the bill this session. Secretary Apis also stated that his office has already prepared a draft regulation to implement the previous law (PL No. 23-30); however, the President advised them to hold off on the draft regulation.

Mr. Westerfield explained that the existing organizations that were currently working with PMU have expended a lot of effort, and PMU will have to work with PMOs once the bill became law.

Vice Speaker Romolow had asked whether the Project Management Offices in the states are fully capable in implement the infrastructure projects. The witnesses informed the committee that the Project Management offices in the states are fully staffed (with engineers, and other staff). Secretary Carl informed the Committee that in its budget, they requested funding for PMU to strengthen the capacity of

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the PMO.

For Kosrae, there are two staff, also Yap State have staff, but Pohnpei state has staff that are ready to move with the infrastructure funding. Vice Speaker Romolow had asked if it is true that if one state failed to submit reporting, it will affect the other states.

Chairman Joseph J. Urusemal asked whether the Department is in full support of the bill. The witnesses conveyed their support to pass the bill. Assistant Attorney Jun Bacalando echoed the Department of Justice support in passing the bill, and he stated that there is no legal impediment on the bill.

Your Committee has reviewed Congregational Bill No. 23-67. Your Committee did not find any legal impediments or drafting errors in the bill.

#### CONCLUSION

Your Committee has reviewed the Congressional Bill No. 23-67, and recommends the passage of Congressional Bill No. 23-67.

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Respectfully submitted,

/s/ Robson U. Romolow  
Robson U. Romolow, Acting chair

In-coming member, vice chair

/s/ Quincy Lawrence  
Quincy Lawrence, member

/s/ Marlynn Abello-Alfonso  
Marlynn Abello-Alfonso, member

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

Victor V. Gouland, member

In-coming member