

STANDING COMMITTEE REPORT NO. 24-04

RE: PRESIDENTIAL COMMUNICATION NO. 23-573

SUBJECT: FY 2026 BUDGET/EXTERNAL AFFAIRS

MAY 26, 2025

The Honorable Esmond B. Moses
Speaker, Twenty-Fourth Congress
Federated States of Micronesia
First Regular Session, 2025

Dear Mr. Speaker:

Your Committee on External Affairs, to which was jointly referred Presidential Communication No. 23-573 transmitting the National Government's proposed FY 2026 budget, begs leave to report as follows:

Presidential Communication No. 23-573 was transmitted to Congress with the *National Government Fiscal Year 2026 Recommended Budget* ("Budget Book"). Pursuant to rule 7, section 1(b), of the Official Rules of Procedure of the Twenty-Fourth Congress of the Federated States of Micronesia, your Committee has limited its review to portions of the budget under its jurisdiction. These are:

- I. Department of Foreign Affairs
 - A. Office of the Secretary
 - B. Division of Asia/Pacific & African Affairs
 - C. Division of American Affairs
 - D. Multilateral & European Affairs
 - E. FSM Consulates & Embassies
 1. FSM Consulate, Guam
 2. FSM Consulate, Honolulu
 3. FSM Embassy, Washington D.C.

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4. FSM Embassy, Suva, Fiji
5. FSM Embassy, Tokyo, Japan
6. FSM UN Mission
7. FSM Embassy, China
8. FSM Consulate, Portland
9. FSM Embassy Geneva, Switzerland
10. FSM Embassy, Canberra, Australia

II. Grants, Subsidies & Contributions

A. Department of Foreign Affairs

1. Pacific Island Forum Secretariat
2. Secretariat of the Pacific Community (SPC)
3. The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)
4. United Nations (UN) Membership Fee, including related contributions to UN bodies and agencies
5. East West Center
6. Cotonou Membership Fee (ACP)
7. SPC Office Space
8. SIS Program
9. IOM Membership Fees
10. SPC Host Grant
11. UN Multi-Country Interim Office Lease
12. SPC Office FY 2024 arrears

This report, and all previous and subsequent reports by this Committee, should be treated as policy for this Nation, as defined by Congress. It is the intent of your Committee that any commentary found in this report should be treated as policy for the guidance of the relevant departments, agencies and offices.

On May 19th, 2025, your Committee conducted a public hearing regarding the FY 2026 budget and deliberated upon the findings and all other information gathered. This Standing Committee Report reflects the recommendations of your Committee on External Affairs regarding the proposed FY 2026 budget under its jurisdiction.

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Throughout this report, the amounts in columns titled "FY 26 Proposed" refer to the amounts proposed by the Departments and their divisions to the EBRC. The amounts in columns titled "FY 26 Executive Recommendation" refers to the recommendations provided by the EBRC in Presidential Communication No. 23-573.

OPERATIONS BUDGET

I. Department of Foreign Affairs

The following is an overview of your Committee's recommended funding for the total operations of the Department of Foreign Affairs in FY 2026. The funding source is domestic revenue.

Overview - Total Operations

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$3,299,985	\$3,629,765	\$3,546,445	\$3,546,445
Travel	\$419,406	\$648,685	\$419,406	\$419,406
Contractual Services	\$4,263,511	\$5,004,762	\$4,390,701	\$4,545,445
OCE	\$644,344	\$773,082	\$683,344	\$683,344
Fixed Assets	\$214,950	\$198,289	\$50,000	\$100,000
Total	\$8,842,196	\$10,254,583	\$9,089,896	\$9,294,640
Employees	61	66	65	65

A detailed discussion of each of the divisions of the Department of Foreign Affairs follows.

