CONGRESS OF THE FEDERATED STATES OF MICRONESIA
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COMMITTEE ON
TRANSPORTATION AND
COMMUNICATIONS

STANDING COMMITTEE REPORT NO. 21-53

RE: C.B. NO. 21-227/T&C

SUBJECT: MODIFICATION OF THE COMPOSITION OF BOARD OF DIRECTORS OF CAROLINE ISLAND AIR

JULY 08, 2020

The Honorable Wesley W. Simina
Speaker, Twenty-First Congress
Federated States of Micronesia
Sixth Special Session, 2020

Dear Mr. Speaker:

Your Committee on Transportation and Communication, to which was referred C.B. No. 21-227, entitled:

> "A BILL FOR AN ACT TO FURTHER AMEND PUBLIC LAW NO. 10-72, AS AMENDED BY PUBLIC LAWS NOS. 10-103 AND 16-26, BY AMENDING SECTIONS 6 THEREOF, IN ORDER TO MODIFY THE COMPOSITION OF THE BOARD OF THE CAROLINE ISLAND AIR CORPORATION BY REPLACING THE CHIEF EXECUTIVE OFFICER WITH THE SECRETARY OF THE DEPARTMENT OF TRANSPORTATION, COMMINUCATIONS AND INFRASTRUCTURE AS EX OFFICIO BOARD MEMBER, AND FOR OTHER PURPOSES.,"

begs leave to report as follows:

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

Your Committee held a public hearing on the said bill including two resolutions (C.R. No. 21-153 and C.R. No. 21-158). These two resolutions are nomination resolutions for Mr. Traveyne Esiel and Mr. Kiyoshi Phillip. Your Committee conducted a virtual public hearing on Congressional Resolution No. 21-153 on Thursday, July 02, 2020, at 3:00 p.m. Pohnpei time and 2:00

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COMMITTEE ON
TRANSPORTATION AND
COMMUNICATIONS

STANDING COMMITTEE REPORT NO. 21-[illegible]

FSM C.D. NO. 21-[illegible]

SUBJECT: RECOMMENDATION ON THE CONSIDERATION OF BILL NO.
[illegible] OF "[illegible] ACT

DATE: [illegible]

The Honorable Wesley W. [illegible]
Speaker, Thirty-First Congress
Federated States of Micronesia
Sixth Special Session, 1998

Dear Mr. Speaker:

Your Committee on Transportation and Communications, to which was
referred C.D. No. 21-[illegible]

"A BILL FOR AN [illegible] TO SUBSTITUTE A CLEAN BILL FOR BILL NO. 10-72,
AS AMENDED BY PUBLIC LAWS NOS. 10-107 AND 15-26, BY
DELETING SECTIONS 1 THROUGH 3, IN FULL, AND BY MODIFYING THE
APPROPRIATION OF FMP FOR THE [illegible] IN
CONFORMATION WITH A PROPOSED NEW CAPITAL PROJECTS BUDGET
FOR SPECIFIED USE OF FMA [illegible] OF "TRANSPORTATION,
COMMUNICATION AND [illegible]" IS AN UNFUNDED BOARD
MANDATE, THIS BILL WAS [illegible]"

may have to be [illegible]

The purpose and purpose of the bill are explained in the title.

Your Committee held a public hearing on the said bill including
two Resolutions (C.R. No. 21-[illegible] and C.R. No. 21-[illegible]. These
two resolutions are [illegible] for Mr. Kenneth
Estel and Mr. Tyrone Phillip. Your Committee considered a
[illegible] testimony on Congressional [illegible] No. 21-[illegible]
on Thursday, July 02, 1998 at 1:00 p.m. Present: Hon. and [illegible]

[illegible]

STANDING COMMITTEE REPORT NO. 21-53

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p.m. Chuuk and Yap time at the Congressional hearing room in Pohnpei.

Chairman Victor V. Gouland chaired the hearing. Members of the Committee who Zoomed in and participated included Floor Leader Florensio S. Harper, who Zoomed in from Guam, Vice Chairman Aren B. Palik who Zoomed in from Kosrae State, member Robson U. Romolow and Chairman Victor V. Gouland who Zoomed in from Chuuk. Vice Speaker Esmond B. Moses was present.

Those in attendance included: the nominee; Mr. Alik K. Jackson, Mr. Kiyoshi Phillip and Mr. Alfred Ansin, members of the Board of Directors of the Caroline Island Air Corporation; Secretary Carl Apis and staff of the Department of Transportation, Communications and Infrastructure, Mr. Pelsesar Petrus from the President's Office and Assistant Attorney General Jun Bacalando.

Chairman Gouland explained that the specific measure is intended to have the Secretary of the Department of Transportation, Communications and Infrastructure to be an ex officio member on the Board of Directors of the Corporation replacing the Chief Executive Officer on the Board.

