SPECIAL COMMITTEE REPORT NO. 23-03

RE: COMMITTEE TO WAIT ON THE PRESIDENT

SEPTEMBER 13, 2023

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

Dear Mr. Speaker:

Your Committee to Wait on the President was duly appointed on September 12, 2023, consisting of members Robson U. Romolow, Isaac V. Figir, Peter M. Christian and Quincy Lawrence. Robson U. Romolow was designated as the chairman. The meeting with the President and Vice President took place on September 12, 2023 at 11 a.m. The Chairman thanked the 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 a short agenda from the President for the meeting.

The President expressed his greetings and he also expressed great thanks for the cooperation and the frank discussions he has had over the last few weeks with Members of Congress regarding the important matters facing our Nation. He was pleased to report that all the four States have endorsed the new 2023 Amend Compact. The FSM has completed all necessary actions on its part and awaits the finalization on the U.S. side. The issue now becomes one of whether the United States will have enough time to take action on the Compact prior to September 30th. The President has been advised by the U.S. that they are working to include at least some temporary funding in their next fiscal year budget if the Compact is not passed, however, there are many concerns as to whether this will be possible given the short timeframe.

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There is pending legislation which needs action to conform our agreement under the 2023 Amended Compact and make possible its implementation. It is requested that the relevant committees make these matters a priority.

The President would like Congress to explore all possible options to assist the States with stop gap funding if necessary. He advised that he will be transmitting to Congress possible suggested options from the Executive side and would like the Congress to explore all possible options. Collaboration on this matter is urgently required to ensure that our Nation does not face significant funding shortfalls for basic services at the state level.

Equally important is action on the FY24 budget for the National Government and the pending legislation that will ensure that it will continue operations at the current level. The President informed the Committee that certified election results, both for the constitutional amendments and the two vacant seats for senators from Chuuk and Kosrae will be transmitted by tomorrow. The President noted that among the amendments to the Constitution was a mandatory split of fishing fees between the National and State Governments. Legislation is pending that adjusts contributions by the FSM National Government to savings in trust funds and contributions to the states. The President requests that Congress review and take action on these as a matters and any other possible action that return domestic revenue to previous levels.

The FY24 revised budget reflects the reduced domestic income for the National Government. The President strongly desires that this budget be passed with the understanding that at such time additional domestic revenue is restored to the National Government it can adjust and add items deleted, primarily projects, subsidies and contributions, that are priorities of the Nation.

A very limited supplemental budget will be transmitted to Congress with the intent to add funding for fuel and provisioning of the ships, and to give some modest assistance to the State of Hawaii for the fire in Maui. SPECIAL COMMITTEE REPORT NO. 23-03

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The Committee was advised that the President would like action on his nominations so that his cabinet can be fully constituted. Most nominations for confirmation positions have been transmitted to Congress and the President would like leadership and expertise in the key areas of government.

Finally, the Committee was updated regarding the funding provided to Guam and Saipan for typhoon relief, the status of the vessels donated by Japan, two possible new Deputy Secretary positions for the Departments of Finance and Administration and Justice, and the reinstatement of the air transportation task force.

As your Committee will be supplementing this report during the discussing of this meeting with the 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/ Robson U. Romolow	/s/ Isaac V. Figir
Robson U. Romolow, chairman	Isaac V. Figir, member
/s/ Peter M. Christian	/s/ Quincy Lawrence
Peter M. Christian, member	Quincy Lawrence, member