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A. Office of the Secretary - Department of Foreign Affairs

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$230,519	\$230,519	\$230,519	\$230,519
Travel	\$83,489	\$228,007	\$77,489	\$77,489
Contractual Services	\$70,000	\$90,000	\$70,000	\$70,000
OCE	\$30,000	\$31,000	\$30,000	\$30,000
Fixed Assets	\$0	\$50,000	\$50,000	\$50,000
Total	\$414,008	\$629,526	\$458,008	\$458,008
Employees	6	6	6	6

Your Committee concurs with the request for the Office of the Secretary as requested by the EBRC

B. Division of Asia/Pacific & African Affairs

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$168,594	\$168,594	\$168,594	\$168,594
Travel	\$0	\$0	\$0	\$0
Contractual Services	\$0	\$0	\$0	\$0
OCE	\$0	\$0	\$0	\$0
Fixed Assets	\$0	\$0	\$0	\$0
Total	\$168,594	\$168,594	\$168,594	\$168,594
Employees	6	6	6	6

Your Committee concurs with the request for the Division of Asia/Pacific & African Affairs as requested by the EBRC.

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C. Division of America Affairs

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$168,594	\$168,594	\$168,594	\$168,594
Travel	\$0	\$0	\$0	\$0
Contractual Services	\$0	\$0	\$0	\$0
OCE	\$0	\$0	\$0	\$0
Fixed Assets	\$0	\$0	\$0	\$0
Total	\$168,594	\$168,594	\$168,594	\$168,594
Employees	6	6	6	6

Your Committee concurs with the request submitted by the EBRC for the Division of America Affairs.

D. Division of Multilateral & European Affairs

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$126,207	\$126,207	\$126,207	\$126,207
Travel	\$0	\$0	\$0	\$0
Contractual Services	\$0	\$0	\$0	\$0
OCE	\$0	\$0	\$0	\$0
Fixed Assets	\$0	\$0	\$0	\$0
Total	\$126,207	\$126,207	\$126,207	\$126,207
Employees	4	4	4	4

Your Committee concurs with the request submitted by the EBRC for the Division of Multilateral & European Affairs. Your Committee's recommended funding for Fiscal Year 2026 for the Division of Multilateral & European Affairs is **\$126,207**.

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E. FSM Consulates and Embassies

1. FSM Consulate Guam

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$341,031	\$341,031	\$341,031	\$341,031
Travel	\$14,000	\$18,000	\$14,000	\$14,000
Contractual Services	\$287,300	\$328,100	\$272,300	\$272,300
OCE	\$128,800	\$134,800	\$128,800	\$128,800
Fixed Assets	\$2,500	\$25,000	\$0	\$0
Total	\$773,631	\$846,931	\$756,131	\$756,131
Employees	7	7	7	7

Your Committee concurs with the request submitted by the EBRC for the FSM Consulate Guam. Your Committee's recommended funding for Fiscal Year 2026 for the FSM Consulate Guam is **\$756,131**.

2. FSM Consulate Hawai'i

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$303,434	\$303,434	\$303,434	\$303,434
Travel	\$31,974	\$35,632	\$31,974	\$31,974
Contractual Services	\$557,046	\$579,928	\$542,046	\$542,046
OCE	\$81,850	\$81,850	\$81,850	\$81,850
Fixed Assets	\$10,000	\$5,000	\$0	\$0
Total	\$984,304	\$1,005,844	\$959,304	\$959,304
Employees	6	6	6	6

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Your Committee concurs with the request submitted by the EBRC for the FSM Consulate Hawai'i. Your Committee's recommended funding for Fiscal Year 2026 for the FSM Consulate Hawai'i is **\$959,304**.

3. FSM Embassy - Washington, DC

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$379,773	\$436,428	\$379,773	\$379,773
Travel	\$37,226	\$60,000	\$37,226	\$37,226
Contractual Services	\$498,632	\$592,693	\$488,632	\$488,632
OCE	\$95,325	\$159,900	\$95,325	\$95,325
Fixed Assets	\$70,000	\$0	\$0	\$0
Total	\$1,080,956	\$1,249,021	\$1,000,956	\$1,000,956
Employees	6	7	7	7

Your Committee concurs with the request submitted by the EBRC for the FSM Embassy - Washington, DC. Your Committee's recommended funding for Fiscal Year 2026 for the FSM Embassy - Washington, DC is **\$1,000,956**.