In reviewing the proposed bill as submitted, your Committee notes that the removal of the Chief Executive Officer on the Board is not a good policy decision because the Chief Executive Officer is responsible for the day-to-day operation of the Corporation, and he or she needs to participate in any meeting of the Board to provide briefings to the Board. In addition, the Secretary of the Department of Transportation, Communications and Infrastructure will be on the Board of Directors, as the representative of the National Government.

STANDING COMMITTEE REPORT NO. 21-53

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SUBJECT: MODIFICATION OF THE COMPOSITION OF BOARD OF DIRECTORS OF CAROLINE ISLAND AIR

JULY 08, 2020

Therefore, your Committee would like to offer the following amendments:

1. Page 1, line 8, after "Government," insert "who shall be the Secretary of the Department of Transportation, Communications and Infrastructure"
2. Page 1, line 15, delete "~~Chief Executive Officer of the~~".
3. Page 1, lines 16 and 17, delete them in their entirety.
4. Page 2, line 1, delete "his designee", and insert "chief financial officer of the Corporation"

Your Committee on Transportation and Communication is in accord with the intent and purpose of C.B. 21-227 and recommends its passage on First Reading and that it be placed on the Calendar for Second and Final Reading in the form attached hereto C.B. 21-227, C.D.1.

STANDING COMMITTEE REPORT NO. 21-53

RE: C.B. NO. 21-227/T&C

SUBJECT: MODIFICATION OF THE COMPOSITION OF BOARD OF DIRECTORS OF CAROLINE ISLAND AIR

JULY 08, 2020

Respectfully submitted,

Victor V. Gouland, chairman

Peter M. Christian, vice chairman

Esmond B. Moses, member

Florencio S. Harper, member

Aren B. Palik, member

Wesley W. Simina, member

Joseph J. Urusemal, member

STANDING COMMITTEE REPORT NO. 21-53

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SUBJECT: MODIFICATION OF THE COMPOSITION OF BOARD OF DIRECTORS OF CAROLINE ISLAND AIR

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Respectfully submitted,

Victor V. Gouland, chairman

Peter M. Christian, vice chairman

Esmond B. Moses, member

Florencio S. Harper, member

Aren B. Palik, member

Wesley W. Simina, member

Joseph J. Urusemal, member

STANDING COMMITTEE REPORT NO. 21-58

RE: C.B. NO. 21-227/T&C

SUBJECT: MODIFICATION OF THE COMPOSITION OF BOARD OF DIRECTORS OF CAROLINE ISLAND AIR

JULY 08, 2020

Respectfully submitted,

Victor V. Gouland, chairman

Peter M. Christian, vice chairman

Esmond B. Moses, member

Florencio S. Harper, member

Aren B. Palik, member

Wesley W. Simina, member

Joseph J. Urusemal, member

STANDING COMMITTEE REPORT NO. 21-53

RE: C.B. NO. 21-227/T&C

SUBJECT: MODIFICATION OF THE COMPOSITION OF BOARD OF DIRECTORS OF CAROLINE ISLAND AIR

JULY 08, 2020

Respectfully submitted,

Victor V. Gouland, chairman

Peter M. Christian, vice chairman

Esmond B. Moses, member

Florencio S. Harper, member

Aren B. Palik, member

Wesley W. Simina, member

Joseph J. Urusemal, member

TWENTY-FIRST CONGRESS OF THE FEDERATED STATES OF MICRONESIA

FOURTH REGULAR SESSION, 2020 C.B. NO. 21-227, C.D.1

A BILL FOR AN ACT

To further amend Public Law No. 10-72, as amended by Public Laws Nos. 10-103 and 16-26, by amending sections 6 thereof, in order to modify the composition of the board of the Caroline Island Air Corporation by replacing the chief executive officer with the Secretary of the Department of Transportation, Communications and Infrastructure as ex officio board member, and for other purposes.

BE IT ENACTED BY THE CONGRESS OF THE FEDERATED STATES OF MICRONESIA:

Section 1. Section 6 of Public Law No. 10-72, as amended by Public Laws Nos. 10-103 and 16-26, is hereby further amended to read as follows:

"Section 6. Board of Directors - Composition.

The Board shall be composed of five voting members and one ex officio non-voting member. One member of the Board shall be a representative of the National Government, who shall be the Secretary of the Department of Transpartation, Communications and Infrastructure and there shall be one member representing each of the States. All appointments to the Board, on or after the effective date of this Act shall be made by the President of the Federated States of Micronesia with the advice and consent of Congress. The appointment of any State representative to the Board shall be upon the recommendation to the President by the Governor of the pertinent State. The [~~chief executive officer of the~~

~~Corporation~~] [~~Secretary of the Department of Transportation and Communications and Infrastructure, or his designee~~]chief financial officer of the Corporation, shall serve ex officio as a member of the Board but he or she shall have no rights to vote."

Section 2. This act shall become law upon approval by the President of the Federated States of Micronesia or upon its becoming law without such approval.

Date: 5/27/20 Introduced by: Florencio S. Harper
Florencio S. Harper
(by request)