## CONGRESS OF THE FEDERATED STATES OF MICRONESIA



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SPECIAL COMMITTEE REPORT NO. 24-04

RE: COMMITTEE TO WAIT ON THE PRESIDENT

SEPTEMBER /5 , 2025

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

Dear Mr. Speaker:

Your Committee to Wait on the President was duly appointed on September 12, 2025, consisting of members Andy P. Choor, Jermy W. Mudong, Fabian S. Nimea and Yoslyn G. Sigrah. Andy P. Choor was designated as the chairman. The meeting took place with Vice President and the key Executive cabinet officials on September 12, 2025, at 1:00 p.m. The Chairman thanked the Vice President and the key members of the Executive branch on behalf of Congress for the opportunity to meet. The chairman extended his best wishes and hope that our two branches would enjoy a productive and successful session of Congress. Chairman reported that Congress was in session and ready to transact business. The Committee communicated the priorities of Congress for this session, and it received the President's priorities.

The chairman stated the Congress priority was the passage of the FY26 budget. Budget hearings would be taking place during the next ten days. The Vice President agree that this should be the priority and stated that the Executive key positions were instructed to avail themselves for the continued budget hearings. The Vice President requested that the currently pending bills and resolutions be reviewed and acted upon. The Vice President requested the following measures be given priority: the bill regarding Compact Trust Fund Sustainability, finalizing the marine borders with the RMI and Palau, and the resolution regarding the convention against torture. Also, outstanding are the nominations for the Independent Prosecutor and the Public Defender that the Executive would like to see action on as soon as possible. New bills have been transmitted

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SEPTEMBER 15 , 2025

this session regarding the expansion of the COM-FSM Board of Regents, the proposed minimum tax on Major Corporations and an appropriation of \$100,000 for RMI for the rebuilding of their legislative chamber lost in a major fire. The Vice President expects to transmit additional nominations shortly for some national boards.

Chairman Choor raised the issue that there are continued concerns regarding the U.S. Department of Defense work being done in Yap. It is felt that the lines of communication are blurred and that the National Government as the driver of this project should be updated formally and frequently. The Yap project is by far the largest defense project in the Nation and therefore, needs much better communication and process going forward.

The Committee also raised the issue of the U.S. unilateral decision to discontinue package delivery for the U.S. from the FSM which is very concerning. The Post Master General stated that he has had communications with the U.S. including a zoom meeting this morning. This issue is very disturbing because it clearly deviates from what is agreed to under the Compact. The Vice President stated that this has to do with the U.S. changes regarding tariffs. The process requested by the U.S. would be expensive and very difficult to implement. It is now the intention to meet with Palau and RMI to look at a multi country effort to work on getting this reversed.

Your Committee also raised the issue of the FSM Compact Trust Fund not being projected to meet our financial targets. It was suggested that additional contributions to either the Compact Trust Fund or savings domestically in the FSM should be done. The Vice President was in full agreement with this assessment and stated it was one of the things he would like to see further studied. Also, the Committee requested an update on how the work on gathering economic data and proposing new tax reform legislation was going. The Vice President stated that a report and proposal should be released soon. He also commented that tax reform did not preclude tax legislation such additional taxing of unhealthy food and drink. Passage of tax bills of this sort would also help reduce our Nation's noncommunicable disease burden and he is very in favor of efforts such as these.

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The challenges with the implementation of outside donor projects such as solar lights was discussed. The Vice President thanked the Committee for raising that concern as it highlighted concerns he was going to raise with outside donors and shortly in a meeting with the Asian Development Bank. While he appreciates the generous donor funding he stated much more is needed to be done to make sure they match the priorities of the Nation and are implemented efficiently. Issues were raised regarding outstanding compensation due to former National Government employees, mostly in the Department of Foreign Affairs. The Committee emphasized that for some individuals this has been long outstanding. Your Committee also advised the Vice President that it had other matters that will be noticed for separate public hearings.

Both your Committee, and the Vice President reiterated their desire for a productive session. As noted above the passage of the FY26 budget will predominate this session. The Committee has endeavored to make this report brief and requests that the Members address any additional questions and concerns during the discussion of the report on the floor of Congress.

Respectfully submitted,

Andy P. Choor, chairman

Fabian S. Nimea, member

Jermy W. Mudong, member

Yoslyn G. Sigrah, member