4. FSM Embassy - Suva, Fiji

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$197,277	\$197,277	\$197,277	\$197,277
Travel	\$57,831	\$57,831	\$50,831	\$50,831
Contractual Services	\$199,350	\$206,650	\$185,236	\$185,236
OCE	\$59,000	\$63,000	\$59,000	\$59,000
Fixed Assets	\$8,000	\$40,000	\$0	\$0
Total	\$521,458	\$564,758	\$492,344	\$492,344
Employees	3	3	3	3

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Your Committee concurs with the request submitted by the EBRC for the FSM Embassy - Suva, Fiji. Your Committee's recommended funding for Fiscal Year 2026 for the FSM Embassy - Suva, Fiji is **\$492,344**.

5. FSM Embassy - Tokyo, Japan

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$398,956	\$398,956	\$398,956	\$398,956
Travel	\$27,786	\$30,000	\$27,786	\$27,786
Contractual Services	\$624,807	\$615,048	\$610,048	\$610,048
OCE	\$73,453	\$75,709	\$73,453	\$73,453
Fixed Assets	\$0	\$5,289	\$0	\$0
Total	\$1,125,002	\$1,125,002	\$1,110,243	\$1,110,243
Employees	3	3	3	3

Your Committee concurs with the request submitted by the EBRC for the FSM Embassy - Tokyo, Japan. Your Committee's recommended funding for Fiscal Year 2026 for the FSM Embassy - Tokyo, Japan is **\$1,110,243**.

6. FSM United Nation's Mission

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$246,460	\$246,460	\$246,460	\$246,460
Travel	\$43,850	\$45,000	\$38,850	\$38,850
Contractual Services	\$739,406	\$773,229	\$729,406	\$729,406
OCE	\$56,050	\$61,129	\$56,050	\$56,050
Fixed Assets	\$5,000	\$0	\$0	\$0
Total	\$1,090,766	\$1,125,818	\$1,070,766	\$1,070,766

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Employees	3	3	3	3
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Your Committee concurs with the request submitted by the EBRC for the FSM United Nation's Mission. Your Committee's recommended funding for Fiscal Year 2026 for the FSM United Nation's Mission is **\$1,070,766**.

7. FSM Embassy - Beijing, China

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$246,460	\$246,460	\$246,460	\$246,460
Travel	\$43,250	\$57,650	\$38,250	\$38,250
Contractual Services	\$453,098	\$424,799	\$419,799	\$419,799
OCE	\$23,506	\$30,334	\$23,506	\$23,506
Fixed Assets	\$3,000	\$13,000	\$0	\$0
Total	\$769,314	\$772,243	\$728,015	\$728,015
Employees	3	3	3	3

Your Committee concurs with the request submitted by the EBRC for the FSM Embassy - Beijing, China. Your Committee's recommended funding for Fiscal Year 2026 for the FSM Embassy - Beijing, China is **\$728,015**.

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8. FSM Consulate Oregon

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$310,470	\$310,470	\$310,470	\$310,470
Travel	\$50,000	\$50,000	\$43,000	\$43,000
Contractual Services	\$636,072	\$932,153	\$621,072	\$621,072
OCE	\$66,100	\$66,100	\$66,100	\$66,100
Fixed Assets	\$76,450	\$60,000	\$0	\$0
Total	\$1,139,092	\$1,418,723	\$1,040,642	\$1,040,642
Employees	6	6	6	6

Your Committee concurs with the request submitted by the EBRC for the FSM Consulate Oregon. Your Committee's recommended funding for Fiscal Year 2026 for the FSM Consulate Oregon is **\$1,040,642**.

9. FSM Embassy - Geneva, Switzerland

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$182,210	\$182,058	\$182,210	\$182,210
Travel	\$30,000	\$30,000	\$30,000	\$30,000
Contractual Services	\$197,800	\$197,800	\$192,800	\$347,544
OCE	\$30,260	\$30,260	\$30,260	\$30,260
Fixed Assets	\$40,000	\$0	\$0	\$0
Total	\$480,270	\$440,118	\$435,270	\$590,014
Employees	2	2	2	2

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Your Committee concurs with the request submitted by the EBRC for the FSM Embassy - Geneva, Switzerland with a slight addition of \$154,744 in Contractual Services to cover health insurance costs. Your Committee's recommended funding for Fiscal Year 2026 for the FSM Embassy - Geneva, Switzerland is **\$590,014**.

10. FSM Embassy - Canberra, Australia

	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Personnel	\$0	\$246,460	\$246,460	\$246,460
Travel	\$0	\$36,565	\$30,000	\$30,000
Contractual Services	\$0	\$264,362	\$259,362	\$259,362
OCE	\$0	\$39,000	\$39,000	\$39,000
Fixed Assets	\$0	\$0	\$0	\$50,000
Total	\$0	\$586,387	\$574,822	\$624,822
Employees	0	3	3	3

Your Committee concurs with the request submitted by the EBRC for the FSM Embassy - Canberra, Australia with the exception of an addition of \$50,000 in fixed assets for a vehicle. Your Committee's recommended funding for Fiscal Year 2026 for the FSM Embassy - Canberra, Australia is **\$624,822**.

GRANTS, SUBSIDIES AND CONTRIBUTIONS BUDGET

Your Committee recommends funding Grants, Subsidies and Contributions in the amounts listed in the table below.

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GRANTS, SUBSIDIES & CONTRIBUTIONS	FY25 Original Appropriation	FY26 Proposed	FY26 Executive Recommendation	FY26 Committee Recommendation
Office of the President				
Pacific Island Secretariat	\$57,000	\$57,000	\$57,000	\$57,000
Secretariat of the Pacific Community (SPC)	\$65,000	\$65,000	\$65,000	\$65,000
ESCAP	\$5,000	\$5,000	\$5,000	\$5,000
UN Membership Fee	\$50,000	\$60,000	\$60,000	\$60,000
East West Center	\$5,000	\$5,000	\$5,000	\$5,000
ACP/ Samoa Agreement	\$17,000	\$17,000	\$17,000	\$17,000
SPC Office Rental	\$47,070	\$77,760	\$77,760	\$77,760
SIS Program	\$10,000	\$10,000	\$10,000	\$10,000
IOM Membership Fees	\$600	\$600	\$600	\$600
SPC Host Grant	\$20,000	\$20,000	\$20,000	\$20,000
UN Multi- Country Interim Office Lease	\$146,032	\$146,032	\$146,032	\$146,032
SPC Office FY2024 arrears	\$28,140	\$0	\$0	\$0
TOTAL	\$450,842	\$463,392	\$463,392	\$463,392

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CONCLUSION

Your Committee on External Affairs has reviewed the proposed Fiscal Year 2026 budget and carefully scrutinized all the information provided by the Department of Foreign Affairs, including information relating to grants; subsidies and contributions; and capital and human resource development which are under your Committee's jurisdiction. Based upon the information provided and its deliberations, your Committee recommends appropriation in the sums set forth above in the columns entitled "FY26 Committee Recommendation," subject to the availability of funds as determined by your Committee on Ways and Means upon consolidation of all Committee recommendations.

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Respectfully submitted,

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

Victor V. Gouland, member

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

/s/ Andy P. Choor
Andy P. Choor, member

/s/ Johnson A. Asher
Johnson A. Asher, member

/s/ Fabian S. Nimea
Fabian S. Nimea, member

Robson U. Romolow, member